

Marley Spoon (ASX.MMM) Q4 2020 Presentation January 28, 2021



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

MARLEY SPOON

is bringing delightful, market-fresh and easy cooking back to the people.



Nearly 13 million meals in Q4-20



Solid Net Revenue growth and margin delivery;
3rd consecutive Operating EBITDA positive quarter



Strengthened management team



Fourth consecutive quarter of Active Subscriber growth



Active in 8 countries

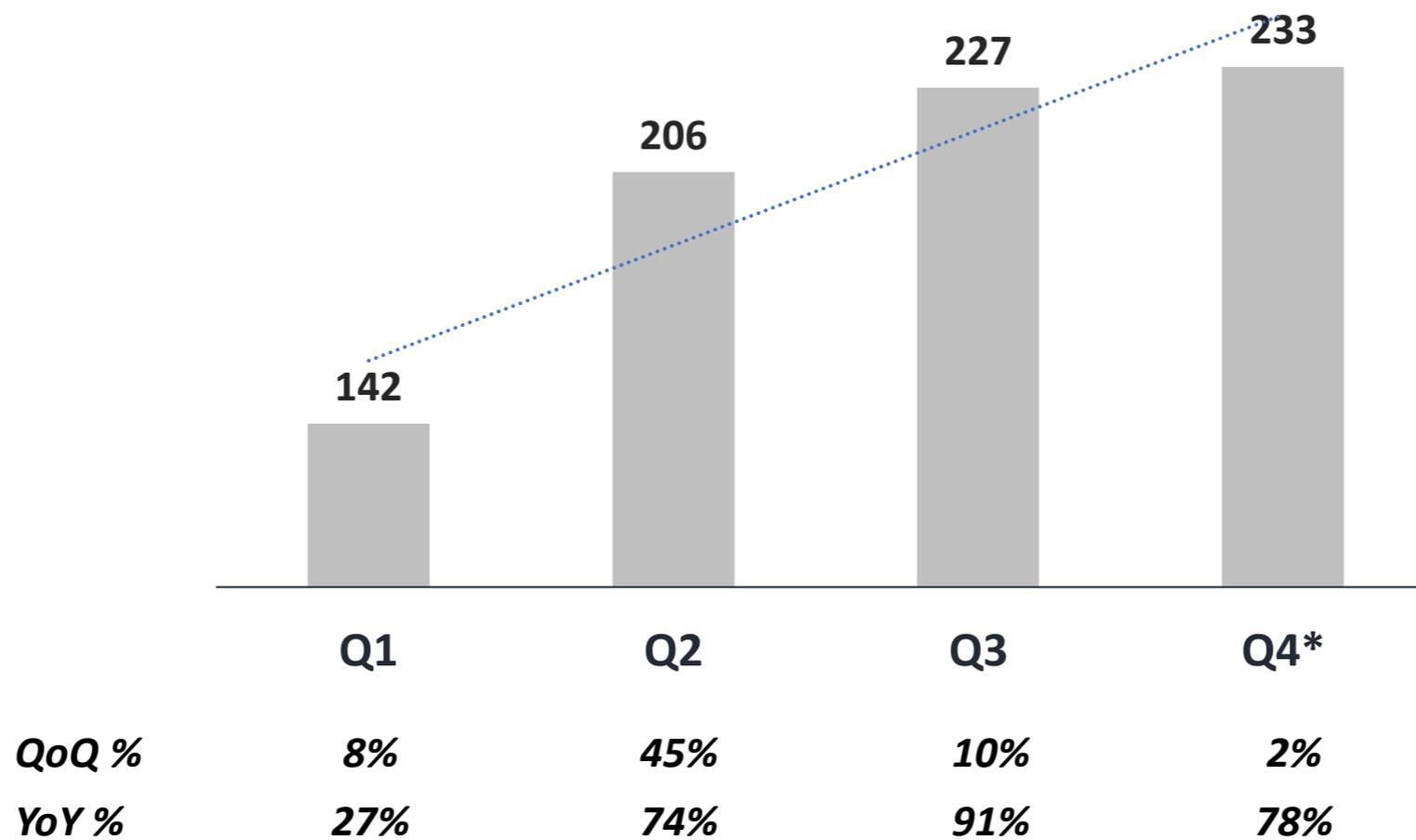


Nearly 32,000 recipes developed

- Continued strong momentum at 95% Net Revenue growth vs. PCP (103% in constant currency)
- Another notable quarter for the US, with Net Revenue growing at 129% vs. PCP (146% in constant currency)
- Continued sequential growth of average weekly Active Subscribers at 233k
