



MARLEY SPOON

Appendix 4C – Q2 2023 & Business Activity Report

CONTINUED EXPANSION OF MARGIN AND POSITIVE OPERATING EBITDA DESPITE SOFTER REVENUE

Berlin, Sydney, 27 July 2023: Marley Spoon SE (“Marley Spoon” or the “Company” ASX: MMM), a leading global subscription-based meal kit provider, is pleased to share with investors its highlights from the quarter ended 30 June 2023 (“Q2 2023”) and guidance update for FY 2023.

Conference Call

Management will present a business update to investors on a conference call at 9:30 am CEST / 5:30 pm AEST on 27 July 2023, the details of which have been released separately to the ASX.

Highlights:

- Q2 2023 net revenue of €86m, (21%) year-over-year (YoY) on a reported basis and (17%) in constant currency;
- Global Contribution Margin (CM) in Q2 2023 of 31.8%, up 4.7 points vs. the previous corresponding period (PCP), driven by improvements in all regions;
- Q2 2023 Operating EBITDA of €2.4m¹, an improvement of €5.5m vs. the PCP;
- Operating Cash Flow of €(6.7m) YTD 2023 and quarter end cash balance of €33.3m;
- Further revising FY 2023 revenue guidance by broadening expected range to reflect continued soft consumer environment; affirming contribution margin expansion; revising Operating EBITDA guidance to reflect net revenue softness

¹Q2 2023 Operating EBITDA excludes one-time charges associated with BCA transaction fees, severance/restructuring costs and a one-time sales tax charge in the US, in the amount of €4.7m in total

COMPANY INFORMATION:
Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:
Julia Stoetzel
unicorn Consulting
julia@unicornconsulting.com

REGISTERED ADDRESS:
Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

Marley Spoon CEO, Fabian Siegel, highlighted, "consistent with the first quarter, we saw continued consumer challenges in Q2, with price sensitivity and low consumer confidence impacting acquisition volumes and order frequency in the US and Europe. This, combined with lapping a strong Q2 2022, led to net revenue contraction of 17% vs. the PCP in constant currency to €86m. Q2 performance was more in line with the previous quarter, with net revenue down 6% quarter-over-quarter (QoQ), and showed early signs of stabilizing consumer behaviour, leading to an expectation of measured improvement in consumer spending patterns in H2 2023."

Despite the soft net revenue, operational performance continued to be strong and led to Contribution Margin expansion of nearly 5 points YoY to 31.8%, with all regions contributing. This strong margin performance, combined with results from our ongoing cost saving initiatives announced earlier this year, led to positive Operating EBITDA for the quarter of €2.4m, up €5.5m vs. the PCP.

Q2 also marked the closing of the Company's business combination agreement (BCA) with 468 SPAC II, now renamed Marley Spoon Group SE and trading under the ticker symbol MS1 on the Frankfurt stock exchange. Marley Spoon Group SE currently owns 84% of Marley Spoon SE's outstanding shares and intends to issue a public tender offer to exchange Marley Spoon SE CDIs into Marley Spoon Group shares by late-August / September with the aim of eventually delisting Marley Spoon SE from the ASX. Further communication in connection with the tender offer will be issued separately.

As part of this transaction, the Company raised €45m in equity funding, strengthening Marley Spoon's balance sheet and supporting the Company's organic growth strategy.

"We are excited to continue our growth story over the next years on the Frankfurt stock exchange and I would like to thank our team members for their strong contributions which led to delivering a significantly improved and positive Operating EBITDA result this quarter in a challenging economic environment."

Q2 2023 BUSINESS UPDATE

Q2 2023 saw the continuation of the trend witnessed already in Q1 2023, with recessionary concerns and low levels of consumer confidence leading to greater price sensitivity, impacting the business in two ways: 1) lower conversion rates driving higher discounting across the category and subsequently a poorer quality of cohorts acquired in H1 and 2) lower order frequency vs. the previous year in Europe and the US. This, combined with lapping a strong Q2 2022, resulted in net revenue in the quarter contracting by 17% in constant currency vs. the PCP to €86m, though sequentially more in line with the previous quarter, contracting 6%.

