



# MARLEY SPOON

PRELIMINARY FINAL REPORT 2023

ABN 625 684 068

**IMPORTANT INFORMATION:**

Marley Spoon SE, a European stock corporation (Societas Europaea) with its headquarters in Berlin, Germany, registered with the Commercial Register of the local court (Amtsgericht) Berlin Charlottenburg under HRB 250627 B, is registered as a foreign company under the Corporations Act 2001 (Cth) (ARBN 625 684 068).

## APPENDIX 4E

For personal use only





### Reporting period

Report for the twelve months ended 31 December 2023. The comparative period is the twelve months ended 31 December 2022.

### Results for announcement to the market

Marley Spoon SE's ("Marley Spoon" or "the Company") and its subsidiaries' (together "the Group") preliminary consolidated results for announcement to the market are detailed below:

	2023 EUR thousands	2022 EUR thousands	Change EUR thousands	Change %
Revenue	328,504	401,242	(72,738)	(18.1%)
Net profit / (loss) after tax attributable to members	(44,295)	(39,730)	(4,565)	(11.5%)

### Dividends

The Group has not recognized or authorized any dividends during the presented periods.

### Explanation of results

In 2023 revenue decreased by EUR 72.7 million or 18.1% to EUR 328.5 million compared with the 2022 financial year (EUR 401.2 million). By segment, the US contracted 19.6%, Australia declined 11.8% and Europe contracted 32.0%. The consumer environment in 2023 was challenging with low conversion rates requiring a higher level of discounting than historically needed to drive acquisition volume. The Company also saw budget-conscious consumers reducing their order frequency, exacerbated by recession in Germany where consumer confidence and spending decreased. However, meals per order were up 4% vs. the prior year, suggesting consumers were adding more to their boxes.

The Company's contribution margin in 2023 improved compared with the previous corresponding period (PCP) to 31.7% (2022: 28.7%) owing to operational improvements across all regions. EBIT was EUR (31.8) million in 2023, compared to EUR (27.6) million in 2022 with the decline in revenue being the key contributor.

Financing income and expenses increased from EUR (12.2) million in the PCP to EUR (13.3) million in 2023, mainly driven by interest expense on debt. Net loss after tax attributable to members for the period decreased from EUR (39.7) million in 2022 to EUR (44.3) million in 2023.

### Statement of Comprehensive Income

Please refer to the Statement of Comprehensive Income, and the accompanying notes to the statement, in the attached Financial Statements.

### Statement of Financial Position

Please refer to the Statement of Financial Position, and the accompanying notes to the statement, in the attached Financial Statements.

### Statement of Cash Flows

Please refer to the Statement of Cash Flows, and the accompanying notes to the statement, in the attached Financial Statements.

### Statement of Changes in Equity

Please refer to the Statement of Changes in Equity, and the accompanying notes to the statement, in the attached Financial Statements.

### Dividends or distributions

The Group has not recognized or authorized any dividends during the presented periods.

For personal use only



### Dividend or distribution reinvestment plans

There are no dividend or distribution reinvestment plans in operation.

### Net tangible assets per security

	31 December 2023	31 December 2022
	EUR	EUR
Net tangible assets per ordinary share <sup>1</sup>	(1.0)	(1.7)

<sup>1</sup>Chess Depositary Interests (CDIs) are publicly traded on the ASX. As at 31 December 2023, 10 CDIs are equivalent to one share in the Company (31 December 2021: 1,000 CDIs equivalent to one share).

The calculation of net tangible assets per ordinary share is based on the total number of issued shares (*Aktien*) as at 31 December 2023 of 73,559,137 shares and as at 31 December 2022 of 39,335,973 shares.

### Details of entities over which control has been gained or lost during the period

On the 7 July 2023 the Company entered into a Business Combination Agreement (BCA) with 468 SPAC II SE, a special purpose acquisition company (SPAC) related to Marley Spoon's major CDI holder, 468 Capital II GmbH & Co. KG, and that is listed on the Frankfurt Stock Exchange. Through the BCA, the SPAC, now re-named Marley Spoon Group SE, acquired approximately 84% of the outstanding German shares in Marley Spoon SE. Further details can be found in note 13 of the Financial Statements.

### Details of associates and joint venture entities

The Company has no associates or joint venture entities.

### Other significant information

Management's evaluation of the Company's performance will be further expanded upon in "Group financial position and performance" in the Management Report section of the Annual Report that will be published.

### Applicable accounting standards

The Appendix 4E Preliminary Final Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as adopted by the European Union (EU).

### Commentary on results of the period

Earnings per security and the nature of any dilution aspects: earnings per share were EUR (0.74) in 2023 and EUR (1.33) in 2022 driven by the Company's net losses. Diluted earnings per share were EUR (0.74) in 2023 and EUR (1.32) in 2022 were further impacted by the Company's employee stock options.

Returns to shareholders including distributions and buy-backs: not applicable.

Significant features of operating performance & discussion of trends in performance: please refer to the Management's evaluation of the Company's performance that will be further expanded upon in "Group financial position and performance" in the Management Report section of the Annual Report that will be published.

The results of segments that are significant to an understanding of the business: please refer to note 5 in the attached Financial Statements.

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified: not applicable.

### Audited information

This preliminary financial report under ASX Listing Rule 4.3A covers Marley Spoon and its controlled entities and is based on the consolidated financial statements and financial report which are in the process of being audited by Ernst & Young.

For personal use only



.....  
Fabian Siegel, Chief Executive Officer,  
Chairman of the Management Board and Founder

Date: 29 February 2024 .....

.....  
Jennifer Bernstein, Chief Financial Officer  
Member of the Management Board

Date: 29 February 2024 .....

.....  
Daniel Raab, Chief Operating Officer  
Member of the Management Board

Date: 29 February 2024 .....

For personal use only

**Marley Spoon SE Directors' Report**..... 2

**Consolidated Statement of Financial Position**..... 10

**Consolidated Statement of Comprehensive Income**..... 11

**Consolidated Statement of Changes in Equity** ..... 12

**Consolidated Statement of Cash Flows** ..... 14

**Selected Explanatory Notes to the Preliminary Finanal Report** ..... 15

**1 Reporting Entity**..... 15

**2 Statement of Compliance**..... 15

**3 Critical Estimates and Judgements**..... 16

**4 Significant Changes in the Current Reporting Period**..... 16

**5 Segment Reporting** ..... 17

**6 Income Tax Expense** ..... 18

**7 Financial Instruments** ..... 19

**8 Property, Plant and Equipment**..... 20

**9 Lease Liabilities** ..... 20

**10 Intangible Assets**..... 20

**11 Interest-bearing Loans and Borrowings**..... 21

**12 Financing Income and Expense** ..... 23

**13 Related Party Transactions**..... 23

**14 Share-based Payments** ..... 25

**15 Other Financial Liabilities** ..... 26

**16 Events After the Reporting Period** ..... 26

For personal use only

## Marley Spoon SE Directors' Report

The executive directors (*Vorstandsmitglieder*) and members of the Management Board (together the "Directors") present their report ("Directors' Report") together with the Preliminary Final Report for the year ended 31 December 2023.

### 1 Supervisory Board and Management Board

The members of the Supervisory Board (*Aufsichtsrat*) and the Management Board (*Vorstand*) of Marley Spoon SE at any time during or at the end of full year 2023 year are as follows:

#### Supervisory Board (*Aufsichtsrat*)

Name	Period of Directorship
Deena Shiff, Chairperson	11 June 2021 to 11 September 2023
Robin Low, Chair, Audit & Risk Committee	11 June 2021 to 11 September 2023
Roy Perticucci, Member	11 June 2021 to 30 May 2023
Christian Gisy, Chairperson and former Chair, Nominations & Remuneration Committee	19 August 2022 to present; appointed Chairperson 11 September 2023
Judith Jungmann, Chair, Nominations & Remuneration Committee	Current, appointed 25 August 2023
Erika Söderberg-Johnsson, Chair, Audit & Risk Committee	Current, appointed 11 September 2023
Alexander Kudlich, Member	Current, appointed 11 September 2023

#### Management Board (*Vorstand*)

Name	Period of Directorship
Fabian Siegel, Chief Executive Officer, Chairman & Founder	Current, re-appointed 1 September 2023
Jennifer Bernstein, Chief Financial Officer	Current, re-appointed 20 April 2023
Rolf Weber, Chief Operating Officer & CEO, Australia*	1 December 2021 to 4 October 2023
Daniel Raab, Chief Operating Officer	Current, appointed 4 October 2023

\*Mr. Weber remains Director and CEO of Marley Spoon Australia

### 2 Position of the Group

#### 2.1 Marley Spoon share and share capital structure

Marley Spoon's issued capital (*Grundkapital*) as of 31 December 2023 amounts to 73,559,137 shares (Aktien).

