MARLEY SPOON GROUP SE

(FORMERLY 468 SPAC II SE)

Half-Year Report 2024

UNAUDITED INTERIM CONDENSED CONSOLIDATED

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED

30 JUNE 2024

Registered office:
9 rue de Bitbourg
L-1273 Luxembourg
Luxembourg

Marley Spoon at a glance

EUR in thousands	30-Jun-24	30-Jun-23
Revenue	**167,451**	**177,432**
Cost of goods sold	(85,605)	(93,773)
% of revenue	51%	53%
Gross Profit	81,846	83,659
% of revenue	49%	47%
Fulfilment expenses	24,111	27,908
% of revenue	14%	16%
Contribution margin (CM)	**57,733**	**55,752**
% of revenue	35%	31%
Operating CM %	41%	43%
Marketing expenses	28,472	32,951
% of revenue	17%	19%
G&A expenses	40,259	40,336
% of revenue	24%	23%
EBIT	**(2,418)**	**(17,536)**
Operating EBITDA	**1,200**	**(3,933)**
% of revenue	1%	(2)%

Highlights

- Net revenue of EUR 167.5 million, down 5.6% year-over-year (YoY), or (4.7%) in constant currency, but delivering positive trends in retention and LTV for meal kits, stemming from a focus on higher quality customer cohorts and lower discounts;

- Strong contribution margin expansion to 34.5%, up 306 basis points YoY driven by a focus on continuous improvement and cost management, as well as a lower level of marketing discounts given as part of a revised marketing strategy;

- Operating EBITDA of EUR 1.2 million, an improvement of EUR 5.1 million YoY stemming from the margin improvement and cost reductions in General & Administrative costs due to focus on disciplined cost management;

- Net income improved YoY by EUR 14.3 million to EUR (8.5) million due to the continued focus on improving profitability as well as the booking of a gain on the sale of assets from the FreshRealm transaction;

- Operating Cash Flow of EUR 2.0 million at the end of H1 2024 and quarter-end cash balance of EUR 16.6 million;

Major Events

- February 2024: Successful closure of the FreshRealm transaction in the US, transforming the Company toward an asset-light model in support of scalability for future market consolidation;

- February 2024: Acquisition of bistroMD, giving Marley Spoon a foothold in the large and growing US ready-to-heat market;

- February 2024: Capital raise of EUR 8.035m from certain larger Marley Spoon Group investors to support the above transactions;

- June 2024: Fabian Siegel steps down as CEO and Chairman of the Management Board and is succeeded by Daniel Raab, Marley Spoon's Chief Operating Officer; Nasreen Abduljaleel (Chief Technology and Product Officer) and Federico Rossi (Chief Marketing Officer) also join the Company's Management Board;

- August 2024: after the balance sheet date but an important milestone for the Company, Marley Spoon SE delists from the Australian Securities Exchange.

Marley Spoon Group SE

Unaudited Interim Condensed Consolidated Financial Statements for the Financial Period Ended 30 June 2024

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Marley Spoon Group SE

Consolidated Interim Management Report
for the financial period ended 30 June 2024

The Management Board of Marley Spoon Group SE (formerly 468 SPAC II SE and hereafter the "Company") submits its interim management report with the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial period ended 30 June 2024.

1. Business Review

Overview

Marley Spoon Group SE is a European company (Société Européenne, SE), incorporated under the laws of the Grand Duchy of Luxembourg having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés de Luxembourg) under number B257664.

Marley Spoon Group SE was incorporated on 26 July 2021 (date of incorporation per the deed of incorporation as agreed between shareholders in front of the notary) in Luxembourg as a European company ("Société Européenne" or "SE") based on the laws of the Grand Duchy of Luxembourg. The Company is registered with the Luxembourg Trade and Companies Register under the number B257664 since 4 August 2021. The Company is a listed entity with its Class A shares traded in the regulated market of the Frankfurt Stock Exchange under the symbol "MS1", effective 11 July 2023 (previously "SPV2" from 20 January 2022 to 11 July 2023). The Company's Class A warrants are also traded on the open market of the Frankfurt Stock Exchange under the symbol "SPVW". In addition, the Company has 4,987,500 Class B shares and 4,720,000 Class B warrants issued and outstanding as at 30 June 2024 that are not listed on a stock exchange.

The Company was originally established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland that is based in the technology and technology-enabled sector with a focus on the sub-sectors consumer technology and software & artificial intelligence through a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination").

Business combination

On 25 April 2023, the Company has signed a Business Combination Agreement with Marley Spoon SE (formerly Marley Spoon AG and hereinafter "Marley Spoon" and together with the Company and its subsidiaries the "Group"), a leading global subscription-based meal kit provider. Marley Spoon is a European company (Societas Europaea, SE), established under EU law (EC Regulation 2157/2011 and Directive 2001/86/EC) in conjunction with German law (SE Introductory Act of 2004 and the German Stock Corporation Act (Aktiengesetz, AktG)) with its headquarters in Berlin, Germany, registered with the Commercial Register of the local court (Amtsgericht) Charlottenburg under HRB 250627 B. It is registered as a foreign company under the Corporations Act 2001 (Cth) (ARBN 625 684 068). At the time and through the reporting period, Marley Spoon was listed on the Australian Securities Exchange (ASX) and traded in securities called CHESS Depositary Interests (CDIs).

On 6 July 2023, the Company successfully completed its Business Combination with Marley Spoon SE. The Company acquired shares representing 84% of the Marley Spoon in exchange for the Company's issuance of 7,912,290 Class A shares without nominal value for an aggregate subscription price of EUR 79,122,900.

The transaction was accounted for as a reverse acquisition in accordance with IFRS. Under this method of accounting, the Company was treated as the "acquired" company for financial reporting purposes. Therefore, for accounting purposes, the Business Combination is treated as if Marley Spoon issued shares to the Company in exchange for the net assets of the Company. The financial statements of the Group represent a continuation of the financial statements of the accounting acquirer i.e. Marley Spoon SE.

Group financial performance and position

Financial performance

For the six months ended 30 June 2024, net revenue decreased by approximately EUR 10 million or 5.6% ((4.7%)) on a constant currency basis) to EUR 167.5 million compared with the six months to 30 June 2023 (EUR 177.4 million). By segment, the United States grew 6.6% thanks to the addition of bistroMD, Australia declined 14.9% ((12.7%) in constant currency), and Europe declined 25.3%. While revenue was down YoY, the Company saw sequential quarterly improvement, with Q1 2024 net revenue up 2.7% versus Q4 2023 and Q2 2024 up 2.6% versus Q1 2024, excluding the impact of bistroMD.

The acceleration in revenue growth was driven by a shift in the Company's customer acquisition strategy at the end of Q3 2023 which focused on higher quality customer cohorts and lower discounts. This is leading to positive trends in retention and LTV for meal kits. Orders per subscriber and average order value also increased in H1 2024 versus H1 2023, by 4% and 14%, respectively.

Contribution margin (CM) as a % of revenue was 34.5% in H1 2024, a 306 basis point improvement over the prior year's performance driven by the lower level of marketing discounts given and the Company's focus on continuous improvement and cost management.

Marketing expense decreased by 13.6% in the first half of 2024 versus the first half of 2023 while marketing as a per cent of net revenue was 17.0%, a decrease of approximately 160 basis points as compared to the first half of 2023 (18.6%).

General & Administrative (G&A) expenses were down 0.5% in H1 2024 as compared to H1 2023 despite adding Bistro's fixed costs as a result of the Company's financial discipline and last year's cost reduction programs.

Earnings Before Interest & Tax (EBIT) was EUR (2.4) million in H1 2024, a EUR 15.1 million improvement as compared to H1 2023 (EUR (17.5) million) driven by margin improvement and cost control and the EUR 8.4m gain on the sale of assets to FreshRealm.

Net financing income and expenses increased slightly from EUR (5.7) million in H1 2023 to EUR (5.9) million in H1 2024. In the previous year's period, a gain was realized on the change in fair value of the Chefgood contingent consideration and was not realized again this year. This was offset by a lower level of interest expense paid in H1 2024 versus H1 2023 due to a lower principal balance following a sizable pre-payment to Runway in February 2024 (see note 4 for more detail).