- Contribution Margin at 29%, flat vs. Q4 2019
- Third consecutive quarter of positive Operating EBITDA, delivering €1.2m
- Improved level of Cash Flow from Operations vs. PCP; year-end cash balance of €34.4m
- Expansion of senior leadership team

Average 2020 Active Subscribers by Quarter (K)

Active Subscribers definition: Customers who have an active subscription (i.e., ordered or skipped a delivery) on an average weekly basis during the quarter

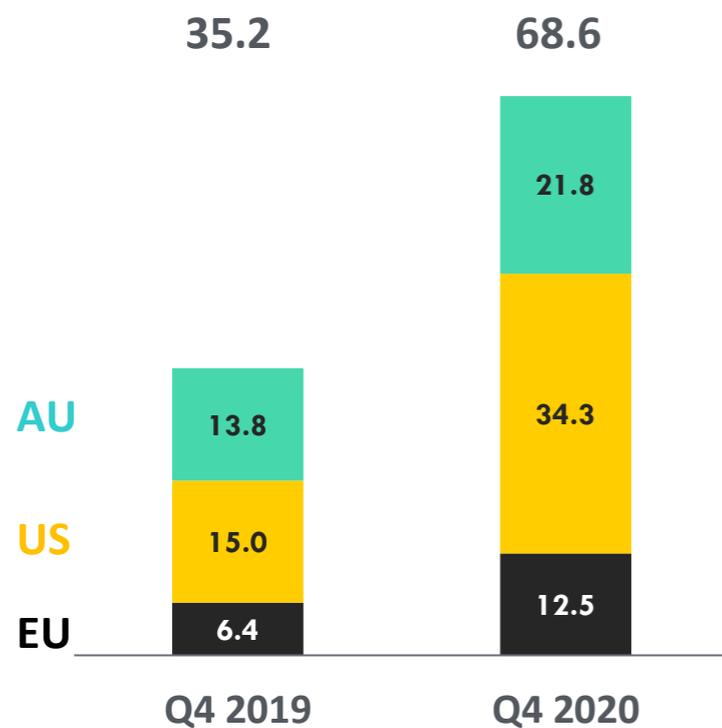


Active Subscribers: reduces impact of one-time trial customers, particularly in quarters influenced by swings in acquisition activities

*Q4 figure factors only the first day of Week 53 in the quarterly average given Marley Spoon's weekly production cut-offs

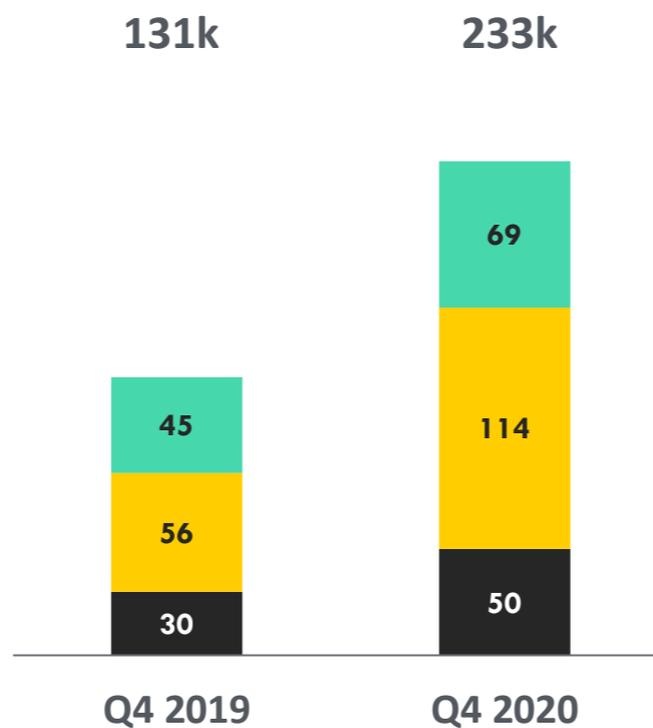
Net Revenue (€ millions)