Since July 2018, Marley Spoon has been listed as a foreign company on the Australian Securities Exchange (ASX) under the symbol "MMM". Rather than shares, securities called Chess Depositary Interests (CDI) are publicly traded on the ASX. As a result of a 2022 increase of share capital from company funds by converting existing capital reserves into registered share capital and simultaneously decreasing its current share to CDI transmutation ratio, as at 31 December 2023 10 CDIs are equivalent to one share in the Company. As of 31 December 2023, the majority of shares (*Aktien*) are not transmuted into CDIs as a result of the business combination with Marley Spoon Group SE. Consequently, 117,724,403 CDIs have been issued as of 31 December 2023.

As of 31 December 2023, Marley Spoon's authorized capital (*genehmigtes Kapital*) and conditional capital (*bedingtes Kapital*) amount to 3,748,348 shares (Aktien) in aggregate. A portion of this authorized capital/conditional capital is reserved to back-up the Company's post-IPO Share Option Programs (SOPs) and Restricted Stock Unit Programs (RSUPs).

### Basic share data

Type of shares	CHESS DEPOSITARY INTERESTS
Stock exchange	Australian Securities Exchange (ASX)
Shares ( <i>Aktien</i> ) issued	11,177,244
CDIs issued	117,724,403
Subscribed share capital (to the extent traded on ASX)	11,177,244.00 EUR
ISIN	AU0000013070
ARBN	625 684 068
Ticker symbol	MMM
<b>Share performance 2023<sup>1</sup></b>	
CDI price as at 31 December 2023	A\$ 0.03
High (09/02/23)	A\$ 0.235
Low (20/12/23)	A\$ 0.028
Market capitalization as at 31 December 2023	A\$ 3.5 million
Average daily trading volume (in A\$)	A\$ 292,813
Average daily trading volume (in CDIs)	777,861 CDIs/day

<sup>1</sup> Source: ASX

## 2.2 Group financial position and performance

EUR in millions	31 December 2023	31 December 2022
<b>Assets</b>		
Current assets	24.7	36.2
Non-current assets	83.8	75.7
<b>Total assets</b>	<b>108.5</b>	<b>111.9</b>
<b>Equity and liabilities</b>		
Current liabilities	58.3	63.2
Non-current liabilities	99.2	91.8
<b>Total liabilities</b>	<b>157.5</b>	<b>155.0</b>
<b>Equity</b>	<b>(49.0)</b>	<b>(43.1)</b>
<b>Total equity and liabilities</b>	<b>108.5</b>	<b>111.9</b>

Current assets decreased from EUR 36.2 to EUR 24.7 million in 2023. This was mainly due to the Company's lower cash position of EUR 10.9 million at year-end (2022: EUR 19.0 million) and a decrease in inventory of EUR 3.5 million to EUR 9.6 million in 2023.

Non-current assets increased by EUR 8.1 million to EUR 83.8 million in 2023. Right-of-use assets increased, driven primarily by the Company's new fulfilment centre in Perth, Australia and the renewal of a fulfilment center lease in the US. Property, plant and equipment decreased by EUR 2.2 million and there was an increase of EUR 1.6 million in Intangibles assets.

Current liabilities decreased from EUR 63.2 million to EUR 58.3 million in 2023 driven by the Company's repayment of its EUR 5 million loan facility with Berliner Volksbank (BVB), offset by a new loan obtained from



BVB in the amount of EUR 2.5 million. A reduction in other financial liabilities driven by a partial settlement of the Chefgood earnout payments also contributed to the reduction in current liabilities.

Non-current liabilities increased by EUR 7.5 million as a result of the following movements: an increase of lease liabilities of EUR 8.0 million from the new Perth fulfillment center and renewal of the New Jersey fulfillment center in the US, as well as a EUR 4 million intercompany loan between Marley Spoon SE and Marley Spoon Group SE, the ultimate parent company. These were partially offset by a reduction in long-term borrowings of EUR 3.3 million and non-current provisions of EUR 0.5 million.

Equity decreased by EUR 5.9 million mainly driven by the capital raise as part of the business combination agreement of EUR 35.6 million, retained losses of EUR 44.6 million and other changes in the comprehensive income.

### **Earnings position of the Group**

For the 12 months ended 31 December 2023, net revenue decreased by EUR 72.7 million or 18.1% ((14.4%) on a constant currency basis) to EUR 328.5 million compared with the 2022 financial year (EUR 401.2 million). By segment, Australia declined 11.8%, the United States declined 19.6%, and Europe declined 32.0%. Low consumer confidence and heightened price sensitivity impacted acquisition volumes and order frequency. Additionally, reduced marketing spend in the second half of 2022 impacted subscriber growth in the beginning of 2023. Though average order value increased in FY 2023 vs. the PCP by 6% (11% in constant currency), it was not enough to compensate for the reduced order volume.

Shortly into the start of 2023 the Company had indications that the expected net revenue outlook of single digit net revenue growth in constant currency as compared to FY 2022 would be difficult to achieve and subsequently revised its guidance to the market down to a single digit decline vs. the PY in constant currency. By the end of Q2 2023, the Company anticipated a possibility that the net revenue decline would be in the double digit, not single digit, range, and further revised guidance downward. This was driven in part by the Company's deliberate decision to reduce marketing spend in order to improve customer quality (i.e. offering lower discounts) and focus on profitability.

Contribution margin (CM) as a % of revenue was 31.7%, a 290 basis point improvement over the prior year's performance and in-line with the Company's 2023 outlook. This was achieved on the basis of an increase in meals per order, average order value, which was partially attributed to increased prices in the US at the end of 2022, and operational improvements and efficiencies.

Marketing expense decreased 13.2% year-on-year driven by the Company's deliberate decision to reduce marketing spend in 2023 in order to better balance measured topline growth with a focus on improved profitability. Marketing as a per cent of net revenue was 16.9% for the year, an increase of approximately 100 basis points as compared to 2022 (16.0%).

General & Administrative (G&A) expenses increased 1.7% as compared to FY 2022 and by nearly 500 basis points as a per cent of net revenue versus the PCP. However, this includes approximately EUR 11 million of one-time costs related principally to transaction fees in connection with the business combination agreement and severance payments related to a restructuring program executed by the Company during FY 2023.

Earnings Before Interest & Tax (EBIT) was EUR (31.8) million in 2023, approximately EUR 4 million worse as compared to 2022 (EUR (27.6) million) driven by the net revenue decline and one-time costs.

Financing Income & Expenses increased by EUR 1.1 million to EUR (13.3) million in 2023 from EUR (12.2) million in the PCP, mainly driven by interest expense on the Company's loan facilities.

The Company's net loss for the period increased from EUR (40.0) million in 2022 to EUR (44.6) million in 2023 driven by the net revenue contraction and increased G&A expenses.

Operating EBITDA for the full year was EUR (2.8) million, an improvement of EUR 6.1 million compared to 2022 and in line with the Company's revised outlook at the end of Q2 2023 to deliver full year 2023 Operating



EBITDA in line with or better than FY 2022. The Company's contribution margin expansion, reduction in marketing spend and disciplined focus on cost control, contributed to the improvement.

