MARLEY SPOON

LAUNCH OF TENDER OFFER FROM MARLEY SPOON GROUP SE

Berlin, Sydney, 6 November 2023: Marley Spoon SE (**"Marley Spoon"** or the **"Company"** ASX: MMM), a leading global subscription-based meal kit provider, advises Marley Spoon CDI holders that Marley Spoon's 84.54% shareholder Marley Spoon Group SE (listed on the Frankfurt Stock Exchange and trading under ticker MS1.DE) (**"MSG"**), has today launched the MSG Subsequent Direct Tender Offer to acquire remaining Marley Spoon CDIs in exchange for MSG public shares (**"Tender Offer"**).

MSG advises that the Tender Offer is made to Marley Spoon CDI holders pursuant to Division 5A of the Corporations Act 2001 (Cth) and has lodged a prospectus with the Australian Securities and Investments Commission on 27 October 2023 to provide disclosure for the purposes of Chapter 6D of the Corporations Act to Marley Spoon CDI holders in Australia in relation to the Tender Offer (**Prospectus**). A copy of MSG's Prospectus was released by Marley Spoon to ASX on that date and is also available to Marley Spoon CDI holders at ir.marleyspoongroup.com.

Under the terms of the Tender Offer, MSG is offering eligible Marley Spoon CDI holders the opportunity to receive 0.0128 MSG public shares per Marley Spoon CDI. This consideration represents an implied value for Marley Spoon CDIs of $0.12[1], reflecting a premium of approximately 74% to the ASX closing price of Marley Spoon CDIs as at 26 October 2023 (being $0.07). Further information in relation to the Tender Offer is outlined by MSG in its Prospectus.

Eligible Marley Spoon CDI Holders are holders of Marley Spoon CDIs as at 7:00pm (Sydney, Australia time) on 1 November 2023 or persons who are registered, or entitled to be registered, as the holder of a Marley Spoon CDI during the Offer Period, other in any case than persons who are Ineligible CDI Holders[2].

Offers of MSG public shares under the Tender Offer will be made in, or accompanied by, a copy of the Prospectus. Eligible Marley Spoon CDI holders should consider the Prospectus in deciding whether to accept the Tender Offer and acquire MSG public shares. An application form and further information (including details on how to accept the Tender Offer) accompanying the Prospectus will be made available by MSG to eligible Marley Spoon CDI holders. Eligible Marley Spoon CDI holders will need to complete that application form if they wish to accept the Tender Offer.

Marley Spoon appointed Grant Thornton Corporate Finance as an independent expert to assist Marley Spoon CDI holders in assessing the merits of MSG's Tender Offer. The independent expert has concluded that it is in the best interests of Marley Spoon CDI holders to accept the Tender Offer in the absence of a superior alternative proposal emerging. The independent expert further commented that were the Tender Offer to

[1] The implied value is calculated by multiplying the last close price of MSG public shares as at 26 October 2023 (€5.70) by the exchange ratio (0.0128), divided by the AUD/EUR exchange rate as at 26 October 2023 (0.5953). The implied value of the Tender Offer Consideration is subject to change based on fluctuations in the trading price of MSG public shares and Marley Spoon's CDIs and fluctuations in the AUD/EUR exchange rate.

[2] Ineligible CDI Holders are holders whose address is shown in the register at the time of receiving the Tender Offer or acceptance of the Tender Offer as a place outside Australia or a member state of the EEA, unless MSG otherwise determines.

COMPANY INFORMATION:
Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:
Julia Stoetzel
junicorn Consulting
julia@junicornconsulting.com

REGISTERED ADDRESS:
Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

be a takeover offer for the purposes of Chapter 6 of the Corporations Act, the Tender Offer would not be fair, however based on the other quantitative and qualitative factors presented in the report, the independent expert would still conclude that the Tender Offer is reasonable and hence in the best interests of Marley Spoon CDI holders. For reference, the independent expert's report has been attached to this announcement.

The Boards of Marley Spoon encourage eligible Marley Spoon CDI holders to read carefully the information provided to them by MSG and the independent expert report in their entirety, and have regard to their personal circumstances and all relevant considerations, when making a decision on whether or not to accept the Tender Offer.

Marley Spoon also advises a correction to its ASX announcement of 6 October 2023, which stated that a total of 4,011,518 CDIs had been acquired by MSG under the Small Holdings Offer. Marley Spoon understands from MSG that the correct, final number of CDIs acquired is 4,006,273.

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

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About Marley Spoon

Marley Spoon (MMM:ASX, GICS: Consumer Staples Distribution & Retail) is a global direct-to consumer brand company that is solving everyday recurring problems in delightful and sustainable ways. Founded in 2014, Marley Spoon currently operates in three primary regions: Australia, United States and Europe (Austria, Belgium, Germany, Denmark and the Netherlands).

With Marley Spoon’s meal-kits, 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, our meal kits contain step-by-step recipes and pre-portioned seasonal ingredients to cook better, healthy meals for your loved ones.

As consumer behaviour moves towards valuing the convenience aspect of online ordering, Marley Spoon’s global mission through its various brands, such as Marley Spoon, Martha Stewart & Marley Spoon, Dinnerly, and Chefgood, is to help millions of people enjoy easier, smarter and more sustainable lives.

COMPANY INFORMATION:
Fabian Siegel, Marley Spoon
CEO
fabian@marleyspoon.com

INVESTOR QUERIES:
Julia Stoetzel
junicorn Consulting
julia@junicornconsulting.com

REGISTERED ADDRESS:
Paul-Lincke-Ufer 39/40
10999 Berlin
Germany

Grant Thornton

Marley Spoon SE

Independent Expert's Report and Financial Services Guide

6 November 2023

Directors
Marley Spoon SE
Paul-Lincke-Ufer 39/40
10999 Berlin Germany

6 November 2023

Grant Thornton Corporate Finance Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW 1230

T +61 2 8297 2400

Dear Directors

Introduction

Marley Spoon SE ("Marley Spoon" or "the Company") is a global Direct-to-Consumer ("D-to-C") meal-kits provider containing step-by-step recipes and pre-portioned seasonal ingredients to enable consumers to cook meals. Founded in 2014, Marley Spoon currently operates in three primary regions: Australia, United States and Europe[1], with seven fulfilment centres and one production facility globally. The Company is incorporated and registered in Germany but listed on the Australian Stock Exchange ("ASX") via CHESS Depositary Interests ("CDIs"[2]) and is regulated by the Australian Corporations Act as a foreign entity. One par value ordinary share in the Company incorporated and registered in Germany is equivalent to ten CDIs listed on the ASX. As at 26 October 2023, Marley Spoon had a market capitalisation of c. A$51.1 million[3] (c. €30.6 million[4]).

468 SPAC[5] II SE ("468 SPAC") was a blank check company incorporated for the purpose of entering into a business combination with one or more businesses or entities. 468 SPAC was an entity connected to one of Marley Spoon's major shareholders, 468 Capital II GmbH & Co KG ("468 Capital") which was listed on the Frankfurt Stock Exchange ("FSE").

On 25 April 2023, Marley Spoon and 468 SPAC entered into a business combination agreement (the "Business Combination Agreement" or "Business Combination") and subsequently implemented a number of transactions which resulted in 468 SPAC acquiring an initial interest of 84.0% of the issued capital of Marley Spoon. This occurred by the following:

[1] Austria, Belgium, Germany, Denmark and the Netherlands.
[2] Clearing House Electronic Sub register System ("CHESS"). CDIs enable investors to hold and transfer their interests in financial products electronically via CHESS, which they would be unable to do if they held the financial products directly. Due to Marley Spoon's foreign ownership structure the capital register is represented as CDIs. The conversion of shares to CDIs is 10:1.
[3] Source: S&P Capital IQ and based on 729.9 million CDIs (prior CDIs of 393.4 million plus Placement CDIs of 336.5 million), with a CDI price of A$0.07.
[4] Based on the 30-day average EUR:AUD exchange rate up to and including 26 October 2023 of 1.670 (the "Exchange Rate").
[5] Special Purpose Acquisition Company ("SPAC").

- *Initial Acquisitions* – Various separate share purchase agreements with Marley Spoon CDI holders in exchange for consideration consisting of the issue of new shares in Marley Spoon Group SE ("MSG") (previously 468 SPAC II SE). CDIs were exchanged for new shares in MSG at an exchange ratio of 0.0128, determined by dividing the agreed valuation of the Marley Spoon CDIs of A$0.21 by a fixed valuation of €10.0 for each MSG share[6] (the "Direct Offer Consideration"). The EUR:AUD exchange rate used in the Direct Offer Consideration calculation was 1.63.

- *Capital Raising* – As part of the Business Combination, on 29 June 2023, Marley Spoon announced the successful completion of a c. €35.0 million placement (c. A$57 million) (the "Placement") which was settled via the issue of 34.2 million par value shares in Marley Spoon at a price of A$1.70 per share ("Placement Shares")[7] or A$0.17 per CDI. However, Placement Shares in Marley Spoon were never registered for CDIs tradeable on the ASX as they were exchanged for new shares in MSG at an exchange ratio of 0.0128 as part of the Initial Acquisitions and based on the Direct Offer Consideration.

All the Business Combination transactions mentioned above completed by 12 July 2023, with 468 SPAC renamed MSG and began trading on the FSE from the same date. MSG held an 84.0% interest in Marley Spoon and 117.7 million CDIs, equivalent to 16.0% of the issued capital of Marley Spoon, remained listed on the ASX at the time of completion.

Runway Growth Finance Corporation ("Runway") is Marley Spoon's primary debt provider, accounting for 66.9%[8] of MSG's gross debt post completion of the Business Combination. As part of the sequence of transactions described above, Runway provided support for the Business Combination and agreed to a number of amendments to the terms of Marley Spoon's existing debt facilities (refer to Section 1 for detail).

Following completion of the Business Combination, MSG offered all Marley Spoon CDI Holders the opportunity to receive cash in the amount of A$0.11 per Marley Spoon CDI for up to 10,000 Marley Spoon CDIs held (being a total maximum consideration of A$1,100 per Marley Spoon CDI Holder, subject to rounding), in order to buy-out small holdings in CDIs ("Small Holdings Offer"). The Small Holdings Offer closed on 4 October 2023 and MSG bought 4,006,273 CDIs with the remaining number of CDIs listed on the ASX being approximately 113.7 million (the "Marley Spoon CDI Holders"). Following completion of Small Holdings Offer, MSG increased its interest in Marley Spoon to 84.5%.

Under the Business Combination Agreement, MSG agreed to make a subsequent unconditional direct tender offer ("Tender Offer") to the Marley Spoon CDI Holders to acquire their CDIs with the consideration consisting of 0.0128 Public Shares[9] in the capital of MSG ("Offer Shares") determined by dividing the agreed value of Marley Spoon CDIs of A$0.21 by a fixed valuation of €10.00 for each MSG Share ("Tender Offer Consideration") which hold the same terms as the Direct Offer Consideration. The MSG Shares issued to Marley Spoon CDIs Holders will trade on the FSE. We note that as at 26 October 2023, CDIs closing price on the ASX was A$0.07 and MSG Shares closing share price on the FSE was €6.00.

