

Mmm!



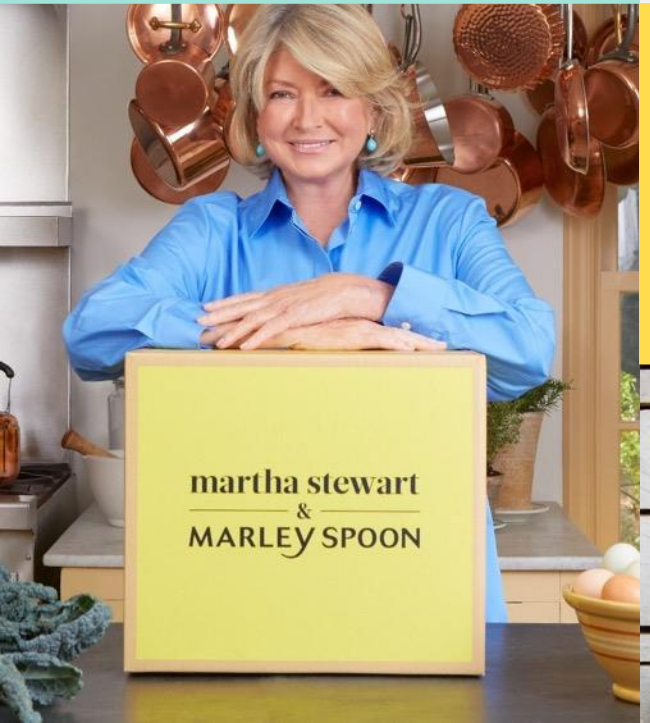
Yum!



MARLEY SPOON

Q3 2024
Results Presentation

November 4, 2024



Tasty!



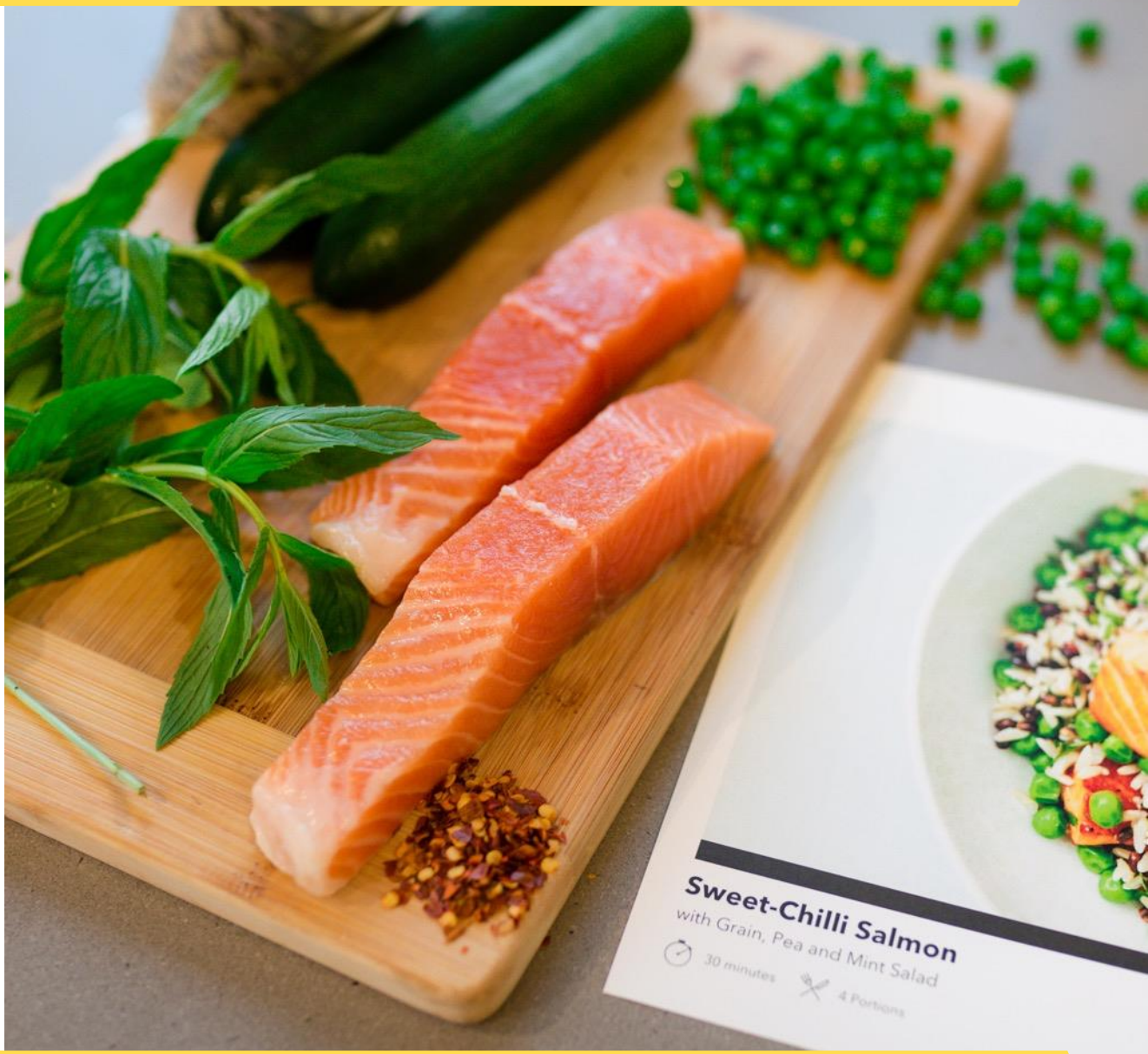
Delicious!





Introduction

DANIEL RAAB
CEO, Management Board



Q3 2024 highlights

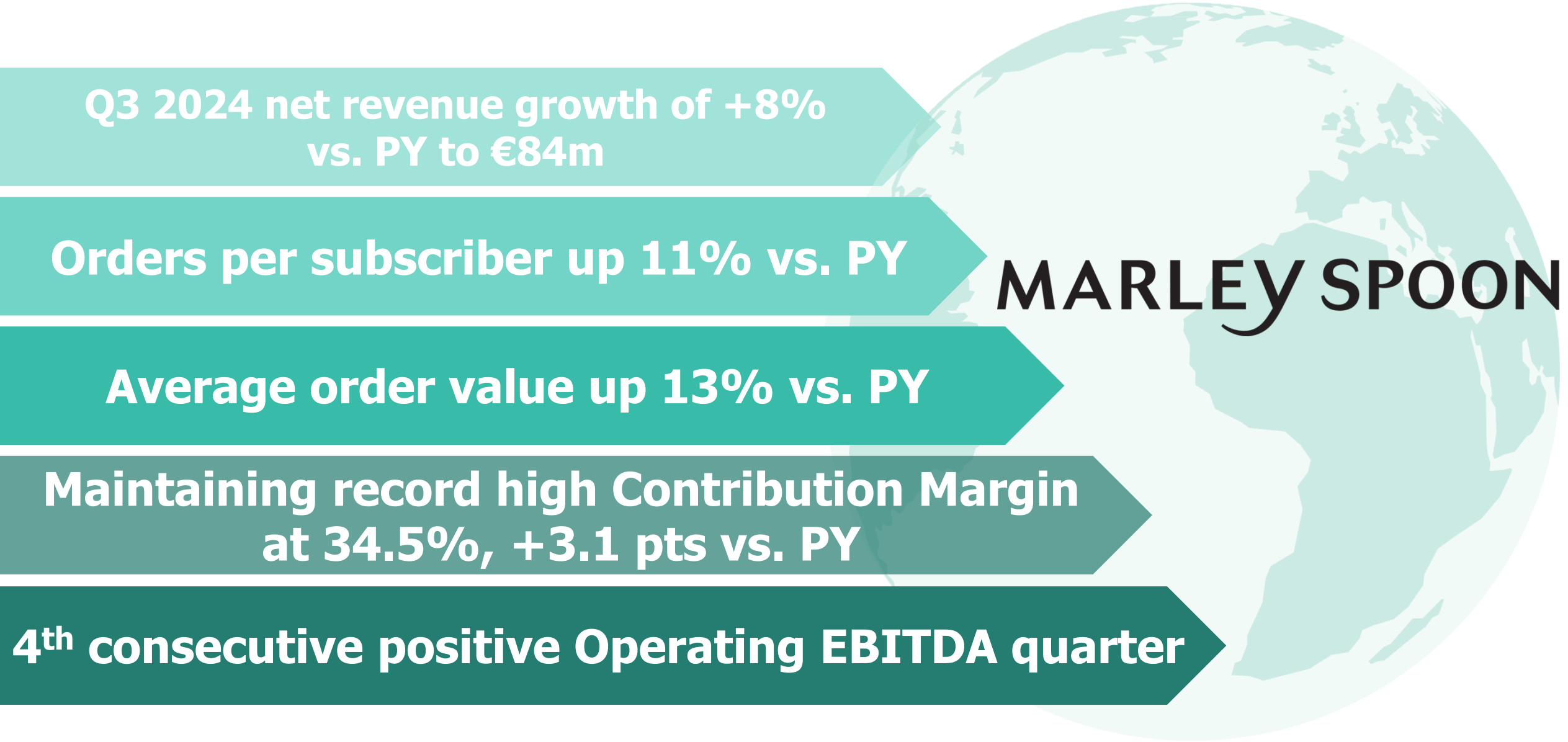
Q3 2024 net revenue growth of +8% vs. PY to €84m

