MARLEY SPOON

APPENDIX 4D FOR THE
HALF-YEAR PERIOD ENDED
30 JUNE 2021

Appendix 4D Submission

1 Results for announcement to the market

Marley Spoon AG ("Marley Spoon" or the "Company") and its subsidiaries (together the "Group") consolidated results for announcements to the market are detailed below ("Results"):

For the six months to	30 June 2021 EUR thousands	20 June 2020 EUR thousands	Change EUR thousands	Change %
Revenue	158,043	116,152	41,891	36%
Net profit / (loss) after tax	(21,112)	(67,499)	46,387	69%
Net profit / (loss) after tax Attributable to members	(20,998)	(67,455)	46,457	69%
Operating EBITDA*	(14,796)	(2,018)	(12,778)	(633%)

* Operating EBITDA excludes the effects of special items. Refer to Note 5 within the Half-Year Financial Report for further details and definitions.

Please refer to the 'Review of Operations' in the Directors' Report for explanation of the Results.

2 Net Tangible Assets per security

EUR	30 June 2021	30 June 2020
Net Tangible Assets per ordinary Share	(69.86)	(564.81)

3 Dividends or Distributions

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

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

There are no changes in control of the Company's entities in the current period.

5 Applicable accounting standards

The Appendix 4D and the Half-Year Financial 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).

6 Other

Additional Appendix 4D disclosure requirements and further information, including commentary on significant features of the operating performance, results of segments, trends in performance, and other factors affecting the results for the current period, are contained in the Half-Year Financial Report 2021.

The Condensed Consolidated Interim Financial Statements contained within the Half-Year Financial Report 2021, upon which this disclosure is based, have been reviewed by Ernst & Young GmbH.

The Appendix 4D, should be read in conjunction with the Directors' Report, the condensed interim consolidated financial statements of the Group and the explanatory notes (together the "Condensed Consolidated Interim Financial Statements"). This Report should also be read in conjunction with any public announcements made by the Group in accordance with continuous disclosure requirements arising under ASX Listing Rules.

DIRECTORS' REPORT AND CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2021

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Marley Spoon AG Directors' Report

The executive directors (Vorstandsmitglieder) and members of the Management Board (together the "Directors") present their report ("Directors' Report") together with the Condensed Consolidated Interim Financial Statements for the half-year ended 30 June 2021 and the Independent Auditor's Review Report thereon.

1 Supervisory Board and Management Board

The members of the Supervisory Board (Aufsichtsrat) and the Management Board of Marley Spoon AG at any time during or since the end of the half-year are as follows:

Supervisory Board (Aufsichtsrat)

Name	Period of Directorship
Deena Shiff, Chairperson	Current, reappointed 11 June 2021
Robin Low	Current, reappointed 11 June 2021
Kim Anderson	Current, reappointed 11 June 2021
Roy Petrucci	Current, appointed 11 June 2021

Management Board (Vorstand)

Name	Period of Directorship
Fabian Siegel, Chief Executive Officer, Chairman & Founder	Current, re-appointed 4 December 2020
Jennifer Bernstein, Chief Financial Officer	Current, appointed 26 October 2020

2 Review of Operations

Marley Spoon delivered solid topline for the first half of 2021 at 36% net revenue growth versus the prior corresponding period (PCP), on top of the 89% growth delivered in the same period last year. This was underpinned by strong active subscriber growth of 37% vs. the PCP and a continued favorable acquisition environment. Operationally, the Company saw some challenges driven by nationwide supply chain disruptions caused by US labor shortages as well as inflationary input cost headwinds in the US. This led to a Contribution Margin (CM) for H1 2021 of 27.3% versus 30.1% in the PCP. Increased investment in marketing compared to an unusually low amount of marketing in the PCP led to a higher marketing voucher share, also impacting CM. The continued investments in marketing to drive growth, the margin impacts from our operational headwinds and G&A investments to strengthen our operational bench led to an Operating EBITDA loss of €(14.8m) for the half. However, cash from operations was delivered at near to breakeven at €(2.2m), demonstrating the Company's financial discipline.