The Company's net loss for the period improved from EUR (22.8) million in H1 2023 to EUR (8.5) million in H1 2024 driven by the gain on the sale of assets to FreshRealm in February 2024 as well as the contribution margin improvement.

Operating EBITDA for the first half of 2024 was EUR 1.2 million, an improvement of EUR 5.1 million compared to H1 2023 driven by the contribution margin improvement, reduction in marketing spend and disciplined cost control.

Cash flows and cash position

Cash flows used in operating activities (CFOA) was EUR 2.0 million as of 30 June 2024, an improvement compared to 30 June 2023 given the improved profitability of the Company. Inventory saw an increase in part due to the addition of Bistro.

Cash flow from investing activities was EUR 11.6 million at 30 June 2024, a significant increase over 30 June 2023 (EUR (5.8) million) due to the transaction with FreshRealm (see note 5.1) which resulted in the Company selling its US operational assets to FreshRealm which would become the Company's exclusive partner for production and fulfillment. Deviations in cash from operating and investing activities as compared to the Company's Q2 2024 Results Presentation will be audited in more detail at year-end to correct and reclassify items as may be warranted.

Cash flow from financing decreased by EUR 36.9 million at 30 June 2024 to EUR (10.1) million, given last year's EUR 35 million capital raise. EUR 8.0 million was raised in a private placement, offset by a repayment of EUR 10.5 million to Runway Growth Finance Corporation toward the Company's outstanding loan facility.

Financial position

Current assets increased from EUR 27.2 million at 31 December 2023 to EUR 31.0 million at 30 June 2024. This was mainly due to the Company's higher cash position of EUR 16.6 million at 30 June 2024 (31 December 2023: EUR 12.7 million) following the February 2024 asset sale in the US to FreshRealm which brought in EUR 24 million (see note 5.1) and the private placement investment of EUR 8.0 million.

Non-current assets decreased by EUR 7.7 million to EUR 76.3 million at 30 June 2024 (31 December 2023: EUR 83.9 million), with property, plant and equipment and right-of-use assets reducing by EUR 10.9 million and EUR 15.7 million, respectively, a result of the sale of assets and assignment of fulfillment center leases to FreshRealm. These reductions were partially offset by an increase in intangible assets of EUR 8.8 million and goodwill of EUR 10.4 million as a result of the acquisition of bistroMD (see note 18).

Current liabilities increased from EUR 58.2 million at 31 December 2023 to EUR 61.2 million at 30 June 2024 driven by an increase of EUR 2.0 million in trade payables due to the addition of bistroMD and an increase of EUR 2.5

million in deferred income, mostly due to the timing of revenue recognition. The Company also saw an increase of EUR 2.0 million in the current portion of interest-bearing loans and borrowings, arising from the addition of bistroMD (the current portion of Bistro's term loan) as well as a new loan obtained from Berliner Volksbank (BVB) in the amount of EUR 2.5 million, after having repaid a loan facility of the same amount.

Non-current liabilities decreased by EUR 8.7 million largely as a result of the Company's EUR 10.5 million pre-payment at no penalty to Runway Growth Capital, offset by an increase of EUR 2.2 million in provisions for the earn-out and warrant consideration to the sellers of Bistro (provisional fair value estimate).

Negative equity was EUR 42.0 million at 30 June 2024 (31 December 2023: EUR 43.8 million) with the private placement offsetting the net loss for the period.

2. Risks and Opportunities Report

The Company regularly re-evaluates its risk profile across the organization in an effort to identify any potential new risks and to track the development of existing risks. In the first six months of 2024, no new fundamental risks have emerged for the Company against the comprehensive discussion included in the Risk and Opportunities Report on pages 18-22 of the FY 2023 Annual Report though there has been some evolution in certain risks.

Customer retention in the first half of the year has improved owing to the adjustment of the Company's marketing strategy which focused on reducing customer discounts and improving the quality of customer cohorts. Acquisition and retention remain key focus areas of the Company.

Successful transition following the strategic transactions in the US in February 2024 (sales of the operational assets to FreshRealm and acquisition of ready-to-eat company bistroMD) continues to remain a top priority for the Company. Certain synergies in logistics and fixed costs have been realized already at Bistro as the Company prepares for full transition of meal production to FreshRealm. The FreshRealm transition is progressing as anticipated but certain complexities surrounding recipe development and technology integration, for example, exist such that the transition and integration risk from these transactions have been elevated in terms of the Company's focus and planning. This focus is particularly important given that the Company is now reliant on a single production and fulfillment operator in the US and any risk of service failure could lead to operational or financial issues.

The liquidity risk already identified has become the top business priority for the Company. While the Company remains optimistic about its business trajectory, particularly as its customer base stabilizes, and its interest rate risk has improved modestly with recent rate cuts, enhancing Marley Spoon's liquidity through additional equity funding or other strategic measures remains critical. Refer to note 2.2 on Going Concern for further discussion.

3. Subsequent Events

Following the six months to 30 June 2024, two events have taken place that will impact the Company's financial position and results of operations, namely the de-listing from the Australia Securities Exchange on 19 August 2024 and a contract for insurance premium financing in the amount of approximately EUR 828 thousand. Please also refer to note 19 for information on events after the reporting period.

4. Outlook for FY 2024

Following the Company's operational performance for the first half of the year, the full year 2024 outlook remains unchanged. The Company expects single digit net revenue growth in constant currency as compared to FY 2023, contribution margin in line with FY 2023 and full year mid-single digit positive Operating EBITDA. For more information on the Company's outlook, refer to page 23 of the FY 2023 annual report.

Transactions in own shares

During the year, the Company has re-issued a total of 4,324,422 of its own shares consisting of 2,008,750 shares from the February 2024 private placement, 1,430,000 shares as consideration for the acquisition of bistroMD (see note 18) and 885,672 as settlement of the tender offer made by the Company for CDIs in Marley Spoon SE in exchange for German shares from Tender Offer (see note 6.4). As at 30 June 2024, there are 15,688,048 own shares held by the Group.

Management's Responsibility Statement

The Management Board reaffirms its responsibility to ensure the maintenance of proper accounting records disclosing the consolidated financial position of the Company with reasonable accuracy at any time. It also emphasizes the implementation of an appropriate internal control system to ensure the efficient and transparent conduct of the Company's business operations.

In compliance with Article 3 of the Luxembourg law of 11 January 2008 on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, as amended, the Management Board declares that, to the best of their knowledge, the unaudited interim condensed consolidated financial statements for the period ended 30 June 2024, prepared following International Financial Reporting Standards as adopted by European Union, give a true and fair view of the assets, liabilities, financial position as of that date and results for the period then ended.

Furthermore, the Consolidated Interim Management Report includes a fair review of the development and performance of the Company's operations throughout the period. It also addresses business risks, where appropriate, faced by the Company along with other information required by Article 68ter of the Luxembourg law of 19 December 2002 on the Trade and Company Register and companies and on bookkeeping and annual accounts of companies and amending certain legal dispositions, as amended.