The Tender Offer described above is the basis of this Independent Expert Report ("IER") and is subject to the conditions precedent set out in Section 1 of this report. MSG will not provide for a right of withdrawal to

[6] This was equivalent to the issued price of shares in 468 SPAC at the time the SPAC was established.
[7] The Placement Shares would have been equivalent to 342.2 million CDIs at a price of A$0.17 per CDI. As part of the Business Combination Agreement, Marley Spoon entered into an agreement with the shareholders that were issued new Placement Shares under which all Placement Shares were sold to 468 SPAC, and as a result the Placement Shares never transmuted into CDIs tradeable on the ASX.
[8] €62.5 million Runway debt (including the €7.8 million repayment on a portion of the outstanding loan balance in July 2023).
[9] Class A Public Shares listed on the FSE.

CDI holders who accept the Tender Offer, and as such to the extent permitted by law, CDI holders who accept the Tender Offer may not withdraw their acceptance of the offer once it has been submitted.

Purpose of the report

Whilst there is not a legal requirement for the commissioning of an Independent Expert Report ("IER") in conjunction with the Tender Offer, the Directors of the Company have requested Grant Thornton Corporate Finance to prepare an Independent Expert's Report to assist Marley Spoon CDIs Holders to consider the merits of the Tender Offer.

When preparing this IER, Grant Thornton Corporate Finance has considered the content of Australian Securities Investment Commission's ("ASIC") Regulatory Guide 111 *Contents of expert reports* ("RG 111") and Regulatory Guide 112 *Independence of experts* ("RG 112").

Summary of opinion

After having considered the quantitative and qualitative factors discussed below, Grant Thornton Corporate Finance has concluded that it is in the **BEST INTERESTS** of the Marley Spoon CDI Holders to accept the Tender Offer in the absence of a superior alternative proposal emerging.

Quantitative Assessment

In forming our opinion on the quantitative assessment of the Tender Offer, we have considered the following:

- The Tender Offer is the last element of a complex set of transactions with the majority of them already completed which led MSG to hold 84.5% of the issued capital of Marley Spoon. The overall Business Combination, including the Tender Offer, is effectively a funding mechanism and simplification of the corporate configuration which provides Marley Spoon with a more robust and flexible capital structure and places the business in a stronger position to navigate a volatile macro-economic environment by securing c. A$57m of upfront capital, as well as a renegotiation of the Runway debt facility.

- MSG is effectively continuing the business of Marley Spoon into the new vehicle and as a result, it will operate in accordance with the current strategy and direction of Marley Spoon and Marley Spoon's Management Team will continue to lead MSG without any material changes expected.

- The Tender Offer provides an opportunity for the residual Marley Spoon CDIs Holders to exchange their CDIs for shares in MSG rather than holding their interest in the ASX listed entity whose liquidity is expected to continue to reduce over time.

Tender Offer provides greater value than Marley Spoon CDI Holders can realise on the ASX

Based on the current trading prices of Marley Spoon CDIs and MSG Shares and having regard to the Tender Offer Consideration, Marley Spoon CDIs Holders are effectively offered a premium if they accept the Tender Offer, all other things remaining the same, as set out in the table below.

Premium assessed A$ unless stated otherwise		Implied premium (%)
Current market value of the Tender Offer[1]	0.128	
VWAP of Marley Spoon prior to 26 October 2023		
5 Day	0.071	80.0%
1 Week	0.072	78.8%
1 Month	0.072	77.7%
2 Month	0.076	68.8%

Source: S&P Global, GTCF analysis
Note: (1) The current market value of the Tender Offer Consideration is determined using MSG 1-week VWAP up to and including 26 October 2023 of €6.203, multiplied by the Exchange Rate (1.670) and the Tender Offer Consideration (0.0128).

Whilst the premium offered based on the respective trading prices is substantial, Marley Spoon CDI Holders should consider the above table with caution due to the following:

- Liquidity in MSG shares is limited and the MSG share price has been trending downwards since listing on FSE on 12 July 2023. If many Marley Spoon CDI Holders seek to realise the MSG shares received as consideration from the Tender Offer in the short term, it will have a materially adverse effect on MSG trading prices which may completely dissipate the premium above.

- This value arbitrage outlined above between holding CDIs or MSG shares is indicative of the limited liquidity of both stocks as in an efficient market, we would expect the implied premium to be close to nil as investors will act to take advantage of the opportunity.

- If we adopt the underlying value of MSG assessed under the DCF approach instead of the trading prices of MSG in the calculation of the implied premium, the latter reduces materially for Marley Spoon CDIs Holders as outlined below.

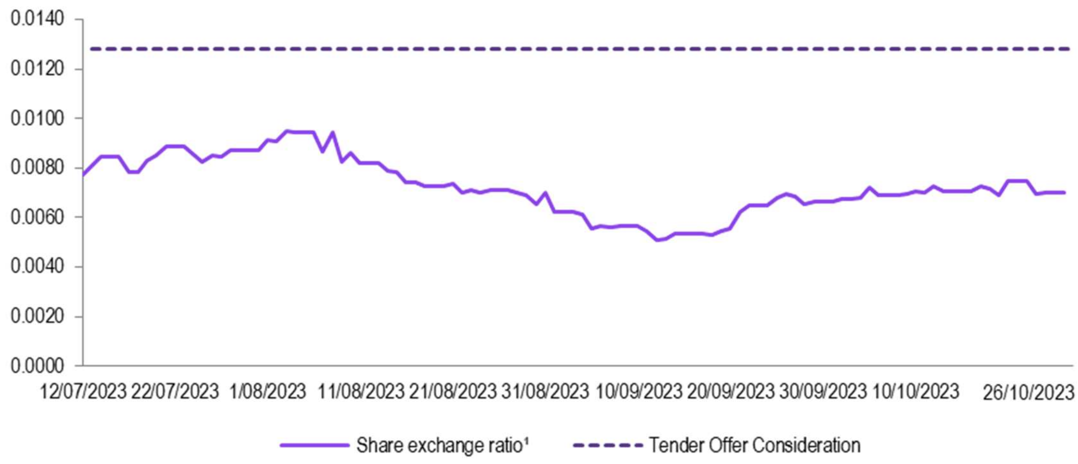
Premium assessed		Implied premium (%)		
A$ unless stated otherwise		Low	Mid	High
Fair market value of MSG post Tender Offer[1]		0.059	0.079	0.088
VWAP of Marley Spoon prior to 26 October 2023				
5 Day	0.071	(17.6%)	11.0%	24.0%
1 Week	0.072	(18.1%)	10.3%	23.2%
1 Month	0.072	(18.6%)	9.6%	22.5%
2 Month	0.076	(22.7%)	4.1%	16.3%

Source: S&P Global, GTCF analysis
Note: (1) Fair market value of MSG per CDI on a minority basis is sourced from Section 8.3 under the DCF approach.

Share exchange ratio is beneficial for Marley Spoon CDIs Holders

Based on the trading prices of MSG and Marley Spoon after completion of the Business Combination on 12 July 2023, the share exchange ratio implied in the Tender Offer Consideration of 0.0128 MSG Share per CDI is beneficial for CDIs Holders as set out in the graph below.

Share exchange ratio implied in the trading prices compared with the Tender Offer Consideration



Source: S&P Global, GTCF analysis
Note: (1) The share exchange ratio is calculated as MSG share price converted from € to A$ at daily exchange rates divided by Marley Spoon A$ CDI price.

Premium of the Tender Offer compared to the Small Holdings Offer

The current market value of the Tender Offer Consideration based on MSG trading prices of A$0.128[10] is at a premium to the cash consideration offered as part of the Small Holdings Offer of A$0.11 per Marley Spoon CDI.

Tender Offer Consideration terms are on the same basis as the Direct Offer Consideration terms

The Tender Offer Consideration provides Marley Spoon CDI Holders the opportunity to sell their Marley Spoon CDIs on the same terms of the Direct Offer Consideration which was offered to significant shareholders of Marley Spoon as part of the Business Combination, which allowed 468 SPAC to acquire approximately an 84% interest in Marley Spoon.

Since the Business Combination completed on 12 July 2023, MSG trading prices have decreased 36.8% whereas Marley Spoon trading prices have decreased 41.7% up to 26 October 2023. As a result of the Tender Offer Consideration and Direct Offer Consideration holding the same terms, the implied premium for Marley Spoon CDI Holders has increased slightly compared to the premium received from the Direct Offer Consideration.

Control value of Marley Spoon

If the Tender Offer is considered a change of control transaction under Chapter 6 of the Australian Corporations Act, with which we have been instructed that Marley Spoon is not required to comply, an Independent Expert assessing the fairness of the Tender Offer may be required to compare the fair market value of Marley Spoon before the Tender Offer on a control basis with the market value of the consideration offered on a minority basis.

If this comparison is undertaken adopting the underlying fair market value under a DCF approach, the

[10] Calculated using MSG 1-week VWAP up to and including 26 October 2023 of €6.00, multiplied by the Exchange Rate (1.67) and the Tender Offer Consideration (0.0128)

Tender Offer would always be not fair for Marley Spoon CDIs Holders due to the following:

- The underlying operating business of Marley Spoon and MSG, future cash flows and the capital structure are substantially the same before and after the Tender Offer, given that most of the Business Combination transactions have already been completed. As a result, the value of Marley Spoon on a control basis will always be a greater value than the value of MSG on a minority basis.

- In conjunction with the Business Combination, 468 SPAC shareholders received 1,250,030 Public Shares, equivalent to 8.8%[11] of the issued capital and 4,987,500 Sponsor Shares, equivalent to 35.2% of the issued capital before the Tender Offer. Whilst the purpose of the Sponsor Shares was to facilitate the Business Combination and the capital raise, they were issued to 468 SPAC shareholders for nil consideration and had the result of materially diluting the share register. This dilution of the share capital arising from the issue of the Sponsor Shares is borne by CDI Holders upon acceptance of the Tender Offer.

The table below summarises our comparison between the valuation assessment of Marley Spoon before the Tender Offer on a control basis with our valuation assessment of MSG after the Tender Offer on a minority basis. In both cases, we have adopted the DCF approach to assess the underlying value of the business (refer to sections 7 and 8 for details).

Fairness Assessment A$ per CDI - unless otherwise stated	*Section Reference*	Low	High
Fair market value of Marley Spoon before Tender Offer (control basis)	*7.1.3*	0.125	0.189
Fair market value of MSG post Tender Offer (minority basis)	*8.2*	0.059	0.088
Premium / (discount)		(0.066)	(0.101)
Premium / (discount) (%)		(53.1)%	(53.2)%

Source: GTCF analysis

Under the above circumstances, and in accordance with the requirements of ASIC RG111 and Chapter 6 of the Australian Corporation Act 2001 (Cth), with which we have been instructed that Marley Spoon is not required to comply, the Tender Offer would not be fair, however based on the other quantitative and the qualitative factors presented in this executive summary, we would still conclude that the Tender Offer is reasonable and hence in the best interests of Marley Spoon CDIs Holders.