Highlights:

- H1 2021 revenue rose to €158.0m, +36% versus the PCP with all segments contributing. This growth was achieved with a solid improvement in active subscribers which hit 272,000 at the end of Q2 2021.
- Global Contribution Margin (CM) landed at 27.3%, vs. 30.1% in the PCP, however Operating Contribution Margin, defined as CM excluding the impacts of marketing vouchers and fixed costs such as expenses related to site leases, held flat vs. the PCP, despite the operational challenges we needed to overcome.
- General and administrative expenses increased to 19% of revenue, compared to 16% in the PCP, driven by investments to strengthen our operating bench.
- Global operating EBITDA of €(14.8m), compared to a loss of €2.0m in H1 2020, was driven by the combination of operational challenges impacting our CM and investments in marketing and G&A.
- We ended H1 2021 with a cash balance of €46.3m, thanks to a near to breakeven cash from operations and the closure of a secured debt financing facility on 30th June 2021.

Despite our team being engaged with many operational challenges during the first half, we nevertheless continued the expansion of our customer value proposition by launching our Ready-to-Heat offering for our Martha Stewart and Marley Spoon brand and expanding our breakfast offerings, both in the US. In Australia, our new Sydney fulfillment center became fully operational and in Europe, which saw the launch of Dinnerly in the Netherlands in Q1 2021, continues growing to a scale where it is approaching profitability on a standalone basis, excluding headquarter costs.

At the end of H1 2021, the Company signed and closed a committed senior secured credit facility of four years with Runway Growth Credit Fund Inc., demonstrating the strength of the Company's recurring revenue model. The facility will give Marley Spoon access of up to €55m (US$65 million) to help fund the Company's growth plans, which include Capex spend over the next two years (2021-2022) in an amount similar to the capital available to us through the first Tranche (€38m).

Consolidated Statement of Financial Position

EUR in thousands	Note	30 June 2021	31 December 2020
ASSETS			
Non-current Assets			
Property, plant, and equipment	8	21,768	11,163
Right-of-use assets	9	22,715	9,878
Intangible assets	10	5,736	4,939
Non-current financial assets		2,915	3,044
Total non-current assets		**53,134**	**29,024**
Current Assets			
Inventories		7,584	6,570
Trade Receivables	7	1,245	697
Other non-financial assets		2,372	2,356
Cash and cash equivalents		46,316	34,438
Total Current Assets		**57,517**	**44,061**
Total Assets		**110,652**	**73,085**
LIABILITIES AND EQUITY			
Lease liabilities	9	18,312	6,746
Interest bearing loans and borrowings	11	42,328	17,725
Derivative financial instruments	7.3	3,264	3,479
Total non-current liabilities		**63,903**	**27,950**
Current liabilities			
Trade and other payables	7	24,588	17,472
Derivative financial instruments	7.3	210	215
Contract liabilities		2,110	944
Interest bearing loans and borrowings	11	6,222	3,433
Lease liabilities – current	9	6,481	4,591
Other financial liabilities	15	15,428	7,864
Other non-financial liabilities		3,858	2,488
Total Current Liabilities		**58,898**	**37,008**
Equity			
Share capital		256	256
Capital reserve		229,735	229,671
Other reserves		6,815	6,166
Currency translation reserve		(428)	(550)
Accumulated net earnings (losses)		(247,482)	(226,485)
Equity attributable to equity holders of the parent		**(11,104)**	**9,058**
Non-controlling interests		(1,045)	(930)
Total Equity		**(12,149)**	**8,127**
Total Liabilities and Equity		**110,652**	**73,085**