In response to the acquisition challenges in the first half and in order to maintain disciplined unit economics, the Company adjusted its acquisition strategy throughout the second quarter, reducing the scale of marketing investments to 14% of net revenue, a two-point decrease as a percent of net revenue and 29% reduction in absolute spend vs. the PCP.

To address reduced order frequency, which internal data suggests is largely driven by customers' budget concerns, the Company continued to focus on its many initiatives to drive order rates, including launching

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
unicorn Consulting
julia@unicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only

active merchandising and customer loyalty programs across its brands, which are due to take effect in the second half of the year.

The adverse effect of order frequency was partially offset by the Company's continued focus on growing average order value (AOV) which increased in the quarter by 7% YoY (+12% in constant currency), benefiting from several revenue-enhancing activities in addition to price increases taken in 2022. These include: an increase in the number of Marley Spoon's market-leading core recipe offerings and a subsequent higher average amount of meals per order compared to the PCP; continued strong adoption of the Company's premium recipe offering (special ingredients or recipes at an additional charge), the Company's Market initiative that offers customers more than 100 additional add-on grocery items and the newly launched recipe variants offering, which allows customization of selected recipes by switching proteins, upgrading proteins or switching other ingredients.

Helping offset the topline challenges in the quarter was strong operational performance, with Contribution Margin improving significantly to reach 31.8%, an expansion of 4.7 points versus the PCP. Q2 2023 Operating Contribution Margin (Operating CM), defined as CM excluding the impacts of marketing vouchers and fixed costs such as expenses relating to site leases, was up by 5.2 points to 42.0% compared to the PCP. The strong contribution margin performance was driven by all three regions but in particular by significant operational improvements and resulting margin gains in the US, which reached a CM of 34.4% in Q2 2023, up 7 points YoY.

European Contribution Margin performance also improved significantly in Q2 2023, expanding 5.9 points compared to the PCP, demonstrating continued traction of its ongoing turnaround and cost reduction efforts. This also helped the region deliver once again nearly breakeven Operating EBITDA in the quarter, excluding headquarter costs, despite the reduction in net revenue.

Australia contribution margin also expanded in Q2 2023, landing at 31.1%, up 1.0 points compared to the PCP.

G&A, excluding €4.7m in transaction fees associated with the recent business combination agreement (BCA) and one-time restructuring and severance charges, decreased 14% YoY. Financial discipline and the cost reduction program, announced by the Company in Q1 2023 and expected to deliver up to ~€10m in annualized cost savings, contributed to the G&A performance. The Company continues to explore opportunities to further improve its cost structure and service quality through automation and business service centralization.

Despite the lower revenue in Q2, due to the strong margin performance and cost control the Company was able to improve its Operating EBITDA performance, landing at €2.4m, an improvement of €5.5m vs. the PCP, excluding one-time charges associated with severance payments and other restructuring costs as well as the BCA transaction fees.

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
unicorn Consulting
julia@unicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