Conversely, if the same comparison is undertaken based on the trading prices of Marley Spoon on a control basis and the trading prices of MSG on a minority basis, the Tender Offer would be fair to Marley Spoon CDIs Holders as set out in the table below.

Value per CDI (control vs minority) A$ unless stated otherwise	Marley Spoon Control[2]	MSG[1] Minority	Premium / (discount)
5 Day	0.093	0.128	38.4%
1 Week	0.093	0.128	37.6%
1 Month	0.094	0.133	42.1%
2 Month	0.099	0.147	49.3%

Source: S&P Global, GTCF analysis

Note: (1) MSG VWAP is multiplied by the Tender Offer Consideration and the Exchange Rate. (2) A control premium of 30.0% has been applied to the minority trading prices. Please see Appendix E for further detail of our assessed control premium. (3) VWAP trading data is taken as of 26 October 2023.

[11] 1,250,030 shares issued via 468 SPAC out of a total MSG shares prior to the Tender Offer of 14,149,820. Please refer to Section 1.1.

Refer to the discussions above in relation to the liquidity issues of the trading prices of both MSG and Marley Spoon.

Marley Spoon CDI Holders should be aware that our assessment of the value per Marley Spoon CDI should not be considered to reflect the price at which Marley Spoon CDIs may trade before or after the Tender Offer. The price at which Marley Spoon CDIs or MSG Shares will ultimately trade depends on a range of factors, including macro-economic conditions and the future performance of the Marley Spoon business.

Qualitative Assessment

Advantages

Simplifying the regulatory structure of Marley Spoon

It is MSG's intention to seek 100% ownership of Marley Spoon as soon as practically possible following the Tender Offer and ultimately seek to delist Marley Spoon from the ASX. The intention of MSG is to achieve a simplified operating and regulatory structure. Whilst Marley Spoon remains a German company on the ASX, they are required to consider both German and Australian regulatory and governance issues, which adds to Marley Spoon's compliance requirements and the associated regulatory and compliance costs. MSG is a European company (Societas Europea) ("SE") incorporated under Luxembourg law, the shares in which are listed on the FSE. MSG is therefore subject to two regulatory regimes, Luxembourg law and European law, which exhibit a certain degree of alignment. If MSG do acquire 100% of the shares of Marley Spoon, then Marley Spoon securityholders as at the date of the Business Combination Agreement will benefit from the reduced cost and administrative requirements discussed above.

Potential for improved liquidity and analyst coverage as a result of an FSE listing

MSG is listed on the FSE which is expected to result in greater liquidity for CDIs Holders compared with current circumstances. MSG should also benefit from greater analyst coverage and investor awareness which should enhance their ability to realise their investment at fair market value.

If Marley Spoon was to remain listed on the ASX following completion of the Tender Offer, any Marley Spoon CDI Holders may continue to trade on the ASX, although we would expect there to be limited liquidity and a narrow shareholder base after completion of the Tender Offer, which may impact the price at which Marley Spoon CDIs listed on the ASX could be sold. Due to the potentially negative impact on price, Marley Spoon CDIs listed on the ASX may trade at a discount to fair value.

Potential consequences if the Tender Offer is not accepted

In accordance with the German Securities Acquisition and Takeover Act (German Takeover Act, or Wertpapiererwerbs- und Übernahmegesetz, WpÜG[12]), we note the following:

- MSG will be able to conduct a squeeze-out of the minority securityholders of Marley Spoon once it has acquired 95% of the share capital of Marley Spoon.

[12] Which was implemented on 1 January 2002 and applicable to public offers for German target companies.

- In a squeeze-out, minority securityholders will be forced to sell their interest for adequate compensation.

- The squeeze-out requires a resolution of the general meeting of Marley Spoon which is passed by the votes of the majority shareholder (MSG).

- Facilitated squeeze-out proceedings can occur if the acquirer holds 95% of the share capital after the Tender Offer and if the offer was accepted for at least 90% of the shares/CDIs that were subject to the Tender Offer.

Alternatively, if these ’squeeze-out’ requirements are not satisfied, the Marley Spoon CDI Holders may be subject of a scrip or cash offer via domination agreement under the German Takeover Act. Refer to the Prospectus for further information.

Disadvantages

Shareholding in a Foreign entity on a foreign stock exchange

Marley Spoon CDI Holders that accept the Tender Offer will not have access to the CHESS clearing house and register system to sell their new MSG shares. Non-German Marley Spoon CDI Holders accepting the Tender Offer will result in Marley Spoon CDI Holders becoming foreign holders of shares in MSG, listed on the FSE, who would then be subject to rules of a foreign stock exchange that may impact, or make more difficult, their ability to transact MSG shares. Foreign ownership on a foreign stock exchange may also result in additional rules and regulations with respect to the future receipt of any dividends or distributions.

Change of jurisdiction

Marley Spoon SE is currently incorporated in Germany, with CDIs listed on the ASX. By accepting the Tender Offer, Marley Spoon CDI Holders will exchange their securities for shares in MSG, a company incorporated under Luxembourg law. MSG is neither established nor incorporated under Australian law and as such is only subject to the Corporations Act in Australia as a registered foreign corporation. Securityholders that accept the Tender Offer will be subject to laws and regulations that may vary from Australian law. Any future legal action brought by Australian investors will be regulated by the Luxembourg legal system and attended in Luxembourg, which accordingly will become more expensive for Australian shareholders. In addition, as per the World Bank: Ease of Doing Business[13] rankings, Luxembourg’s rank in the category of ‘protecting minority investors’ is 97, compared to rank 57 for Australia and rank 61 for Germany.

Some key areas of Luxembourg company law that may vary from Australian company law include laws relating to takeover provisions, shareholder disclosure requirements (in the case of substantial shareholders), the protection of minority shareholders, as well as taxation law. We note that this description only provides general guidance on the difference between applicable laws and does not constitute an exhaustive list or description of the differences in company law between Luxembourg and Australia. The Prospectus, which this report accompanies, sets out further limited discussion on the differences between Luxembourg laws and Australian laws on some pertinent topics that may affect CDI holders.

[13] The Easy of Doing Business ranking is a ranking from 1 to 190 compiled by the World Bank having regard to 10 major factors. A high ease of doing business ranking means the regulatory environment is conducive to starting and operating a local firm.

Volatility of MSG and Marley Spoon trading prices

The trading prices of the Offer Shares and subsequently the value implied by the Tender Offer Consideration prior to completion of the Tender Offer may fluctuate positively or negatively. Likewise, the trading prices of the Marley Spoon CDIs may also fluctuate positively or negatively, subsequently resulting in a decrease or increase in the implied premium. This may be due to several reasons, including but not limited to general volatility in domestic and international equity markets, general macro-economic conditions (interest rates, exchange rates, inflation rates, etc.) and risks related to the specific markets in which MSG / Marley Spoon are listed.

Conversion of existing public warrants and sponsor shares may lead to future ownership dilution

As detailed in Section 1 of this Report, 468 SPAC hold a number of Public Warrants as well as Sponsor Shares, with the majority exercisable upon trading price thresholds which are currently significantly higher than MSG trading prices. Any future conversion of Public Warrants into Public Shares will cause the holders of Public Shares (including those who accept the Tender Offer) to be diluted.

Other factors

Tax implications

Implementation of the Tender Offer may crystallise a capital gains tax liability for the Marley Spoon CDI Holders, however the taxation consequences for the Marley Spoon CDI Holders will vary according to their individual circumstances and will be impacted by various factors. Marley Spoon CDI Holders should read the overview of tax implications of the Tender Offer set out in Section 9.6 of the Prospectus and should also seek independent financial and tax advice with regard to any potential tax implications of accepting the Tender Offer.

Potential for a proposal superior to the Tender Offer

We understand that at the date of this Report, no alternative proposals or offers exist. Given that MSG holds 84.5% of Marley Spoon, it is unlikely that a superior offer will emerge.

Overall conclusion

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Tender Offer is **in the BEST INTERESTS** of the Marley Spoon CDI Holders in the absence of a superior alternative proposal emerging.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

In preparing this report we have considered the interests of Marley Spoon CDI Holders as a whole. Accordingly, this report only contains general financial advice and does not consider the personal objectives, financial situations or requirements of individual securityholders.

Yours faithfully
GRANT THORNTON CORPORATE FINANCE PTY LTD

ANDREA DE CIAN	MARK BUTTERFIELD
Director	Director

6 November 2023

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Marley Spoon appointed Grant Thornton Corporate Finance Pty Ltd to provide general financial product advice in the form of an IER in relation to the Tender Offer.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from Marley Spoon a fixed fee of A$200,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the Report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this Report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of Marley Spoon in order to provide this Report. The guidelines for independence in the preparation of IERs are set out in RG 112 *Independence of expert* issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Marley Spoon *(and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Tender Offer.*

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Tender Offer, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 "Independence of expert" issued by the ASIC."

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Compliance Authority (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Compliance Authority who can be contacted at:

Australian Financial Compliance Authority
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the General Meeting should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

Contents

1 Outline of the Transaction

1.1 Business Combination

As discussed in the executive summary, on 25 April 2023, Marley Spoon and 468 SPAC entered into the Business Combination Agreement which triggered the completion of a number of transactions over several months, which are summarised below:

- On 29 June 2023, Marley Spoon announced the successful completion of the Placement, raising c. €35.0 million (c. A$57 million) to assist with near-term growth and working capital requirements. As part of the Business Combination Agreement, all Placement Shares were sold to MSG, and as a result they never transmuted into CDIs tradeable on the ASX. Investors exchanged their Placement Shares for new shares in MSG at the Direct Offer Consideration that was equivalent to A$0.21 per CDI. As a result, 34.2 million par value Placement Shares at a price of A$1.70 per share were issued, which would have been equivalent to 342.2 million CDIs at a price of A$0.170 per CDI and which represented c. 46% of the total Marley Spoon CDIs on issue at the time.

- Under the Business Combination, 70.1% of Marley Spoon CDI holders (excluding Placement investors) sold their holdings to the MSG, at an implied price of A$0.21 per CDI (a 45% premium to the closing share price of Marley Spoon CDIs on 24 April 2023[14]). Following these transactions, MSG held shares representing c. 84.0% of the Company listed on the ASX.

- The 468 SPAC, renamed MSG, started trading on the FSE on 11 July 2023. Prior to implementation of the Business Combination, 468 SPAC public shareholders elected to redeem 95.3% of their holdings. At that time, 468 SPAC had c. €210.0 million of cash in trust, and as such public redemptions resulted in c. €9.9 million of cash remaining before SPAC transaction costs.

- Runway are Marley Spoon's primary debt provider, accounting for 69.6% of MSG's gross debt post completion of the Business Combination. As part of the sequence of transactions described above, Runway provided support for the Business Combination and agreed to a number of amendments to the terms of Marley Spoon's existing debt facilities which are further discussed in Section 1.4.