Consolidated Statement of Comprehensive Income

EUR in thousands except for per Share data	Note	For the six months ended 30 June 2021	30 June 2020
Revenue	5	**158,043**	**116,152**
Cost of goods sold		(85,939)	(60,128)
Gross profit		**72,104**	**56,024**
Fulfilment expenses		(28,921)	(21,047)
Marketing expenses		(32,313)	(21,396)
General & administrative expenses		(30,143)	(18,850)
Earnings before interest & taxes (EBIT)		**(19,273)**	**(5,269)**
Financing income	12	-	369
Financing expenses	12	(1,723)	(3,559)
Derivative Instruments	12	220	(59,030)
Earnings before taxes (EBT)		**(20,777)**	**(67,489)**
Income tax expenses	6	(335)	(10)
Loss for the year		**(21,112)**	**(67,499)**
Net income / (loss) for the year attributed to:			
Equity holders of the parent		(20,997)	(67,454)
Non-controlling interest		(115)	(45)
Other comprehensive income / (loss) for the year **Items that may be subsequently reclassified to profit or loss**		**122**	**(313)**
Foreign exchange effects		122	(313)
Total comprehensive income / (loss) for the year, net of tax		**(20,990)**	**(67,812)**
Total comprehensive income attributable to:			
Equity holders of the parent		(20,875)	(67,767)
Non-controlling interests		(115)	(45)
Basic and diluted earnings per Share		(82.01)	(411.80)

Consolidated Statement of Changes in Equity

EUR in thousands	Share Capital	Treasury Shares	Capital Reserves	Other Reserves	Accumulated Net Earnings / (Losses)	Currency Translation Reserve	Total	Attributable NCI	Equity
Balance as at 1 January 2021	**256**	**-**	**229,671**	**6,166**	**(226,485)**	**(550)**	**9,058**	**(930)**	**8,127**
Net income / (loss) for the period	-	-	-	-	(20,997)	-	(20,997)	(115)	(21,112)
Other comprehensive income (loss)	-	-	-	-	-	122	122	-	122
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(20,997)**	**122**	**(20,875)**	**(115)**	**(20,990)**
Receipt of Shares for employee option exercise	-	(2)	2,958	-	-	-	2,956	-	2,956
Shares transferred to Employees	-	2	(2,856)	-	-	-	(2,854)	-	(2,854)
Cash on Exercise of employee options	-	-	1	-	-	-	1	-	1
Employee Share-based payment expense	-	-	-	649	-	-	649	-	649
Transaction costs for issuance of Shares	-	-	(39)	-	-	-	(39)	-	(39)
Balance as at 30 June 2021	**256**	**-**	**229,735**	**6,815**	**(247,482)**	**(428)**	**(11,104)**	**(1,045)**	**(12,149)**

EUR in thousands	Share Capital	Capital Reserves	Other Reserves	Accumulated Net Earnings / (Losses)	Currency Translation Reserve	Total	Attributable NCI	Equity
Balance as at 1 January 2020	**159**	**99,417**	**5,736**	**(140,246)**	**17**	**(34,916)**	**(800)**	**(35,717)**
Net income / (loss) for the period	-	-	**-**	(67,454)	-	(67,454)	(45)	**(67,500)**
Other comprehensive income (loss)	-	-	-	-	(313)	(313)	-	**(313)**
Total Comprehensive Income	**-**	**-**	**-**	**(67,454)**	**(313)**	**(67,767)**	**(45)**	**(67,813)**
Issuance of Share capital	16	9,165	-	-	-	9,181	-	**9,181**
Employee Share-based payment expense	-	-	141	-	-	141	-	**141**
Balance as at 30 June 2020	**174**	**108,581**	**5,877**	**(207,699)**	**(296)**	**(93,361)**	**(845)**	**(94,207)**