Orders per subscriber up 11% vs. PY

Average order value up 13% vs. PY

Maintaining record high Contribution Margin at 34.5%, +3.1 pts vs. PY

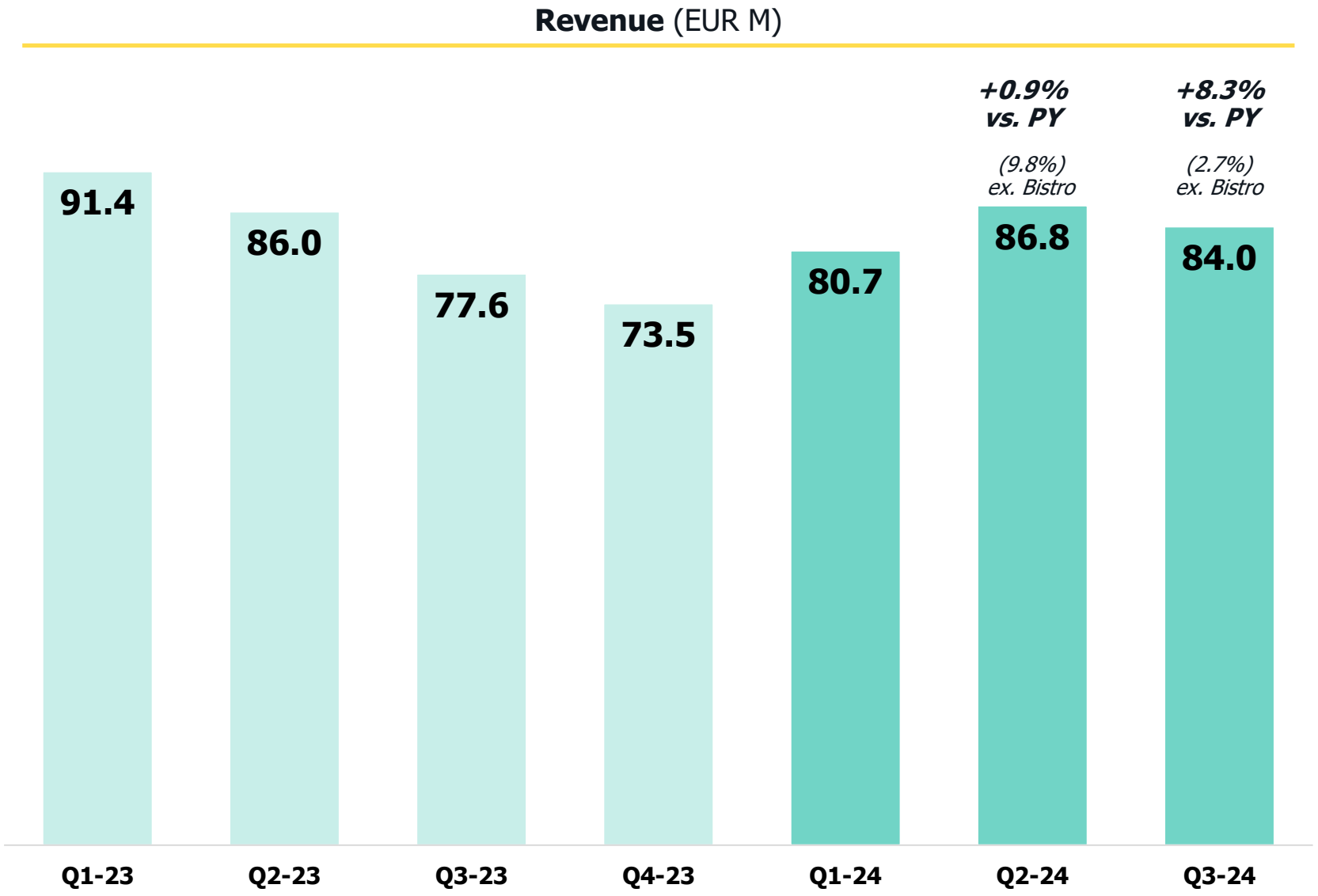
4th consecutive positive Operating EBITDA quarter



MARLEY SPOON

Q3 saw accelerated YoY NR growth driven by higher AOV, Bistro integration and improved cohort quality and customer engagement

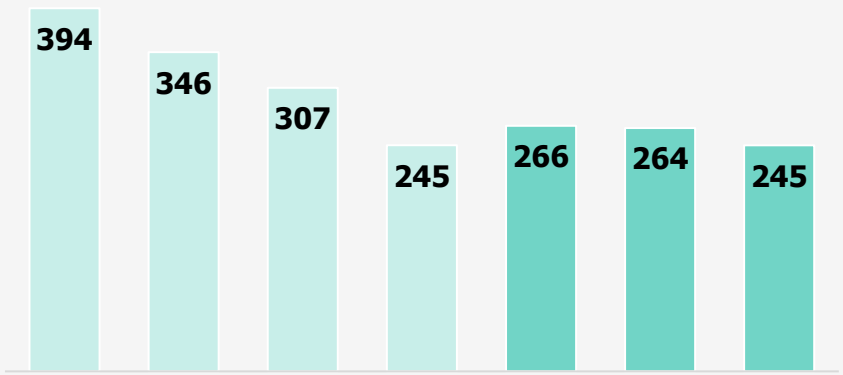
- Average order value was up 13% vs. Q3 2023 driven in part by the Company's Market offering, premium recipes and an increase of family portions in the plan size mix. The acquisition of bistroMD in February 2024 also contributed to the net revenue performance.
- Order frequency increased as customer quality continued to positively evolve, owing to the Company's previously announced adjustments to its investment strategy that reduced reliance on deep discounting to drive customer acquisitions.