| € in millions | Q2 2023 | Q2 2022 | % vs. PY | H1 2023 | H1 2022 | % vs. PY |
|--------------------------|---------|---------|----------|---------|---------|----------|
| Revenue | 86.0 | 109.2 | (21)% | 177.4 | 211.8 | (16)% |
| Cost of goods sold | 45.3 | 60.1 | (25)% | 93.8 | 116.1 | (19)% |
| % of revenue | 52.7% | 55.0% | (2)pt | 52.9% | 54.8% | (2)pt |
| Gross Profit | 40.6 | 49.1 | (17)% | 83.7 | 95.6 | (13)% |
| % of revenue | 47.3% | 45.0% | 2pt | 47.1% | 45.2% | 2pt |
| Fulfilment expenses | 13.3 | 19.4 | (32)% | 27.9 | 37.9 | (26)% |
| % of revenue | 15.4% | 17.8% | (2)pt | 15.7% | 17.9% | (2)pt |
| Contribution margin (CM) | 27.4 | 29.7 | (8)% | 55.8 | 57.7 | (3)% |
| % of revenue | 31.8% | 27.2% | 5pt | 31.4% | 27.2% | 4pt |
| Operating CM % | 42.0% | 36.7% | 5pt | 42.9% | 37.2% | 6pt |
| Marketing expenses | 12.4 | 17.4 | (29)% | 33.0 | 40.6 | (19)% |
| % of revenue | 14.4% | 15.9% | (2)pt | 18.6% | 19.2% | (1)pt |
| G&A expenses | 21.1 | 20.0 | 4% | 40.3 | 38.2 | 5% |
| % of revenue | 24.5% | 18.4% | 6pt | 22.7% | 18.0% | 5pt |
| EBIT | (6.0) | (7.8) | (22)% | (17.5) | (21.1) | (17)% |
| Operating EBITDA * | 2.4 | (3.0) | (161)% | (3.9) | (12.7) | (71)% |
| % of revenue | 2.8% | (2.8)% | 6pt | (2.2)% | (6.0)% | 4pt |

*Figures exclude one-time charges associated with BCA transaction fees, severance/restructuring costs and a one-time sales tax charge in the US, in the amount of €4.7m in total in Q2 2023 and €5.6m YTD 2023

SEGMENT REVIEW

United States

- Q2 2023 net revenue at €41m, (9.1%) vs. Q1, (24.2%) on a reported basis / (21.7%) in constant currency YoY;
- Strong margin expansion in Q2 2023 in both CM, at 34.4%, up 7 points vs. the PCP, and Operating CM at 44.1%, up 7.0 points vs. the PCP;
- Positive Operating EBITDA of €4.8m, an improvement of €2.3m compared to the PCP.

Q2 net revenue landed at €41m, contracting (9.1%) vs. Q1 2023, down (21.7%) YoY in constant currency while lapping a very strong Q2 2022 which grew 43% vs. the PCP. The slow start in Q1 2023 combined with conversion challenges across the category required the Company to change its marketing approach throughout the second quarter in order to improve acquisition quality and maintain disciplined unit economics. As a result, while ensuring acquired customers met the Company's unit economics targets, the Company deployed a lower level of growth investment than planned, adversely impacting revenue and Active Subscribers in the quarter.

COMPANY INFORMATION:
 Fabian Siegel, Marley Spoon
 CEO
 fabian@marleyspoon.com

INVESTOR QUERIES:
 Julia Stoetzel
 unicorn Consulting
 julia@unicornconsulting.com

REGISTERED ADDRESS:
 Paul-Lincke-Ufer 39/40
 10999 Berlin
 Germany

For personal use only

At the same time the Company continued to experience YoY declines in order frequency, particularly on the Company's Dinnerly brand, the budget-oriented offering, consistent with internal data showing budget concerns and lower consumer confidence as the main drivers for reduced frequency.

The decline in Active Subscribers and order frequency have been partially offset by an increase in average order value (AOV) during the quarter, driven by an expanded product offering and price increase at the end of last year.

Operationally, the US segment continues to show strong performance with CM expanding 7 points YoY to 34.4% in Q2 2023. Equally, Q2 2023 Operating CM expanded 7.0 points to 44.1%, helping to deliver another quarter of positive Operating EBITDA for the region at €4.8m, an improvement of €2.3m YoY.

Australia

- Q2 2023 net revenue of €36.1m, up approximately 1% vs. Q1, (13%) on a reported basis/ (5%) in constant currency YoY;
- Q2 2023 CM at 31.1%, up 1 point vs. the PCP, while Operating CM reached 41.3%, an improvement of 2.6 points vs. the PCP;
- Positive Operating EBITDA of €2.9m, an improvement of €0.5m compared to the PCP.