<i>EUR in millions</i>	<b>2023</b>	<b>2022</b>	<b>Change vs. prior year</b>
<b>Revenues</b>	<b>328.5</b>	<b>401.2</b>	<b>(18%)</b>
Cost of goods sold	(173.8)	(216.8)	(20%)
Gross profit	154.7	184.4	(16%)
Fulfilment expenses	(50.6)	(69.1)	(27%)
<b>Contribution margin (CM)</b>	<b>104.1</b>	<b>115.3</b>	<b>(10%)</b>
<b>CM as % of revenues</b>	<b>31.7%</b>	<b>28.7%</b>	<b>3 pts</b>
Marketing expenses	(55.6)	(64.0)	(13%)
General & administrative expenses	(80.3)	(79.0)	2%
<b>Operating expenses</b>	<b>(135.9)</b>	<b>(143.0)</b>	<b>(5%)</b>
<b>EBIT</b>	<b>(31.8)</b>	<b>(27.6)</b>	<b>15%</b>
Financing income & expenses	(13.3)	(12.2)	9%
Earnings before taxes (EBT)	(45.1)	(39.9)	13%
Tax (expense) / benefit	0.5	(0.1)	(600%)
<b>Net loss for the period</b>	<b>(44.6)</b>	<b>(40.0)</b>	<b>12%</b>
<b>Operating EBITDA</b>	<b>(2.8)</b>	<b>(8.8)</b>	<b>(68%)</b>
<b>Operating EBITDA as % of revenue</b>	<b>(0.9%)</b>	<b>(2.2%)</b>	<b>1.3 pts</b>

#### Cash flows and cash position

Cash flow from operations for FY 2023 was EUR (10.0) million, an improvement of EUR 8.7 million as compared to FY 2022, aided in part by significantly reduced inventory levels, a key focus of the Company in 2023. Other non-cash movements include EUR 5.5 million in interest capitalization, movement in make good provision of EUR 720 thousand and movement on currency translation.

Cash flow from investing activities was EUR (12.3) million for FY 2023, EUR 6.2 million below FY 2022 (EUR 18.5 million which included investment in its Chefgood acquisition in Australia). The Company continued to invest in its digital infrastructure but reduced its expenditures on property, plant and equipment. EUR 2.5 million was spent toward earn out payments for Chefgood.

Cash flow from financing was a positive EUR 14.1 million for FY 2023, EUR 3.4 million lower than FY 2022 (EUR 17.6 million). The Company received proceeds from the issuance of share capital of nearly EUR 35 million in 2023, but proceeds from borrowings for FY 2023 were EUR 14.4 million as compared to EUR 26.5 million in the prior year. However, the Company benefited from a 6-month (April to September 2023) deferment of interest capitalized to the Company's outstanding loan balance with Runway Growth Finance Corp. in connection with the business combination agreement. This resulted in a deferment fee of EUR 592 thousand, which was settled through the issuance of shares.

Marley Spoon always met its payment obligations during the financial year. In connection with the Company's liquidity, Marley Spoon had various financing events in 2023:

- In Q1 2023, the Company repaid its EUR 5 million loan facility with Berliner Volksbank (BVB) and subsequently drew down a new EUR 5 million money market loan from BVB. The new loan retained the same interest rate of 6.5% + EURIBOR per annum. In August 2023 BVB extended this loan by two months to October 2023. In November 2023, the Company secured an EUR 2,500 thousand money market loan, carrying an interest rate of 7.53% + 3-month EURIBOR per annum. The maturity date is May 30, 2024 and may be extended upon agreement;

- In Q2 2023, the Company raised EUR 35 million in gross proceeds from a capital raise associated with the business combination agreement with 468 SPAC II (now Marley Spoon Group SE). An additional EUR 10 million in non-redeemed SPAC funds remained in Marley Spoon Group SE;
- Following the capital raise, EUR 7.8 million was used in Q2 2023 to pre-pay, without penalty, a portion of the Company's outstanding loan balance with Runway Growth Capital. The principal repayment was accompanied by a reduction of 1 percentage point in the cash interest rate on the outstanding loan balance, from 8.5% over three-month SOFR to 7.5%;
- A new asset financing agreement was signed in Q3 2023 with National Australia Bank in the amount of EUR 2.5 million, the proceeds of which are being utilized for fitting out the new Perth FC;
- Also, in Q3 2023, the Company obtained EUR 0.2 million in insurance premium financing;
- In Q4 2023, the Company repaid its EUR 5 million loan facility with BVB following which it obtained a new loan from BVB in the amount of EUR 2.5 million at an interest rate of 7.53% + 3-month EURIBOR per annum. Credit terms are maintained until May 2024, when the loan can be extended on agreement.

As at 31 December 2023, the cash and cash equivalents on balance amounted to EUR 10.9 million (prior year: EUR 19.0 million). For 2024, the Management Board assumes that all existing payment obligations can be met.

<i>EUR in millions</i>	<b>31 December 2023</b>	<b>31 December 2022</b>
Cash flows from operating activities	(10.0)	(18.7)
Cash flows from investing activities	(12.3)	(18.5)
Cash flows from financing activities	14.1	17.6
<b>Net increase in cash and cash equivalents</b>	<b>(8.2)</b>	<b>(19.6)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>10.9</b>	<b>19.0</b>

### 3 Shareholder Information

Shareholder information required by the Australian Securities Exchange Limited (ASX) Listing Rules and not disclosed elsewhere in this document is set out below.

The share capital of the Company is divided into 73,559,137 no par-value shares (shares without nominal value) (2022: 39,335,973). Since 2022, 10 CHESS Depository Interests (CDIs) equate to 1 share in the Company. As at 31 May 2023 €2,919,579 and as at 30 June 2023 €30,734,2645 was invested into Marley Spoon share capital without being transmuted into CHESS Depository Interests (CDIs). This was not required as a result of the business combination agreement.

The Company settled the deferral fee liability of EUR 592 thousand related to the amendments of its debt terms with Runway in combination with the BCA. This outstanding amount was settled through the issuance of shares and was registered in the commercial register on 4 July, 2023.

As at 31 December 2023, 117,724,403 CDIs are issued which represent 11,772,440 shares.

As at the date of this Report, 117,724,403 CDIs are issued which represent all 11,772,440 shares in the Company.

The following information is provided on a consolidated basis:

#### 3.1. Link to Marley Spoon's Corporate Governance Statement

The 2023 Corporate Governance Statement, as approved by the Supervisory Board, will be published along with the audited financial statements of the Company. The Corporate Governance Statement evaluates the extent to which Marley Spoon has followed the Governance Principles during the 2023 financial year.

**3.2. Substantial shareholders**

The number of securities held by substantial beneficial shareholders at 31 December 2023 is set out below:

Shareholder	CDIs	% IC
Marley Spoon Group SE	-	84.58
Other security holders (under 10%)	117,724,403	15.42

**3.3. Number of security holders and securities on issue**

Marley Spoon has issued the following securities:

- 61,786,692 no-par-value shares (shares without nominal value) held by Marley Spoon Group SE;
- 11,772,440 no-par-value shares (shares without nominal value) held by Chess Depository Nominees Pty Ltd.; "CDN";
- 117,724,403 CDIs held by 2,936 CDI holders (as of 31 December 2023) representing 11,772,440 shares of (b);
- 21,400,437 employee share options held by 686 active and inactive option holders

**3.4. Voting rights***Shares*

The voting rights attached to shares are one vote per share, which can be exercised in person or by proxy at the Company's general meeting following registration with the Company and presentation of proof of ownership / representation right of the respective shares.

*CDIs*

CDI holders may attend and vote at the Company's general meeting by doing any of the following:

- Instructing CDN to vote the shares underlying the CDIs in a particular manner;
- Informing CDN that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to their shares underlying the CDIs for the purpose of attending and voting at the general meeting; or
- Converting their CDIs into shares and voting these at the general meeting. CDI holders will be entitled to one vote for every 10 CDIs they hold.

*Options*

Option holders do not have any voting rights on the options held by them.

**3.5. Distribution of security holders**

Range	CDIs (as at 31 December 2023)			
	Securities	%	No. of holders	%
100,001 and over	100,180,492	85.10	118	4.02
10,001 to 100,000	12,813,424	10.88	388	13.22
5,001 to 10,000	1,998,168	1.70	258	8.79
1,001 to 5,000	2,092,921	1.78	827	28.17
1 to 1,000	639,398	0.54	1,345	45.81
<b>Total</b>	<b>117,724,403</b>	<b>100.00</b>	<b>2,936</b>	<b>100.00</b>

**3.6. Unmarketable parcel of shares**

The number of CDI holders holding less than a marketable parcel of securities is 2,530 (as of 31 December 2023).