Luxembourg, 30 September 2024

Daniel Raab
Chief Executive Officer

Jennifer Bernstein
Chief Financial Officer

Federico Rossi
Chief Marketing Officer

Nasreen Abduljaleel
Chief Technology and Product Officer

Interim Condensed Consolidated Statement of Financial Position (Unaudited)

EUR in thousands	Note	30 June 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant, and equipment	7	10,775	21,695
Right-of-use assets		17,050	32,744
Lease receivables		348	246
Intangible assets	8	26,738	17,919
Goodwill	18	19,000	8,653
Non-current financial assets	11	2,293	2,663
Investment		26	-
Total non-current assets		**76,230**	**83,920**
Current assets			
Intangible assets	8	440	-
Inventories	10	8,192	9,289
Trade receivables and other assets		2,237	1,546
Other current financial assets	11	3,355	3,615
Derivative financial instruments		110	-
Cash and cash equivalents		16,620	12,749
Total current assets		**30,954**	**27,199**
Total Assets		**107,184**	**111,119**
LIABILITIES AND EQUITY			
Non-current liabilities			
Lease liabilities	9	13,840	25,238
Interest bearing loans and borrowings	13	68,113	67,332
Provisions	18	3,988	1,800
Deferred tax liabilities		1,779	1,824
Class A warrants at fair value	12.2	301	512
Total non-current liabilities		**88,021**	**96,706**
Current liabilities			
Trade and other payables	14	27,963	25,950
Contract liabilities		3,853	1,397
Interest bearing loans and borrowings	13	6,491	4,485
Lease liabilities	9	4,307	10,093
Other financial liabilities	17	15,465	12,212
Other non-financial liabilities		3,102	4,110
Total current liabilities		**61,181**	**58,247**
Equity	12		
Share capital		547	547
Share premium		552,836	559,046
Reserve for own shares		(186,341)	(200,125)
Other reserves		6,658	6,082
Foreign cumulative translation adjustment		(2,656)	(1,074)
Accumulated deficit		(407,797)	(399,672)
Equity attributable to equity holders of the parent		**(36,753)**	**(35,196)**
Non-controlling interests		(5,265)	**(8,638)**
Total equity		**(42,018)**	**(43,834)**
Total liabilities and equity		**107,184**	**111,119**

Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)

EUR in thousands except for per Share data	Note	For the six months ended 30 June 2024	30 June 2023
Revenue		**167,451**	**177,432**
Cost of goods sold	6.1	(85,605)	(93,773)
Gross profit		**81,846**	**83,659**
Fulfilment expenses	6.1	(24,111)	(27,908)
Marketing expenses	6.1	(28,472)	(32,951)
General & administrative expenses	6.1	(40,259)	(40,336)
Other operating income	5	8,579	-
Earnings before interest & taxes (EBIT)		**(2,418)**	**(17,536)**
Financing income	6.2	426	1,585
Financing expense	6.2	(6,381)	(7,259)
Earnings before taxes (EBT)		**(8,373)**	**(23,210)**
Income tax benefit (expense)	6.3	(116)	413
Net loss for the year		**(8,489)**	**(22,797)**
Net loss for the year attributed to:			
Equity holders of the parent		(8,124)	(22,659)
Non-controlling interest		(365)	(138)
Other comprehensive loss for the year:			
Items that may be subsequently reclassified to profit or loss		(1,683)	1,672
Foreign exchange effects		(1,683)	1,672
Total comprehensive loss for the year, net of tax		**(10,172)**	**(21,125)**
Total comprehensive loss attributable to:			
Equity holders of the parent		(9,706)	(20,987)
Non-controlling interests		(466)	(138)
Basic earnings per share (whole EUR)		(0.48)	(0.35)
Diluted earnings per share (whole EUR)		(0.48)	(0.34)

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)

EUR in thousands	Share Capital	Treasury Shares	Capital Reserves	Other Reserves	Accumulated Net Earnings/ (Losses)	Currency Translation Reserve	Total	Attributable NCI	Total Equity
Balance as at 1 January 2024	**547**	**(200,125)**	**559,046**	**6,082**	**(399,672)**	**(1,074)**	**(35,196)**	**(8,638)**	**(43,834)**
Net loss for the period	-	-	-	-	(8,125)	-	(8,125)	(365)	(8,490)
Other comprehensive loss	-	-	-	-	-	(1,683)	(1,683)	-	(1,683)
Total comprehensive loss	-	-	-	-	**(8,125)**	**(1,683)**	**(9,808)**	**(365)**	**(10,173)**
Transactions									
Tender offer of MS SE CDIs exchanged for MSG shares	-	2,317	(6,055)	-	-	-	(3,738)	3,738	-
Private placement issuance	-	8,035	-	-	-	-	8,035	-	8,035
Bistro acquisition (shares and warrant consideration)	-	3,432	-	641	-	-	4,073	-	4,073
Issuance of share capital	-	-	-	-	-	-	-	-	-
Cash on exercise of employee options	-	-	-	-	-	-	-	-	-
Employee share-based payment expense	-	-	-	(65)	-	-	(65)	-	(65)
Transaction costs for issuance of shares	-	-	(54)	-	-	-	(54)	-	(54)
Balance as at 30 June 2024	**547**	**(186,341)**	**552,937**	**6,658**	**(407,797)**	**(2,757)**	**(36,753)**	**(5,265)**	**(42,018)**

EUR in thousands	Share Capital	Treasury Shares	Capital Reserves	Other Reserves	Accumulated Net Earnings/ (Losses)	Currency Translation Reserve	Total	Attributable NCI	Total Equity
Balance as at 1 January 2023	**39,336**	**-**	**226,462**	**8,516**	**(312,422)**	**(3,425)**	**(41,533)**	**(1,574)**	**(43,107)**
Net loss for the period	-	-	-	-	(22,659)	-	**(22,659)**	(138)	(22,797)
Other comprehensive loss	-	-	-	-	-	1,672	1,672	-	1,672
Total comprehensive loss	**-**	**-**	**-**	**-**	**(22,659)**	**1,672**	**(20,987)**	**(138)**	**(21,125)**
Transactions									
Issuance of share capital	33,654	-	1,346	-	-	-	35,000	-	35,000
Cash on exercise of employee options	-	-	-	-	-	-	-	-	-
Employee share-based payment expense (note 14)	-	-	-	382	-	-	382	-	382
Transaction costs for issuance of shares	-	-	(221)	-	-	-	(221)	-	(221)
Balance as at 30 June 2023	**72,990**	**-**	**227,587**	**8,898**	**(335,081)**	**(1,753)**	**(27,359)**	**(1,712)**	**(29,072)**

Interim Condensed Consolidated Statement of Cash Flows

EUR in thousands	Note	For the six months ended 30 June 2024	For the six months ended 30 June 2023
Operating activities			
Net income (loss) for the period		**(8,489)**	**(22,797)**
Adjustments for:			
Fair valuation of Class A warrants	12.2	(211)	-
Amortization of deferred financing fee		69	-
Depreciation of property, plant, and equipment		1,429	2,170
Depreciation of right-of-use assets		2,403	2,938
Amortization of intangible assets		3,888	2,536
Loss on disposal of property, plant and equipment		65	(3)
Increase (decrease) in share-based payments		(65)	382
Financing income and expense	6.2	4,939	5,178
Bad debt expense		73	833
Tax paid		5	(44)
Other non-cash movements		2,450	393
Non-cash gain on asset sale	5.3	(8,418)	-
Working capital adjustments:			
Decrease (increase) in inventory		(2,516)	175
Increase (decrease) in accounts payable and accrued expenses		(605)	652
Increase (decrease) in other provision		3,027	-
Decrease (increase) in receivables and other items		(2,733)	(783)
Increase (decrease) in other assets and liabilities		1,259	1,658
Net cash flows from operating activities		**2,036**	**(6,712)**
Investing activities			
Purchase of property, plant, and equipment		(315)	(284)
Purchase/development of intangible assets	8	(3,380)	(3,836)
Business (acquisitions)/disposals	5.3	17,718	(1,718)

Proceeds from sale of property, plant and equipment		66	-
Net cash flows used in investing activities		**11,630**	**(5,839)**
Financing activities			
Proceeds from the issuance of share capital	4	8,035	35,000
Proceeds from employee option exercise		-	-
Costs from the issuance of shares		(54)	(221)
Proceeds from borrowings	13	3,663	5,212
Transaction costs from borrowings		-	-
Interest paid	13	(4,587)	(2,564)
Repayment of borrowings	13	(14,113)	(6,306)
Lease payments	9	(3,066)	(4,155)
Payments derivative transaction		22	(176)
Net cash flows from/ (used in) financing activities		**(10,100)**	**26,790**
Net increase (decrease) in cash and cash equivalents		3,566	14,240
Effects of exchange rate changes and other changes on cash and cash equivalents		305	22
Cash and cash equivalents as at 1 January		**12,749**	**19,033**
Cash and cash equivalents as at 30 June		**16,620**	**33,294**

Selected Explanatory Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

1. Reporting Entity

The Interim Condensed Consolidated Financial Statements as at and for the six months ended 30 June 2024 are for the Group consisting of Marley Spoon Group SE and its subsidiaries (hereafter "the Group"). The Group's principal business activity is to solve every day recurring problems in delightful and sustainable ways by creating and delivering original recipes and providing the necessary fresh, high-quality, seasonal ingredients directly to customers for them to prepare, cook, and enjoy. Customers can choose which recipes they would like to receive each week and receive the pre-portioned ingredients delivered to their doorstep by third-party logistics partners.