Net revenue in Australia landed at €36.1m, up by 1% vs. the prior quarter and down by (5%) in constant currency compared to the PCP while lapping 53% growth in Q2 2022.

The net revenue performance was driven by the lower investment in marketing in Q1 and Q2 leading to a reduction of Active Subscribers compared to the PCP but flat compared to the prior quarter. Order frequency and AOV improved vs. the PCP, as customers were able to choose from a larger menu with more options to customize their recipes and add additional items to their basket, paired with the impacts of 2022 price increases.

CM improved by 1 point compared to the PCP, landing at 31.1% and Operating CM landed at 41.3%, up 2.6 points vs. the PCP. Despite the softer revenue, the Australian segment generated a positive €2.9m in Operating EBITDA in Q2 2023, an improvement of €0.5m YoY.

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
unicorn Consulting
julia@unicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

Europe

- Q2 2023 net revenue at €8.9m, (16%) vs. Q1, (34%) YoY;
- Q2 2023 CM at 23.1%, up 5.9 points compared to the PCP and Operating CM at 35.0%, up 4.4 points compared to the PCP;
- Operating EBITDA excluding headquarter costs amounted to a loss of €(0.8)m in Q2 2023, an improvement of €1.6m compared to the PCP.

With Germany having entered into a recession, the impact of soft consumer demand has been most pronounced in the Europe region as consumers cite increasing budget concerns for ordering less frequently or halting future deliveries. High inflation and higher interest rates affecting household incomes have also put pressure on the Company's conversion and early retention rates, leading to an adjustment in the marketing strategy and subsequent reduction of marketing investments by ~50% YoY. This led to net revenue in Europe contracting by 34% to €8.9m in the quarter.

Partially offsetting the impact of lower Active Subscribers and order frequency, as in the US and Australia, was an increase in AOV due to offerings like premium and express recipes, a greater number of meals per order, and pricing actions.

Despite the revenue decline, the Company's ongoing turnaround activities in Europe resulted in a significantly improved contribution margin of 23.1%, a 5.9 point increase vs. the prior year, and Operating CM of 35.0%, a 4.4 point increase. Additionally, the EU region reduced its G&A expenses by 21% YoY. Combined, this led to Operating EBITDA improving by €1.6m vs. the PCP to €(0.8)m in the quarter, excluding headquarter costs.

KEY OPERATING METRICS*

In Q2 2023 Active Subscribers declined (24%) compared to the PCP to 235k. A decrease over the previous year was expected, driven by the lower H2 2022 marketing spend. However, this was exacerbated by the marketing performance in H1 2023, which led the Company to adjust its growth investment plans and reduce marketing spend in Q2 2023 by 29% compared to the prior year in order to continue acquiring quality customers within its unit economics guardrails.

While orders per subscriber were down by (3%) YoY, average order value was up 7% (+12% in constant currency), reflecting the Company's continued focus on basket size-generating activities, including its pricing initiatives, Market add-ons, increased recipe choice and the newly launched ability to customize recipes. In addition, the number of meals per order increased ~4% in Q2 2023 vs. the PCP, as increased choice and flexibility led to consumers adding more to their boxes.

COMPANY INFORMATION:
Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:
Julia Stoetzel
junicorn Consulting
julia@junicornconsulting.com