The total number of CDIs remaining on the ASX not owned by MSG is c. 117.7 million, decreasing from c. 393.4 million[15]. An overview of the capital structure movements of Marley Spoon following completion of the Business Combination (but prior to the Small Holdings Offer) is provided below.

Marley Spoon	Pre-Transaction	Placement	Runway[2]	Total Marley Spoon	Sold to 468 SPAC[3]	Marley Spoon CDI Holders[4]
CDIs (millions)[1]	393.4	336.5	5.7	735.6	617.9	117.7
Shares (millions)	39.3	33.7	0.6	73.6	61.8	11.8
Cash (A$m)	n/a	58.4	1.0	59.4	n/a	n/a
Cash (€m)	n/a	35.0	0.6	35.6	n/a	n/a
Ownership	n/a	n/a	n/a	n/a	84.0%	16.0%

Source: Management Information, ASX Marley Spoon Announcements
Notes: (1) Shares are converted into CDIs using a conversion ratio of 1:10. As detailed above, shares issued via the Placement (including the Runway shares) were not converted into CDIs, however we have shown the conversion for presentation purposes. (2) As detailed in Section 1.4, Runway provided support for the Business Combination and agreed to the deferred fee of c. €0.6 million to be paid through the issuance of shares. Therefore these cash proceeds were not received by Marley Spoon. (3):There are no CDIs on issue over the shares held directly by MSG

[14] The Business Combination Agreement was announced on the 26 April 2023.
[15] Prior to the Placement.

(84.0% of the total Marley Spoon total shareholding) and hence these are not quoted on the ASX. (4): The Marley Spoon CDI Holders are quoted on the ASX.

An overview of MSG's capital structure, following the completion of the Business Combination, is provided below.

MSG share capital structure	Reference	Shares
Public Shares:		
Issued via 468 SPAC	*Note 1*	1,250,030
Issued on completion of the Business Combination	*Note 3*	7,912,290
Held as Treasury Shares by MSG	*Note 4*	20,012,470
Total Shares		29,174,790
Sponsor Shares	*Note 2*	4,987,500
MSG total shares (excluding Treasury Shares held by MSG)		**14,149,820**
MSG total shares (including Treasury Shares held by MSG)		**34,162,290**

Source: Management Information, ASX Marley Spoon Announcements.

Notes to the above table are provided below.

1) *Public Shares:* The trust account of 468 SPAC initially held c. €210.0 million in cash. In connection with the Business Combination, the final redemption rate of 468 SPAC public shareholders was 95.3%, which resulted in c. 1.0 million shares and approximately c. €9.9 million[16] gross cash proceeds remaining within 468 SPAC. The Public Shares issued via 468 SPAC also include 5% of the Sponsor Shares that were converted into Public Shares following completion of the Business Combination (c. 0.3 million shares).

2) *Sponsor Shares:* These are in registered form admitted to trading on the FSE but subject to sponsor lock-up. No Sponsor Shares are being offered within the Tender Offer. The holders of Sponsor Shares have the same shareholder rights as holders of the Public Shares with some restrictions discussed in Section 5. Differently from Public Shares, no cash consideration was paid by the sponsors to subscribe for Sponsor Shares.

3) *Business Combination:* Upon completion of the Business Combination on 12 July 2023, 7.9 million MSG shares were issued to Marley Spoon CDI holders as consideration for 617.9 million Marley Spoon CDI equivalents and based on the Tender Offer Consideration.

4) *Treasury Shares:* There are c. 20.0 million Public Shares which are currently held in Treasury by MSG. The Offer Shares will be transferred to Marley Spoon CDI Holders who accept the Tender Offer from Public Shares held in treasury shares by MSG. There are currently 20,012,470 treasury shares held by MSG with voting and dividend rights suspended whilst held in treasury. These are not included in the total shares outstanding of MSG.

1.2 Small Holding Offer

MSG offered all Marley Spoon CDI Holders the opportunity to receive cash in the amount of A$0.11 per Marley Spoon CDI for up to 10,000 Marley Spoon CDIs held by each of them (being a total maximum consideration of A$1,100 per Marley Spoon CDI Holder, subject to rounding) in order to buy-out small holdings in CDIs before the launch of the Direct Offer. The Small Holding Offer closed on 4 October 2023

[16] (1 – 95.3%) * €210.0 million.

and MSG bought 4,006,273 CDIs with a remaining number of CDIs listed on the ASX of approximately 113.7 million before the launch of the Tender Offer.

1.3 Tender Offer

Under the Tender Offer, MSG is offering to acquire remaining CDIs from Marley Spoon CDI Holders for a consideration equivalent to the Tender Offer Consideration being 0.0128 Offer Shares for each Marley Spoon CDI determined by dividing the agreed value of the Marley Spoon CDIs of A$0.21 by a fixed valuation of €10.00 for each Offer Share.

The Offer Shares are Public Shares (class A shares), listed and admitted to trading on the FSE which are fully paid up and grant the same rights as the Public Shares currently trading on the FSE, which will be transferred to Marley Spoon CDI Holders under the Tender Offer. The Tender Offer is not subject to any conditions, other than as may be imposed or required in accordance with applicable law.

After the Tender Offer, and on the assumption that 100% uptake is received, we have provided an overview of the MSG share capital structure post-Tender Offer.

MSG share capital structure post Tender Offer	Calculation	
MSG shares	A	14,149,820
Marley Spoon CDI Holders (CDIs)[1]	B	113,718,130
Tender Offer Consideration	C	0.0128
Marley Spoon CDI Holders (MSG shares)	D = C x B	1,455,592
MSG shares post Tender Offer	**E = A + D**	**15,605,412**
MSG CDI equivalent post Tender Offer	**F = E / C**	**1,219,172,818**

Source: Management Information, ASX Marley Spoon Announcements.
Note (1): Marley Spoon CDIs reflect CDIs listed on the ASX excluding approximately 4.0 million CDIs acquired as part of the Small Holdings Offer.

The Tender Offer is made to security holders of Marley Spoons CDIs still being traded on the ASX, and not owned by MSG. The purpose is for MSG to obtain 100% ownership of the Company as soon as practically possible and ultimately delist Marley Spoon from the ASX. If the Tender Offer is not accepted by all of the Marley Spoon CDI Holders, additional measures may be taken by MSG to acquire the Marley Spoon CDIs remaining[17].

The Tender Offer is not a takeover bid for the purposes of the Corporation Act 2001 (Cth). Where the Tender Offer is received by the Marley Spoon CDI Holders, that offer will be made in accordance with Division 5A of Chapter 7 of the Corporations Act. Sec 1019D & Reg 7.9.95A.

1.4 Runway support

Runway are Marley Spoon's primary debt provider (accounting for 6.9%[18] of Marley Spoon's gross debt post Business Combination) and provided support for the Business Combination by agreeing to a number of amendments to the terms of MSG's existing facilities, including the following:

- Extension of the interest only period by 12 months to 15 January 2025;

[17] Including measures under German law such as the implementation of a domination and/or profit and loss transfer agreement or a squeeze-out.
[18] €62.5 million Runway debt (including the €7.8 million repayment on a portion of the outstanding loan balance in July 2023).

- Extension of the maturity date of the loan facility to 15 June 2026;

- Cash interest payable for the six months from April to September 2023 to instead be capitalised to the outstanding loan balance with a deferral fee applying; and

- MSG may have to pre-pay a portion of the outstanding loan balance with proceeds from the transactions, leading to a reduction of interest rates.

2 Purpose and scope of the report

MSG is not established or incorporated in Australia and its general corporate activities (apart from offering securities in Australia) are not regulated by the Corporations Act or by ASIC but instead are regulated by Luxembourg Company Law and applicable Luxembourg, German and European law, including amongst others, the FSE Exchange Rules.

MSG is making an offer to acquire Marley Spoon CDIs in exchange for Public Shares (i.e. class A shares) in MSG in accordance with Division 5A of the Corporations Act 2001 from holders of Marley Spoon CDIs.

MSG has prepared a Prospectus to provide disclosure to Marley Spoon CDIs Holders in Australia for the purposes of Chapter 6D of the Corporations Act as the Tender Offer involves the Offer Shares by MSG to Marley Spoon CDI Holders.

Marley Spoon is incorporated and registered in Germany and it is regulated by the Australian Corporations Act as a foreign entity, Marley Spoon is a disclosing entity under the Corporations Act and has obligations under the Corporations Act and the ASX Listing Rules that require Marley Spoon to notify the ASX of information about specified matters and events as they occur for the purpose of making that information available to the market.

While there is no legal requirement for an IER to be prepared in respect of the Tender Offer, the Directors of Marley Spoon have requested Grant Thornton Corporate Finance to prepare an IER to assist Marley Spoon CDI Holders to consider the Tender Offer.

2.1 Basis of assessment

Whilst Marley Spoon is not required to comply with the corresponding parts of the Corporations Act 2001 (Cth) which regulate change of control transactions, and ASIC RG 111 establishes certain guidelines in respect of IERs prepared for the purposes of the Corporations Act 2001 (Cth). RG 111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act 2001 (Cth) and comments on the meaning of "fair and reasonable" are in the context of a takeover offer.

In relation to a takeover bid, Regulatory Guide 111 "*Content of expert reports*" requires the following assessment:

- An offer is considered fair if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject to the offer. The comparison should be made assuming 100% ownership of the target company and irrespective of whether the consideration offered is scrip or cash and without consideration of the percentage holding of the offeror or its associates in the target company.

- An offer is considered reasonable if it is fair. If the offer is not fair it may still be reasonable after considering other significant factors which justify the acceptance of the offer in the absence of a higher bid. ASIC has identified the following factors which an expert might consider when determining whether an offer is reasonable:

  - The offeror's pre-existing entitlement, if any, in the shares of the target company.

  - Other significant shareholding blocks in the target company.

- The liquidity of the market in the target company's securities.
- Taxation losses, cash flow or other benefits through achieving 100% ownership of the target company.
- Any special value of the target company to the offeror, such as particular technology or the potential to write off outstanding loans from the target company.
- The likely market price if the offer is unsuccessful.
- The value to an alternative offeror and likelihood of an alternative offer being made.

Grant Thornton Corporate Finance has determined whether the Tender Offer is in the best interests of Marley Spoon CDIs Holders by considering both quantitative and qualitative factors, including the following:

- The value of the Tender Consideration compared with the current trading prices of Marley Spoon.
- A comparison between the Tender Consideration and the consideration paid by MSG under the Direct Offer and the Small Holding Offer.
- A comparison between the fair market value of Marley Spoon before the Tender Offer with the fair market value of the Tender Offer Consideration.
- The pre-existing shareholding of the MSG.
- The implications to Marley Spoon and Marley Spoon CDIs Holders if they do not accept the Tender Offer.
- Other likely advantages and disadvantages associated with the Tender Offer.
- Other costs and risks associated with the Tender Offer that could potentially affect the Marley Spoon CDIs Holders.

