
HelloFresh Nordics ApS

Artillerivej 90, st., DK-2300 København S

Annual Report for 1 January - 31 December 2021

CVR No 40 33 33 71

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
13/6 2022

Thomas Griesel
Chairman of the General
Meeting

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of HelloFresh Nordics ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 13 June 2022

Executive Board

Kristian Hald
CEO

Board of Directors

Thomas Wartmut Griesel
Chairman

Harchandan Singh Krishan

Kristian Hald

Independent Auditor's Report

To the Shareholder of HelloFresh Nordics ApS

Opinion

We have audited the Financial Statements of HelloFresh Nordics ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information re-

Independent Auditor's Report

quired under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Copenhagen, 13 June 2022

KPMG P/S

Statsautoriseret Revisionspartnerselskab

CVR No 25 57 81 98

Morten Høgh-Petersen

State Authorised Public Accountant

mne34283

Company Information

The Company

HelloFresh Nordics ApS
Artillerivej 90, st.
DK-2300 København S

CVR No: 40 33 33 71

Financial period: 1 January - 31 December

Municipality of reg. office: Copenhagen

Board of Directors

Thomas Wartmut Griesel , Chairman
Harchandan Singh Krishan
Kristian Hald

Executive Board

Kristian Hald

Auditors

KPMG P/S
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø

Management's Review

Key activities

The Company's principal activities are the development, marketing, production, distribution and sale of food and other related business.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 1,121,502, and at 31 December 2021 the balance sheet of the Company shows an equity of DKK 249,495,384.

The past year and follow-up on development expectations from last year

Covid-19 so far had no negative impact on HelloFresh Nordics ApS. As HelloFresh Nordics ApS is a young growing company, it is difficult to quantify how much of the revenue growth during 2021 was driven by the increase in e-commerce adoption that resulted from the Covid-19 pandemic.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		29.140.485	2.020.720
Staff expenses	1	-27.764.861	-13.296.543
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-624.108</u>	<u>-192.982</u>
Profit/loss before financial income and expenses		751.516	-11.468.805
Financial income	3	2.734.569	464.620
Financial expenses	4	<u>-4.887.731</u>	<u>-1.195.897</u>
Profit/loss before tax		-1.401.646	-12.200.082
Tax on profit/loss for the year	5	<u>280.144</u>	<u>2.760.515</u>
Net profit/loss for the year		<u>-1.121.502</u>	<u>-9.439.567</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-1.121.502</u>	<u>-9.439.567</u>
		<u>-1.121.502</u>	<u>-9.439.567</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Other fixtures and fittings, tools and equipment		1.691.887	788.231
Leasehold improvements		716.181	920.019
Property, plant and equipment		<u>2.408.068</u>	<u>1.708.250</u>
Investments in subsidiaries	6	224.318.345	35.328
Receivables from group enterprises		14.889.477	0
Deposits		657.847	454.054
Fixed asset investments		<u>239.865.669</u>	<u>489.382</u>
Fixed assets		<u>242.273.737</u>	<u>2.197.632</u>
Inventories		<u>0</u>	<u>27.756</u>
Trade receivables		98.602	5.599.566
Receivables from group enterprises		2.893.467	3.794.588
Other receivables		1.563.384	0
Deferred tax asset		3.049.112	2.768.968
Prepayments		175.640	513.416
Receivables		<u>7.780.205</u>	<u>12.676.538</u>
Cash at bank and in hand		<u>111.521.720</u>	<u>21.459.448</u>
Currents assets		<u>119.301.925</u>	<u>34.163.742</u>
Assets		<u>361.575.662</u>	<u>36.361.374</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		101.114	50.557
Share premium account		259.949.443	0
Retained earnings		-10.555.173	-9.433.671
Equity		249.495.384	-9.383.114
Payables to group enterprises		20.456.244	13.466.552
Long-term debt	7	20.456.244	13.466.552
Trade payables		4.205.785	658.839
Payables to group enterprises	7	39.598.433	12.842.933
Other payables		36.523.344	14.480.297
Deferred income		11.296.472	4.295.867
Short-term debt		91.624.034	32.277.936
Debt		112.080.278	45.744.488
Liabilities and equity		361.575.662	36.361.374
Contingent assets, liabilities and other financial obligations	8		
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Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	<u>DKK</u>	<u>account</u>	<u>earnings</u>	<u>DKK</u>
	DKK	DKK	DKK	DKK
Equity at 1 January	50.557	0	-9.433.671	-9.383.114
Cash capital increase	50.557	259.949.443	0	260.000.000
Net profit/loss for the year	0	0	-1.121.502	-1.121.502
Equity at 31 December	<u>101.114</u>	<u>259.949.443</u>	<u>-10.555.173</u>	<u>249.495.384</u>