REGISTERED ADDRESS:
Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only

Operating KPIs*

| | Q2 2023 | Q2 2022 | % vs. PY | H1 2023 | H1 2022 | % vs. PY |
|--|---------|---------|----------|---------|---------|----------|
| Group | | | | | | |
| Active customers ¹ (k) | 346 | 447 | (23)% | | | |
| Active subscribers ² (k) | 235 | 309 | (24)% | | | |
| Number of orders (k) | 1,473 | 1,995 | (26)% | 3,064 | 4,035 | (24)% |
| Orders per customer | 4.3 | 4.5 | (5)% | | | |
| Orders per subscriber | 6.3 | 6.5 | (3)% | | | |
| Meals (m) | 13.5 | 17.4 | (23)% | 28.1 | 34.8 | (19)% |
| Average order value (€, net) | 58.4 | 54.7 | 7% | 57.9 | 52.5 | 10% |
| Average order value (€ constant currency, net) | 61.6 | 54.7 | 12% | 59.2 | 52.5 | 13% |
| Australia | | | | | | |
| Active customers ¹ (k) | 150 | 167 | (10)% | | | |
| Active subscribers ² (k) | 88 | 108 | (18)% | | | |
| Number of orders (k) | 670 | 788 | (15)% | 1,349 | 1,549 | (13)% |
| Meals (m) | 6.6 | 7.4 | (11)% | 13.3 | 14.4 | (7)% |
| USA | | | | | | |
| Active customers ¹ (k) | 142 | 197 | (28)% | | | |
| Active subscribers ² (k) | 103 | 137 | (25)% | | | |
| Number of orders (k) | 610 | 870 | (30)% | 1,295 | 1,781 | (27)% |
| Meals (m) | 5.4 | 7.4 | (28)% | 11.5 | 14.9 | (23)% |
| Europe | | | | | | |
| Active customers ¹ (k) | 54 | 83 | (35)% | | | |
| Active subscribers ² (k) | 44 | 65 | (33)% | | | |
| Number of orders (k) | 193 | 336 | (43)% | 420 | 703 | (40)% |
| Meals (m) | 1.6 | 2.7 | (42)% | 3.4 | 5.5 | (39)% |

*Metrics are for core Marley Spoon and Dinnerly meal kits as well as Chefgood and Bezzie; Q2/H1 2022 meals have been restated to include Chefgood
Active Customers are customers who have made a purchase at least once over the past 3 months.
Active Subscribers are customers who have ordered or skipped a Marley Spoon or Dinnerly meal kit, on an average weekly basis, during the quarter.

CASH FLOW

Cash at quarter-end landed at €33m, with €35 of the gross proceeds from the capital raise associated with the business combination agreement (BCA) with 468 SPAC II (now Marley Spoon Group SE) being reflected in Q2. Nearly €8m of these funds have been used this month to pre-pay, without penalty, a portion of the Company's outstanding loan balance with Runway Growth Capital. The principal repayment will be accompanied by a reduction of 1 percentage point in the cash interest rate on the outstanding loan balance, from 8.5% over three-month SOFR to 7.5%. An additional €10m of non-redeemed SPAC funds remain in Marley Spoon Group SE.

YTD 2023 operating cash landed at €(6.7m), with working capital negatively impacted by the lower YoY and QoQ sales. Investing cash remained focused on digital activities the Company is leveraging to drive improved order frequency and average order value and was €(5.8m) in the first half, including the €1.7m paid to the former owners of Chefgood in Q1 2023 to settle the remainder of the Q4 2022 payment toward the acquisition of the Company's Australian ready-to-heat business. YTD financing cash was €26.8m, with capital raise proceeds offset in part by IFRS lease expenses and interest payments. Interest on the Company's outstanding loan balance with Runway Growth Capital was paid for the January-March 2023 period only, as it was agreed with the lender, as part of a series of agreements associated with the BCA, to capitalize cash interest payable for the six months from April to September 2023 to the outstanding loan balance.

Finally, in the quarter the Company also paid €192k for a two-year interest rate cap, effective October 2023, in order to hedge the interest rate risk associated with the Runway loan.

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
unicorn Consulting
julia@unicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only

For the second quarter, cash payments to related parties of the entity were €353 thousand in aggregate. These payments were personnel compensation for key executive management, including the Management Board and the Supervisory Board.

2023 OUTLOOK AND GUIDANCE

Marley Spoon CFO, Jennifer Bernstein, commented, "Q2 was marked by continued low consumer confidence and heightened price sensitivity as economic concerns persist. This led to lower order frequency and sales declines though we do see an improved trajectory throughout Q2 and therefore anticipate more favourable spending patterns in H2 2023. Nevertheless, we are revising our revenue guidance range for the full year and now expect revenue to decline in the high single digit to low double-digit range YoY in constant currency, a broadening vs. the previous guidance at Q1 which called for a single digit net revenue decline vs. the PCP in constant currency.