+95%



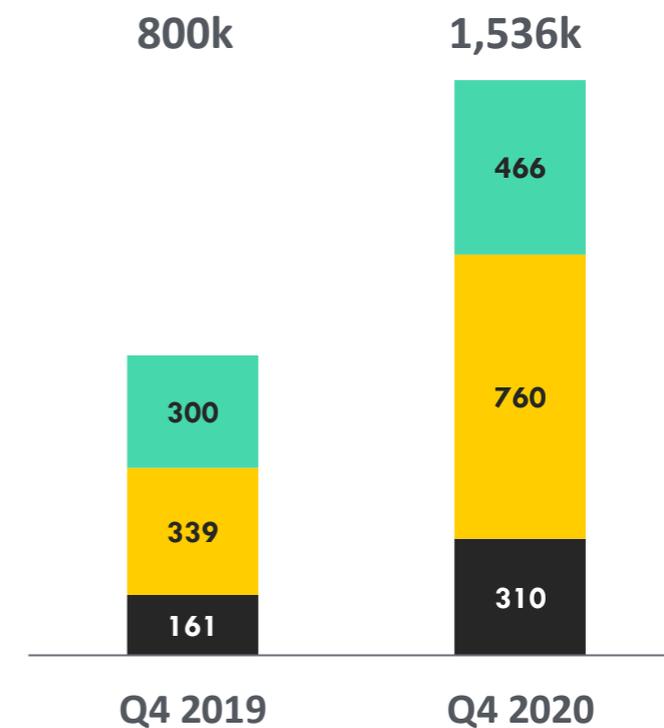
Active Subscribers

+78%



Total Orders

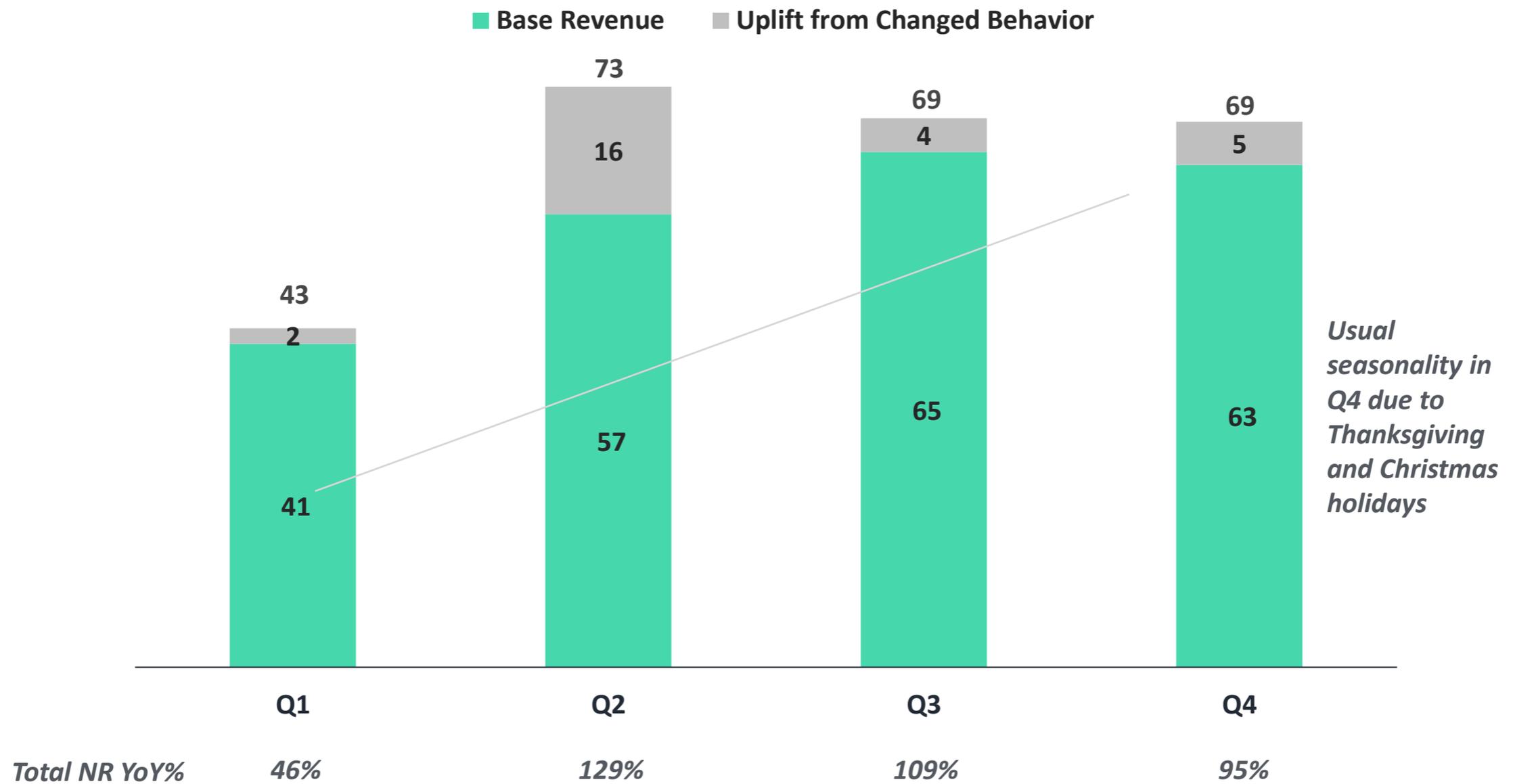
+92%



Numbers preliminary & unaudited

Revenue by Quarter (€m)

The Company has observed skip rate and basket size improvements since the beginning of Q2, leading to an incremental revenue lift on top of strong underlying base performance



Source: Company estimates

Q4 2020 regional performance



Australia

	<u>Q4 2020</u>	<u>Change vs. PCP</u>
Revenue €m	21.8	60%*
Contribution Margin (CM) %	36%	-
Operating CM %	42%	-

- Operating EBITDA 13% of revenue
- New fulfillment centre opened in Western Australia (Perth) with launch of Dinnerly, bringing total to 3 FCs
- New Sydney site planning progressing, go-live expected later this year



United States

	<u>Q4 2020</u>	<u>Change vs. PCP</u>
Revenue €m	34.3	146%*
Contribution Margin %	26%	+3pts
Operating CM %	34%	+3pts

- Continues to be Company's strongest growing region
- Positive operating EBITDA for 3rd consecutive quarter
- Expanded refrigerated space in the East Coast facility for additional capacity; further capacity expected in CA FC later this year



Europe

	<u>Q4 2020</u>	<u>Change vs. PCP</u>
Revenue €m	12.5	95%
Contribution Margin %	25%	-