Consolidated Statement of Cash Flows

EUR in thousands	Note	For the six months ended 30 June 2021	30 June 2020
Operating activities			
Net income for the period (loss)		**(21,112)**	**(67,500)**
Adjustments for:			
Depreciation of property, plant, and equipment		717	541
Depreciation of right-of-use assets		2,112	816
Amortization of intangible assets		834	1,753
Loss on disposal of property, plant and equipment		443	-
Increase (decrease) in Share-based payments		649	141
Financing income and expense		1,503	62,221
Interest paid		(55)	(580)
Tax paid		(335)	-
Other non-cash movements		(129)	32
Working capital adjustments:			
Decrease (increase) in inventory		(1,014)	(2,450)
Increase (decrease) in accounts payable and accrued expenses		13,643	11,758
Decrease (increase) in receivables		(491)	8
Increase (decrease) in other assets and liabilities		961	1,318
Net cash flows from operating activities		**(2,274)**	**8,059**
Investing activities			
Purchase of property, plant, and equipment	8	(10,060)	(2,153)
Purchase/development of intangible assets	10	(1,626)	(1,745)
Net cash flows used in investing activities		**(11,686)**	**(3,899)**
Financing activities			
Proceeds from the issuance of Share capital		-	9,962
Proceeds from employee Option exercise		1,735	-
Costs from the issuance of Share capital		(39)	(736)
Proceeds from borrowings	11	30,829	395
Cost from borrowings	11	(1,152)	(171)
Proceeds from convertible notes		-	2,267
Repayment of borrowings	11	(3,004)	(310)
Lease payments	9	(2,640)	(2,274)
Net cash flows from/ (used in) financing activities		**25,729**	**9,132**
Net increase (decrease) in cash and cash equivalents		11,770	13,293
Net foreign exchange difference		108	(360)
Cash and cash equivalents as at 1 January		**34,438**	**5,433**
Cash and cash equivalents as at 30 June		**46,316**	**18,366**

Selected Explanatory Notes to the Condensed Consolidated Interim Financial Statements

1 Reporting Entity

Marley Spoon AG was incorporated in 2014 as a limited liability company (Gesellschaft mit beschränkter Haftung) per German law and subsequently converted to a stock corporation (Aktiengesellschaft) in 2018. The Company is registered in the commercial register of Charlottenburg (Berlin) under HR B 195994B. It is domiciled in Germany and has its registered office at Paul-Lincke-Ufer 39/40, 10999 Berlin (Germany).

These Condensed Consolidated Interim Financial Statements as at and for the six months ended 30 June 2021 comprise the Group.

The Group's principal business activity is to create original recipes, which are sent along with 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 in a given week, and receive the pre-portioned ingredients delivered to their doorstep by third-party logistics partners.

2 Statement of Compliance

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting.

The accounting policies adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020. The Group has not early adopted any standard, interpretation, or amendment, that has been issued but is not yet effective.

The Condensed Consolidated Interim Financial Statements do not include all the information required for an annual financial report (Jahresabschluss) and should be read in conjunction with the IFRS Consolidated Financial Statements of the Group for the year ended 31 December 2020. 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 Stock Exchange (ASX) Listing Rules.

The Condensed Consolidated Interim Financial Statements are presented in Euros, which is 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 Condensed Consolidated Interim 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 Management Board in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in IFRS Consolidated Financial Statements of the Group for the year ended 31 December 2020. 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 its share price.

3.2 Going concern

The Condensed Consolidated Interim Financial Statements have been prepared on a going concern basis, which assumes that the Group will be able to meet all its financial obligations and commitments.

While we delivered a net income loss for the first half, that loss is substantially lower vs. our net income loss at H1 2020. Furthermore, based on the 65M USD external funding raised in June 2021 (see also note 11), of which 35M USD remains available to draw-down in future periods, the Group has adequate resources to continue its operations for the foreseeable future.

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 2021:

- *New Loan Facilities (Note 11)*
- In the first half of 2021, the Company delivered growth versus the first full Covid-impacted comparable period (Q2 2020). Further, the Company is experiencing natural marketing spend increases versus last year's uncharacteristic low levels. Finally, though we have seen a return to more normalized customer behavior in Q2 2021 as countries and cities open up, the Company enjoyed continued strong, sequential Active Subscriber growth in 2021, with Q2 2021 ending with 272k Active Subscribers, up 37% from the prior corresponding period.