2.2 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance (a wholly owned subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the Tender Offer with reference to RG 112 issued by ASIC.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Tender Offer other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon with the outcome of the Tender Offer.

In our opinion, Grant Thornton Corporate Finance is independent of Marley Spoon and its Directors and all other relevant parties of the Tender Offer.

Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services ("APES 225") as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

"An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3 Industry overview

3.1 Introduction

The food and beverage industry encompasses a variety of product categories, such as meals out, fast foods and food products purchased for home consumption, including meal kits and ready-made meals. Meal kits are typically home delivered weekly and contain a selection of fresh ingredients that are needed to prepare a meal, alongside instructions and offer varying menu preferences. Meal kits have proved popular due to the time saved on grocery shopping, meal planning, and reduced wastage. Furthermore, a gradual shift towards healthy eating practices has emphasised the concept of portion control, an essential element of a meal kit business. Consumers have the option to pause and resume meal subscriptions and are only charged per delivery[19]. A ready-made meal or ready-to-heat meal is a complete meal, prepared and cooked by manufacturers which typically require only heating for consumption. Manufacturers cook the purchased ingredients, package the final product and sell it directly to consumer via subscription, or through venders, supermarkets and other food outlets. The ready-made meals can be heated and consumed in the same packaging they are purchased. Given the limited preparation required, ready-made meals are highly convenient.

The meal kit industry is relatively nascent with the larger players including Marley Spoon, HelloFresh and Blue Apron having originated in the last decade and growing to scale in the recent past. The industry is positioned within a niche online grocery segment of the market which has been able to leverage on the transition from offline to online grocery shopping, with the global meal kit sales currently estimated at more than c. €14 billion[20]. The World Health Organisation's declaration of COVID-19 as a pandemic in March 2020 and the subsequent lockdowns occurring globally led to a surge in demand for online channels to order food and groceries.

3.2 Market positioning

New delivery channels have emerged over the years which leverage digital technology and innovation in logistics to provide new options to consumers to purchase food products. These include the growing use of D-to-C offerings wherein food is ordered online, typically via the manufacturer's website or mobile app ordering platform and delivered directly to the consumer. The players within the meal kit industry provide integrated food solutions, with the streamlined process which typically has consumers placing an order or repeat orders using a subscription model.

While several supermarkets also offer meal kits and ready-made meals, a key differentiator is the ordering model wherein meal kit providers typically operate a source-to-order model, and supermarkets on the contrary offer a source-to-stock model which is based on a more traditional retail model. Competition from traditional supermarkets continues to increase following the shift of products and services towards online demand. Key elements that differentiate these meal kit businesses from supermarkets offering include:[21]

- *Customer experience:* Customers can choose from a wide range of recipes and have the ingredients delivered to their doorstep, thereby saving time on researching recipes, having control over meal ingredients (including portion sizes) and commuting to and shopping at supermarkets.

- *Supply chain:* Meal kit providers have a relatively straightforward supply chain with smaller stock-keeping units that save significant logistic costs and complexities. Furthermore, D-to-C enables these

[19] Bloomberg Second Measure article 'Competition heats up among meal kit companies like Blue Apron and HelloFresh' dated 27 January 2023.
[20] Grand View Research. Market Analysis Report - 2017 to 2021 in review and outlook for 2022-2030.
[21] Marley Spoon Prospectus

providers to capture more transactional value by avoiding margins charged by wholesalers and retailers.

- *Food waste reduction:* By operating based on the source-to-order model, meal kit providers have greater visibility of customers' orders which help reduce food waste across the supply chain.

- *Distribution line:* Meal kit providers run manufacturing facilities to prepare and package the ingredients, and typically leverage third party logistics providers for distribution. Unlike supermarkets, these meal kit providers do not require retail store outlets and typically rely on the online/digital medium as a customer touchpoint.

- *Data insights:* While supermarkets gather customer purchase data through reward or loyalty cards, meal kit providers have the additional insights into consumer recipe preferences and the portion requirements.

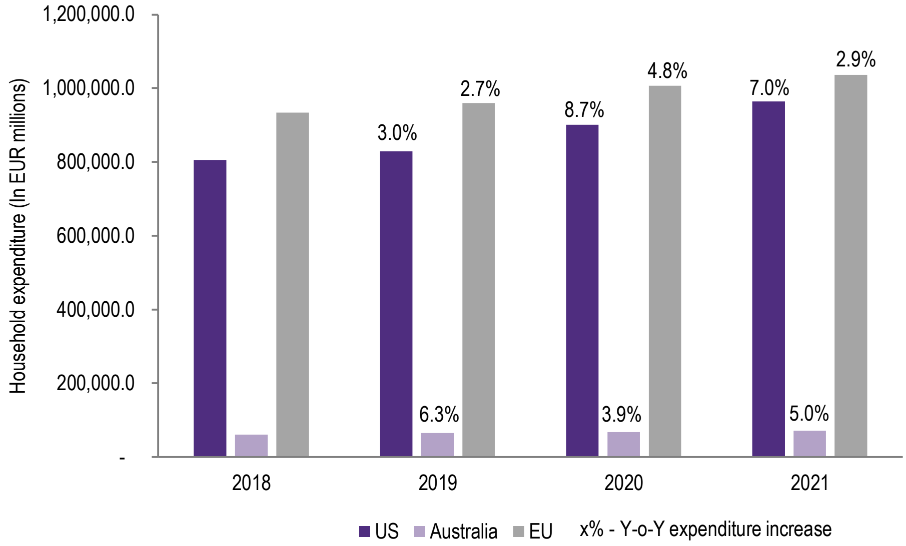
The meal kit industry is often grouped with other food and beverage sub-industries such as restaurant food delivery and grocery delivery that have also grown in recent years. While they share a D-to-C model, they serve different consumer requirements and audiences. When comparing meal kits with restaurant food delivery and pre-cooked food delivery services such as Deliveroo and Doordash, a common key benefit of meal kits meals is that they provide a cost-effective and healthier alternative, and are therefore considered indirect competitors, despite both alternatives solving the common challenge of deciding what to eat. Whereas in comparison to grocery delivery, meal kits largely address the issue of 'what to cook' and food wastage concerns with the pre-apportioned ingredients.

There are also significant operational differences with food delivery services, which act as a pureplay intermediate with no requirement for supply chain logistics or fulfilment centres, with their key asset being the network of restaurant and fast food operators.

3.3 Market size and growth

The advent of the COVID-19 pandemic and the resultant lockdowns led to a significant increase in the household expenditure towards food and non-alcoholic beverages. As depicted below, from 2018 to 2021 there was a Compound Annual Growth Rate ("CAGR") of 6.2% in the US, 5.1% in Australia and 3.5% in the EU.

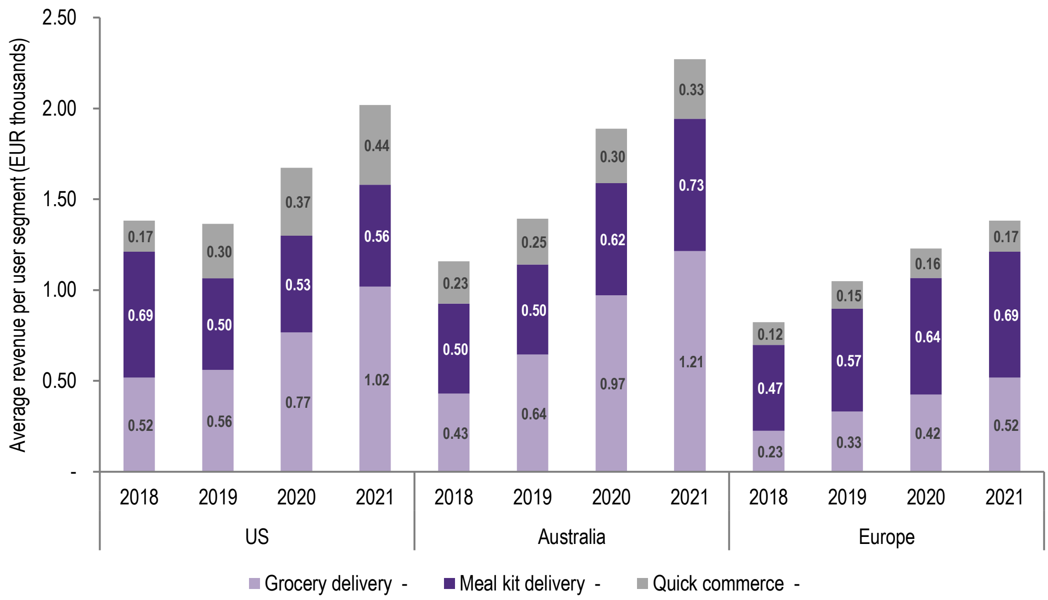
Total household expenditures on food and non-alcoholic beverages, 2018-2021



Source: OECD.
All the data refer to fiscal years beginning on the 01 July of the year indicated and translated from USD and AUD millions to EUR millions at the 30-day average USD/EUR and AUD/EUR exchange rates respectively sourced from S&P Capital IQ as of 26 October 2023.

The COVID-19 pandemic also stimulated consumers preference towards digital channels to order food and groceries and further led to the growing demand for meal kits. Moreover, a large number of consumers sought after healthy diet alternatives and easy-access meal options which were offered by meal kit providers.

Online groceries average revenue per user segment, 2018-2021

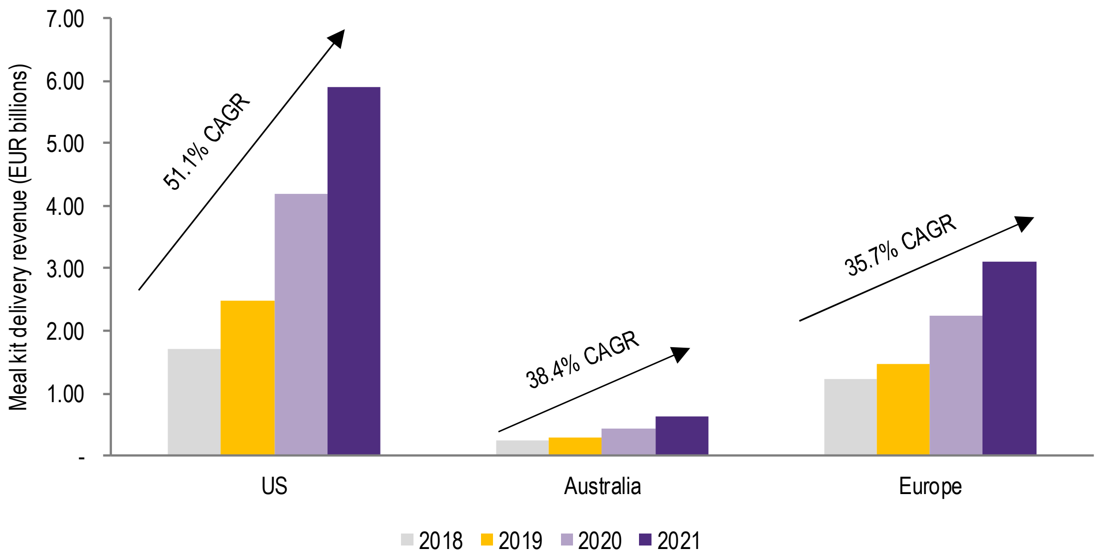


Source: Nov 2022 Statista update.
All revenue figures represent D-to-C services and are translated from USD thousands to EUR thousands at the 30-day average USD/EUR exchange rate sourced from S&P Capital IQ as of 26 October 2023.