Marley Spoon Group SE (formerly 468 SPAC II SE and hereinafter the "Company" or "Parent" and the "Group" if taken together with its subsidiaries) was incorporated on 26 July 2021 (date of incorporation per the deed of incorporation as agreed between shareholders in front of the notary) in Luxembourg as a European company ("Société Européenne" or "SE") based on the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, in abbreviated "RCS) under the number B257664 since 4 August 2021. The Company is a listed entity with its Class A shares traded in the regulated market of Frankfurt Stock Exchange under the symbol "SPV2 since 20 January 2022. Effective 11 July 2023, the Class A shares of the Company are trading on the Frankfurt Stock Exchange under the new trading symbol "MS1". Likewise, the Company's Class A warrants are also traded on the open market of the Frankfurt Stock Exchange under the symbol "SPVW". The Company also has 4,987,500 Class B shares and 4,720,000 Class B warrants issued and outstanding as of 30 June 2024 that are not listed on a stock exchange.

On 13 July 2023, the name of the Company was changed from 468 SPAC II SE to Marley Spoon Group SE. The registered office of the Company is located at 9, rue de Bitbourg, L-1273 Luxembourg.

The Company has been originally established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland that is based in the technology and technology-enabled sector with a focus on the sub-sectors consumer technology and software & artificial intelligence through a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the "Business Combination").

On 25 April 2023, the Company signed a Business Combination Agreement with Marley Spoon SE ("Marley Spoon"). On 6 July 2023, the Company completed its business combination with Marley Spoon following the extraordinary general meeting of shareholders.
Upon closing of the Business Combination on 6 July 2023, the former SPAC's purpose ceased to apply. The Company's purpose shall now be the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, by purchase, sale, or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments as well as the administration and control of such portfolio.

2. Statement of Compliance

The Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting. The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023. The Group has chosen not to adopt early any standard, interpretation, or amendment that has been issued but is not yet effective. The Interim Condensed Consolidated Financial Statements do not include all the information required for an annual financial report (Konzernabschluss) and should be read in conjunction with the IFRS Consolidated Financial Statements of the Group for the year ended 31 December 2023.

The Interim Condensed Consolidated Financial Statements are presented in Euros, the presentation currency of the Group, and all values are rounded to the nearest thousand (EUR thousand), except where otherwise stated.

3. Critical Estimates and Judgements

3.1 Significant estimates or judgements

In preparing these Interim Condensed Consolidated Financial Statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the Management Board in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the IFRS Consolidated Financial Statements of the Group for the year ended 31 December 2023. Further details on significant judgements of intangible assets are disclosed in note 8. In addition, refer to note 11.2 for further information on significant estimates used in determining the fair value of financial instruments. Details on the significant judgements of the purchase price of the Company's bistroMD acquisition are disclosed in note 19.

2.2 Going concern

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet all its financial commitments.

As at 31 December 2023, the Company noted that its ability to meet its financial obligations as they fall due and continue as a going concern largely depends on Marley Spoon SE's ability to maintain a positive cash balance. This remains the case. At the time, Management's forecast entailed a

positive cash balance for the next twelve months assuming contribution margin in line with the prior year and a reduction in G&A expenses as a percent of net revenue by up to five percentage points for the fiscal year 2024 as compared to FY 2023.

While the margin and G&A assumptions (excluding one-time costs) have been realized, unexpected headwinds have meant that the balance sheet development has fallen short of expectations. These headwinds have resulted from softer than expected topline, even as marketing efficiency has improved, and certain unplanned, one-time costs. These costs are in connection with M&A activity pursued but not closed and incremental costs from management changes and capital markets activity (de-listing, tender offer), among others.

As such, the Company's ability to meet its financial obligations for the ensuing 12 months as they fall due and continue as a going concern depends on realizing strategic options not yet factored into the Company's forecasts: additional asset sales of the business, business combinations, restructuring options as well as raising capital which would further improve the liquidity of the Company. Pursuit of multiple options is ongoing and in various stages of progress, with the Company having engaged with and/or interacting regularly with investment bankers, its debt providers and other advisors.

Exact outcomes of the strategic options will unfold in the course of the coming months. Management sees realistic prospects of reaching an agreement with the various parties with which it is currently in discussion. Please refer to page 79 of the Company's FY 2023 Annual Report for the auditor's going concern assessment.

4. Significant Changes in the Current Reporting Period

The financial position and performance of the Group was particularly affected by the following events and transactions during the six months to 30 June 2024:

On 30 January 2024, Marley Spoon SE's US subsidiary, MMM Consumer Brands, Inc. ("MMM") signed and on 9 February 2024, closed, agreements with FreshRealm, Inc. ("FreshRealm") to enter into a strategic partnership for manufacturing and fulfillment, transforming the Company toward an asset-light model in support of scalability for future market consolidation. An asset purchase agreement was executed under which (i) certain production and fulfillment assets (and the associated security) and contractual obligations, including leasehold improvements, furniture, fixtures and equipment and certain liabilities located at the New Jersey, Texas and California fulfillment centers, and (ii) certain assets relating to, used or held for use by or in connection with the BistroMD operations (see below) were sold for a consideration of USD 24,000 thousand, a portion of which is held in escrow for a 12-month period.

At the same time, Marley Spoon Group SE signed an agreement for the acquisition of BistroMD, LLC ("BistroMD"), the leading doctor-designed ready-to-eat meal plan in the US as a first step toward its previously announced growth and consolidation strategy, adding EUR 35 million in revenue (unaudited) in the large and growing US ready-to-eat market. Simultaneously, certain larger investors of Marley Spoon Group SE agreed to invest a total of EUR 8,035 million at EUR 4.00 per share to support the above transactions.

Marley Spoon also entered into certain amendments with its loan partner, Runway Growth Finance Corporation ("Runway"), during the period:

On 23 January 2024, a Joinder and Seventh Amendment to the loan agreement was signed to provide for Marley Spoon Group SE to join as a new guarantor. On 30 January 2024, a Consent and Eighth Amendment to the loan agreement was signed confirming the following:

- Extension of the amortization date of the loan to 15 January 2026;
- Extension of the maturity date of the loan to 15 June 2027;
- Granting of consent for MMM to execute the transaction with FreshRealm;
- Granting of consent for Marley Spoon Group SE to enter into a share purchase agreement with BistroMD for acquisition of the company.

On 30 January 2024 a Ninth Amendment to the loan agreement was signed determining a pre-payment, without penalty, of the loan balance of EUR 10,320 thousand (USD 11,200 thousand). It also provided for the possibility of potential rate reductions upon certain pre-payment thresholds.

On 26 June 2024, Founder and Chief Executive Officer Fabian Siegel stepped down from the position of Chief Executive Officer by mutual agreement and the Supervisory Board appointed Daniel Raab, the Company's Chief Operating Officer (COO), as its new Chief Executive Officer of Marley Spoon Group SE with effect as of 26 June 2024.

Effective 27 June 2024, Ms. Nasreen Abduljaleel (Chief Technology and Product Officer) and Mr. Federico Rossi (Chief Marketing Officer) have been appointed as additional members of the Management Board.

5. Segment Reporting

Marley Spoon's activities are conducted, and meal kits sold to consumers in three operating segments, the United States of America (US) which includes the newly acquired bistroMD, Australia (AU) which includes the operations of Marley Spoon and Chefgood, and Europe (EU), which is comprised of four countries (Austria, Belgium, Germany and the Netherlands). The Company exited the Swedish and Danish markets in March and November 2023, respectively. An additional legal entity is established in Portugal for Marley Spoon's customer care operations and in the United Kingdom for certain Marley Spoon staff, both of which are included as part of the Company's headquarter costs.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments and has been defined as the Company's Management Board comprised of the Global Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

Segment results that are reported include items directly attributable to a segment as well as those that can be reasonably allocated.

The accounting policies of the operating segments are the same as those described in note 18 ("Summary of significant accounting policies") in the FY 2023 annual report. The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties where the arm's length principle applies. The Group does not separate operating segments based on the type of products, since the nature of the product, production processes and the method used for distribution are similar across all product ranges.