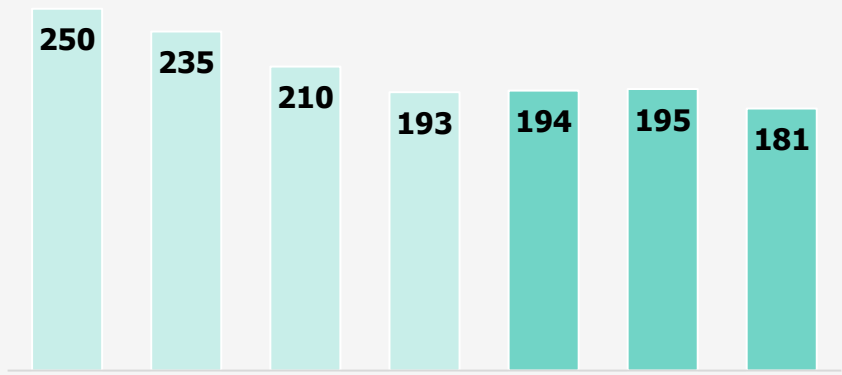
Seasonality and marketing strategy focused on cohort quality led to lower acquisitions but to improved frequency

- Customer base stabilizing from improved retention following shift in marketing strategy to lower discounts since Q4 2023. Q3 2024 showed a slight decline in absolute subscribers compared to previous quarters primarily influenced by summer seasonality (increased travel and holidays). YoY growth, however, improved vs. Q2 2024 ((14%) in Q3 vs. (17%) in Q2).
- QoQ improvement of order frequency
- Increase in AOV driven by expansion of product offerings and larger plan sizes as well as the addition of Bistro

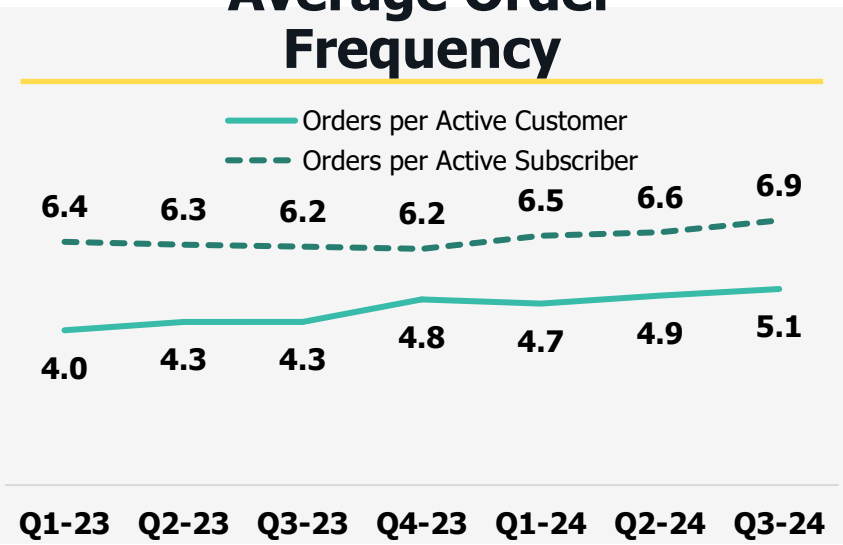
Active Customers



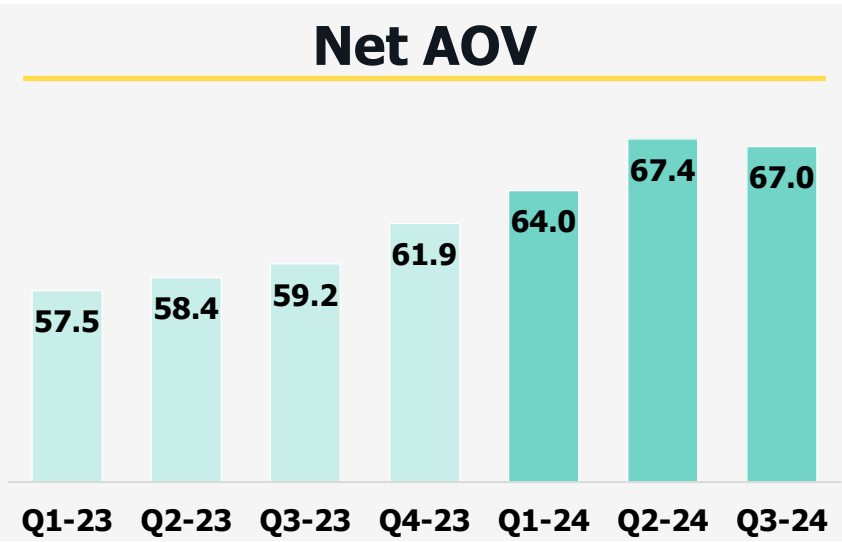
Active Subscribers



Average Order Frequency

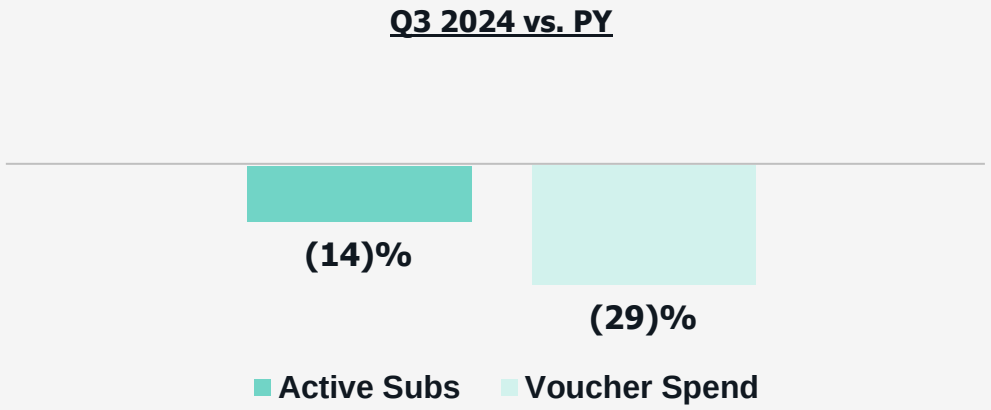


Net AOV

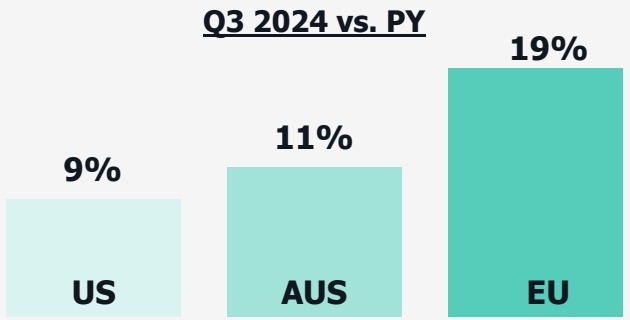


Active Subscribers continue to stabilize while order frequency up YoY

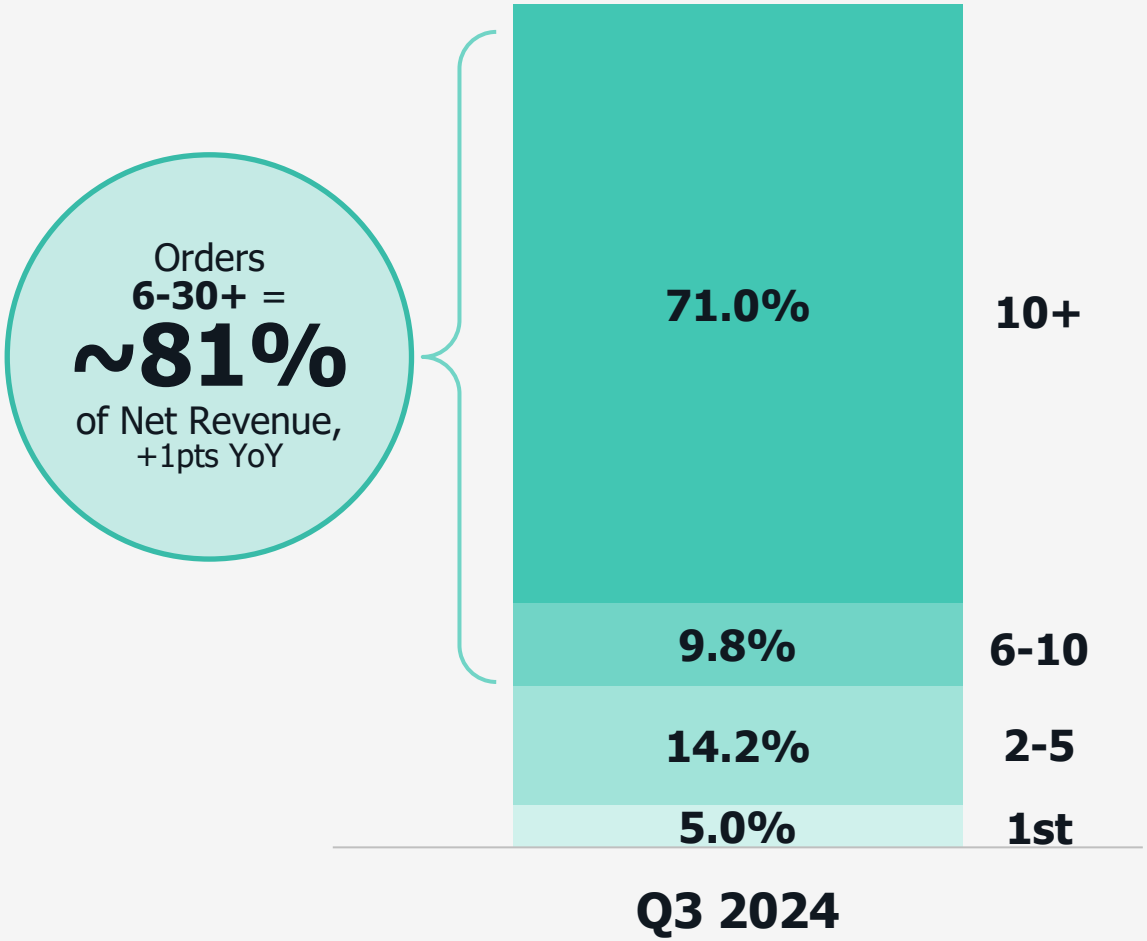
Active Subscribers declining at a slower pace than voucher spend…