5 Segment Reporting

The reported operating segments are strategic business units that are managed separately. The "Holdings" column represents royalty charges and 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 2021						
EUR in thousands	**USA**	**Australia**	**Europe**	**Total**	**Holdings**	**Conso**	**Group**
Total revenue	74,864	51,661	31,518	158,043	11,917	(11,917)	158,043
Internal revenue	-	-	-	-	11,917	(11,917)	-
External revenue	74,864	51,661	31,518	158,030	-	-	158,030
Contribution margin [1]	19,626	17,006	6,551	43,183	11,917	(11,917)	43,183
Operating EBITDA	**(2,547)**	**(310)**	**(11,939)**	**(14,796)**	**11,917**	**(11,917)**	**(14,796)**
Internal charges & royalties [3]	(4,380)	(2,883)	(2,114)	(9,377)	-	9,377	-
Special items [2]	-	-	(814)	(814)	-	-	(814)
Depreciation and amortization	(1,613)	(696)	(1,354)	(3,663)	-	-	(3,664)
EBIT	**(8,540)**	**(3,889)**	**(16,221)**	**(28,651)**	**-**	**9,377**	**(19,274)**

Intercompany interest	(1,574)	(415)	(551)	(2,540)	-	2,540	-
Interest on lease liabilities	(789)	(123)	(195)	(1,107)	-	-	(1,107)
External financing costs	(13)	193	(797)	(617)	-	-	(617)
Fair value changes Derivative financial instruments	-	(12)	-	(12)	232	-	220
Earnings before tax	**(10,916)**	**(4,247)**	**(17,764)**	**(32,927)**	**232**	**11,917**	**(20,777)**

	For the six months ended 30 June 2020						
EUR in thousands	**USA**	**Australia**	**Europe**	**Total**	**Holdings**	**Conso.**	**Group**
Total revenue	58,718	38,819	18,613	116,151	9,160	(9,160)	116,151
Internal revenue	-	-	-	-	9,160	(9,160)	-
External revenue	58,718	38,819	18,613	116,151	-	-	116,151
Contribution margin (1)	16,065	14,497	4,416	34,978	9,160	(9,160)	34,978
Operating EBITDA	**1,687**	**3,451**	**(7,156)**	**(2,018)**	**9,160**	**(9,160)**	**(2,018)**
Internal charges & royalties (3)	(3,155)	(2,754)	(814)	(6,724)	-	6,724	-
Special items (2)	-	-	(141)	(141)	-	-	(141)
Depreciation and amortization	(1,314)	(747)	(1,050)	(3,110)	-	-	(3,110)
EBIT	**(2,782)**	**(50)**	**(9,161)**	**(11,993)**	**-**	**6,724**	**(5,269)**
Intercompany interest	(1,504)	(511)	(421)	(2,436)	-	2,436	-
External financing costs	(1,117)	140	(2,213)	(3,190)	-	-	(3,190)
Fair value changes Derivative financial instruments	-	-	-	-	(59,030)	-	(59,030)
Earnings before tax	**(5,402)**	**(421)**	**(11,796)**	**(17,619)**	**(59,030)**	**9,160**	**(67,489)**

(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 items: stock option expense EUR 649 thousand (30 June 2020: 141 thousand) and the EUR 166 thousand costs of employee stock option exercise (30 June 2020: 0 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 being 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.

6 Income Tax Expense

The Group's consolidated weighted current tax rate for the six months ended 30 June 2021 was 26.9% (six months ended 30 June 2020: 26.2%). The weighted average applicable tax rate for the year ended 31 December 2020 was 29.2% (2019: 27.3%) which 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 2020.

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

EUR in thousands		**30 June 2021**		**31 December 2020**	
Financial assets	**Fair Value Hierarchy**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Other non-current financial assets	n/a	2,915	2,915	3,044	3,044
Trade and other receivables	n/a	1,245	1,245	697	697
Cash and cash equivalents	n/a	46,316	46,316	34,438	34,438
Total		**50,476**	**50,476**	**38,180**	**38,180**
Financial liabilities	**Fair Value Hierarchy**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Borrowings (current & non-current)	n/a	48,550	48,550	21,158	21,158
Trade and other payables	n/a	24,588	24,588	17,472	17,472
Forward (1)	2	210	210	215	215
Derivative financial instruments (non-current)	3	3,264	3,264	3,479	3,479
Other financial liabilities	n/a	15,428	15,428	7,864	7,864
Total		**92,039**	**92,039**	**50,189**	**50,189**

(1) Derivative financial liabilities include a forward derivative categorized within level 2 of the fair value hierarchy. At 30 June 2021, the forward derivative had a carrying amount of EUR 210 thousand. All other derivative financial liabilities are categorized within level 3 of the fair value hierarchy.

