



MARLEY SPOON

CEO'S ADDRESS 2020 ANNUAL GENERAL MEETING

Dear Shareholders

I am delighted to be able to address you for our annual general meeting. 2019 was an important year for Marley Spoon in which foundations were laid that are supporting the growth of our business today.

To name just some selected areas of infrastructure investments: In 2019 Marley Spoon introduced new manufacturing technology allowing for increasing menu choice and personalization. This patent pending technology has been fully rolled-out in Europe and Australia with the US following this year. We invested into a single, global ERP platform, which has been fully rolled out in Europe and Australia with the US roll-out currently in progress. 2019 saw significant investments into big data and machine learning infrastructure, which supports the development of consumer taste profiles and introduced prediction technology in our supply chain. Furthermore, we increased our manufacturing footprint in the US while consolidating our European manufacturing operations. We continued to invest in and grow our team, promoting high potentials within our organization as well as attracting new talent from outside, like Julie Marchant-Houle, who joined us as our Managing Director USA in January.

Financially, 2019 was an overall successful year despite continued losses that are largely driven by our high investment into marketing and topline growth. In light of all the infrastructure heavy-lifting growing revenue by 41% to 130 million Euros, while also increasing contribution margin from 21% to 25% was a very good achievement by the team. The Company also continued to exhibit cost control on marketing and general & administrative expenses, so overall losses lowered not only as a percentage of revenue, e.g. on operating EBITDA from -37% to -24%, but also in absolute terms, from 34 to 30 million Euros. That the Company is on the right path was furthermore demonstrated by our strong Q4 2019 performance, as contribution margin reached 29% and operating EBITDA loss was down to 2 million Euros. The Australian business even reached a positive operating EBITDA for the first time in Q2 2019 and continued to achieve this in the 2nd half of the year. To fund our path to profitability, we brought on a number of new

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reputable investors, who invested around 40 million Euros in 2019, and more than 10 million Euros in the 1st half of 2020.

All the aforementioned investments allowed us to scale up and meet the surging demand due to the acceleration of online shopping adoption which we have experienced in recent months due to the Covid-19 pandemic.

The pandemic changed all of our lives. During the second quarter, we had to learn how to grow our business quickly in order to reliably fulfill the increased demand of our customers as our service was acknowledged to be essential across the globe. At the same time, we had to react to disruptions in our supply chains. We adapted working conditions in our manufacturing centres to heightened safety standards. Many of us had to learn how to work remotely from home while providing for our families and children, who stayed with us as schools closed. As a team we jointly rose to the occasion. Each of us had to accommodate to a new situation and everybody worked extremely hard. The efforts and tenacity of each team member allowed us to successfully navigate all the uncertainties while at the same time Marley Spoon group reached its first positive operating EBITDA quarter in our history.

While the Marley Spoon team is proud of what has been achieved over just 6 years, we see Marley Spoon still at the beginning of its journey. The switch from offline to online commerce has barely begun over the past 20 years in many segments. As a direct-to-consumer manufacturing business we see us well positioned to benefit from the continuation of this trend.

Over the past years we have demonstrated the ability to create and build personalized, direct-to-consumer service brands, such as Marley Spoon, Martha & Marley Spoon and Dinnerly. Our manufacture-to-order supply chain allows us to personalize our service offering to a degree that is impossible to provide via traditional retail supply chains. We intend to continue to leverage this ability for future growth.

While Covid-19 has accelerated the adoption trend, we believe we are still at the beginning of online shopping. Our strategy therefore will be to continue to invest into customer acquisition in a disciplined way as long as unit economic targets are being met. That means we intend to reinvest the majority of our profits for the foreseeable future into our business as we believe we have a historic opportunity to build large and impactful service brands in some of the largest consumer markets in the world.

We would like to thank you for your trust and support over the past year and are grateful for your continued support over the coming years.

Fabian Siegel
Founder & CEO
29 July 2020

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

ENDS

About Marley Spoon

Marley Spoon (ASX:MMM) is a global subscription-based meal kit service that is bringing delightful, market fresh and easy cooking back to the people. Founded in 2014, Marley Spoon currently operates in three primary regions: Australia, United States and Europe (Austria, Belgium, Germany, Denmark, Sweden and the Netherlands).

With Marley Spoon, you decide what to eat, when to eat, and leave behind the hassle of grocery shopping. To help make weeknights easier and dinners more delicious, Marley Spoon creates meal kits that contain step-by-step recipes and pre-portioned seasonal ingredients to cook better, healthy meals with their loved ones.

As consumer behaviour moves towards valuing the convenience aspect of cooking, Marley Spoon's global mission through its three brands Marley Spoon, Martha & Marley Spoon, and Dinnerly, is to help millions of people to cook better and also live smarter by radically reducing food waste.