…while order frequency up in all regions



Revenue Breakdown by Order Frequency





Finance

JENNIFER BERNSTEIN
Chief Financial Officer,
Management Board



Q3 / September YTD 2024 Financial Overview

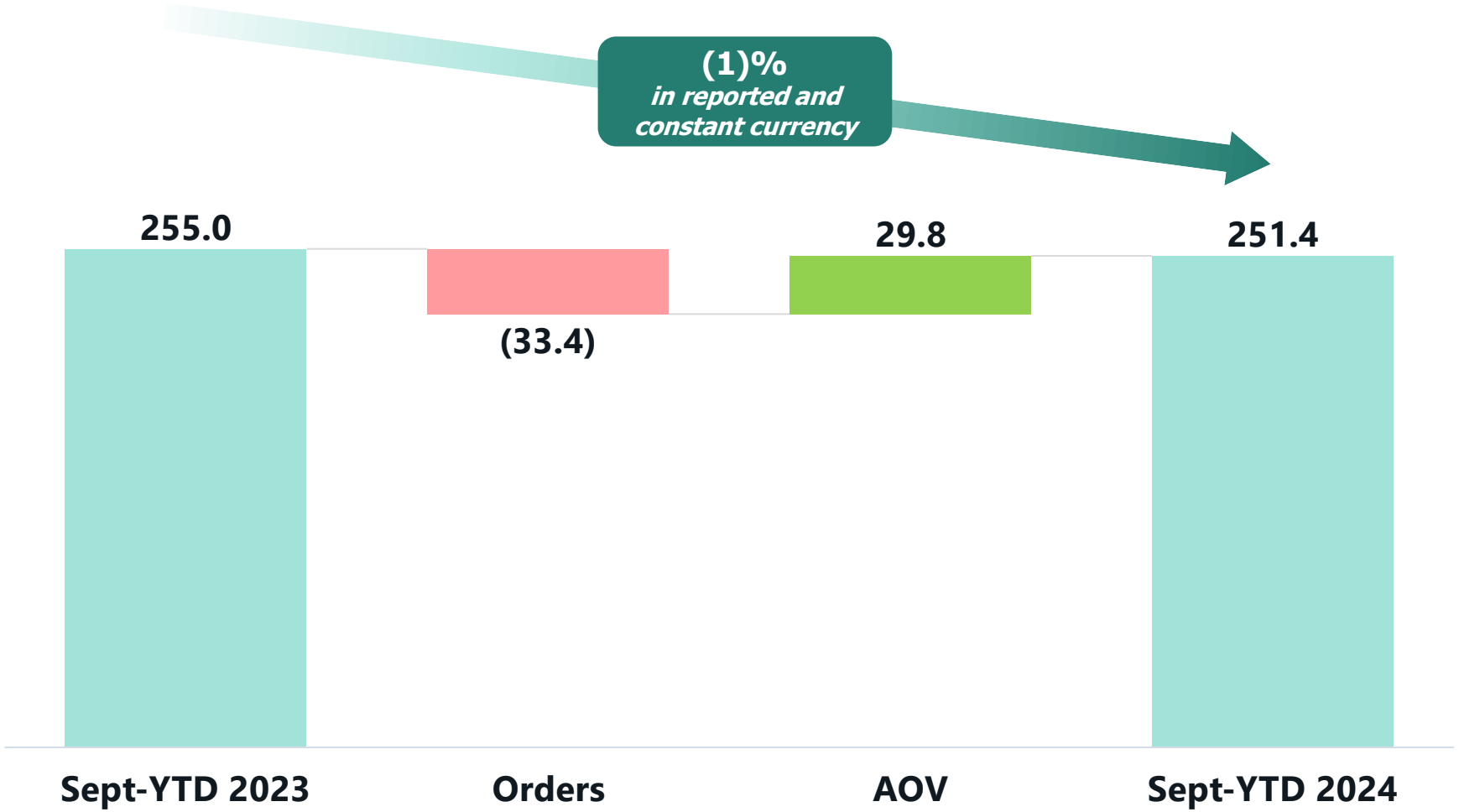
	Q3 2023	Q3 2024	Sept YTD 2023	Sept YTD 2024
Net Revenue (€m)	77.6	84.0	255.0	251.4
Net Revenue Growth % vs. PY*	(22%)/(15%)	8%/8%	(18)%/(14)%	(1)%/(1)%
Contribution Margin (CM) %	31.4%	34.5%	31.4%	34.5%
Operating CM %	40.3%	40.0%	42.1%	40.4%
Operating EBITDA (€m)**	(1.7)	2.0	(5.6)	3.9
Operating EBITDA %**	(2.2)%	2.4%	(2.2%)	1.6%
Operating Cash Flow (€m)	1.7	(1.1)	(5.0)	1.0
Cash Balance (€m)			32.5	9.5
Net Debt (Cash) (€m)			44.6	61.8

*Reported / Constant Currency growth rates
*Figures exclude:
2023: (i) severance payments/restructuring costs in the amount of €(0.1)m in Q3 and €5.0m YTD; (ii) one-time sales tax charge in the US in the amount of €0.2m in Q3 and €0.6m YTD
2024: (i) severance payments/restructuring costs in the amount of €0.3m in Q3 and €1.3m YTD; (ii) M&A transaction fees of €(0.3)m in Q3 and €3.1m YTD

We delivered another quarter of strong AOV gains aided by plan type mix and Bistro; September YTD 2024, NR decline has slowed to (1)% vs. PY, despite a 49% reduction in marketing voucher spend

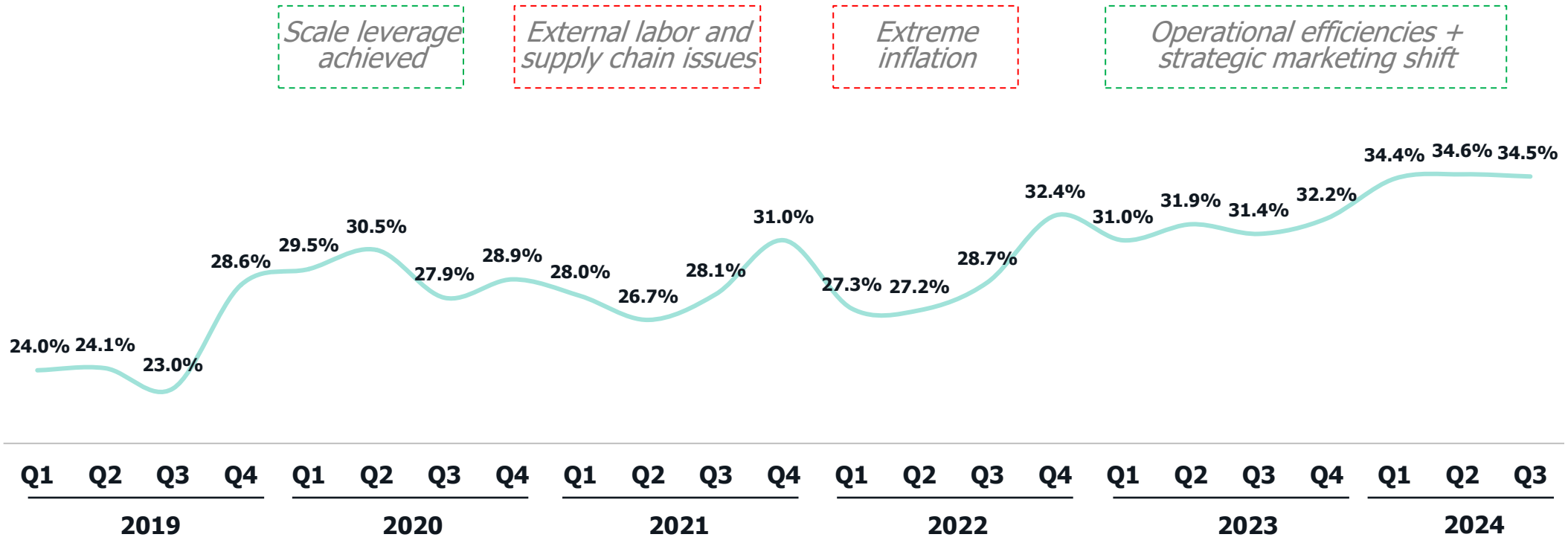
Net Revenue September YTD 2024 vs. PY

(EUR m)



