



MARLEY SPOON

Appendix 4D – H1 2021 Results

MARLEY SPOON DELIVERS CONTINUED REVENUE GROWTH IN H1 2021

Berlin, Sydney, 17 August 2021: Marley Spoon AG (“Marley Spoon” or the “Company” ASX: MMM), a leading global subscription-based meal kit provider today releases the highlights and half yearly consolidated accounts for the first half of calendar year 2021 (“H1 2021”).

Conference Call

Management will present a business update to investors on a conference call at 6.00 pm AEST on Thursday 19th August – call details have been released separately to ASX.

	H1 2020	H1 2021	Change vs. PCP
Active Subscribers (k)	199	272	37%
Net Revenue (€m)	116	158	36% / 38%*
Contribution Margin (CM)	30%	27%	(3pts)
Operating Contribution Margin**	37%	37%	-
Operating EBITDA (€m)	(2)	(15)	(13)
Cash from Operations (€m)	8	(2)	(10)

*Constant currency

**CM excluding the impacts of marketing vouchers and fixed costs such as expenses relating to site leases.

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Following the Q2 2021 Business Activity Report, the H1 2021 results in summary reflect:

Continuing growth

In H1 2021 Marley Spoon delivered strong double-digit net revenue growth underpinned by solid Active Subscriber growth in comparison with the first Covid comparable period. The Company remains focused on building on the scale that has been achieved to date and continuing to invest for growth at favourable unit economics.

Overcoming operational challenges

Q2 operating conditions impacted marketing efficiency and margins such that Contribution Margin in H1 was below the Company's expectations, particularly in the US. However, the Company is starting to see encouraging signs of a more favourable operating environment and has also made organizational changes to strengthen the bench, which appear to be impactful.

Growth plans funded

In order to support its growth, the Company will continue its investment in capex to deliver increased fulfillment centre capacity, manufacturing advancements and digital capabilities. Our capex program across 2021 and 2022 is fully funded by the recently secured debt facility from Runway Growth Capital.

2021 and 2022 Outlook

For the second half of this year, Marley Spoon anticipates continued growth, leading the Company to reaffirm its full year net revenue guidance of 30-35% growth versus the previous corresponding period. Contribution Margin (CM) is expected to increase in H2 2021 versus the first half year, leading to a full year CM expectation in line with last year's full year margin of 29%. The Company will continue to invest in growth marketing at favourable unit economics and expects marketing as a % of net revenue to be lower than in 2019.

Given the lower-than-expected Contribution Margin, the decreased marketing efficiency and marketing spend increases versus last year's low levels on account of the pandemic, the Company expects to incur further Operating EBITDA losses in H2 2021. This outcome is expected to translate to negative cash from operating activities for the second half of the year. The Company expects to have an adequate cash balance at year end without raising additional capital to fund these opex growth investments.

The Company's strategy for 2022 and beyond is to continue investing for strong customer and revenue growth at favourable unit economics while keeping operating cash flow at or around breakeven. This growth, combined with the Company's negative working capital dynamics, implies that operating cash will be more favourable than Operating EBITDA.

Marley Spoon CEO, Fabian Siegel, highlighted, *"We are excited about our long-term growth potential over the coming years, and we believe we are adequately funded to fulfill these growth ambitions."*

INVESTOR CONFERENCE CALL

An investor conference call will be held at 6.00 pm AEST on Thursday 19th August 2021. Pre-registration links and dial-in details have been released separately.

This announcement has been authorised for release to ASX by the Board of Directors of Marley Spoon AG.

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About Marley Spoon

Marley Spoon (MMM:ASX, GICS: Internet & Direct Marketing Retail) is a global direct-to-consumer brand company that is solving everyday recurring problems in delightful and sustainable ways. Founded in 2014, Marley Spoon currently operates in three primary regions: Australia, United States and Europe (Austria, Belgium, Germany, Denmark, Sweden and the Netherlands).

With Marley Spoon's meal-kits, you decide what to eat, when to eat, and leave behind the hassle of grocery shopping. To help make weeknights easier and dinners more delicious, our meal kits contain step-by-step recipes and pre-portioned seasonal ingredients to cook better, healthy meals for your loved ones.

As consumer behaviour moves towards valuing the convenience aspect of online ordering, Marley Spoon's global mission through its various brands, such as Marley Spoon, Martha Stewart & Marley Spoon, and Dinnerly, is to help millions of people to enjoy easier, smarter and more sustainable lives.