

HelloFresh to invest into capacity expansion and customer experience

Company gives outlook for 2022 and beyond at Capital Markets Day

- **HelloFresh plans to double its investment into capacity expansion, allowing for new market launches and further improving the customer experience by offering more flexibility and more meal choices**
- **Strengthening the technology team: Valeri Liborski will join HelloFresh as new CTO and will lead the company's tech team, starting in January 2022**
- **Outlook for 2022: HelloFresh expects revenue growth for the HelloFresh Group on a constant currency basis between 20% and 26% and an adjusted EBITDA (“AEBITDA”) for the HelloFresh Group for the full year 2022 between EUR 500 million and EUR 580 million**

Berlin, 8th December 2021 – Today, HelloFresh SE (“HelloFresh”) hosted its annual Capital Markets Day during which the company's Leadership Team provided an update on the strategy to become the world's leading, fully integrated food solutions group.

In order to sustain further growth and stay on track to reach its mid-term goal of €10 billion revenue, HelloFresh plans to more than double its annual investments in physical capacity, infrastructure as well as product development to c. €450 million to €550 million in 2022. As a part of its current capacity expansion program, the company will open further fulfillment centers and expand its theoretical revenue capacity to well above €10 billion across all verticals. This investment plan includes c. €200m for automation-related capital expenditure, including two pilots for new state of the art automation technology in HelloFresh's US and International markets. In addition, the investment will allow HelloFresh to double down on its customer experience, providing customers around the world with more flexibility, higher levels of personalization, more meal choices and new product innovations. HelloFresh also plans to make continued investments into attractive salaries and benefits for its salaried and hourly employees, which is necessary in response to current and anticipated business conditions, to enable the company to scale over the course of the next few years.

“I am very excited about our decision to make further investments into our production capabilities, which will not only facilitate further growth, but allow us to offer our customers an ever improving experience,” says Dominik Richter, co-founder and CEO. “With each of the more than 950m meals that we are on track to deliver in 2021, we are helping customers save money, eat better, tastier and with greater variety, all while reducing their environmental footprint. It's a privilege to be at the helm of a company that is staying true to its mission.”

Progress on mid-term goals

By moving towards becoming an integrated food solutions group, HelloFresh aims to play a pivotal role in the unbundling of the traditional “one-stop-shop” supermarket model. Following a proven growth strategy, combining TAM (total addressable market) penetration, TAM expansion and customer



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monetization will allow HelloFresh to reach its previously communicated midterm growth ambitions of €10bn revenue by 2025. Plans for the next year specifically include the launch of 2-3 new geographies as well as the introduction of existing brands like Green Chef, Every Plate, Factor and Youfoodz to other markets.

“The food market is at the very beginning of a significant disruption, where consumers will no longer make choices based on proximity, but on product fit and personalization,” says Dominik Richter. “The pandemic has accelerated some of the trends that underpinned that change in customer behaviour, including working from home, improved price competitiveness and an increased focus on sustainability. HelloFresh is best placed to capitalise on these changes because the company has the momentum and right capabilities while still only capturing a small portion of the at home food budget.”

New leadership for technology team

HelloFresh is continuing to strengthen its technology leadership team. Being a technology company at the core, bespoke tech solutions have a significant impact on the company’s performance across all functions, including marketing, digital product, supply chain, physical product. To further build out its competitive advantage and to create the platform for long term growth, HelloFresh will create more than 1,000 roles in its tech team until the end of 2022, effectively doubling its headcount. The enlarged tech team will be led by Valeri Liborski who is joining HelloFresh Group as Chief Technology Officer in January. Valeri brings 25 years of extensive experience in technology leadership roles at Amazon and Microsoft.

Indicative outlook for 2022: 20-26% constant currency revenue growth

HelloFresh will continue its strong investment into its long term growth capabilities, most notably the ongoing build out of its fulfillment infrastructure, and the strengthening of its tech and data platform. The Company will also continue to pursue and scale new geographies and brands in line with its long term growth strategy. Against this background HelloFresh expects an indicative revenue growth on a constant currency basis between 20% and 26%. The Company also expects an adjusted EBITDA for the full year 2022 between EUR 500 million and EUR 580 million.

About HelloFresh

HelloFresh SE is a global food solutions group and the world's leading meal kit company. The HelloFresh Group consists of six brands that provide customers with high quality food and recipes for different meal occasions. The company was founded in Berlin in November 2011 and operates in the USA, the UK, Germany, the Netherlands, Belgium, Luxembourg, Australia, Austria, Switzerland, Canada, New Zealand, Sweden, France, Denmark, Norway and Italy. In Q3 2021 HelloFresh delivered 227 million meals and reached 6.94 million active customers. HelloFresh went public on the Frankfurt Stock Exchange in November 2017 and has been traded on the DAX (German Stock Market Index) since September 2021. HelloFresh has offices in New York, Berlin, London, Amsterdam, Sydney, Toronto, Auckland, Paris, Copenhagen and Milan.



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