Operating CM %	34%	+2pts

- CM in line with full year at 25%
- Dinnerly launch in Germany continues to exceed expectations; launch of brand in the Netherlands expected within H1 2021
- Break even Operating EBITDA excluding global headquarter costs

*In constant currency

Numbers preliminary & unaudited

Key metrics – growth across the Group

<i>preliminary & unaudited</i>	Q4 20	Q4 19	V%	CY2020	CY2019	V%
Group						
Active customers ¹ (k)	327	182	80%			
Active subscribers ² (k)	233	131	78%			
Number of orders (k)	1,536	800	92%	5,622	2,969	89%
Orders per customer	4.7	4.4	7%			
Orders per subscriber	6.6	6.1	8%			
Meals (m)	12.8	6.2	106%	46.7	22.4	109%
Avg. order value (€, net)	44.6	43.9	2%	45.2	43.6	4%
Australia						
Active customers ¹ (k)	99	68	46%			
Active subscribers ² (k)	69	45	53%			
Number of orders (k)	466	300	55%	1,848	1,070	73%
Meals (m)	4.1	2.4	70%	16.2	8.6	88%
USA						
Active customers ¹ (k)	161	80	101%			
Active subscribers ² (k)	114	56	104%			
Number of orders (k)	760	339	124%	2,761	1,272	117%
Meals (m)	6.3	2.6	142%	22.8	9.4	142%
Europe						
Active customers ¹ (k)	67	35	91%			
Active subscribers ² (k)	50	30	67%			
Number of orders (k)	310	161	92%	1,014	627	62%
Meals (m)	2.4	1.2	100%	7.8	4.5	73%