The reported operating segments are strategic business units that are managed separately. The "Holdings" column represents internal charges and royalties as well as interest income on subsidiaries. The Group consolidation (''Conso'' column) eliminates intercompany transactions.

Operating EBITDA excludes the effects of equity-settled share-based payments, unrealized gains or losses on financial instruments, as well as significant items of income and expenditure that are the result of an isolated, non-recurring event such as certain impairments.

	For the six months ended 30 June 2024						
EUR in thousands	**USA**	**Australia**	**Europe**	**Subtotal**	**Holdings**	**Conso**	**Group**
Total revenue	91,727	61,269	14,454	167,451	11,672	(11,672)	167,451
Internal revenue	-	-	-	-	11,672	(11,672)	-
External revenue	91,727	61,269	14,454	167,451	-	-	167,451
Contribution margin [1]	34,315	19,505	3,913	57,733	11,672	(11,672)	57,733
Operating EBITDA	**7,800**	**4,361**	**(10,960)**	**1,200**	**11,672**	**(11,672)**	**1,200**
Internal charges & royalty [3]	(7,842)	(3,824)	(308)	(11,974)	-	11,974	-
Special items [2]	5,163	-	(1,151)	4,012	-	-	4,012

Depreciation and amortization	(1,397)	(2,312)	(3,923)	(7,632)	-	-	(7,632)
EBIT	**3,724**	**(1,775)**	**(16,342)**	**(14,393)**	**(11,672)**	**(301)**	**(2,419)**
Intercompany interest	157	13	(154)	323	-	(301)	22
Interest on lease liabilities	(82)	(611)	(128)	(821)	-	-	(821)
External financing costs	(4,280)	(329)	(757)	(5,367)	-	-	(5,367)
Fair value of Class A warrant	-	-	211	211	-	-	211
Earnings before tax	**(481)**	**(2,702)**	**(16,862)**	**(20,045)**	**(11,672)**	**0**	**(8,373)**

(1) Contribution margin consists of revenue from external customers less cost of goods sold and fulfillment expenses and associated depreciation.

(2) Special items consist of the following: Employee stock option program costs of EUR (65) thousand (30 June 2023: 678 thousand, including exercise expenses), severance/restructuring expense incurred of EUR 1,059 thousand (30 June 2023: 403 thousand), M&A transaction fees of EUR 3,411 thousand and a one-time sales tax charge in the US of EUR 0 (30 June 2023: 530 thousand).

(3) The Group has the following intercompany transactions: intercompany financing transactions between the parent and the subsidiaries, the associated interest, royalty charges and certain services provided between headquarters and the operating subsidiaries or directly between subsidiaries. These charges are based on independent benchmark studies and considered to be at arm's length

	For the six months ended 30 June 2023						
EUR in thousands	**USA**	**Australia**	**Europe**	**Total**	**Holdings**	**Conso**	**Group**
Total revenue	86,067	72,001	19,365	177,432	14,620	(14,620)	177,432
Internal revenue	-	-	-	-	14,620	(14,620)	-
External revenue	86,067	72,001	19,365	177,432			177,432
Contribution margin [1]	30,180	20,668	4,903	55,751	14,620	(14,620)	55,751
Operating EBITDA	**5,709**	**1,699**	**(11,341)**	**(3,933)**	**14,620**	**(14,620)**	**(3,933)**
Internal charges & royalties [3]	(5,369)	(4,970)	(994)	(11,333)	-	11,333	-
Special items [2]	(1,002)	(89)	(4,866)	(5,957)	-	-	(5,957)
Depreciation and amortization	(3,025)	(1,860)	(2,760)	(7,645)	-	-	(7,645)
EBIT	**(3,688)**	**(5,220)**	**(19,961)**	**(28,868)**	**-**	**11,333**	**(17,536)**
Intercompany interest	(1,506)	(1,132)	(650)	(3,287)	-	3,287	-
Interest on lease liabilities	(781)	(343)	(177)	(1,301)	-	-	(1,301)
External financing costs	(4,792)	1,137	(718)	(4,374)	-	-	(4,374)
Fair value changes of derivative financial instruments	-	-	-	-	-	-	-
Earnings before tax	**(10,767)**	**(5,558)**	**(21,506)**	**(37,830)**	**-**	**14,620**	**(23,210)**

(1) Contribution margin consists of revenue from external customers less cost of goods sold and fulfillment expenses and associated depreciation.
(2) Special items consist of the following: Employee stock option program costs of EUR 382 thousand (30 June 2022: 678 thousand, including exercise expenses), severance expense incurred of EUR 881 thousand (30 June 2022: 403 thousand), a one-time sales tax charge in the US of EUR 468 thousand (30 June 2022: 530 thousand), and restructuring expense, for first half of 2023, of EUR 4,226 thousand.
(3) The Group has the following intercompany transactions: intercompany financing transactions between the parent and the subsidiaries, the associated interest, royalty charges and certain services provided between headquarters and the operating subsidiaries or directly between subsidiaries. These charges are based on independent benchmark studies and considered to be at arm's length

5.1. Sale of US operational assets to FreshRealm

In February 2024, the Company's US subsidiary entered into a 7-year strategic partnership with FreshRealm, the innovative Fresh Meals solutions platform. This partnership provides the Company with a scalable, capital efficient, asset-light platform that will support its ongoing growth and consolidation strategy. It will allow the Company to focus on its creative and market-facing competencies, while enabling future acquisitions and potential launch of additional direct-to-consumer brands. FreshRealm is a channel-agnostic fresh meals platform that enables partners to operate asset-light and diversify their fresh meal offerings while enjoying the benefits of scale.

As part of this partnership, FreshRealm acquired the Company's US operations assets for EUR 22 million and became its exclusive manufacturing partner for all US manufacturing and fulfillment activities. This resulted in a gain on the sale of assets of EUR 8,418 thousand. This partnership is expected to create a platform for future market consolidation, whereby FreshRealm will consolidate all back-end operations, driving innovation while generating synergies for both partners in fixed and variable costs while improving working capital for the Company. The Company through its US subsidiary will continue to operate its front-end operations, leveraging its global brand and marketing, customer service, consumer technology, and data platforms. FreshRealm assumed all US-based Marley Spoon fulfillment centres, its manufacturing assets, inventory, and a large portion of Marley Spoon's US-based operations team members.

The transaction had the effect of reducing the Company's property, plant and equipment, right-of-use assets and lease liabilities. A platform fee is in turn charged to the US entity covering FreshRealm overhead.

6. Other income and expense items

This note provides a disaggregation of the items included in financing income and financing expense in the Statement of Comprehensive Income and an analysis of operating expenses by nature. Information about specific profit and loss items (such as gains and losses in relation to financial instruments) is disclosed in the related balance sheet notes.

6.1 Breakdown of expenses by nature

	30 June 2024			
For the six months ended (EUR in thousands)	**Cost of Goods Sold**	**Fulfilment Expense**	**Marketing Expense**	**General & Administrative**
Raw materials and direct fulfillment costs	72,652	24,111	-	-
Other operating expense	-	-	26,681	20,455
Depreciation and amortization	3,225	-	-	4,406
Employee benefits expenses	-	-	-	-
Wages and salaries	8,777	-	1,562	13,370
Social security costs	348	-	163	1,399
Defined contribution plan expenses	604	-	66	564
Share-based payment expense	-	-	-	65
Total	**85,605**	**24,111**	**28,472**	**40,259**

For the six months ended (EUR in thousands)	30 June 2023 Cost of Goods Sold	Fulfilment Expense	Marketing Expense	General & Administrative
Raw materials and direct fulfillment costs	76,298	27,908	-	-
Other operating expense	-	-	30,617	16,022
Depreciation and amortization	4,303	-	-	3,342
Employee benefits expenses				-
Wages and salaries	14,144	-	2,101	18,529
Social security costs	370	-	161	1,424
Defined contribution plan expenses	608	-	72	637
Share-based payment expense	-	-	-	382
Total	**95,723**	**27,908**	**32,951**	**40,336**

6.2 Financing Income and Expense

Financing expenses are associated with the interest paid on borrowings, derivative financial instruments and the adjustments for loans which are valued at amortized costs. Differences between the proceeds (net of transaction costs) and the redemption value are recognized in the Statement of Comprehensive Income over the borrowing period using the effective interest method.