Average order value growth contributed significantly to record high contribution margin level

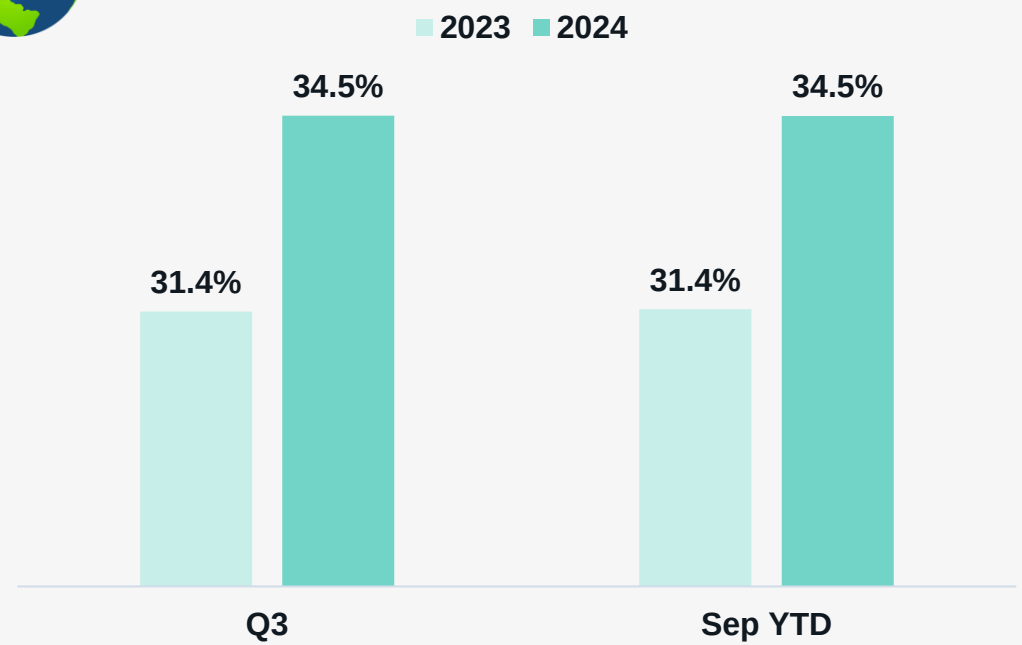
Contribution Margin % over time



- Global Contribution Margin September YTD 2024 of 34.5%, up 3.1pp YoY
- More benign inflation vs. last year combined with higher AOV and operational efficiencies driving improvement
- Significant gains in all regions, with US up 3.1 pts, AUS 2.4 pts and EU 2.3 pts on a YTD basis

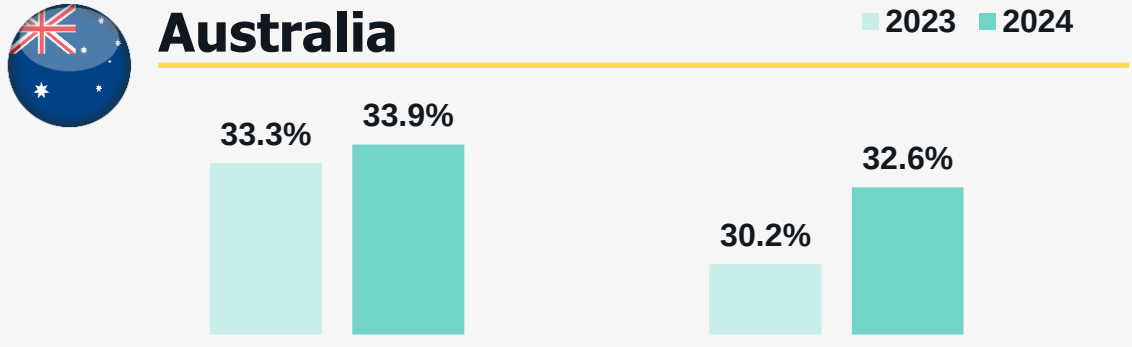
All regions contributed to maintain Contribution Margin at 34.5%

Global

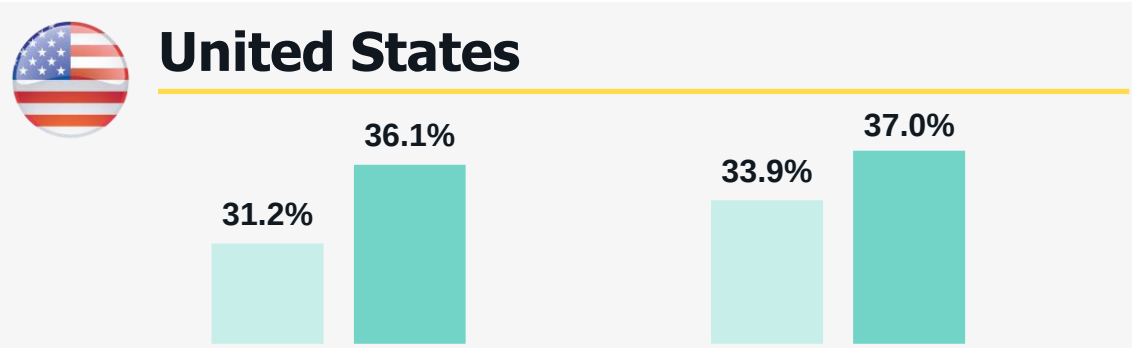


- Following last quarter's record high Contribution Margin of 34.6%, we sustained strong performance this quarter with a Contribution Margin of 34.5%, +3.1pp increase vs. the PY
- Margin gains are driven by the strategic shift in our marketing voucher approach which has emphasized reduced discounts, longer redemption periods and a decrease in first-box discounts