At the same time, our continued strong operations and contribution margin improvement vs. Q1 2023 and the PCP give us confidence to affirm our guidance to deliver CM expansion YoY.

On account of the softer revenue, we no longer expect to deliver positive Operating EBITDA for the full year and now guide to Operating EBITDA in line with or better than FY 2022."

Updated 2023 guidance:

- Revised: High single digit to low double digit net revenue decline vs. the PCP in constant currency (from single digit net revenue decline)
- Affirmed: Contribution Margin expansion to between 30-32%
- Revised: Full year 2023 Operating EBITDA in line with or better than FY 2022 (from full year positive Operating EBITDA)

INVESTOR CONFERENCE CALL

An investor conference call will be held at 9:30 am CEST / 5:30 pm AEST on 27 July 2023. 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 SE.

END

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
junicorn Consulting
julia@junicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Marley Spoon SE

ABN

625 684 068

Quarter ended ("current quarter")

30 June 2023

| Consolidated statement of cash flows | Current quarter € '000 | Year to date (6 months) € '000 |
|---|-----------------------------------|---|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 84,563 | 178,450 |
| 1.2 Payments for | | |
| (a) research and development | - | - |
| (b) product manufacturing and operating costs | (61,357) | (116,468) |
| (c) advertising and marketing | (13,957) | (32,045) |
| (d) leased assets | 44 | 90 |
| (e) staff costs | - | - |
| (f) administration and corporate costs | (20,057) | (36,787) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | 16 | 13 |
| 1.6 Income taxes paid | (34) | (44) |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (10,782) | (6,791) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) property, plant and equipment | (321) | (284) |
| (b) businesses | - | (1,633) |
| (c) investments | - | - |
| (d) intellectual property | (1,933) | (3,836) |
| (e) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter € '000 | Year to date (6 months) € '000 |
|--------------------------------------|---|---------------------------|--------------------------------------|
| 2.2 | Proceeds from disposal of: | | |
| | (a) property, plant and equipment | - | - |
| | (b) businesses | - | - |
| | (c) investments | - | - |
| | (d) intellectual property | - | - |
| | (e) other non-current assets | - | - |
| | (f) property, plant and equipment | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (2,254) | (5,753) |

| | | | |
|-------------|---|---------------|---------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 35,000 | 35,000 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (193) | (222) |
| 3.5 | Proceeds from borrowings | - | 5,213 |
| 3.6 | Repayment of borrowings | (813) | (6,306) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (IFRS 16 lease payments and interest paid) | (2,325) | (6,861) |
| 3.10 | Net cash from / (used in) financing activities | 31,669 | 26,824 |

| | | | |
|-----------|--|----------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 14,678 | 19,033 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (10,782) | (6,791) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (2,254) | (5,753) |

For personal use only

| Consolidated statement of cash flows | | Current quarter € '000 | Year to date (6 months) € '000 |
|---|--|-----------------------------------|---|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 31,669 | 26,824 |
| 4.5 | Effect of movement in exchange rates on cash held | (16) | (19) |
| 4.6 | Cash and cash equivalents at end of period | 33,294 | 33,294 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter € '000 | Previous quarter € '000 |
|------------|---|-----------------------------------|------------------------------------|
| 5.1 | Bank balances | 33,294 | 33,294 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 33,294 | 33,294 |

| 6. | Payments to related parties of the entity and their associates | Current quarter € '000 |
|-----------|---|-----------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 353 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