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.

Sensitivity analysis convertibles

Derivative financial liabilities resulting from convertible agreements are measured at fair value. The most significant parameter in the applied option pricing model is the share price of the Company observable on the

Australian Stock Exchange (ASX). The sensitivity analysis for the share price as at 30 June 2021 shows a potentially negative earnings effect of EUR 38 thousand (2020: EUR 5.9 million), if the share price was 10% higher.

7.2 Measurement of fair values

The Group measures derivatives at fair value at each balance sheet date. 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 Condensed Consolidated Interim 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. There were no transfers between the levels in the hierarchy during the period.

7.3 Derivative Financial Instruments

The derivative financial instruments break down as follows:

	30 June 2021	30 June 2020
Warrant agreements	-	517
Forward derivative	210	119
Derivative financial instruments – current	**210**	**636**
Convertible rights on the bonds	3,264	50,604
Warrant Agreements	-	11,301
Derivative financial instruments – non-current	3,264	61,905
Total	**3,473**	**62,540**

The Group has two financial liabilities measured at fair value in the statement of financial position during the period:

- Forward Derivative
- Convertible rights on the bonds

Warrant agreements

As of yearend 2020, all warrant instruments were exercised by the holders. No new warrant instruments were issued by Marley Spoon in 2021.

The Group granted warrants in prior periods, which were classified as derivative financial liabilities at the date of initial recognition and recognized at fair value. Further detail of the prior year warrant instruments is provided in note 6.2 of the Financial Report for the period ended 31 December 2020.

Convertible feature of bonds issued

The Group issued convertible bonds during 2019 and 2020, which are partly classified as derivative financial liabilities at the date of initial recognition and recognized at fair value. An option pricing model is used to determine the fair value of the conversion rights at the relevant dates (level 3). Public market data, e.g., the risk-free interest rate (30 June 2021: 0.00%, 31 December 2020: 0.00%) and other input data were used. Especially relevant is the share price at valuation and balance sheet date (30 June 2021: AUD 3,160 per share; 31 December 2020: AUD 2,700 per share), the volatility (six months to 30 June 2021: 78.09 %; 2020: 77.14 %) as well as the maturity. Gains and losses arising from changes in fair value are recognized in the Statement of Comprehensive Income in the period during which they arise. Please also refer to note 6.2 of the Financial Report for the year ended 31 December 2020.

The Group did not execute any conversion of bonds in the first six months of 2021 and the convertible bonds were revaluated for the period ended 30 June 2021. Marley Spoon recognized an aggregated negative net effect of EUR (215) thousand in the Statement of Comprehensive Income. The amounts reflect the relative stability in the Marley Spoon stock price and volatility over the six-month period. The aforementioned transactions did not impact the statement of cash flow for the period ended 30 June 2021.

8 Property, Plant and Equipment

During the six months ended 30 June 2021, the Group acquired assets with a cost of EUR 10,647 thousand (six months ended 30 June 2020: EUR 2,240 thousand).

The increase in fixed assets is driven by the build-out of new expanded fulfilment centers in Sydney and California, investments in the Company’s new manufacturing technology in Europe and the in-progress manufacturing technology roll-out in the US.

9 Lease Liabilities

During the six months ended June 30, 2021, the Group recognized long-term lease agreements with a cost of EUR 14,651 thousand (six months ended 30 June 2020: EUR 493 thousand). For the period ended 30 June 2021, the Group classified EUR 6,481 thousand as the current portion of its lease liabilities.

The increase in leased liabilities is attributable to the lease contracts for new expanded fulfilment centers in Sydney and California which began in H1 2021.

10 Intangible Assets

During the six months ended 30 June 2021, the Group capitalized EUR 1,630 thousand (six months ended 30 June 2020: EUR 1,156 thousand) 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 on occurrence of an impairment indicator for all intangible assets. No impairment was recorded during the period.