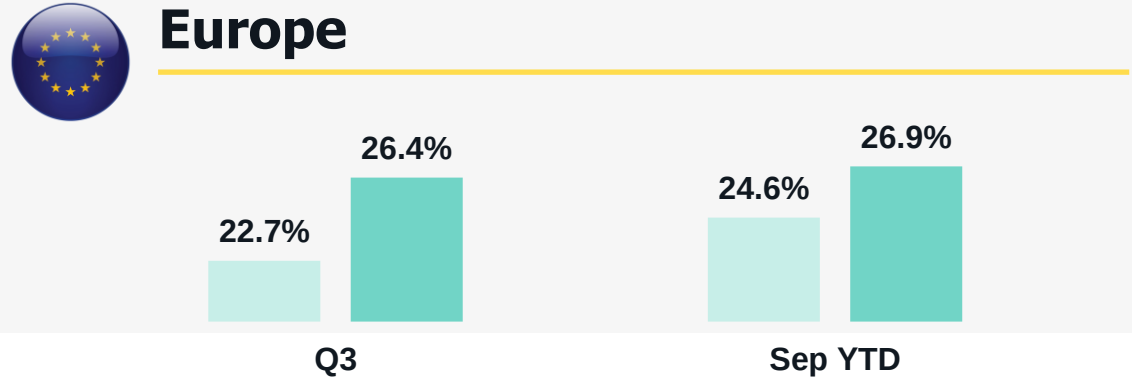
Australia



United States

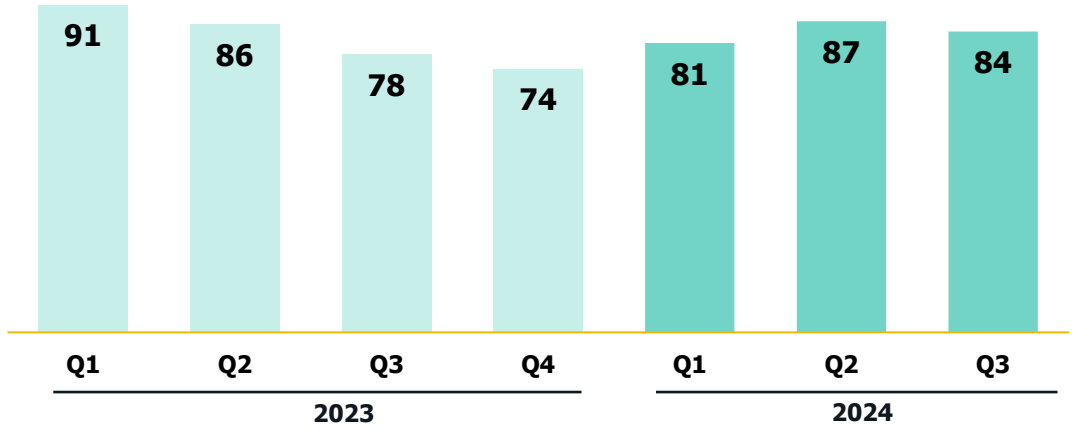


Europe

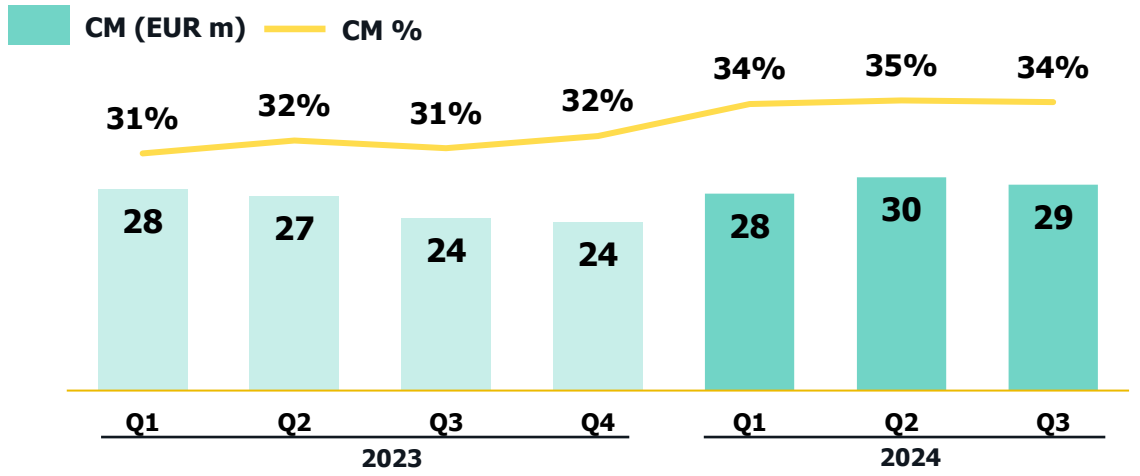


Our business continues to trend positively with solid QoQ improvement at an Operating EBITDA level

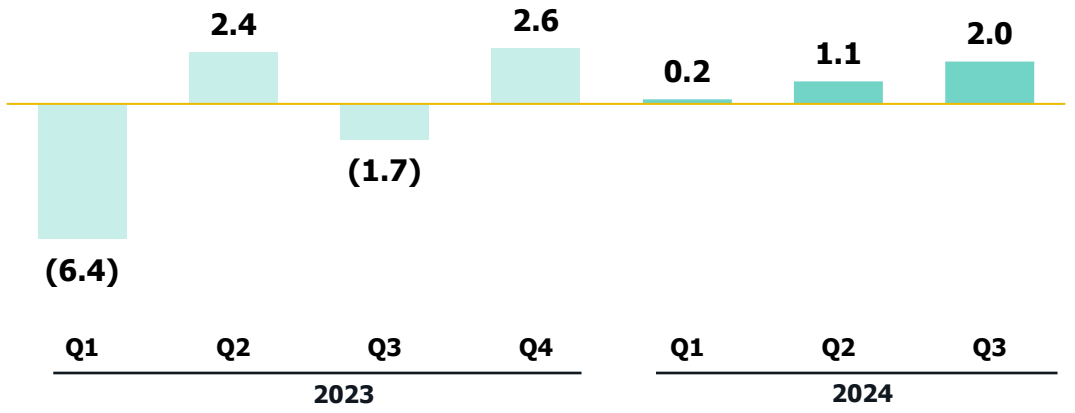
Revenue (EUR M)



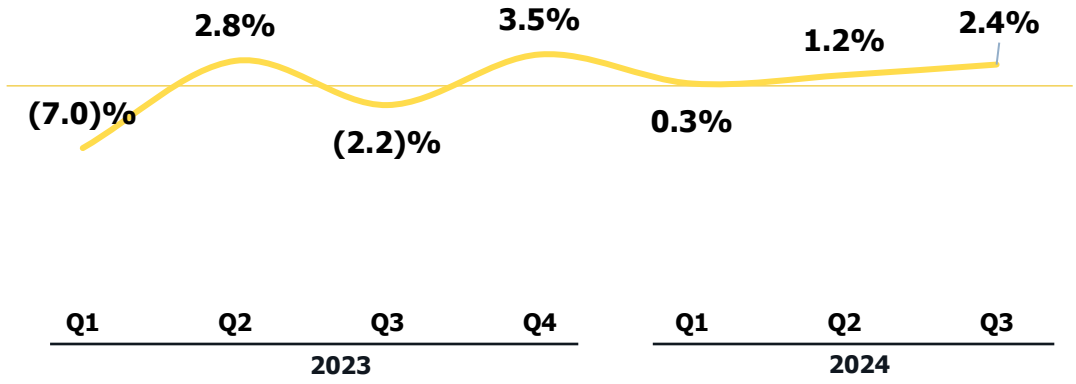
Contribution Margin and CM%



Operating EBITDA (EUR M)*



Operating EBITDA Margin (%)*



*Figures exclude:
2023: (i) severance payments/restructuring costs in the amount of €(0.1)m in Q3 and €5.0m YTD; (ii) one-time sales tax charge in the US in the amount of €0.2m in Q3 and €0.6m YTD
2024: (i) severance payments/restructuring costs in the amount of €0.3m in Q3 and €1.3m YTD; (ii) M&A transaction fees of €(0.3)m in Q3 and €3.1m YTD

Q3 / September YTD 2024 regional performance: US

US



	Q3 2023	Q3 2024	YTD 2023	YTD 2024
Active Subscribers (k)	94	88	94	88
Active Subscriber Growth % vs. PY	(20%)	(7%)	(20%)	(7%)
Net Revenue (EUR m)	37	44	123	136
Net Revenue % vs. PY*	(24%) / (17%)	+19% / +21%	(20)% / (18)%	+10% / +11%
Contribution Margin %	31%	36%	34%	37%
Operating Contribution Margin %	41%	40%	45%	42%
Operating EBITDA (EUR m)**	1.8	2.4	7.6	10.9

- Improved LTV and positive ROI from better cohort quality observed in the quarter though acquisition environment remained challenging driven by a competitive vouchering environment
- Order frequency was up 9% in the quarter vs. PY, while AOV increased ~17% driven by premium recipes, market add-ons and the addition of Bistro
- Solid margin expansion resulted from deliberate reduction in marketing vouchers in line with the Company's strategy as well as certain cost efficiencies from FreshRealm
- The margin outcome led to another quarter of positive Operating EBITDA and improvement YoY

