



Press Release

Q3 2018: HelloFresh continues on its strong growth path Meal-kit leader also confirms positive outlook for full year

- **Group revenue increased by 39.5% year-on-year to €302.2 million (up by 41.1% in constant currency from Q3 2017: €216.7 million)**
- **Sustained strong contribution margin expansion to 25.9% (Q3 2017: 23.2%)**
- **International segment delivered positive AEBITDA for second quarter in a row, on track for full-year profitability**
- **Strategic initiatives in the US paying off, setting the stage for continued strong long-term growth and value creation**
- **Full-year guidance confirmed: revenue growth at 32% - 37% (in constant currency) and contribution margin of above 25% for the full year 2018**

Berlin, November 13, 2018 – HelloFresh, the leading global provider of meal kits, has continued its strong year-on-year growth and successfully started into Q4 2018 on the back of great momentum from September. As of September 30, 2018, HelloFresh completed the historically rather quiet season by delivering 46.5 million meals (Q3 2017: 33.7) to 1.84 million active customers (Q3 2017: 1.28 million). Group revenues increased 39.5% to €302.2 million (up by 41.1% on constant currency from Q3 2017: €216.7 million), while expanding contribution margin to 25.9% (Q3 2017: 23.2%).

"Q3 tends to be a quarter that is impacted by seasonality for us. We are therefore very pleased that we could deliver another set of outstanding results," says Dominik Richter, CEO and co-founder of HelloFresh SE. "Our long-term focussed strategic initiatives that we announced during summer have supported a strong back-to-school momentum starting in September and we expect a continued boost to our results in the upcoming quarter."

In its International segment, HelloFresh continued to grow Net Revenues profitably by 54.5% year-on-year in Q3 2018 and is fully on track to achieve AEBITDA profitability also for the full year 2018. Revenue in the US increased by 29.5% year-on-year in Q3 2018 in constant currency, further expanding the company's market leadership.

Following the quarterly earnings announcement in August, HelloFresh made targeted investments that further support long-term growth and value creation. Most notably, the company successfully launched a three-brand strategy in the US market, thereby vastly expanding its total addressable market. This came on the back of stronger than anticipated operating margins and the clear market leadership position the company had attained in H1 2018. Based on the excellent YTD performance in both the US



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and International segments HelloFresh confirms its full-year 2018 guidance for group revenue growth at 32% - 37% (in constant currency), and a contribution margin of above 25%.

Significant developments in the course of the year after IPO

Since going public one year ago on 2nd November 2017, HelloFresh has fully delivered on all goals communicated at the time of their IPO. Six months earlier than planned, in Q2 2018, the company's international segment achieved the first AEBITDA break-even quarter. The company also increased its contribution margin in Q2 to over 28% – significantly earlier than planned.

Attaining clear market leadership in both the US and globally in early 2018, HelloFresh has also taken advantage of attractive add-on M&A opportunities since then, acquiring both GreenChef and Chefs Plate and thereby expanding its leadership position in North America. Furthermore, the company successfully launched its operations in the eleventh market worldwide, New Zealand, in October.

Selected key performance indicators

Group

	Q3 2018	Q3 2017	year-on-year in %
Active customers (in millions)	1.84	1.28	43.7%
Number of orders (in millions)	6.34	4.63	36.9%
Meals delivered (in millions)	46.5	33.7	38.2%
Revenue (in € million)	302.2	216.7	39.5%
Constant currency revenue (in € million)	305.9	216.7	41.1%
Contribution margin (in € million)*	78.1	50.3	55.5%
Contribution margin as a % of revenue	25.9%	23.2%	2.7 pp
Adjusted EBITDA (in € million)	(26.0)	(17.4)	(49.4%)
Adjusted EBITDA as a % of revenue	(8.6%)	(8.0%)	(0.6 pp)

U.S.

	Q3 2018	Q3 2017	year-on-year in %
Active customers (in millions)	1.05	0.79	33.3%
Number of orders (in millions)	3.42	2.64	29.6%
Meals delivered (in millions)	22.4	17.9	25.3%



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Revenue (in € million)	170.1	131.1	29.7%
Constant currency revenue (in € million)	169.8	131.1	29.5%
Contribution margin (in € million)*	43.9	31.4	39.8%
Contribution margin as a % of revenue	25.8%	24.0%	1.9 pp
Adjusted EBITDA (in € million)	(18.2)	(8.5)	(113.0%)
Adjusted EBITDA as a % of revenue	(10.7%)	(6.5%)	(4.2 pp)

International

	Q3 2018	Q3 2017	year-on-year in %
Active customers (in millions)	0.78	0.49	60.1%
Number of orders (in millions)	2.93	2.01	45.8%
Meals delivered (in millions)	24.1	15.8	52.8%
Revenue (in € million)	132.3	85.6	54.5%
Constant currency revenue (in € million)	136.1	85.6	59.0%
Contribution margin (in € million)*	35.1	19.5	80.1%
Contribution margin as a % of revenue	26.5%	22.8%	3.8 pp
Adjusted EBITDA (in € million)	1.6	(4.3)	137.2%
Adjusted EBITDA as a % of revenue	1.2%	(5.0%)	6.2 pp

**Net of share-based compensation expenses; all KPIs are including Green Chef

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About HelloFresh



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HelloFresh is the world's leading meal kit company and operates in the U.S., the United Kingdom, Germany, the Netherlands, Belgium, Luxembourg, Australia, Austria, Switzerland, Canada and New Zealand. HelloFresh delivered 46.5 million meals to 1.84 million active customers worldwide in the three-month period between July 1, 2018 and September 30, 2018. HelloFresh was founded in Berlin in November 2011 and went public on the Frankfurt Stock Exchange in November 2017. HelloFresh has offices in New York, Berlin, London, Amsterdam, Zurich, Sydney, Toronto and Auckland.