| 7. Financing facilities | Total facility amount at quarter end € '000 | Amount drawn at quarter end € '000 |
|--|--|---|
| <p><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i></p> <p><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i></p> | | |
| 7.1 | 78,400 | 78,400 |
| 7.2 | - | - |
| 7.3 | 41 | 41 |
| 7.4 | 78,440 | 78,440 |
| 7.5 | Unused financing facilities available at quarter end* | |
| | | - |
| 7.6 | <p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> | |
| | <p>Further details on the financing facilities are included in Section 6.7 (Interest bearing loans and borrowings) within the notes to the financial statements in the Marley Spoon 2022 annual report.</p> <p>During the current quarter, the Company recorded repayment of borrowings of €815k as follows: €391k of repayment to NAB, €145k repayment of the Company's insurance premium financing and a reclassification of €280k to Runway Growth Capital from interest paid to repayment of borrowings, reflecting a principal payment made in January 2023 in connection with the Company's December 2022 capital raise. Also in the quarter, the Company paid €192k for a two-year interest rate cap, effective October 2023, in order to hedge the interest rate risk associated with its Runway loan.</p> <p>During Q1 2023, the Company obtained a new asset financing arrangement with NAB in Australia. The loan is for €0.2m at an interest rate of 7.51% per annum and matures in 2028.</p> <p>Additionally, the Company repaid the €5M loan facility with Berliner Volksbank (BVB) drawn in Q2 2022 and subsequently drew down a new €5M loan from BVB. This new €5M money market loan retains the same interest rate of 6.5% + EURIBOR per annum. The loan can be drawn down for 90 days and extended automatically until up to April 30, 2024 if certain milestones are reached.</p> <p>The Company's remaining debt includes asset financing in Australia of €3.7m and the existing €69.6m (\$75.9M) debt facility from Runway Growth Capital.</p> <p>*An additional €10m of non-redeemed SPAC funds, before transaction fees, remain in Marley Spoon Group SE (formerly 468 SPAC II), available to the Company at the Group's discretion.</p> | |
| 8. Estimated cash available for future operating activities | € '000 | |
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | |
| | | (10,782) |
| 8.2 | Cash and cash equivalents at quarter end (item 4.6) | |
| | | 33,294 |
| 8.3 | Unused finance facilities available at quarter end (item 7.5) | |
| | | - |
| 8.4 | Total available funding (item 8.2 + item 8.3) | |
| | | 33,294 |

For personal use only

| | | |
|-------|--|-----|
| 8.5 | Estimated quarters of funding available (item 8.4 divided by item 8.1) | 3.1 |
| 8.6 | If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: N/A | |
| 8.6.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: N/A | |
| 8.6.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| | Answer: N/A | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2023

Authorised by: 
 Fabian Siegel, Chief Executive Officer,
 Chairman of the Management Board (*Vorstandsvorsitzender*) and Co-Founder

Authorised by: 
 Jennifer Bernstein, Chief Financial Officer,
 Member of the Management Board (*Vorstand*)

Authorised by: 
 Rolf Weber, Chief Operating Officer,
 Member of the Management Board (*Vorstand*)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been

For personal use only

prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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 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, Dinnerly, and Chefgood is to help millions of people to enjoy easier, smarter and more sustainable lives.

Disclaimer

This announcement constitutes neither an offer to sell nor a solicitation to buy securities. Certain statements contained in this release may constitute "forward-looking statements" that involve a number of risks and uncertainties. Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are based on assumptions, forecasts, estimates, projections, opinions or plans that are inherently subject to significant risks, as well as uncertainties and contingencies that are subject to change. No representation is made or will be made by MARLEY SPOON SE or any of their respective affiliates that any forward-looking statement will be achieved or will prove to be correct. The actual future business, financial position, results of operations and prospects may differ materially from those projected or forecast in the forward-looking statements. Neither MARLEY SPOON SE nor any of their respective affiliates assume any obligation to update, and do not expect to publicly update, or publicly revise, any forward-looking statements or other information contained in this release, whether as a result of new information, future events or otherwise, except as otherwise required by law.

COMPANY INFORMATION:

Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:

Julia Stoetzel
junicorn Consulting
julia@junicornconsulting.com

REGISTERED ADDRESS:

Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

For personal use only