*Reported / Constant Currency growth rates
** *Figures exclude: 2023: (i) severance payments/restructuring costs in the amount of €(0.1)m in Q3 and €0.4m YTD; (ii) one-time sales tax charge in the amount of €0.2m in Q3 and €0.6m YTD; 2024: (i) severance payments/restructuring costs in the amount of €0.4m in Q3 and YTD; (ii) M&A transaction fees of €(0.3)m in Q3 and €2.9m YTD

Q3 / September YTD 2024 regional performance: Australia*

AUSTRALIA



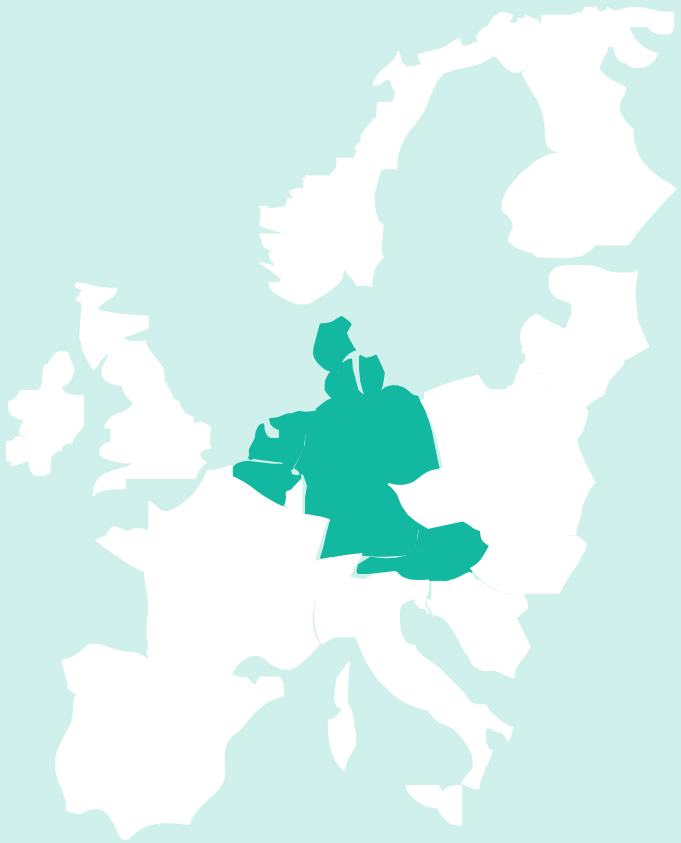
	Q3 2023	Q3 2024	YTD 2023	YTD 2024
Active Subscribers (k)	80	66	80	66
Active Subscriber Growth % vs. PY	(17%)	(18%)	(17%)	(18%)
Net Revenue (EUR m)	34	33	106	95
Net Revenue % vs. PY**	(17%) / (7%)	(1%) / (2%)	(12%) / (5%)	(10%) / (9%)
Contribution Margin %	33%	34%	30%	33%
Operating Contribution Margin %	41%	41%	41%	40%
Operating EBITDA (EUR m)	2.3	3.8	3.9	8.2

- Active subscribers declined YoY as anticipated, reflecting the Company's strategic shift away from a discount-heavy acquisition model at the end of Q3 2023
- AOV increase vs. PY nearly fully offset order decline, leading to net revenue decline of 1% YoY, a strong acceleration vs. Q2 2024. Reduced acquisition activities driven by lower media spend and fewer voucher incentives were partially offset by order frequency which was up 11.4% YoY
- Q3 2024 Contribution Margin increased 60 bps due to lower customer discounts; Operating Contribution Margin nearly stable, an improvement vs. Q2 2024
- A leaner cost structure led to another quarter of positive Operating EBITDA and YoY improvement

*Results including Chefgood
**Reported / Constant Currency growth rates

Q3 / September YTD 2024 regional performance: Europe

EUROPE



	Q3 2023	Q3 2024	YTD 2023	YTD 2024
Active Subscribers (k)	36	28	36	28
Active Subscriber Growth % vs. PY	(40%)	(23%)	(40%)	(23%)
Net Revenue (EUR m)	7	7	26	21
Net Revenue % vs. PY	(36%)	(5%)	(32)%	(20)%
Contribution Margin %	23%	26%	25%	27%
Operating Contribution Margin %	31%	33%	35%	33%
Operating EBITDA (EUR m)*	(0.5)	(0.3)	(1.8)	(1.3)

- Active subscriber decline, in line with expectations following the Company's strategic marketing shift, showed an improvement QoQ
- Positive developments in order frequency (+19% YoY), customer retention and a rise in AOV helped mitigate the impact on total orders, resulting in a 5% net revenue decline, significant improvement QoQ
- Q3 Contribution Margin improved by 370 bps driven by reduced customer discounts, better waste management and logistics efficiencies. Operating Contribution Margin rose by 160 bps
- Lower fixed cost base and improved contribution margin improved Operating EBITDA YoY

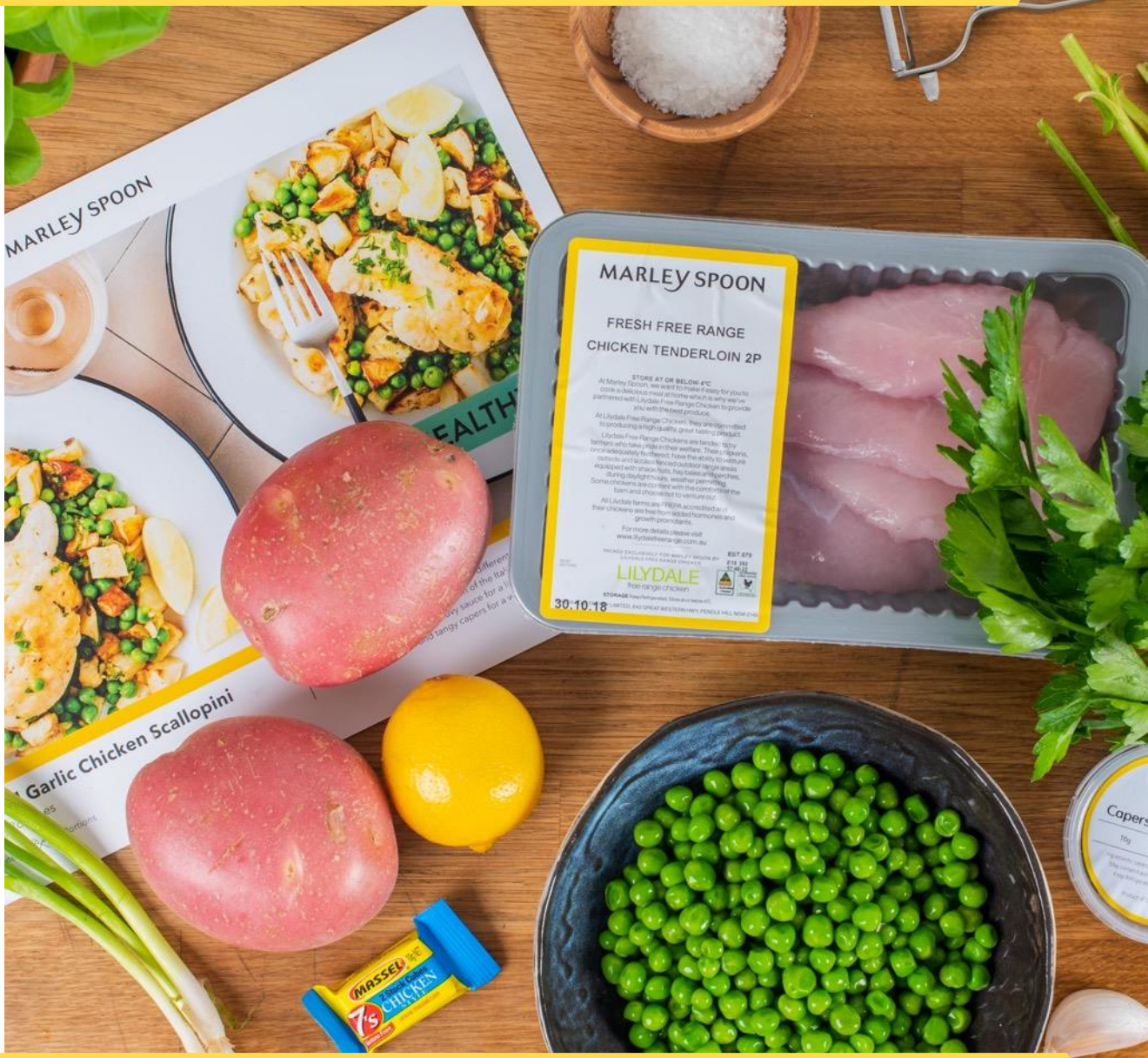
*Excluding headquarter costs



Strategy

DANIEL RAAB

CEO, Management Board



Q3 2024 recap: improved revenue growth and positive Operating EBITDA

Customer base stabilizing, revenue growth improving QoQ

- Improved retention and growing LTV
- Sequential improvement QoQ in revenue growth vs. PY and growing order frequency
- AOV +13% vs. PY in constant currency from product/brand mix, pricing and Bistro