11 Interest-bearing Loans and Borrowings

The following table shows a reconciliation from the opening balances to the closing balances for loans and borrowings:

	30 June 2021	31 December 2020
Opening balance, as of 1 January	**21,157**	**37,141**
Proceeds from borrowings	30,829	3,464
Derivative Instruments	-	(927)
Repayments of borrowings	(3,004)	(7,563)
Conversion of bonds	-	(15,439)
Accrued interest and fees	626	581
Effects of effective interest method on borrowings	97	3,506
Retirement cost	-	474
Transaction Cost	(1,152)	199
Foreign exchange difference	(6)	(279)
Closing balance, as of Period End	**48,548**	**21,157**

During Q1 2021, the Company repaid a loan from Berliner Volksbank in the amount of €2.5M and signed a new unsecured revolving credit facility with a total amount of €5M and an unlimited term. This credit line is fully used by a drawdown of a 12-month €5M loan, bearing 5% interest, which will mature in March 2022.

During Q2 2021, the Company signed and closed a committed senior secured credit facility ("the Facility") of four years with Runway Growth Credit Fund Inc. The Facility will give Marley Spoon access of up to €54.7M (US$65 million) to support the Company's growth strategy. Of Tranche 1 (€37.9M), €25.2M was drawn at closing. The Company has the right to draw the remaining balance of €12.6M until 30 June 2022, subject to compliance with the Facility agreement. Tranche 2 (€16.8M) is available to be drawn through to 30 June 2022, conditional upon the Company's compliance with customary financial covenants and certain performance milestones. The interest rate on the Facility is comprised of a variable interest rate of 8.5% over the three-month LIBOR and a fixed interest rate of 1.25% p.a. paid upon maturity.

12 Financing Income and Expense

For the six months ended	30 June 2021	30 June 2020
Interest earned on bank balances	-	7
Currency translation gains	-	362
Financing Income	**-**	**369**

For the six months ended	30 June 2021	30 June 2020
Nominal interest expense on borrowings	(506)	(1,926)
Interest on lease liabilities	(1,107)	(947)
Effects of effective interest method on borrowings	(97)	(686)
Currency translation losses	(14)	
Financing Expense	**(1,723)**	**(3,559)**

For the six months ended	30 June 2021	30 June 2020
Derivative financial instrument changes in fair value	220	59,030
Derivative Instrument	**220**	**59,030**

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.

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

The Group has no significant changes in the parent structure as of 30 June 2021.

13.2 Balances and transactions with entities with significant influence over the group

Acacia

On 22 March 2019, the Company issued to two unsecured funds administered by Conifer Management, LLC (Acacia) two convertible bonds (Wandelschuldverschreibungen) in the aggregate amount of USD 2,276 thousand (Acacia Bonds) against contribution in cash (Bareinlage). Both bonds were converted by Acacia in 2020.

Union Square Ventures

On 22 March 2019, the Company issued two unsecured convertible bonds (Wandelschuldverschreibungen), one in the amount of USD 10,888,140 (USV I A Bond) and one in the amount of USD 511,860 (USV I B Bond) to Union Square Ventures against contribution in kind (Sacheinlage). Both bonds were converted by USV in 2020.

All transactions listed with entities with significant influence over the Group are made at terms equivalent to those that prevail in arm's length transactions.

13.3 Remuneration of members of key management including the supervisory board

Key management personnel include the Chief Executive Officer and the 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	30 June 2021	30 June 2020
Fixed Annual Remuneration	316	276
Share-based payments (long-term incentives)	86	51
Total Compensation	402	327

Supervisory Board

Three of the four supervisory board members were re-elected at the Annual General Meeting on 11 June 2021, whereas one member was elected for the first time on 11 June. In the first 6 months of 2021 their remuneration represents a total compensation of EUR 67 thousand (2020: EUR 101 thousand). The members of the supervisory board have been elected to that position for an approximate three-year period terminating at the Company's Annual General Meeting in CY2024 and contain the members as listed in the Directors' Report.