While it is evident that revenue from online groceries have been burgeoning globally, the meal kit delivery in particular has also witnessed a significant growth in revenue. As displayed below, across the period

2018 to 2021, the meal kit delivery revenue grew at a 51.1% CAGR in the US, a 38.4% CAGR in Australia and a 35.7% CAGR in Europe.

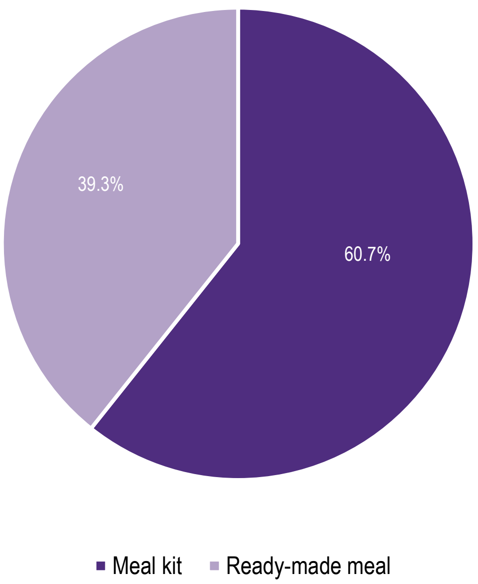
Total revenue from meal kit delivery, 2018-2021



Source: Nov 2022 Statista update.
All revenue figures represent D-to-C services and are translated from USD billions to EUR billions at the 30-day average USD/EUR exchange rate as of 26 October 2023.

Meal kits continue to remain a common choice over the ready-made meals owing to the popularity of gourmet-style home-cooking among consumers wherein one can prepare new recipes or meals with the pre-portioned ingredients without spending more money on restaurant orders. The popularity characteristic of the ready-made meals over meal kits is the convenience and time-saving.

Global meal kits and ready-made meal market segmentation, 2021



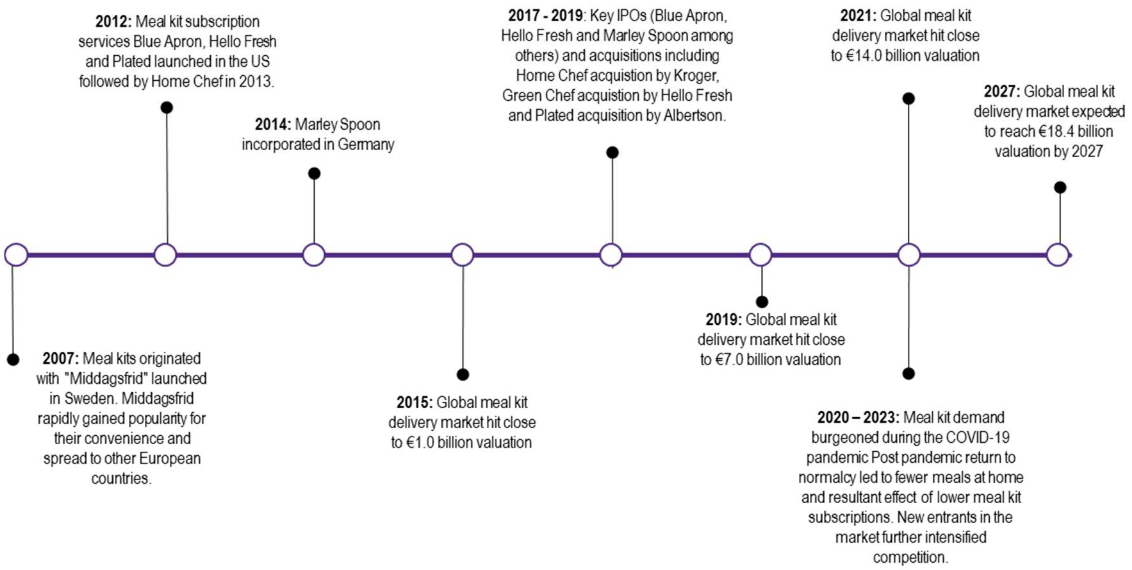
Source: Grand View Research. Market Analysis Report - 2017 to 2021 in review and outlook for 2022-2030

The increasing trend towards consumers greater health and wellness consciousness, preferences to prepare homecooked meals, ethically minded choices and reducing food waste have improved the overall demand for meal kit providers.

3.4 Competitive landscape

The meal kits and ready-made meal industries essentially originated on the foundation of convenience, addressing hassles of meal planning and grocery shopping. Companies within the industry, which is a relatively nascent industry, have experienced significant growth to scale in the recent past. We have provided an evolution of the meal kits market below:

Evolution of meal kits market



Source: The Meal Kit Review and publicly available information

The D-to-C channel and meal kit market have seen several new entrants in recent years, who typically operate on a smaller scale, differentiating themselves by offering higher value products or specialising in products such as vegan, organic and gluten free meals. For example, Green Chef offers weekly diet-specific meal kits such as keto and Paleo, and Purple Carrot offers vegan meal kits to consumers preferring a plant-based diet. There has also been a rise in the number of wide range add-ons such as snacks, breakfast options and soups to offer consumers more options. The number of new entrants has been increasing with declining costs of implementing a D-to-C model. This is driven by reducing technology costs, improvements in logistics and logistics services (such as third-party pick and pack companies) and an increase in consumers shopping online.

A key differentiating factor offered by reputable companies within the market is a broader product range and more frequent menu updates that support customer retention. To attract customers, companies typically offer large up-front discounts. In addition, the convenience foods providers are also adding brands to their product portfolio that address the needs of budget conscious customers. For example, Marley Spoon and Hello Fresh launched Dinnerly and EveryPlate respectively as low-cost meal kits with easy to make recipes and fewer ingredients and weekly options.[22] It is quite apparent that competition is significantly driven by price in this market.

[22] Subscription Trade Association. September 2020 - The Evolution of Meal Kits and COVID's Impact on the Market.

We have summarised in the table below, key performing indicators of the major industry players in the meal kit market who offer weekly menu variability and deliveries.

Key performing indicators in the D-to-C convenience foods market

Brands	Geography	Product Type	Product Range	Meal price per serving (in EUR)
Listed companies				
Marley Spoon	US, Australia and Europe	Meal kits	50+ meals	US: 9.04 - 12.37 Australia: 6.59 - 8.09 Europe: 3.89 - 5.99
Dinnerly	Australia	Meal kits	50+ meals	US: 2.39 - 3.83 Australia: 4.75 - 7.66 Europe: 3.65 - 5.45
Blue Apron Holdings, Inc.	United States	Meal kits & Add-ons (Wine)	70+ meals	9.04 - 11.90
Goodfood Market Corp.	Canada	Meal kits	~40 meals	9.41 - 10.80
HelloFresh SE	US, Australia and Europe	Meal kits & Add ons	30 meals	US: 9.32 - 11.90 Australia: 6.29 - 7.00 Europe: 4.87 - 5.60
My Food Bag Group Limited	New Zealand	Meal kits	30 meals	5.72 - 6.45
Private brands				
Home Chef	United States	Meal kits & extras	30 meals	9.52 - 10.47
Sunbasket	United States	Meal kits & prepared meals	30+ meals	9.52 - 10.94
Gousto	United Kingdom	Meal kits	75+ meals	5.05 - 7.23
My Muscle Chef	Australia	Meal kits	70+ meals	From 6.26
Chefs Plate	Canada	Meal kits, snacks, soups and drinks	24+ meals	6.97 - 8.36
Linas Matkasse	Sweden, Norway and Denmark	Meal kits	80+ meals	5.25 - 6.64
Gobble	United States	Meal kits & add-ons	15+ meals	11.42 - 16.18
Woop	New Zealand	Meal kits	15 meals	13.41 - 14.50
EatFitfood	Australia	Meal kits	100 meals	From 10.55

Source: Company websites
The data largely focuses on the regions in which Marley Spoon operates and is based on a broad range. Meal price per serving may vary with differing kit selections and options, as well as servings per meal. Where possible, prices reflect the selection of two servings per meal.
The price range for the respective regions and their currencies have been translated to EUR at the 30-day average currency exchange rate sourced from S&P Capital IQ as of 26 October 2023.

Whilst the meal kit industry has experienced high growth in recent years it does not come without inherent risks such as supply chain challenges and shifting consumer behaviour. Some meal kit providers who witnessed a surge in demand for their offerings during the pandemic have been struggling to sustain their operations. For example, Freshly, a meal kit company that delivered over 1 million meals during the pandemic, expanded its operations via new distribution centres in 2021. However, by January 2023, the company announced the closure of its business. Blue Apron, a popular meal kit provider, received a delisting warning from the New York Stock Exchange in December 2022 due to non-compliance with the listing requirements, as the company was expected to maintain a market capitalisation of at least US$50 million. On 7 June 2023, Blue Apron's board approved a reverse stock split of 1-for-12, reducing the number of Class A common stock issued and outstanding from 76 million to 6 million. Further, on 9 June 2023, Blue Apron transferred its operational infrastructure to FreshRealm, including fulfilment centres, equipment, know-how and related personnel for up to US$50.0 million, including US$25.0 million cash and up to US$$25.0 million upon the achievement of certain milestones. The Blue Apron board recently approved a merger offer to provide the business with the capital required to continue operating. Further discussion can be found in section 7.2.