Voucher strategy driving margin expansion and positive Operating EBITDA

- Contribution Margin +3.1pts vs. PY
- Positive Q3 2024 Operating EBITDA
- Q3 2024 cash landing of ~€10m*

Company strategically positioned for future growth

- Improving unit economics
- Driving market consolidation through M&A
- Leverage growing demand for ready-to-heat and health-conscious meal options

Guidance

- Narrowing NR growth vs. FY 2023 to flat-to-low single digit growth in constant currency
- Upgrading CM to expand 280-310 basis points vs. the prior year
- Re-affirming full-year positive Operating EBITDA, with expected mid-single digit landing







*Including cash held by Marley Spoon Group SE



Q3 and September YTD 2024 Key Customer Metrics

Operating KPIs*

	Q3 2024	Q3 2023	% vs. PY	Sep YTD 2024	Sep YTD 2023	% vs. PY
Group						
Active customers[1] (k)	245	307	(20)%			
Active subscribers[2] (k)	181	210	(14)%			
Number of orders (k)	1,254	1,309	(4)%	3,801	4,373	(13)%
Orders per customer	5.1	4.3	20%			
Orders per subscriber	6.9	6.2	11%			
Meals (m)	11.6	11.9	(2)%	34.9	39.9	(13)%
Average order value (€, net)	67.0	59.2	13%	66.1	58.3	13%
Average order value (€ constant currency, net)	67.1	59.2	13%	66.6	58.3	14%
Australia						
Active customers[1] (k)	110	135	(19)%			
Active subscribers[2] (k)	66	80	(18)%			
Number of orders (k)	565	618	(9)%	1,633	1,967	(17)%
Meals (m)	5.6	6.0	(8)%	16.0	19.3	(17)%
USA						
Active customers[1] (k)	105	131	(20)%			
Active subscribers[2] (k)	88	94	(7)%			
Number of orders (k)	556	545	2%	1,743	1,840	(5)%
Meals (m)	5.0	4.7	6%	15.6	16.2	(4)%
Europe						
Active customers[1] (k)	31	41	(25)%			
Active subscribers[2] (k)	28	36	(23)%			
Number of orders (k)	133	146	(9)%	424	566	(25)%
Meals (m)	1.1	1.2	(9)%	3.4	4.5	(25)%

*Metrics are for core Marley Spoon and Dinnerly meal kits as well as Chefgood and Bezzie

1. Active Customers are customers who have made a purchase at least once over the past three months
2. Active Subscribers are customers who have an active subscription (i.e., ordered or skipped a delivery) on an average weekly basis during the quarter. H1 figures reflect the Q2 ending figure

Q3 and September YTD 2024 Preliminary Income Statement

(unaudited)

€ in millions	Q3 2024	Q3 2023	% vs. PY	YTD 2024	YTD 2023	% vs. PY
Revenue	**84.0**	**77.6**	**8%**	**251.4**	**255.0**	**(1)%**
Cost of goods sold	43.2	41.5	4%	128.8	135.3	(5)%
% of revenue	51.4%	53.5%	(2)pp	51.2%	53.0%	(2)pp
Gross Profit	**40.8**	**36.1**	**13%**	**122.7**	**119.7**	**2%**
% of revenue	**48.6%**	**46.5%**	**2pp**	**48.8%**	**47.0%**	**2pp**
Fulfilment expenses	11.9	11.8	1%	36.0	39.7	(9)%
% of revenue	14.2%	15.2%	(1)pp	14.3%	15.6%	(1)pp
Contribution margin (CM)	**28.9**	**24.3**	**19%**	**86.7**	**80.1**	**8%**
% of revenue	**34.5%**	**31.4%**	**3pp**	**34.5%**	**31.4%**	**3pp**
Operating CM %	**40.0%**	**40.3%**	**<(1)pp**	**40.4%**	**42.1%**	**(2)pp**
Marketing expenses	14.1	13.6	3%	42.5	46.6	(9)%
% of revenue	16.8%	17.5%	(1)pp	16.9%	18.3%	(1)pp
G&A expenses	16.5	16.8	(2)%	56.1	57.2	(2)%
% of revenue	19.6%	21.7%	(2)pp	22.3%	22.4%	-
EBIT	**(1.6)**	**(6.1)**	**€4.5**	**(3.6)**	**(23.7)**	**€20.1**
Operating EBITDA*	**2.0**	**(1.7)**	**€3.7**	**3.9**	**(5.6)**	**€9.6**
% of revenue	**2.4%**	**(2.2%)**	**5pp**	**1.6%**	**(2.2)%**	**4pp**

*Figures exclude:
2023: (i) severance payments/restructuring costs in the amount of €(0.1)m in Q3 and €5.0m YTD; (ii) one-time sales tax charge in the US in the amount of €0.2m in Q3 and €0.6m YTD
2024: (i) severance payments/restructuring costs in the amount of €0.3m in Q3 and €1.3m YTD; (ii) M&A transaction fees of €(0.3)m in Q3 and €3.1m YTD

Q3 and September YTD 2024 Preliminary Cash Flow Statement

(unaudited) **€ in millions**	**Q3 QTD 2024**	**Q3 QTD 2023***	**vs. PY**	**Q3 YTD 2024**	**Q3 YTD 2023***	**vs. PY**
Net income	(4.5)	(10.0)	5.5	(13.0)	(32.8)	19.8
Adjustments for non-cash expenses	4.7	7.8	(3.2)	11.9	22.3	(10.3)
Change in working capital	(1.2)	3.3	(4.6)	2.7	5.0	(2.4)
Interest & taxes paid, other	-	0.4	(0.4)	-	0.4	(0.4)
Net cash flows from operating activities	**(1.1)**	**1.6**	**(2.7)**	**1.6**	**(5.0)**	**6.6**
Net cash flows from investing activities	**(2.3)**	**(4.4)**	**2.1**	**9.0**	**(10.2)**	**19.2**
Net proceeds from the issuance of shares	-	-	-	8.0	35.0	(27.0)
Proceeds from the exercise of warrants & share options/associated costs	(0.0)	-	-	(0.1)	(0.2)	0.2
Cost of borrowings	(1.7)	-	(1.7)	(6.2)	(2.6)	(3.6)
Net change in borrowings	(0.9)	(5.6)	4.7	(11.3)	(6.6)	(4.7)
Payments of principal for lease liabilities	(1.2)	(2.3)	1.1	(4.3)	(6.6)**	2.3
Net cash flows from financing activities	**(3.8)**	**(7.9)**	**4.1**	**(13.9)**	**18.9**	**(32.8)**
Net increase in cash & cash equivalents in the period	**(7.1)**	**(10.6)**	**3.6**	**(3.3)**	**3.7**	**(6.9)**
Cash and cash equivalents at period end	**9.5**	**22.7**	**(13.2)**	**9.5**	**22.7**	**(13.2)**

*Represents cash flow for Marley Spoon SE only (i.e., excludes the cash flow of Marley Spoon Group SE, which adds €9.8m to the cash at period end Q3 and YTD 2023)
**Includes €(0.2)m in payment related to a derivative transaction

Disclaimer

This document contains forward-looking statements. Forward-looking statements can typically be identified by the use of words such as "expects", "may", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" or other words of similar meaning. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting Marley Spoon Group SE. They are not historical or current facts, nor are they guarantees of future performance.

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MARLEY SPOON

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