**3.7. Twenty largest shareholders**

Details of the 20 largest direct CDI holders by registered shareholding are as follows:

Rank	Name	31-Dec-23	% IC
1	Citicorp Nominees Pty Limited	13,733,445	11.67%
2	UBS Nominees Pty Limited	10,070,000	8.55%
3	J.P. Morgan Nominees Australia Pty Limited	7,428,432	6.31%
4	BNP Paribas Nominees Pty Limited	4,818,959	4.09%
5	Marley Spoon Group SE	4,306,273	3.66%
6	Mr. David Khalifa Mahfouz Khalifa	3,856,216	3.28%
7	Pither Investment Pty Limited	3,042,486	2.58%
8	Baradnil Pty Limited	3,000,000	2.55%
9	Mr. Perry Julian Rosenzweig and Mrs. Dana Andrea Rosenzweig	2,880,000	2.45%
10	Bridgeford Investments Pty Limited	2,637,274	2.24%
11	Mr. Timothy Harry Knapton	2,024,708	1.72%
12	Beach Haus Pty Ltd (Rolf Weber A/C)	1,872,463	1.59%
13	Netwealth Investments	1,673,997	1.42%
14	Pacific Custodians Pty Limited	1,601,952	1.36%
15	BNP Paribas Nominees Pty Ltd Acf Clearstream	1,480,086	1.26%
16	Nintieth Y Pty Ltd	1,400,000	1.19%
17	BNP Paribas Noms Pty Ltd	1,328,268	1.13%
18	MR Mark Cristopher Garrick	1,308,490	1.11%
19	Finclear Pty Ltd	1,210,038	1.03%
20	Miss Edita Neubauerova	1,050,594	0.89%
	<b>Total</b>	<b>70,723,681</b>	<b>60.08%</b>
	<b>Grand total</b>	<b>117,724,403</b>	<b>100%</b>

**3.8. Name of the entity's secretary**

Dr. Mathias Hansen (General Counsel) has been appointed to act in a company secretarial role.

**3.9. Address and telephone number of the company's registered office in Australia; and of its principle administrative office, if both are different**

The Company's registered office and principal place of business is: Paul-Lincke-Ufer 39/40, 10999 Berlin, Germany (P: +491716115916). The Australian office is located at c/o Marley Spoon Pty Ltd (AU), Suite 2.03, Building 2, Sydney Corporate Park, 190 Bourke Road, Alexandria NSW 2015 (P: +612 6145 2910).

**3.10. Address and telephone number of each office at which a register of securities, register of depositary receipts or other facilities for registration of transfers is kept**

Link Market Services, Locked Bag A14, Sydney South NSW 1235, P: +61 1300 554 474 (toll free within Australia).

**3.11. A list of other stock exchanges on which any of the company's securities are quoted**

Marley Spoon's securities are not listed on any other stock exchange though the securities of Marley Spoon Group SE, the Company's largest beneficial shareholder, are quoted on the Frankfurt Stock Exchange.

**3.12. The number and class of restricted securities or securities subject to voluntary escrow that are on issue and the date the escrow period ends**

There are no restricted securities or securities in escrow as of period end.

**3.13. Unquoted securities**

*Shares*

None

For personal use only

*Warrants*

None

*Options*

21,400,437 employee share options held by 686 active and inactive option holders;

**3.14. On market buy-back**

There is no current on market buy-back.

**3.15. Statement regarding use of cash assets**

During the period between 1 January 2023 and 31 December 2023, the Company used its cash and assets readily convertible to cash in a way consistent with its business objectives set out in the 2022 Annual Report dated 28 February 2023, in public disclosures made during the reporting period, and in this annual report.

**3.16. The following is a summary of any issues of securities approved for the purposes of Item 7 of section 611 of the Corporations Act which have not yet been completed.**

N/A

**3.17. If during the reporting period any securities were purchased on-market:**

N/A

**3.18. Other**

In accordance with the ASX decision confirming Marley Spoon's admission to the ASX, Marley Spoon provides the following information:

- names of all substantial holders in the Company: see Sec. 3.2 above;
- the place of the Company's incorporation is Berlin, Germany;
- Company is not subject to chapters 6, 6A, 6B and 6C of the Corporations Act 2001 (Cth) dealing with the acquisition of its shares (including substantial holdings and takeovers);
- there are no limitations on the acquisition of securities imposed by the jurisdiction in which the Company is incorporated or registered;
- there are no limitations on the acquisition of securities imposed under the Company's constitution

For personal use only

## Review of Operations

### Consolidated Statement of Financial Position

<i>EUR in thousands</i>	<b>Note</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, and equipment	8	22,992	25,152
Right-of-use assets	9	30,913	22,206
Lease receivables		246	420
Intangible assets	10	17,972	16,385
Goodwill		9,016	9,016
Non-current financial assets		2,663	2,510
<b>Total non-current assets</b>		<b>83,802</b>	<b>75,689</b>
<b>Current assets</b>			
Inventories		9,603	13,124
Trade receivables	7	644	774
Other current financial assets		3,638	3,233
Cash and cash equivalents		10,857	19,033
<b>Total current assets</b>		<b>24,742</b>	<b>36,164</b>
<b>Total assets</b>		<b>108,544</b>	<b>111,853</b>
<b>LIABILITIES AND EQUITY</b>			
Lease liabilities	9	24,946	16,967
Interest bearing loans and borrowings – non-current	11	67,332	70,771
Intercompany loans	13	3,993	-
Non-current provisions		1,800	2,259
Deferred tax liabilities		1,185	1,781
<b>Total non-current liabilities</b>		<b>99,256</b>	<b>91,778</b>
<b>Current liabilities</b>			
Trade and other payables	7	26,110	26,405
Contract liabilities		1,397	1,876
Interest bearing loans and borrowings	11	4,485	7,831
Lease liabilities	9	10,093	8,703
Other financial liabilities	15	12,075	14,801
Other non-financial liabilities		4,110	3,566
<b>Total current liabilities</b>		<b>58,269</b>	<b>63,182</b>
<b>Equity</b>			
Share capital		73,559	39,336
Capital reserve		227,529	226,462
Other reserves		9,265	8,516
Currency translation reserve		(711)	(3,425)
Accumulated net losses		(356,717)	(312,422)
<b>Equity attributable to equity holders of the parent</b>		<b>(47,075)</b>	<b>(41,533)</b>
Non-controlling interests		(1,906)	(1,574)
<b>Total equity</b>		<b>(48,981)</b>	<b>(43,107)</b>

For personal use only



<b>Total liabilities and equity</b>		<b>108,544</b>	<b>111,853</b>
-------------------------------------	--	----------------	----------------

**Consolidated Statement of Comprehensive Income**

<i>EUR in thousands except for per Share data</i>	Note	For the 12 months ended	
		31 December 2023	31 December 2022
<b>Revenue</b>	5	<b>328,504</b>	<b>401,242</b>
Cost of goods sold		(173,816)	(216,835)
<b>Gross profit</b>		<b>154,689</b>	<b>184,407</b>
Fulfilment expenses		(50,622)	(69,075)
Marketing expenses		(55,578)	(64,018)
General & administrative expenses		(80,273)	(78,962)
<b>Earnings before interest &amp; taxes (EBIT)</b>		<b>(31,784)</b>	<b>(27,648)</b>
Financing income	12	109	69
Financing expenses	12	(13,422)	(12,284)
Derivative instruments	12	-	(7)
<b>Earnings before taxes (EBT)</b>		<b>(45,097)</b>	<b>(39,869)</b>
Income tax benefit (expense)	6	470	(144)
<b>Net loss for the year</b>		<b>(44,627)</b>	<b>(40,013)</b>
Net loss for the year attributed to:			
Equity holders of the parent		(44,295)	(39,780)
Non-controlling interest		(332)	(283)
<b>Other comprehensive loss for the year</b>			
<b>Items that may be subsequently reclassified to profit or loss</b>		<b>(2,714)</b>	<b>(1,788)</b>
Foreign exchange effects		(2,714)	(1,788)
<b>Total comprehensive loss for the year, net of tax</b>		<b>(41,913)</b>	<b>(41,801)</b>
Total comprehensive loss attributable to:			
Equity holders of the parent		(41,518)	(41,518)
Non-controlling interests		(332)	(283)
Basic earnings per share (whole EUR)		(0.74)	(1.33)
Diluted earnings per share (whole EUR)		(0.74)	(1.32)