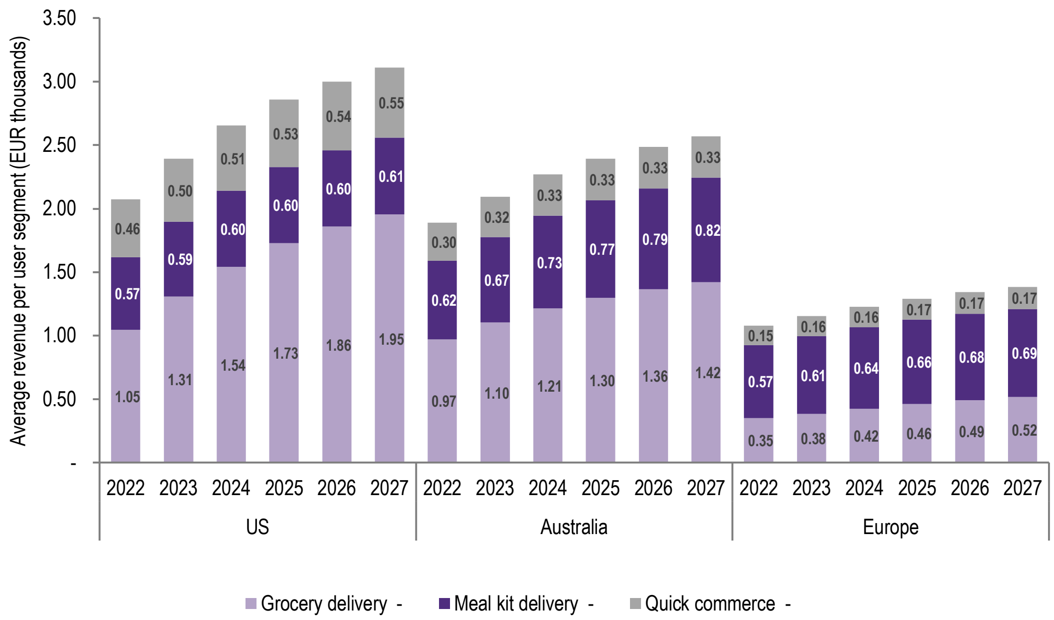
Larger supermarkets and global food conglomerates such as Tesco, Woolworths, Coles, McCain Foods (Healthy Choice and Hearty Meals) and Heat to Eat Holdings (Vesco Foods and Lean Cuisine) principally manufacture and sell generic high-volume prepared meals using largely automated production processes. The meals are typically frozen, with an advantage of some having a longer shelf-life compared to fresh meals and provide consumers with non-subscription, local meal kit options. The private-label goods offered by such players, who increased their footprint in the market by leveraging their established brand awareness and distribution networks, have also contributed to an increased competition in the meal kit market over the last few years. These economical alternatives are placing increased pricing pressure on meal kit and ready-made meal providers that cannot match the private label offerings on price. This trend has resulted in manufacturers improving their operating efficiencies and achieving economies of scale to become better placed to compete in the industry.

We also note that the industry has been increasingly acquisitive as a result of the desire to expand reach, attain active customer or user base and gain operating efficiencies. We take a further look at key acquisitions within the market in Section 6.3.1.

3.5 Outlook

Overall, the trend of grocery shopping shifting from offline to online is expected to continue. The meal kit market is expected to grow with sales in the year 2028 expected to reach $27 billion[23], however the growth is at a slower pace in comparison to the historical period on account of intensifying competition and the challenges associated with seasonal demand and costs. We provide a forecast overview below.

Online groceries average revenue per user segment, 2022-2027



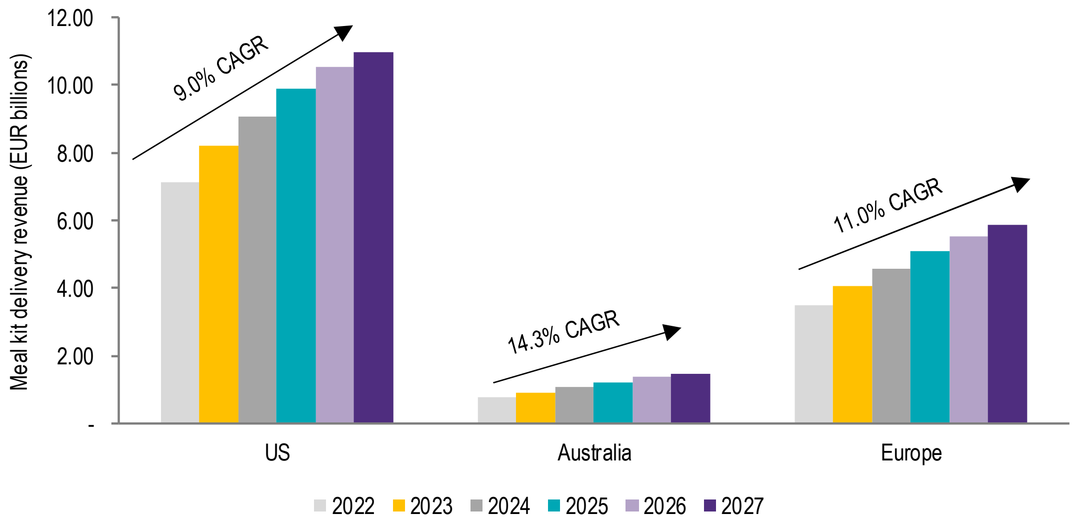
Source: Nov 2022 Statista. Notes: All revenue figures represent D-to-C services and are translated from USD thousands to EUR thousands at the 30-day average USD/EUR exchange rate sourced from S&P Capital IQ as of 26 October 2023.

[23] FY22 Marley Spoon annual report

While the meal kits segment is expected to remain a popular choice among consumers worldwide, the ready-made meals segment, which also allows consumers to choose their ingredients and recipes to be pre-prepared by chefs, is expected to record a relatively higher CAGR of 17.8%[24] between 2022 to 2030 on account of the additional convenience.

Although the US, wherein a growing number of working population continue to seek convenient and easy to prepare meal options, will continue to lead the meal-kit market size in revenue terms among the three regions discussed, Australia is expected to witness a higher CAGR in the period 2022-2027 than is expected in the US and Europe. In the period 2022 to 2027, the meal kit delivery revenue is estimated to grow at a 9.0%[25] CAGR in the US compared to 14.3%[26] CAGR in Australia and 11.0%[27] CAGR in Europe as illustrated below.

Total revenue from meal kit delivery, 2022-2027



Source: Nov 2022 Statista update accessed in April 2023.
Notes: All revenue figures represent D-to-C services and are translated from USD billions to EUR billions at the 30-day average USD/EUR exchange rate sourced from S&P Capital IQ as of 26 October 2023.

The post pandemic industry landscape has seen several manufacturers or providers experimenting with their offerings and partnerships. For instance, in early 2022, Blue Apron partnered with Panasonic to sell the electronic company's new countertop oven, alongside specific recipes that can be prepared using the appliance. Additional strategies that Blue Apron adopted include partnership with Calm, a meditation app, to offer a free 3-month subscription with the purchase of a third Blue Apron box, as well as a partnership with Disney to offer menu items aligned with new movie releases. The firm also began leveraging Walmart and Amazon's online platforms to sell their convenience foods – a strategic partnership that peers such as Marley Spoon (with Woolworths) have also adopted in the past. Similarly, Hello Fresh also partnered with Qantas wherein customers can earn up to 20,000 bonus Qantas points[28] on subscribing to their meal kit plans. As these promotions and partnerships suggest, meal kit providers continue to seek the right blend of strategies to draw and retain customers.

[24] Grand View Research. Market Analysis Report - 2017 to 2021 in review and outlook for 2022-2030.
[25] Statista. Nov 2022 update
[26] Ibid.
[27] Ibid.
[28] Qantas website - Frequent flyer portal

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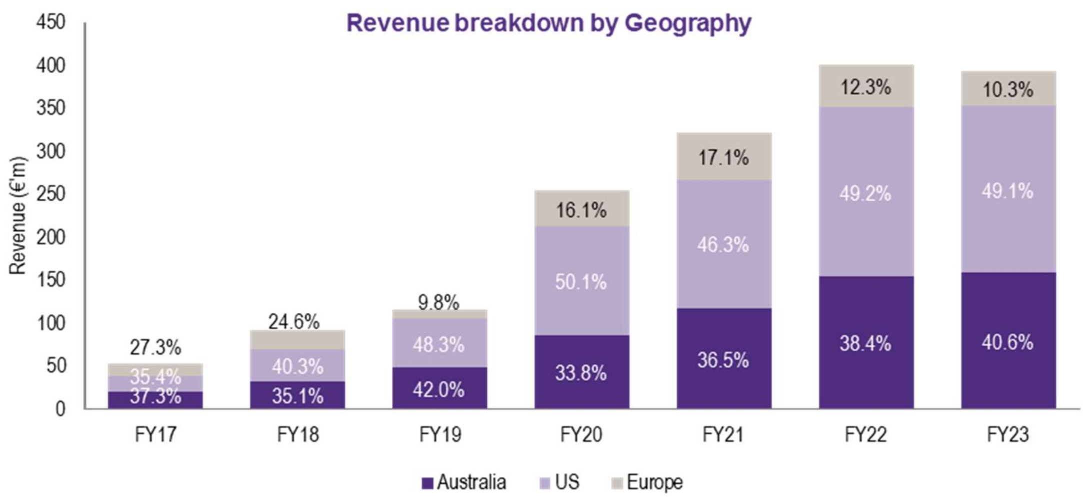
4 Profile of Marley Spoon

4.1 Overview

Marley Spoon is a global D-to-C brand that provides subscription-based meal kits. The business model differs from conventional grocery supply chains by eliminating intermediaries, such as wholesalers or distributors, connecting producers directly with customers. Ingredients are purchased just-in-time, packed in temperature conditioned fulfilment centres, and delivered from these centres within cardboard packaging, insulated where required.

Originally founded in Germany in 2014, Marley Spoon listed on the ASX in July 2018. In January 2022, Marley Spoon completed the acquisition of 100.0% of the ordinary share capital of Chefgood Pty Ltd ("Chefgood") for an enterprise value of c. A$26.6 million. Chefgood is an Australian based ready-to-heat meal provider that sources locally produced ingredients and delivers healthy meal options prepared by an in-house team of chefs. The acquisition allowed Marley Spoon to gain a foothold in a high growth, complementary meal category in Australia.

After being established in May 2014, Marley Spoon achieved accelerated geographical expansion with launch in the Netherlands during December of the same year. In the following year, Marley Spoon entered two key markets, the United States and Australia, which remain Marley Spoon's two largest markets to date, as shown in the chart below.



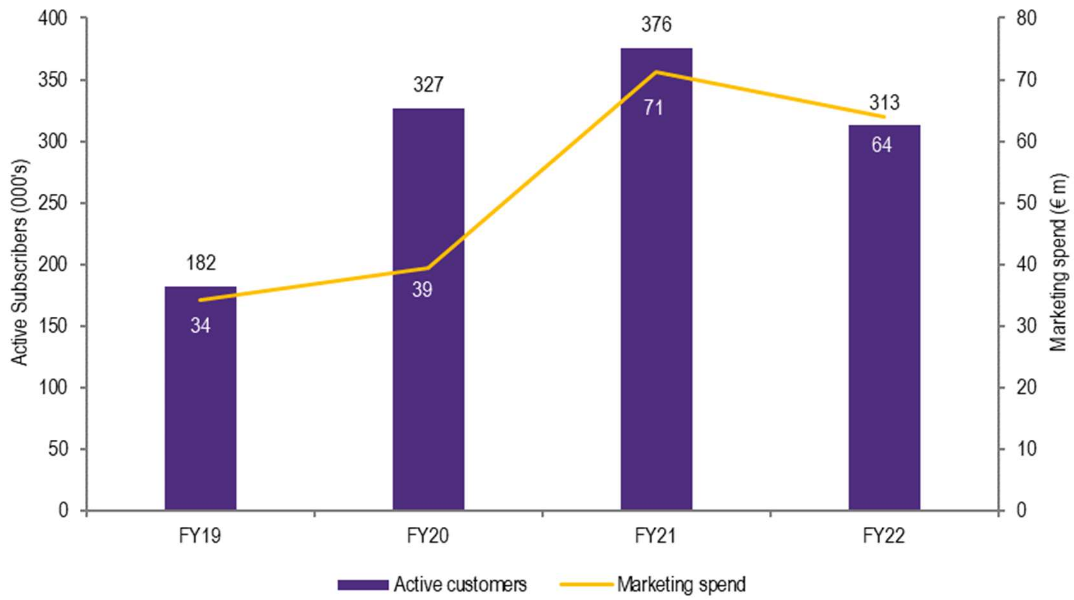
Source: Management Information, GTCF analysis.
Notes: FY23 is based on the original FY23 budget. The FY23 budget has since been revised following Q2 FY23, however Management have not provided a breakdown by jurisdiction.