For their services as a member of the Supervisory Board during the financial year 2021, each supervisory board member shall receive a fixed annual remuneration in the amount of AUD 80 thousand. The Chairman of the Supervisory Board shall receive an additional fixed annual remuneration of AUD 70 thousand, the Chairman of the Audit & Risk Committee and the Chairman of the Nomination & Remuneration Committee each receive an additional AUD 20 thousand.

14 Share-based Payments

The total costs of share-based payments for the six months ended 30 June 2021 is EUR 649 thousand (2020: EUR 141 thousand). On 30 June 2021, the Group had the following share-based payment arrangements.

Employee Stock Option Program (ESOP) and Stock Option Plan 2019-2021 (SOP)

Prior to the IPO, the Company issued rights under historical "virtual Share plans" to most of its salaried employees (the **ESOP plans**). Following the listing on the ASX, all of these then outstanding rights (whether vested or unvested) were consolidated and replaced with substantially equivalent rights over Shares (or CDIs) referred to as "Option Rights" under a plan referred to as the "Existing Option Rights Plan". Unvested rights will continue to vest in accordance with their current vesting schedule. No further rights were or will be issued under the Existing Option Rights Plan (or the historical "virtual Share plans") following the IPO.

All options and rights for employees have remained the same. The ESOP for employees has a value of EUR 5,860 thousand as of 30 June 2021 (31 December 2020: EUR 5,823 thousand). Generally, employees are granted stock options which have 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 are provided in the Consolidated Annual Report for the year ended 31 December 2020.

The Company entered into new employee Stock Option Plans ("**SOP**") in February 2019, followed by subsequent grants in 2020 and 2021, 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. The fair value determined at the grant date is expensed on a graded vesting scheme, with a corresponding credit in equity.

During the six months ended 30 June 2021, the following transactions occurred in our stock option plans:

	Number of awards
Number of awards outstanding 31 December 2020	**13,913**
Thereof: exercisable/vested	6,475
Granted during 2021	5,910
Forfeited during 2021	(728)
Exercised during 2021	(4,837)
Expired 2021	-
Number of awards outstanding 30 June 2021	**14,257**
Thereof: exercisable/vested	4,446

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.

Inputs to the Model	2021	2020	2019
Value per Common Share (EUR)	1.97	0.28 - 3.23	0.36 - 0.59
Exercise Price (EUR)	0.18-1.82	0.18 - 1.53	0.27 - 0.40
Expected Volatility	79%	57% - 80%	45%
Expected Term (in months)	48	48	48
Expected dividend yield	-	-	-
Risk-free interest rate	0%	0%	0%

15 Other Financial Liabilities

Other current financial liabilities are associated with payroll accruals and accrued costs for which the goods or service have been obtained, but the Group has not obtained the respective invoices.

EUR in thousands	30 June 2021	31 December 2020
Other financial liabilities	15,428	7,864

16 Events after the Reporting Period

No events requiring recognition or disclosure in the financial statements have occurred since period end.

The Condensed Consolidated Interim Financial Statements were authorized by the Management Board on 16 August 2021.

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

Jennifer Bernstein
Chief Financial Officer, Member of the Management Board

Berlin, 16 August 2021

Marley Spoon AG Directors' Declaration

Following review of the Report, the members of the Management Board (Vorstand) declare that in their reasonable opinion:

- The Condensed Consolidated Interim Financial Statements and accompanying Notes give a true and fair view of the financial position of the Group as at 30 June 2021 and of its performance, for the half-year ended on that date;

- The Condensed Consolidated Interim Financial Statements and accompanying Notes comply with International Accounting Standard 34: Interim financial reporting as adopted by the European Union; and

- There are reasonable grounds to believe that Marley Spoon AG will be able to pay its debts as and when they fall due and payable.

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

Jennifer Bernstein
Chief Financial Officer, Member of the Management Board

Independent Auditor's Review Report

Report on Review of condensed consolidated interim financial statements

To Marley Spoon AG

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Marley Spoon AG, Berlin, and its subsidiaries ('the Group') as at 30 June 2021, comprising of the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ('IAS 34'). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Berlin, 16. August 2021

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Grummer	Nasirifar
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]