For the six months ended (EUR in thousands)	30 June 2024	30 June 2023
Interest earned on bank balances	196	16
Interest on sublease assets	19	19
Gain on change in fair value of Class A warrants	211	-
Gain on changes in fair value of contingent consideration	-	1,550
Total financing income	**426**	**1,585**

For the six months ended (EUR in thousands)	30 June 2024	30 June 2023
Interest expense on bank balances	(342)	(245)
Nominal interest expense on borrowings	(4,585)	(5,707)
Interest on lease liabilities	(821)	(1,301)
Currency translation gains (losses)	(271)	(6)
Loss on changes in fair value of contingent consideration	(87)	-
Other finance expenses	(275)	-
Total financing expense	**(6,381)**	**(7,259)**

6.3 Income Tax Expense

The Group's consolidated weighted current tax rate for the six months ended 30 June 2024 was 28.0% (six months ended 30 June 2023: 25.2%). The weighted average applicable tax rate was derived from the tax rate in each jurisdiction weighted by the relevant pre-tax loss. No numerical reconciliation of income tax expense to prima facie tax payable has been calculated since no positions have been recognized in 2024.

The Group has tax losses in several legal entities in different tax jurisdictions that have the potential to reduce tax payments in future years. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries currently have no tax planning opportunities available that partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognize deferred tax assets on the tax losses carried forward or the associated tax expense benefit in the Statement of Comprehensive Income.

6.4 Earnings/(Loss) per Share

Basic earnings/(loss) per share ("EPS") is calculated by dividing the profit/(loss) for the year by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of ordinary shares is calculated from the number of shares in circulation at the beginning of a period adjusted by the number of shares issued during the period and multiplied by a time-weighting factor.

Diluted EPS is calculated by dividing the profit/(loss) for the year by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. In accordance with IAS 33 earnings per share, the effect of anti-dilutive potential shares has not been included when calculating diluted earnings per share for the periods ended 30 June 2024 and 30 June 2023. The Group currently has shares granted to employees that could, if not for the anti-dilutive effects, dilute basic earnings per share in the future.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	30 June 2024	**30 June 2023**
Loss attributable to ordinary equity holders (thousands)	(8,124)	(22,659)
Weighted average shares outstanding (WASO)	17,356,836	65,586,127
Basic and diluted EPS	**(0.48)**	**(0.35)**

Between the reporting date and the date of authorisation of these unaudited interim condensed consolidated financial statements, 52,951 shares have been returned to the Company's treasury account from AUA Private Equity Partners, LLC as part of post-closing settlement. The Company has also settled approximately 90% of the outstanding Marley Spoon SE CDI tender offer acceptances, bringing the total shareholding of Marley Spoon Group SE in Marley Spoon SE to approximately 95% after the reporting date.

7. Property, Plant and Equipment

During the six months ended 30 June 2024, the Group acquired assets with a cost of EUR 315 thousand (six months ended 30 June 2023: EUR 284 thousand).

8. Intangible Assets

During the six months ended 30 June 2024, the Group capitalized EUR 3,380 thousand (six months ended 30 June 2023: EUR 3,836 thousand) which was related to licenses & software developments. EUR 218 thousand are from the provisional valuation of the acquired intangibles through the bistroMD purchase.

Consistent with the Group's accounting policies, development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and use the asset. Management has made judgements and estimates regarding the future economic benefits of internally generated software. Actual results may differ from these estimates. The Group tests annually in December whether the intangible assets have suffered any impairment or if there is the occurrence of an impairment indicator for all intangible assets. The key assumptions used in the Company's goodwill impairment analysis are disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

9. Leases

As of 30 June 2024, total lease liabilities were EUR 18,147 thousand (31 December 2023: EUR 35,331 thousand), a decrease of EUR 17.2 million driven by the asset purchase agreement between the Company's US subsidiary and FreshRealm, which saw the assignment of equipment financing and fulfillment center leases from the Company's US subsidiary to FreshRealm, signicantly reducing the Company's aggregate lease commitments. Additional movements relate to an increase in lease commitments by EUR 191 thousand as a result of the acquisition of bistroMD in February 2024 (two fulfillment centers and one office).

In H1 2024 no other lease agreements were entered into; a lease for a warehouse that was part of the Company's Netherlands subsidiary was terminated early however there was no financial statement impact in the reporting period.

10. Inventory

The inventory balance contains food, packaging and marketing items with a net balance as of 30 June 2024 of EUR 8,192 thousand (31 December 2023: EUR 9,289 thousand).

For non-sold inventory items, the Group designs new recipes to ensure that inventories are consumed, short shelf-life items ordered are directly included in cost of goods sold and not put into inventory. Therefore, the Group did not materially incur or reverse previous inventory write-downs during 2023 or 2024.

Inventory recognized as an expense during the first half of 2024 amounted to EUR 72,652 thousand (30 June 2023: EUR 74,350 thousand).

EUR in thousands	30 June 2024	31 December 2023
Raw materials	8,192	9,289

11. Financial Instruments

11.1 Accounting classifications and fair values

Set out below is a comparison by category for carrying amounts and fair values of all the Group's financial instruments that are included in the financial statements.

EUR in thousands		30 June 2024		31 December 2023	
Financial assets at amortized cost	**Fair Value Hierarchy**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Other financial assets (current & non-current)	n/a	6,501	6,501	6,278	6,278
Trade and other receivables	n/a	782	782	639	639
Cash and cash equivalents	n/a	16,620	16,620	12,749	12,749
Total		**23,903**	**23,903**	**19,666**	**19,666**

Financial liabilities	**Fair Value Hierarchy**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial liabilities at amortized cost					
Interest bearing loans and borrowings (current & non-current)	n/a	74,604	74,604	71,817	71,817
Trade and other payables	n/a	27,963	27,963	25,106	25,106
Contingent consideration		3,491	3,491	336	336
Other financial liabilities		15,465	15,465	12,212	12,212
Financial liabilities at fair value through profit or loss					
Class A warrants	3	310	310	512	512
Total		**121,833**	**121,833**	**110,827**	**110,827**

For liquid assets, other short-term financial instruments and other non-current financial assets, the fair values equal approximately their carrying amounts at closing date. The Group measures derivatives at fair value at each balance sheet date.

11.2 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

in the principal market for the asset or liability or

in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their own economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group entered into a 3-month interest rate swap transaction with Deutsche Bank AG, begun in October 2023 for two years. This transaction is specifically designed to manage the interest rate risk on its Runway loan.

12. Equity

The changes in the various movements in equity for the six months ended 30 June 2024 can be seen in the interim condensed consolidated statement of changes in equity.

12.1 Share Capital

The share capital amounts to EUR 547 thousand at 30 June 2024, with no change as compared to 31 December 2023.

12.2 Warrants

The Company has 7,000,000 Class A warrants outstanding, with International Securities Identification Number ("ISIN") LU23807 48785. Each Class A warrant entitles its holder to subscribe for one Class A share, with a stated exercise price of EUR 11.50, subject to customary anti-dilution adjustments. Holders of Class A warrants can exercise the warrants on a cashless basis unless the Company elects to require exercise against payment in cash of the exercise price. The Company’s Class A warrants are traded on the open market of the Frankfurt Stock Exchange under the symbol “SPVW”.

As at 30 June 2024, the fair value of Class A warrants was estimated to be EUR 301 thousand or EUR 0.0430 per warrant (30 June 2023: EUR 10,010,000, EUR 1.43 per warrant) using a Monte Carlo valuation model (level 3), resulting in the recognition of a net fair value gain of EUR 211,400 for the financial period ended 30 June 2024. The significant inputs to the valuation model include the contractual terms of the warrants (i.e. exercise price, maturity), risk-free rates of German government bonds and volatility of the warrants by reference to traded warrants issued by similar listed special purpose acquisition companies.