For personal use only

**Consolidated Statement of Changes in Equity**

<i>EUR in thousands</i>	Share Capital	Treasury Shares	Capital Reserves	Other Reserves	Accumulated Net Earnings/ (Losses)	Currency Translation Reserve	Total	Attributable NCI	Total Equity
<b>Balance as at 1 January 2023</b>	<b>39,336</b>	-	<b>226,462</b>	<b>8,516</b>	<b>(312,422)</b>	<b>(3,425)</b>	<b>(41,533)</b>	<b>(1,574)</b>	<b>(43,107)</b>
Net loss for the period	-	-	-	-	(44,295)	-	<b>(44,295)</b>	(331)	(44,626)
Other comprehensive loss	-	-	-	-	-	2,714	2,714	-	2,714
<b>Total Comprehensive loss</b>	<b>39,336</b>	-	<b>226,462</b>	<b>8,516</b>	<b>(356,717)</b>	<b>(711)</b>	<b>(83,114)</b>	<b>(1,906)</b>	<b>(85,019)</b>
Issuance of share capital	34,223	-	1,369	-	-	-	35,592	-	35,592
Receipt of shares for employee option exercise	-	-	-	-	-	-	-	-	-
Shares transferred to employees	-	-	(73)	-	-	-	(73)	-	(73)
Cash on exercise of employee options	-	-	-	-	-	-	-	-	-
Employee share-based payment expense	-	-	-	749	-	-	749	-	749
Transaction costs for issuance of shares	-	-	(229)	-	-	-	(229)	-	(229)
<b>Balance as at 31 December 2023</b>	<b>73,559</b>	-	<b>227,529</b>	<b>9,265</b>	<b>(356,717)</b>	<b>(711)</b>	<b>(47,075)</b>	<b>(1,906)</b>	<b>(48,980)</b>

<i>EUR in thousands</i>	Share Capital	Treasury Shares	Capital Reserves	Other Reserves	Accumulated Net Earnings/ (Losses)	Currency Translation Reserve	Total	Attributable NCI	Total Equity
<b>Balance as at 1 January 2022</b>	284	(1)	250,268	7,507	(272,692)	(1,637)	(16,271)	(1,292)	(17,563)
Net loss for the period	-	-	-	-	(39,730)	-	(39,730)	(283)	(40,013)
Other comprehensive loss	-	-	-	-	-	(1,788)	(1,788)	-	(1,788)
<b>Total comprehensive loss</b>	284	-	250,268	7,507	(312,422)	(3,425)	(57,788)	(1,574)	(59,362)
Issuance of share capital	10,148	-	5,721	-	-	-	15,869	-	15,869
Receipt of shares for employee option exercise	-	-	1	-	-	-	1	-	1
Shares transferred to employees	-	1	(2)	-	-	-	(1)	-	(1)
Cash on exercise of employee options	-	-	(9)	-	-	-	(9)	-	(9)
Employee share-based payment expense (note 14)	-	-	-	1,009	-	-	1,009	-	1,009
Transaction costs for issuance of shares	-	-	(613)	-	-	-	(613)	-	(613)
Increase of share capital from company funds	28,904	-	(28,904)	-	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	39,336	-	226,462	8,516	(312,422)	(3,425)	(41,533)	(1,574)	(43,107)

**Consolidated Statement of Cash Flows**

<i>EUR in thousands</i>	Note	For the year ended	
		31 December 2023	31 December 2022
<b>Operating activities</b>			
Net income (loss) for the period		<b>(44,627)</b>	<b>(40,013)</b>
Adjustments for:			
Depreciation of property, plant, and equipment		4,436	4,326
Depreciation of right-of-use assets		6,501	6,239
Amortization of intangible assets		5,945	5,541
Loss on disposal of property, plant and equipment		39	481
Increase (decrease) in share-based payments		749	1,009
Financing income and expense		6,704	11,868
Bad debt expense		1,180	564
Tax paid		597	(5)
Other non-cash movements		6,921	(2,120)
Working capital adjustments:			
Decrease (increase) in inventory		3,521	(3,741)
Increase (decrease) in accounts payable and accrued expenses		(784)	(1,353)
Decrease (increase) in receivables and other items		(1,095)	(953)
Increase (decrease) in other assets and liabilities		(122)	(569)
<b>Net cash flows from operating activities</b>		<b>(10,036)</b>	<b>(18,726)</b>
<b>Investing activities</b>			
Purchase of property, plant, and equipment	8	(2,233)	(3,700)
Purchase/development of intangible assets	10	(7,551)	(7,009)
Acquisition of Chefgood, net of cash acquired		(2,502)	(7,783)
<b>Net cash flows used in investing activities</b>		<b>(12,285)</b>	<b>(18,492)</b>
<b>Financing activities</b>			
Proceeds from the issuance of share capital		35,592	15,869
Proceeds from employee option exercise		(73)	(10)
Costs from the issuance of share capital		(821)	(613)
Proceeds from borrowings	11	14,369	26,532
Cost from borrowings	11	(582)	(199)
Interest paid	11	(5,097)	(7,542)
Repayment of borrowings	11	(20,237)	(7,763)
Lease payments	9	(9,006)	(8,686)

For personal use only

<b>Net cash flows from/ (used in) financing activities</b>	<b>14,145</b>	<b>17,588</b>
Net increase (decrease) in cash and cash equivalents	(8,177)	(19,629)
Effects of exchange rate changes and other changes on cash and cash equivalents	-	3
<b>Cash and cash equivalents as at 1 January</b>	<b>19,033</b>	<b>38,659</b>
<b>Cash and cash equivalents as at 31 December</b>	<b>10,857</b>	<b>19,033</b>

## Selected Explanatory Notes to the Preliminary Financial Report

### 1 Reporting Entity

The financial statements are for the Group consisting of Marley Spoon SE and its subsidiaries (hereafter “the Group”). The Group’s principal business activity is to solve everyday recurring problems in delightful and sustainable ways by creating and delivering directly to customers original recipes along with the necessary fresh, high-quality, seasonal ingredients for them to prepare, cook, and enjoy, or in the case of Chefgood, ready-to-heat meals to prepare. Customers can choose which recipes they would like to receive in a given week, and receive the pre-portioned ingredients delivered to their doorstep by third-party logistics partners.

The Company is registered in the commercial register of Charlottenburg (Berlin) under HR 195994. It is domiciled in Germany and has its registered office at Paul-Lincke-Ufer 39/40, 10999 Berlin, Germany.

Marley Spoon’s activities are conducted, and meal kits sold to consumers in three operating segments, the United States of America (US), 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. The Group’s global headquarters is in Berlin. 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.

### 2 Statement of Compliance

The preliminary financial report has been prepared in accordance with International Accounting Standard.

The accounting policies adopted in the preparation of the preliminary financial report 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 preliminary final report does 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 when published. This Report should also be read in conjunction with any public announcements made by the Group in accordance with continuous disclosure requirements arising under Australian Securities Exchange (ASX) Listing Rules.

The preliminary financial report is 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 this Preliminary Final Report, 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 will be the same as those described in the IFRS Consolidated Financial Statements of the Group for the year ended 31 December 2023 when published. Further details on significant judgements of intangible assets are disclosed in note 10. In addition, refer to note 7 for further information on significant estimates used in determining the fair value of financial instruments and note 14 for estimates on the Company's share price.

#### *3.2 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. The Group's ability to meet its financial obligations as they fall due and continue as a going concern depends on the Company's ability to maintain a positive cash balance, which is forecasted for the foreseeable future. The Company's auditor is expected to issue an unmodified audit opinion with an emphasis of matter related to going concern.