Notes to the Financial Statements

	2021	2020
	DKK	DKK
1 Staff expenses		
Wages and salaries	27.287.475	13.241.351
Pensions	121.998	57.748
Other social security expenses	355.388	-2.556
	<u>27.764.861</u>	<u>13.296.543</u>
Average number of employees	<u>53</u>	<u>25</u>
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation of property, plant and equipment	624.108	192.982
	<u>624.108</u>	<u>192.982</u>
3 Financial income		
Interest received from group enterprises	19.075	0
Exchange gains	2.715.494	464.620
	<u>2.734.569</u>	<u>464.620</u>
4 Financial expenses		
Interest paid to group enterprises	1.347.931	308.090
Other financial expenses	476.092	72.718
Exchange adjustments, expenses	3.063.708	815.089
	<u>4.887.731</u>	<u>1.195.897</u>
5 Tax on profit/loss for the year		
Current tax for the year	0	0
Deferred tax for the year	-276.817	-2.760.515
Adjustment of deferred tax concerning previous years	-3.327	0
	<u>-280.144</u>	<u>-2.760.515</u>

Notes to the Financial Statements

	2021 DKK	2020 DKK
6 Investments in subsidiaries		
Cost at 1 January	35.328	35.328
Additions for the year	224.283.017	0
Carrying amount at 31 December	224.318.345	35.328

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership
HelloFresh Sweden AB	Sweden	100%
HelloFresh Norway AS	Norway	100%

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Payables to group enterprises

Between 1 and 5 years	20.456.244	13.466.552
Long-term part	20.456.244	13.466.552
Other short-term debt to group enterprises	39.598.433	12.842.933
	60.054.677	26.309.485

Notes to the Financial Statements

	<u>2021</u> DKK	<u>2020</u> DKK
8 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1.093.775	0
Between 1 and 5 years	<u>1.596.263</u>	<u>1.043.141</u>
	<u>2.690.038</u>	<u>1.043.141</u>
Other contingent liabilities		
Other	<u>225.000</u>	<u>0</u>

9 Related parties

The Company is part of the consolidated financial statements of:

<u>Name</u>	<u>Place of registered office</u>
HelloFresh SE	Prinzenstraße 89, 10969 Berlin, Germany

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of HelloFresh Nordics ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Changes in comparative figures

Some insignificant reclassifications of the comparative figures for 2020 have been made. The correction has resulted in the following changes:

- Profit before tax for 2020 increased by TDKK 352
- Total assets at 31 December decreased by TDKK 1.690
- Equity at 31 December 2020 increased by TDKK 15

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of HelloFresh SE, the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Notes to the Financial Statements

10 Accounting Policies (continued)

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise costs for sales, advertising, administration, premises and operating leasing costs etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of raw materials and consumables as well as other external expenses.

Notes to the Financial Statements

10 Accounting Policies (continued)

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses. Other employee costs are recognised in other external expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of other fixtures and fittings, tools and equipment as well as leasehold improvements.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures, tools and equipment	5 years
Leasehold improvements	3 years

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

10 Accounting Policies (continued)

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at cost comprising purchase price plus delivery costs.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Prepayments

Prepayments comprise prepaid expenses concerning prepaid costs regarding subsequent financial years.

Notes to the Financial Statements

10 Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Current asset investments". "Current asset investments" consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.

Financial debts

Debt consist primarily of intercompany loans and are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.