Key terms of the warrants include the following:

- They are only exercisable for a whole number of Class A shares;
- They become exercisable 30 days after the completion of a business combination. A business combination took place on 6 July 2023;
- Class A warrants will expire five years from the date of the consummation of the Business Combination, or earlier upon redemption or liquidation;
- The Company may redeem Class A warrants upon at least 30 days' notice at a redemption price of EUR 0.01 per Class A warrant if (i) the closing price of its Class A shares for any 20 out of the 30 consecutive trading days following the consummation of the Business Combination equals or exceeds EUR 18.00 or (ii) the closing price of its Class A shares for any 20 out of the 30 consecutive trading days following the consummation of the Business Combination equals or exceeds EUR 10.00 but is below EUR 18.00, adjusted for adjustments as described in the section of redemption of warrants in the prospectus;
- Holders of Class A warrants may exercise them after the redemption notice is given.

12.3 Class A Shares

As at 30 June 2024, the Company has issued a total of 29,174,790 Class A shares of which 15,688,048 are held as own shares. The Company's Class A shares are traded in the regulated market of the Frankfurt Stock Exchange under the symbol "MS1". The Class A shares are no longer redeemable following the Business Combination with Marley Spoon SE on 6 July 2023 and therefore these are presented as equity on the Group's consolidated balance sheet.

13. Interest-bearing Loans and Borrowings

During the first half of 2024, the Company had the following material activity against loans and borrowings:

- Repayment to Runway Growth Finance Corporation of EUR 10.5 million, at no penalty, against the outstanding loan balance; at the same time, a new amendment to the loan agreement was signed extending the interest-only period and maturity date (see note 4);
- Repayment of EUR 2.5 million to Berliner Volksbank (BVB) and draw down of a new EUR 2.5 million loan, due in November 2024 and carrying an interest rate of 7.75% + 3-month EURIBOR;
- Repayment of approximately EUR 836 thousand toward the Australian asset financing and Chefgood equipment loans;
- The Company assumed EUR 10.8 million in debt (net of the purchase consideration) made up of a term loan and revolver facility through the acquisition of bistroMD. As part of the purchase consideration for Bistro, the Company paid EUR 3.7 million combined toward the outstanding term loan and revolver balance. During the reporting period, an additional EUR 1.2 million has been drawn from the revolver.

The Group's total borrowings at 30 June 2024 were EUR 74,604 thousand (31 December 2023: EUR 71,817 thousand) of which EUR 6.5 million are current liabilities and EUR 68.1 million are non-current.

The Company's remaining debt as at 30 June 2024 includes EUR 55,690 thousand in the Runway debt facility and asset financing in Australia of EUR 4,474 thousand. 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 FY 2023 annual report.

14. Trade and other payables

Trade and other payables amount to EUR 27,963 thousand as at 30 June 2024 (31 December 2023: EUR 25,950). Trade and other payables are related to invoices for food, packaging and fulfillment costs, services provide by the Company's US production and fulfillment partner FreshRealm and legal, tax, accounting and other services received by the Group. The carrying amount of these approximate their fair value (level 3) as at 30 June 2024 and 31 December 2023.

15. Related Party Transactions

Parties are considered to be related if they are under common control or if one of the parties has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. In addition, a related party is any executive officer, director (or nominee for director), including any of their immediate family members and any entity owned or controlled by such person.

15.1 Parent entities

As at 30 June 2024, there is no controlling shareholder at the level of Marley Spoon Group SE.

15.2 Significant beneficial security holders

The Group does not have a senior or ultimate holding company but has various security holders. The table below shows substantial beneficial security holders who have a significant accumulated interest of the German Class A and B shares (excluding treasury shares) as at 30 June 2024. No entities have significant influence over the Group other than the one-vote-one-share structure as listed below:

Shareholder*	Shares	% IC
468 Capital II GmbH & Co. KG	3,481,401	18.8
Mr. Sudeep Ramesh Ramnani	2,256,327	12.2
USV Marley Spoon A, LLC	1,708,745	9.2
Bistro MD Holdings, LLC	1,430,000	7.7
Mr. Jai Ashok Mahtani	1,128,164	6.1
Other security holders (individually under 10%)	8,479,107	45.9
Total	18,483,744	100%

15.3 Remuneration of members of key management including the Supervisory Board

Key management personnel include the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer (key executive management), and the Supervisory Board.

Key executive management

The total remuneration is listed in the table below:

Remuneration for the six months ending (EUR in thousands)	30 June 2024	30 June 2023
Fixed annual remuneration	1,300	705
Share-based payments (long-term incentives)	166	398
Total compensation	**1,466**	**1,103**

Supervisory Board

As of 30 June 2024, the Supervisory Board comprised the following members: Mr. Christian Gisy (Chairman), Mr. Alexander Kudlich, Ms. Erika Söderberg Johnsson, Ms. Judith Jungmann, Mr. Ludwig Ensthaler, and Mr. Yehuda Shmidman. The terms of Mr. Christian Gisy (Chairman), Mr. Alexander Kudlich, and Mr. Yehuda Shmidman ended at the closing of the general meeting, which resolved on the discharge for the 2023 financial year and took place on 25 June 2024. At this meeting, the terms of the aforementioned Supervisory Board members were renewed, and Ms. Erika Söderberg Johnsson, Ms. Judith Jungmann and Mr. Ludwig Ensthaler were appointed as new members.

During the reporting period, the Company also established an Audit Committee, chaired by Ms. Söderberg Johansson.

For their services on the Supervisory Board during the 2024 financial year, each member is entitled to a fixed annual remuneration of EUR 60,000. This base remuneration includes any applicable taxes, social contributions, superannuation, and other statutory duties. The Chairman of the Supervisory Board receives an additional EUR 60,000 for the Chairman role, while the Chairpersons of the Audit Committee and Nomination and Remuneration Committee receive an additional remuneration of EUR 30,000 and EUR 20,000, respectively. For Supervisory Board members serving on the boards of both Marley Spoon Group SE and Marley Spoon SE, remuneration costs are shared between the two entities.

There is no equity-based remuneration for the Supervisory Board in 2023 or 2024. For the period ending 30 June 2024, the cash fees paid to the members of the Supervisory Board amount to EUR 120,000 in aggregate.

EUR in thousands	2024	2023
Short-term employee benefits	120	112
Total compensation	**120**	**112**

Supervisory Board (non-executive Directors)

Name	Period of Directorship
Christian Gisy, Chairperson, Chairman	Since 30 June 2023
Yehuda Shmidman, member	Since appointed 30 June 2023
Alexander Kudlich, Chair, member	Since appointed 30 June 2023
Ms. Erika Söderberg Johnsson, Audit Committee Chair	Appointed 25 June 2024
Ms. Judith Jungmann, Nominations & Remuneration Committee Chair	Appointed 25 June 2024
Mr. Ludwig Ensthaler, member	Appointed 25 June 2024

Management Board

Name	Period of Directorship
Daniel Raab, Chief Executive Officer (formerly COO)	Current, re-appointed 26 June 2024
Jennifer Bernstein, Chief Financial Officer	Current, re-appointed 20 April 2023
Nasreen Abduljaleel, Chief Technology and Product Officer	Current, appointed 27 June 2024
Federico Rossi, Chief Marketing Officer	Current, appointed 27 June 2024
Fabian Siegel, former Chief Executive Officer, Chairman of the Management Board and Founder	Resigned, effective 26 June 2024

16. Share-based Payments

On 30 June 2024, the Group had the following share-based payment arrangements at the level of its subsidiary Marley Spoon SE:

In February 2019 and August 2019, the Company introduced an employee share option plan (“SOP”), with subsequent grants made in February and August 2020, March and August 2021 (which have since ceased to vest because the performance criteria were not met), March and September 2022, as well as March 2023. Through the SOP program, employees were granted stare options with a vesting period of up to 48 months with a cliff period of 12 months. No owner rights, e.g., voting rights, were associated with the program.

For equity-settled transactions, the total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment award. The fair value determined at the grant date is expensed on a graded vesting scheme, with a corresponding credit in equity.