### **4 Significant Changes in the Current Reporting Period**

In addition to the financing events previously noted as having taken place in 2023, the financial position and performance of the Group were also affected by the following events and transactions during the twelve months to 31 December 2023:

- A negotiated amendment, in connection with the business combination agreement, to the Company's existing loan agreement with Runway Growth Finance (Runway) which included an extension of the interest-only period to January 15, 2025 and the loan maturity date to June 15, 2026. This was agreed along with the deferral of the cash interest paid for the period April - September 2023, which was capitalized to the outstanding loan balance. Refer to note 16 for further changes in the maturity date;
- The Company completed its conversion from a German stock corporation (Aktiengesellschaft or "AG") to a German-registered European company (Societas Europaea or "SE"). This significant transformation, approved by the shareholders at the Annual General Meeting on June 1, 2022, provides a more flexible and appropriate corporate structure for Marley Spoon, enhancing its position as a growth company with a pan-European/international employee base. The conversion was finalized on March 13, 2023, with the Company now operating under the name "Marley Spoon SE."
- On 6 July 2023, the Company closed its business combination agreement with 468 SPAC II SE. As part of this agreement, 468 SPAC II SE, now renamed Marley Spoon Group SE ("MSG"), holds shares representing 84% of the Company. MSG's intention is to obtain 100% ownership of the Company as soon as practicable following completion of a direct tender offer (see below), and ultimately delist the Company from the ASX. The means by which the de-listing will be affected will depend on the ownership of MSG in the Company post-closing of the direct offer;



- From 13 July 2023 onward, MSG's shares are trading on the Regulated Market (General Standard) of the Frankfurt Stock Exchange under the ISIN LU2380748603 and trading symbol MS1. In addition, the Supervisory Board of the Company initiated a board transition, including key appointments and retirements, to enable an orderly handover to European-based directors (see Directors' report);
- On 4 September 2023, Marley Spoon Group SE made an unconditional, off-market, direct cash offer to Marley Spoon CDI holders to acquire up to 10,000 CDIs from each Marley Spoon CDI holder at a price of A\$0.11 per CDI. Upon closing of the Small Holdings Offer on 4 October 2024, 858 CDI holders tendered a total amount of 4,011,518 CDIs, representing approximately 3% of the CDIs on issue as at the Small Holdings Offer record date, and approximately 1% of the total issued capital of Marley Spoon SE. MSG's acquisition of these CDIs increased its holding in Marley Spoon SE to approximately 85% on completion;
- On 6 November 2023, Marley Spoon Group SE launched a Subsequent Direct Tender Offer to acquire remaining Marley Spoon SE CDIs in exchange for MSG public shares. Upon closing of the Subsequent Direct Tender Offer on 19 December 2023, MSG received acceptances from 400 CDI holders with respect to a total amount of 76,621,889 CDIs, representing approximately 65% of the CDIs on issue as at the Tender Offer record date, and approximately 10.4% of the total issued capital of Marley Spoon. MSG's acquisition of these CDIs will increase its holding in Marley Spoon SE to approximately 95% on completion of the Tender Offer.

## 5 Segment Reporting

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, severance costs or transaction fees such as those associated with the business combination agreement.

EUR in thousands	For the year ended 31 December 2023						
	USA	Australia	Europe	Total	Holdings	Conso	Group
Total revenue	158,789	136,025	33,691	328,504	36,239	(36,239)	328,504
Internal revenue	-	-	-	-	(36,239)	36,239	-
External revenue	158,789	136,025	33,691	328,504	-	-	328,504
Contribution margin <sup>(1)</sup>	53,806	41,913	8,347	104,066	36,239	(36,239)	104,066
<b>Operating EBITDA</b>	<b>11,707</b>	<b>7,933</b>	<b>(22,423)</b>	<b>(2,783)</b>	-	-	<b>(2,783)</b>
Internal charges & royalties <sup>(3)</sup>	(11,417)	(9,028)	(9,821)	(30,266)	-	25,408	(4,858)
Special items <sup>(2)</sup>	(1,219)	(197)	(5,845)	(7,261)	-	-	(7,261)
Depreciation and amortization	(6,323)	(4,094)	(6,465)	(16,882)	-	-	(16,882)
<b>EBIT</b>	<b>(7,252)</b>	<b>(5,386)</b>	<b>(44,554)</b>	<b>(57,192)</b>	-	<b>25,408</b>	<b>(31,784)</b>
Intercompany interest	(5,107)	(2,805)	(2,919)	(10,831)	-	10,831	-
Interest on lease liabilities	(1,543)	(1,131)	(354)	(3,028)	-	-	(3,028)
External financing costs	(9,886)	879	(1,278)	(10,285)	-	-	(10,285)

Fair value changes Derivative financial instruments	-	-	-	-	-	-	-
<b>Earnings before tax</b>	<b>(23,788)</b>	<b>(8,443)</b>	<b>(49,105)</b>	<b>(81,336)</b>	-	<b>36,239</b>	<b>(45,097)</b>

<sup>1</sup> Contribution margin consists of revenue from external customers less cost of goods sold and fulfillment expenses.

<sup>2</sup> Special items consist of the following: employee stock option program costs of EUR 751 thousand including exercise expenses (2022: EUR 1,009 thousand), expenses incurred in connection with M&A transactions (2022: EUR 890 thousand), severance expense of EUR 2,110 thousand (2022: 761 thousand) and restructuring costs of EUR 3,797 thousand (2022: EUR nil), as well as one-time sales tax charges in the US of EUR 601 thousand (2022: EUR 1,838 thousand).

<sup>3</sup> The Group has intercompany financing transactions between Marley Spoon SE and its subsidiaries for the interest on loans, royalty recharges, recharges for staff and other services. These charges are based on independent benchmark studies and considered to be at arm's length. Transactions between Marley Spoon SE and Marley Spoon Group SE (the legal parent) relate to expenses relating to the business combination and a downstream loan.

EUR in thousands	For the year ended 31 December 2022						
	USA	Australia	Europe	Total	Holdings	Conso	Group
Total revenue	197,436	154,264	49,542	401,242	29,542	(29,542)	401,242
Internal revenue	-	-	-	-	(29,542)	29,542	-
External revenue	197,436	154,264	49,542	401,242	-	-	401,242
Contribution margin <sup>1</sup>	57,824	47,770	9,738	115,332	29,542	(29,542)	115,332
<b>Operating EBITDA</b>	<b>11,852</b>	<b>8,775</b>	<b>(29,451)</b>	<b>(8,825)</b>	-	-	<b>(8,825)</b>
Internal charges & royalties	(11,823)	(8,632)	(1,407)	(21,863)	-	21,863	-
Special items <sup>2</sup>	(2,400)	884	(1,202)	(2,718)	-	-	(2,718)
Depreciation and amortization	(6,215)	(4,259)	(5,632)	(16,106)	-	-	(16,106)
<b>EBIT</b>	<b>(8,587)</b>	<b>(3,232)</b>	<b>(37,692)</b>	<b>(49,512)</b>	-	<b>21,863</b>	<b>(27,649)</b>
Intercompany interest	(3,051)	(2,315)	(2,313)	(7,679)	-	7,679	-
Interest on lease liabilities	(1,946)	(708)	(401)	(3,055)	-	-	(3,055)
External financing costs	(6,794)	(172)	(2,193)	(9,159)	-	-	(9,159)
Fair value changes Derivative financial instruments	-	(7)	-	(7)	-	-	(7)
<b>Earnings before tax</b>	<b>(20,378)</b>	<b>(6,434)</b>	<b>(42,600)</b>	<b>(69,411)</b>	-	<b>29,542</b>	<b>(39,869)</b>

<sup>1</sup> Contribution margin consists of revenue from external customers less cost of goods sold and fulfillment expenses.

<sup>2</sup> Special items consist of the following: employee stock option program costs of EUR 1,009 thousand including exercise expenses (2021: EUR 1,341 thousand of program costs and EUR 85 of exercise costs), expenses incurred in connection with M&A transactions in the amount of EUR 890 thousand (2021: EUR 322 thousand), severance expense of EUR 761 thousand (2021: 0), as well as one-time sales tax charges in the US of EUR 1,838 thousand (2021: 0).

## 6 Income Tax Expense

The Group's consolidated weighted current tax rate for the year ended 31 December 2023 was 25.7% (2022: 26.8%). The weighted average applicable tax rate for the year 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 2023.

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.

## 7 Financial Instruments

### 7.1 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. Included within the trade and other payables is an amount owed to Marley Spoon Group SE, the parent company, of EUR 4,858 thousand (2022: EUR nil).

Financial assets (EUR in thousands)	31 December 2023	31 December 2022
<b>Financial assets measured at amortized cost</b>		
Non-current financial assets	2,663	2,510
Trade and other receivables	644	774
	<b>3,306</b>	<b>3,284</b>
<b>Financial assets measured at fair value</b>		
Derivative financial instruments	-	-
<b>Total</b>	<b>3,306</b>	<b>3,284</b>
Financial liabilities (EUR in thousands)	31 December 2023	31 December 2022
<b>Financial liabilities measured at amortized cost</b>		
Interest bearing loans and borrowings (current & non-current)	71,817	78,602
Trade and other payables	26,110	26,405
Other financial liabilities	12,075	14,801
<b>Total</b>	<b>110,002</b>	<b>119,808</b>

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.