- Q4 Average order value up 6% on a constant currency basis, aided by Marley Spoon growth in all regions
- Number of orders up in every region and across both Marley Spoon and Dinnerly for the quarter
- Continued increase in frequency and average order sizes as compared to the period before the COVID19 pandemic

1. Active Customers are customers who have purchased a Marley Spoon or Dinnerly meal kit at least once over the past three months

2. Active Subscribers are customers who have an active subscription (i.e., ordered or skipped a delivery) on an average weekly basis during the quarter

Group income statement snapshot

€ in millions (preliminary and unaudited)	4Q20	4Q19	VPCP	V%
Revenue	68.6	35.2	33.4	95%
Cost of goods sold	36.4	18.1	18.3	101%
<i>% of revenue</i>	53%	51%	2 pts	
Fulfilment expenses	12.4	7.0	5.3	75%
<i>% of revenue</i>	18%	20%	(2) pts	
Contribution margin (CM)	19.8	10.1	9.8	97%
<i>% of revenue</i>	29%	29%	-	
Operating CM ¹ %	37%	36%	1 pts	
Marketing expenses	8.0	6.0	2.0	34%
<i>% of revenue</i>	12%	17%	(5) pts	
G&A expenses ²	12.8	7.8	4.9	63%
<i>% of revenue</i>	19%	22%	(4) pts	
EBIT	(1.0)	(3.8)	2.8	75%
Operating EBITDA	1.2	(2.4)	3.5	fav.
<i>% of revenue</i>	2%	(7)%	8 pts	

1. Operating CM = CM excluding the impacts of marketing vouchers and fixed costs such as manufacturing centre rent

2. General and administrative expenses

Q4 2020 Cash flow statement

€ in millions (preliminary and unaudited)	Q4 2020	YTD 2020
Operating EBITDA	1.2	(0.4)
Change in working capital	(4.2)	5.2
Interest & taxes paid, other	(0.6)	(1.6)
Net cash flows from operating activities	(3.6)	3.1
Net cash flows from investing activities	(2.5)	(8.6)
Net proceeds from the issuance of shares	32.1	42.1
Proceeds from the exercise of share options	0.2	2.2
Net change in borrowings	(6.8)	(4.6)
Payments of principal for lease liabilities	(1.2)	(4.7)
Net cash flows from financing activities	24.3	35.0
Net increase in cash & cash equivalents in the period	18.2	29.5
Cash and cash equivalents at period end	34.4	34.4

- Year-end positive cash flow from operating activities (CFOA) for the first time in Marley Spoon's history
- For the quarter, negative cash flow from operating activities (CFOA) is driven predominantly by the seasonal variations in the business, including lower sales revenue at the end of the year. CFOA is an improvement of nearly €4m compared to the prior corresponding period.
- Q4 2020 cash flow from investing activities of €(2.5)m associated with investments in the Company's fulfillment centers (new cool rooms in Texas, a new picking line and cool room extension in Melbourne and expansion of our facilities in Sydney) as well as product development capitalization
- Cash flow from financing activities of €24.3m mainly attributable to the Q4 capital raise, offset by repayment of the outstanding loan of €6.8m to WTI

2021 Guidance

Notwithstanding the COVID-19 related uncertainties in the US and Europe, the Company advises the following:

Net Revenue

Given the continued strong global growth in online meal kit adoption and retention of customers acquired in 2020, Marley Spoon is expecting to grow revenue between **25-30%** YOY in 2021

Contribution Margin (CM)

Marley Spoon expects CM in 2021 to improve to between **30-31%**

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