In 2022, the Company launched an additional equity award program for its non-key executive management personnel comprised of Restricted Stock Units (RSUs). Similar to the share option program, the RSU program has

performance measures that must be met for the award to be received. The Supervisory Board, to the extent the Management Board is concerned, and the Management Board, to the extent other participants are concerned, shall: (i) select two performance measures, (ii) weigh the two selected performance measures and (iii) determine the performance targets to be achieved over the respective performance period. In so doing, the respective board is to be guided by the goal of sustainable development of the Company. Targets will be evaluated as threshold, target or stretch, the achieving or exceeding of which will equate to a range of a 50% to 125% weighting when calculating the exercisable RSUs / options. Two key differences between the RSU and share option program include: 1) provisions regarding the exercise price, waiting period and expiry date shall not apply to the RSU program and 2) RSUs will vest over a graded three-year period (20%/30%/50%) as compared to the share option program's four-year period (10%/20%/30%/40%).

The RSU and SOP programs for non-key executive management personnel remain intact but no grants were made in the first half of 2024 as the long-term incentive program is being re-conceived in light of the Company's business combination with 468 SPAC II SE in July 2023 and listing on the Frankfurt Stock Exchange.

For key executive management personnel, the Marley Spoon SE SOP program was terminated in H1 2024, and in its place, a Management Incentive Plan ("MIP") with share option grants made by Marley Spoon Group SE was put into effect. Currently, only key executive management personnel are recipients of grants made by the Company. The options vest over a four-year period (25%/25%/25%/25%).

During the six months ended 30 June 2024, the following transactions occurred in Marley Spoon SE's share option plans (SOP and RSU):

	Number of awards
Number of awards outstanding 31 December 2023	**20,879,506**
Thereof: exercisable*	3,344,491
Granted during H1 2024	-
Forfeited during H1 2024	(10,641,008)
Exercised during H1 2024	-
Expired H1 2024	-
Number of awards outstanding 30 June 2024	**10,238,498**
Thereof: exercisable	5,765,902

*Previous years combined the amount of exercisable or vested awards; from 31 December 2023 only exercisable awards are presented.

During the six months ended 30 June 2024, the following transactions occurred in Marley Spoon Group SE's new share option plan (MIP):

	Number of awards
Number of awards outstanding 31 December 2023	**-**
Thereof: exercisable	-
Granted during H1 2024	1,060,000
Forfeited during H1 2024	200,000
Exercised during H1 2024	-
Expired H1 2024	-
Number of awards outstanding 30 June 2024	**860,000**
Thereof: exercisable	200,000

Total expenses arising from share-based payments to employees in connection with the SOP grants in 2020, 2022 and 2023, the RSU grants in 2022 and 2023 and the MIP in H1 2024 recognized during the period were EUR 382 thousand (2022: EUR 605 thousand).

The fair value measurement at grant date for the SOP plans is determined by applying an option pricing model (Black-Scholes-Model), with the main determinants being the share price, risk-free rate and volatility. These accounting estimations have a significant influence on the valuation of the options.

17. Other Financial Liabilities

Other current financial liabilities are associated with payroll accruals and accrued costs for which the goods or services have been obtained, but the Group has not obtained the respective invoices. This also includes the final installment of the contingent consideration for the purchase of Chefgood which was paid in September 2024 in the amount of EUR 316 thousand.

18. bistroMD acquisition

On 9 February 2024, the Group acquired 100% of the share capital of bistroMD Holdings, LLC ("Bistro"), a US-based doctor-designed ready-to-eat meal plan provider. The acquisition grants Marley Spoon a foothold in a growing and complementary category of prepared meals in the US. It will allow the Company to leverage its digital and customer assets and is a first step toward its announced growth and consolidation strategy, enabled through its partnership with FreshRealm. The acquisition has been accounted for using the acquisition method. As the legal acquisition was closed on 13 February 2024, revenue and profit/loss from Bistro for the period 13 February – 30 June 2024 are included in the interim condensed consolidated financial statements and within the operations of the US Segment (note 5).

The provisional fair values of the identifiable assets and liabilities of Bistro as at the date of acquisition were:

ASSETS (in EUR thousands)	**Fair value recognized on acquisition date**
Property, plant, and equipment	75
Cash	1,276
Trade receivables	5
Inventories	2,226
Prepaid expenses	505
Right-of-use assets	196
Intangible assets (IT development costs)	1,423
Brand name (provisional)*	7,767
Customer relationships (provisional)*	708
Other assets	69
Total Assets	**14,250**

LIABILITIES (in EUR thousands)	Fair value recognized on acquisition date
Trade and other payables	(3,183)
Right-of-use liabilities	(171)
Total Liabilities	**(3,354)**
TOTAL IDENTIFIABLE NET ASSETS AT FAIR VALUE	10,896
Goodwill arising on acquisition (provisional)*	10,249
Purchase consideration transferred	**21,145**

*The valuation of property, plant and equipment as well as the intangible assets acquired had not been completed by the date the interim financial statements were approved for issue by the Management Board. Thus, these assets may need to be subsequently adjusted, with a corresponding adjustment to goodwill prior to the completion of purchase price accounting on 13 February 2024 (one year after the transaction).

ANALYSIS OF CASH FLOWS ON ACQUISITION	Fair value recognized on acquisition date
Net cash acquired with Bistro	1,276
Cash paid on 9 February 2024 (initial consideration transferred)	(4,081)
Total net cashflow on acquisition	(2,805)

The acquisition date fair value of the total consideration for the acquisition is EUR 21,145 thousand. It includes (i) the EUR 7,513 thousand of initial consideration transferred consisting of share consideration of EUR 3,432 thousand and cash consideration of EUR 4,081 thousand, (ii) the contingent consideration valued at EUR 2,873 thousand, payable 1) in a warrant for up to potentially 450,000 Class A shares depending on certain share price realization valued at EUR 641 thousand and 2) shares in an earn-out payment on the first anniversary of the acquisition date, subject to certain revenue and contribution margin targets, as well as a minimum level of marketing investment in support of the acquired business, valued at EUR 2,231 thousand, and (iii) assumption of Bistro debt of EUR 10,759 thousand. The cash consideration consisted principally of a payment of USD 4,000 thousand toward Bistro's outstanding term loan and revolver balance.

The Company determined the fair value of the contingent consideration through scenario-based net-present-value analysis. Adjustments to the contingent liability from acquisition to the date it will be settled will impact the statement of profit or loss in that period and will be adjusted as a special item.

	Fair value recognized on acquisition date
Initial consideration transferred [cash]	4,081
FV of shares consideration	3,432
FV of contingent consideration (provisional)*	2,873
Assumed debt	10,759
Purchase consideration transferred	**21,145**
FV of net assets acquired (provisional)*	10,896
Goodwill (provisional)*	10,249

Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

Goodwill	
Carrying amount at 1 January 2024	8,653
Acquisition of Bistro	10,249
Other movement	99
Carrying amount at 30 June 2024	9,890

The goodwill recognized is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Bistro with those of the Group. The goodwill is not deductible for income tax purposes. The goodwill carrying amount at 1 January 2024 is in connection with the Chefgood acquisition in 2022.

Transaction costs in connection with the acquisition of approximately EUR 675 thousand have been expensed and are included in general & administrative expenses in the statement of profit or loss and adjusted as a special item. They are also a part of operating cash flows in the statement of cash flows.

19. Events after the Reporting Period

On 14 August 2024 Marley Spoon SE received formal approval from the Australian Securities Exchange (“ASX”) to be removed from the official list of the ASX pursuant to ASX Listing Rule 17.11 (“Delisting”) after having obtained in-principle advice from the ASX and receiving shareholder approval for the Delisting. The Company’s reasons for, and consequences of, Delisting were set out in its 2024 Notice of Meeting released by the Company to the ASX on 12 June 2024. The Company obtained the approval of security holders for the Delisting at a general meeting held on Friday, 19 July 2024.

The securities of Marley Spoon SE (traded under the symbol “MMM”) have been suspended from quotation at the close of trading Thursday, 15 August 2024 under Listing Rule 17.2, at the request of Marley Spoon.

Marley Spoon SE (“MMM”) has been removed from the Official List at the close of trading Monday, 19 August 2024 at the request of Marley Spoon, under Listing Rule 17.11 after security holders resolved to remove MMM from the Official List of the ASX.

No further subsequent events occurred after 30 June 2024 that could have had a significant impact on Marley Spoon Group SE’s results of operations, financial position, and the net assets.