### 7.2 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.

### 7.3 *Derivative Financial Instruments*

The Group entered into a 3-month interest rate swap transaction with Deutsche Bank AG, which began in October 2023 and has a two-year term. This transaction is specifically designed to manage the interest rate risk on the Company's Runway loan. The fair market value of the derivative is immaterial to the financial statements.

## 8 **Property, Plant and Equipment**

During the twelve months ended 31 December 2023, the Group acquired assets with a cost of EUR 2,971 thousand (2022: EUR 4,801 thousand).

## 9 **Lease Liabilities**

During the twelve months ended 31 December 2023, long-term lease liabilities increased by EUR 7,979 thousand to EUR 24,946 thousand in FY 2023 (2022: 16,967 thousand), driven primarily by a new fulfilment center in Perth, Australia and the renewal of the lease for the fulfilment center in New Jersey in the United States, for a combined total of EUR 23,621 thousand. In addition, new office space in Portugal was leased during the year at a total value of EUR 959 thousand.

For the period ended 31 December 2023, the Group classified EUR 10,093 thousand as the current portion of its lease liabilities (2022: 8,703 thousand).

## 10 **Intangible Assets**

During the twelve months ended 31 December 2023, the Group capitalized EUR 7,551 thousand (2022: EUR 7,009 thousand) which was related to licenses & software developments.

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 whether the intangible assets have suffered any impairment or if there is the occurrence of an impairment indicator for all intangible assets.

## 11 Interest-bearing Loans and Borrowings

### Berliner Volksbank (BVB)

In December 2018, the Company entered into and fully drew down an unsecured loan in the amount of EUR 2,500 thousand from Berliner Volksbank (BVB) which was repaid in Q1 2021. The Company signed a new unsecured revolving credit facility with BVB in March 2021 for a total amount of EUR 5,000 thousand and an unlimited term. This credit line is fully used by a drawdown of a 12-month EUR 5,000 thousand loan, bearing 5% interest which matured in March 2022.

In March 2022, the Company repaid the outstanding aggregate short-term loan balance of EUR 5,000 thousand due to BVB by drawing a EUR 5,000 thousand account overdraft facility with BVB which carried an interest rate of 5.5% per annum. The Company then repaid the EUR 5,000 thousand account overdraft facility with a new EUR 5,000 thousand loan from BVB, drawn down in May 2022. This EUR 5,000 thousand money market loan carried an interest rate of 6.5% + EURIBOR per annum, was drawn down for 90 days and renewed in 90-day increments until repayment.

During Q1 2023, the Company repaid its EUR 5,000 thousand loan facility and secured a new EUR 5,000 thousand money market loan from BVB, carrying an interest rate of 6.5% + EURIBOR per annum. In August 2023 BVB extended this loan by two months to October 2023. In November 2023, the Company secured an EUR 2,500 thousand money market loan, carrying an interest rate of 7.53% + 3-month EURIBOR per annum. The maturity date is May 30, 2024 and may be extended upon agreement.

### Australia asset financing:

Marley Spoon Pty Ltd., the Australian operating entity of the Group, entered into an asset financing agreement (AFA) with National Australia Bank (NAB). The total amount borrowed was for up to EUR 9.4 million (AUD 15.7 million), sourced through seven distinct loans. Marley Spoon Pty Ltd has already settled three loans, amounting to EUR 2.7 million (AUD 4.30 million), and partially settled EUR 2 million (AUD 3.15 million) of the existing outstanding loan. As of 31 December 2023, the remaining balance stands at EUR 5 million (AUD 8.2 million). The breakdown of these loans is detailed below:

- On 1 March 2021, Marley Spoon Pty Ltd entered into an agreement for EUR 584 thousand (AUD 900 thousand) at an interest rate of 3.79% over a 60-month period. As at December 2023, the outstanding loan balance was EUR 272 thousand (AUD 441 thousand);
- On 28 September 2021, Marley Spoon Pty Ltd initiated an asset finance loan agreement for EUR 3.728 thousand (AUD 6,000 thousand) with an interest rate of 3.50% for 60 months. As at 31 December 2023, the outstanding loan balance was EUR 2,173 thousand (AUD 3,528 thousand);
- On 9 March 2023, Marley Spoon Pty Ltd entered into another asset finance loan agreement for EUR 216 thousand (AUD 347 thousand) at an interest rate of 7.51% for a 60-month term. As at 31 December 2023, the outstanding balance was EUR 187 thousand (AUD 303 thousand);
- On 29 August 2023, Marley Spoon Pty Ltd secured a new asset financing loan for its Perth fulfillment center for EUR 2,510 thousand (AUD 4,101 thousand) with an interest rate of 7.64% over 60 months. As at 31 December 2023, the outstanding balance was EUR 2.421 thousand (AUD 3,931 thousand).

### Chefgood equipment loan

Effective 19 December 2022, Chefgood Pty Ltd., a wholly owned subsidiary of the Group, entered into an equipment loan agreement with NAB in the aggregate amount of EUR 865 thousand (AUD 1,357 thousand) at an interest rate of 7.02% per annum. Funds borrowed under this facility were used to finance certain production equipment which is pledged to NAB as security. This facility has a 24-month term. The outstanding balance as of 31 December 2023 is EUR 432 thousand (AUD 702 thousand).

### Insurance financing

The Company has obtained insurance premium financing as follows:

- In September 2023, Group financing of EUR 785 thousand (AUD 1,283 thousand) at an interest rate of 2.85% per annum, with repayments through Q1 2024; MMM Consumer Brands Inc. also secured insurance premium financing for EUR 181 thousand (USD 192 thousand) at an interest rate of 9.25% per annum, with repayments through Q1 2024;
- In October 2023, MMM Consumer Brands Inc. secured insurance premium financing for EUR 41 thousand (USD 44 thousand) at an interest rate of 9.25% per annum, with repayments through Q2 2024;
- In November 2023, Group financing for EUR 441 thousand (AUD 729 thousand) at an interest rate of 4.99% per annum, with repayments through Q2 2024.

### Runway Growth Capital credit facility

Effective 30 June 2021 the Company signed and closed a committed senior secured credit facility of four years with Runway Growth Capital. The facility gave Marley Spoon access of up to EUR 54,700 thousand (USD 65,000 thousand) to support the Company's growth strategy. Funds were available in two tranches: the Initial Term Loan of up to USD 45,000 thousand which the Company could draw through 30 June 2022, subject to being in compliance with the Facility agreement, and the Supplemental Term Loan of a further USD 20,000 thousand available to be drawn through to 30 June 2022. Access to the Supplemental Term Loan was conditional upon Marley Spoon being in compliance with customary financial covenants as well as certain net revenue and contribution margin-based performance milestones.

Of the Initial Term Loan, EUR 25,200 thousand (USD 30,000 thousand) was drawn at closing. On 26 October 2021, the Company drew the remaining EUR 12,900 thousand (USD 15,000 thousand) of Tranche 1, resulting in an outstanding loan balance of EUR 38,100 thousand (USD 45,000 thousand) outstanding as at 31 December 2021. The interest rate on the facility is comprised of a variable interest rate of 8.5% over the three-month SOFR, subject to a SOFR floor of 0.76% (the benchmark rate was amended from three-month LIBOR to three-month SOFR effective 12 December 2022). In addition, a deferred interest rate of 1.25% p.a. applies. The deferred interest amount is added monthly to the outstanding principal amount and due upon maturity.

Several amendments to the Loan and Security Agreement have since been entered into:

- First Amendment: executed on 27 September 2021 in order to add the Company's Dutch entity, Marley Spoon B.V. as a guarantor to the Loan & Security Agreement (LSA);
- Second Amendment entered into on 20 December 2021:
  - Provided for a Second Amendment Supplemental Term Loan of EUR 7,200 thousand (USD 8,100 thousand) at the same terms as the Initial Term Loan and which was drawn on 30 December 2021 to settle in cash the acquisition of Chefgood Pty Ltd by the parent's Australian subsidiary Marley Spoon Pty Ltd in January 2022 along with certain transaction costs and related CAPEX;
  - Redefined the performance criteria required to access the Supplemental Term Loan which was drawn in June 2022 for EUR 19,255 thousand (USD 20,000) and which remains outstanding as at 31 December 2023;
- Third Amendment: executed on 31 May 2022 in order to confirm achievement of a performance milestone and to waive any breach in connection with historical sales tax obligations in the US
- Fourth Amendment: executed on 23 November 2022 to extend the interest-only payment period to January 2024 and to stipulate a pre-payment, at no penalty, of a certain amount of principal in excess of a minimum amount of capital raised by the Company in connection with a December 2022 capital raise;
- Fifth Amendment: entered into on 12 December 2023 to amend the benchmark rate from three-month LIBOR to three-month SOFR with a floor of 0.76%;



- Sixth Amendment entered into on 25 April 2023 in connection with the business combination agreement:
  - Interest payment deferral period from April to September 2023, with the capitalization of the corresponding amounts;
  - Principal repayment of EUR 7,790 thousand (USD 8,609 thousand) without penalty on 25 July 2023, with the subsequent reduction of the interest rate to 7.5% over the three-month SOFR;
  - Amortization Date redefined as 15 January 2025;
  - Term Loan Maturity Date redefined as 15 June 2026;
  - Deferral fee of EUR 592 thousand (USD 643 thousand) settled through Marley Spoon SE shares and considered as transaction cost;

## 12 Financing Income and Expense

Financing income and expenses are those associated with the interest paid on borrowings, derivative financial instruments and the adjustments for loans which are valued at amortized costs. The Group measures financial instruments such as derivatives at fair value at each balance sheet date. The changes in the fair value of the derivative instruments are recognized in the Group's earnings before tax.

EUR in thousands	2023	2022
Interest earned on bank balances	109	69
Currency translation gains	-	-
Contract extinguishment	-	-
<b>Financing income</b>	<b>109</b>	<b>69</b>

EUR in thousands	2023	2022
Bank fees & other expenses	(260)	(225)
Nominal interest expense on borrowings	(10,113)	(8,823)
Interest on lease liabilities	(3,028)	(3,054)
Currency translation losses	(21)	(182)
Effects of effective interest method on borrowings	-	-
<b>Financing expense</b>	<b>(13,422)</b>	<b>(12,284)</b>

EUR in thousands	2023	2022
Derivative financial instrument changes in fair value	-	(7)
<b>Derivative instruments</b>	<b>-</b>	<b>(7)</b>

## 13 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.

### 13.1 Parent entities

On 6 July 2023, the Company closed its business combination agreement with 468 SPAC II SE. As part of this agreement, 468 SPAC II SE, now renamed Marley Spoon Group SE ("MSG"), holds shares representing 84% of the Company. MSG's intention remains to obtain 100% ownership of the Company as soon as practicable and ultimately delist the Company from the ASX.

On 30 August 2023, the Company and MSG signed a credit facility agreement making an up to EUR 4,400 thousand term loan facility available to Marley Spoon SE, with an interest rate of EURIBOR plus 6.5%. On 31 December 2023, the outstanding amount under this agreement is EUR 3,993 thousand.

### 13.2 Significant beneficial security holders

The Group is majority owned by Marley Spoon Group SE, which holds 84% of the shareholding following the business combination on 6 July 2023, and will hold approximately 95% upon settlement of the Subsequent Direct Tender Offer which closed on 19 December 2023. There are no other significant shareholders who have an accumulated interest greater than 10% of the German shares as at 31 December 2023.

### 13.3 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 twelve months ending (EUR in thousands)	31 December 2023	31 December 2022
Fixed annual remuneration	1,132	1,088
Share-based payments (long-term incentives)	586	175
<b>Total compensation</b>	<b>1,132</b>	<b>1,263</b>

#### Supervisory Board

The Supervisory Board currently consists of the following members: Mr. Christian Gisy, Chairperson; Ms. Judith Jungmann, Chair of the Nominations & Remuneration Committee (NRC); Ms. Erika Soderberg-Johnsson, Chair of the Audit & Risk Committee (ARC), and Mr. Alexander Kudlich, Member. Their respective terms end upon closing of the general meeting which resolves on the discharge for financial year 2023, which is expected to be scheduled in May 2024.

Ms. Deena Shiff, previously Chairperson and Ms. Robin Low, previously Chair of the Audit & Risk Committee, stepped down from their roles on 11 September 2023. Mr. Roy Perticucci retired from his position effective as of 30 May 2023.

For their services as a member of the Supervisory Board during the financial year 2023, each Supervisory Board member, except Mr. Kudlich, received a fixed annual remuneration in the amount of EUR 66,229 (AUD 100,000). The base remuneration is inclusive of any applicable taxes, social contributions, superannuation, and other duties imposed on the respective member of the Supervisory Board. Individual board members that serve as chairman of the Company's committees receive the following additional remuneration: EUR 66,229 (AUD 100,000) for the Chairman of the Supervisory Board and EUR 13,245 (AUD 20,000), for the Chairman of the ARC and of the NRC Committees, both in 2022 and 2023.

There is no equity-based remuneration for the Supervisory Board in 2022 or 2023.

## 14 Share-based Payments

On 31 December 2023, the Group had the following share-based payment arrangements:

Prior to its IPO, the Company issued rights under historical “virtual share plans” to most of its salaried employees which were replaced with stock options after the Company’s IPO (the ESOP plans). Generally, employees were granted stock options with a vesting period of up to 48 months with a cliff period of 12 months. No owner rights, e.g., voting rights, are associated with the program. Further details of the program will be provided in the Consolidated Annual Report for the year ended 31 December 2023.

The Company introduced a new employee stock option plan (“SOP”) in February 2019 and August 2019, followed by subsequent grants in February 2020 and August 2020, March 2021 and August 2021 (though 2021 plans ceased to vest because performance criteria were not met), March 2022 and September 2022, as well as March 2023, granting employees share-based payments similarly structured as the ESOP. 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 employees comprised of Restricted Stock Units (RSUs). This program served as the Company’s long-term incentive (LTI) program for its non-key executive management personnel employees, while the share option program continued to serve as the Company’s LTI program for Management Board members. 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 were to 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%).

On account of the business combination agreement and the Company’s intended de-listing from the ASX, a new long term incentive plan is being developed for Marley Spoon team members and Management Board members.

Total expenses arising from share-based payments to employee programs (ESOP, and SOP grants in 2019, 2020, 2022 and 2023; RSU 2022 and 2023) recognized during the period were EUR 749 thousand (2022: EUR 1,009 thousand). This amount may reduce once a final assessment has been completed.

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.

For personal use only

Inputs to the Model	2023	2022	2021	2020
Value per common share (EUR)	0.10	0.38	1.97	0.28 - 3.23
Exercise price (EUR)	0.13	0.44	0.18-1.82	0.18 - 1.53
Expected volatility	92%	80%	79%	57% - 80%
Expected term (in months)	48	48	48	48
Expected dividend yield	-	-	-	-
Risk-free interest rate	2.8%	0%	0%	0%

## 15 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.

## 16 Events After the Reporting Period

### FreshRealm & BistroMD

On 30 January 2024, Marley Spoon SE's US subsidiary, MMM Consumer Brands, Inc. signed and on 9 February 2024, closed, agreements with FreshRealm, Inc. ("FreshRealm") to enter into a strategic partnership for manufacturing and fulfillment under which its operations were sold for EUR 22 million to transform the Company toward an asset-light model in support of scalability for future market consolidation.

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 MSG agreed to invest a total of EUR 8.035 million at EUR 4.00 per share to support the above transactions.

### Amendments to the Loan & Security Agreement (LSA) with Runway Growth Finance Corp.

On 23 January 2024, a Joinder and Seventh Amendment to the LSA 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 LSA was signed with the following terms:

- Amortization date redefined as 15 January 2026;
- Maturity date redefined as 15 June 2027;
- Consent for the aforementioned transactions with FreshRealm and BistroMD.

On 30 January 2024, a Ninth Amendment to the LSA was signed determining:

- A prepayment without penalty of the loan balance of EUR 10,320 thousand (USD 11,200 thousand), in combination with the FreshRealm transaction;
- The possibility of interest rate reductions upon certain prepayment thresholds;
- The insertion of regular general provisions regarding BistroMD.

The Preliminary Final Report was authorized by the Management Board on 29 February 2024.



Fabian Siegel  
Chief Executive Officer, Chairman of the Management Board and Founder



Jennifer Bernstein  
Chief Financial Officer, Member of the Management Board



Daniel Raab  
Chief Operating Officer, Member of the Management Board

Berlin, 29 February 2024

For personal use only