Since incorporation, Marley Spoon has achieved double digit annual revenue growth with a CAGR of 93.1% between FY15 and FY22 aided by Marley Spoon's recurring revenue subscription model. The key revenue drivers consist of:

- **Active subscriber growth:** As of Q2 FY23 Marley Spoon had 235,000 active subscribers, a 5.6% decline in active subscribers since Q4 FY22 (249,000) and a 12.3% decline in active subscribers from the peak number of active subscribers recorded in Q2 FY22 (309,000). Active subscriber growth is highly correlated with marketing spend, and the recent decline in active subscribers was driven primarily by a planned reduction in overall marketing spend following Management's recent strategy shift to achieve profit margin expansion via disciplined cost control, compared to their previous strategy which had a heightened focus on revenue growth. Growing the active subscriber base at attractive Customer Acquisition Costs ("CAC")[29] is key to continued revenue growth as 95.0% of revenue during FY22 was achieved from existing customers. Active subscribers grew considerably in FY20, increasing 83.1% from FY19, primarily thanks to the new secular trend that emerged during the pandemic. As lockdown restrictions began to ease and global economies slowly re-opened, the strong growth in active subscribers subsided.

The below chart shows Marley Spoon's active subscriber growth vs yearly marketing spend from FY19 to the latest available figure as at Q2 FY23.

Active customers vs yearly marketing spend



Source: Annual Reports and GTCF Analysis.
Notes: (1) Marketing spend also includes personnel costs for the marketing function. (2) Active Customers are customers who have made a purchase at least once over the past three months, so may be a closer proxy for customer acquisitions than Active Subscribers, who are customers who have ordered or skipped a Marley Spoon or Dinnerly meal kit on an average weekly basis during the quarter..

Marketing spend increased by 81.3% to €71.2 million in FY21 to capture the rising demand in the industry as a result of the pandemic, although marketing spend as a percentage of net revenue remained below pre-COVID-19 level. CACs have historically remained within a relatively stable band of c. €60.00 to €68.00 per customer from FY17 to FY22. Marley Spoon calculates the amount of value a customer may generate ('lifetime value') and attempt to maintain customer acquisition costs with strategic payback period targets for each incremental customer.

- **Average order value growth:** Continued revenue growth is also driven by increasing average order values through a combination of expanded product offerings and pricing increases.

  Marley Spoon achieved an average net basket size of €55.78 in FY22 with a basket size CAGR of 8.6% (FY19 to FY22) and it continues to implement initiatives and strategies to increase average order values by continuously expanding recipe as well as introducing premium and saver recipe options to provide differentiated price points. In early 2023, Marley Spoon had 100 weekly recipe options available although the number of recipes available fluctuates based on the market. Further, Marley Spoon launched their market offering in 2022 ("Market"), allowing customers to select

[29] CAC refers to the costs of acquiring an individual customer (i.e., marketing expenses such as media advertising spend) calculated over a given period per new customer acquired during that period, net of marketing vouchers.

additional grocery ingredients and pantry items to be included in their order. Market options can only be purchased in addition to meal subscription orders and cannot be purchased individually.

Cost inflation has also contributed to average order value increases. Rising supplier costs due to inflation in 2022 were partially passed on to customers in all three geographic regions.

4.2 Business Model

Marley Spoon operates a D-to-C subscription-based model which offers personalised solutions to serve consumer demands based on the following diagram.

Step 1: Culinary team designs a range of recipes	• Each week chefs and nutritionists select recipes for each market and brand • Recipes are selected based on: 1) availability of seasonal fresh produce and proteins 2) To provide a variety of recipes of different dietary requirement, tastes and preferences 3) Offering a variety of cuisine options
Step 2: Customers select order	• Customers sign up for weekly deliveries, unless they skip or cancel their subscription • Upto six days before the delivery date (the "Order Cutoff") the customer selects: 1) The number of meals 2) The desired recipes 3) The number of portions required 4) A delivery day and time
Step 3: Source ingredients and deliver to customer	• Marley Spoon sources meal kit ingredients from producers/suppliers on a source-to-order basis • Ingredients are delivered to the fulfilment centers where staff assemble the meal kits (for Chefgood orders cooking the meal) • Meal kits are then delivered weekly in protected boxes lined with insulation and ice packs to preserve their freshness

Source: Management Information

Marley Spoon offer a variety of recipes each week on a rotational basis. Recipes are created by the Marley Spoon culinary team and reviewed and approved by an in-house dietitian. Marley Spoon's in-house culinary and nutrition team also work in conjunction with the food procurement team and use data and artificial intelligence to base recipe rotations on historical customer ordering trends, ingredient availability and current ingredient margins and input costs.

Marley Spoon utilise numerous suppliers for raw food ingredients and levels of supplier concentration vary among geographies. Marley Spoon's top five global suppliers for food ingredients account for 29% of their total supply. We understand through discussions with Management that Marley Spoon utilise direct sourcing from suppliers and hold little inventory on hand, with few to no long-term contracts with suppliers. This allows Marley Spoon flexibility to quickly move between suppliers should certain supplier prices become prohibitive, the quality of supplier ingredients declines, or the businesses supply requirements change.

Once ingredients are received in the various fulfilment centres, staff assemble meal kits to be ready for delivery to customers. In the case of Chefgood, once ingredients are sourced, Marley Spoon's team of chefs pre-cook the meals, so they are ready for heating once they are received by customers. Marley Spoon fulfilment centres are in strategically located geographies to allow for maximum coverage in target markets. Marley Spoon currently have seven active fulfilment centres globally, three in the United States (California, Texas and New Jersey), three in Australia (Sydney, Melbourne and Perth), and one in Europe located in the Netherlands. Marley Spoon's fulfilment centres operate at approximately 60% capacity with capabilities for further growth. Marley Spoon also have a manufacturing facility supporting the Chefgood operations.

Due to the nature of Marley Spoon's business, a significant proportion of meal kit ingredients are fresh produce. Fresh produce is perishable and there are various food safety regulations that may differ among geographic regions. It is possible that produce in meal kits may be spoiled or contaminated if not stored or transported properly, particularly regarding temperature control measures. Whenever possible, Marley Spoon partner with logistics providers that can provide chilled delivery alternatives. When chilled last mile delivery options are not available, Marley Spoon utilise insulated packing and ice packs to control temperature and prevent wastage.

4.3 Global footprint

United States

The United States is Marley Spoon's largest segment by net revenue with c. €86 million or 48.5% of total net revenue in H1 FY23. The United States has historically been Marley Spoon's fastest growing geographic region with a revenue CAGR of 60.0% (FY17 to FY22) as set out below.

Region - United States							
EUR'm	FY17	FY18	FY19	FY20	FY21	FY22	H1FY23
Net Revenue	18.8	37.1	56.1	127.2	149.4	197.4	86.1
Contribution	2.1	4.5	10.1	31.5	39.5	57.8	30.2
Operating EBIT	(10.5)	(20.2)	(18.7)	(6.0)	(22.6)	(8.6)	(3.7)
Operating EBITDA	(9.7)	(20.2)	(13.0)	4.1	(10)	11.9	5.7
Net revenue growth	*n/a*	*96.8%*	*51.4%*	*126.7%*	*17.5%*	*32.1%*	*8.7%*
Contribution margin	*11.0%*	*12.0%*	*20.0%*	*26.0%*	*26.3%*	*29.3%*	*35.1%*
Operating EBIT margin	*(55.5)%*	*(54.6)%*	*(33.2)%*	*(4.7)%*	*(15.1)%*	*(4.3)%*	*(4.3)%*
Operating EBITDA margin	*(51.6)%*	*(54.6)%*	*(23.2)%*	*3.2%*	*(6.5)%*	*6.0%*	*6.6%*

Source: Management Information, GTCF analysis.

Marley Spoon expect the challenging economic conditions to persist throughout FY23 and anticipate further impact on consumer purchasing behaviour. Despite these challenges the United States represents the largest growth opportunity for Marley Spoon with top line growth aided by increased average order values resulting from expansion of the core menu offering and Market add-on products.

Growth in profitability has predominantly been achieved via margin expansion due to improved cost discipline, slight easing in labour markets and economic conditions, and continued gains in operating efficiency. Despite difficult trading conditions, Management expect to achieve continued operating improvements resulting in contribution margin and operating EBITDA margin expansion.

The operations in FY21 were particularly impacted by acute labour shortages and wage inflation, driven largely by COVID-19 which increased the proportion of temporary workers which adversely affected operating margins.

H1 FY23 results were mixed, with negative active subscriber growth of 24.8% on the prior comparable period ("PCP") leading to a net revenue decline of approximately 17.8%. This negative growth was primarily the result of reduced marketing investment and continued contraction of consumer disposable income. The decline in active subscribers and revenue was slightly offset by operational improvements, with operating EBITDA increasing to c. €5.7 million in H1 FY23, from c. €2.2 million in H1 FY22.

Marley Spoon's margin expansion in the United States has primarily been driven by increased cost discipline, achieved through various initiatives such as improved shipping procedures and improved performance from logistics partners. Marley Spoon improved their box selection process by introducing "dynamic box shipping", where box size is selected based on each individual order, allowing a reduction in box sizes for smaller orders. Decreased box size has led to more efficient fulfilment and delivery practices, reducing packaging and shipping costs. Marley Spoon have also recently changed one of their key logistics providers for last mile delivery in the United States and have benefited from improved delivery rates.

Australia

Region - Australia							
EUR'm	FY17	FY18	FY19	FY20	FY21	FY22	H1FY23
Net Revenue	19.9	32.3	48.8	86.0	117.8	154.3	72.0
Contribution	4.5	10.7	15.2	31.3	39.9	47.8	20.7
Operating EBIT	(5.0)	(5.6)	(5.6)	3.71	(8.4)	(3.2)	(5.2)
Operating EBITDA	(4.3)	(3.0)	(1.7)	9.7	0.7	8.8	1.7
Net revenue growth (on PCP)	*n/a*	*62.4%*	*51.3%*	*76.1%*	*37.0%*	*31.0%*	*(9.0)%*
Contribution margin	*23.0%*	*33.0%*	*33.0%*	*36.0%*	*33.9%*	*31.0%*	*28.7%*
Operating EBIT margin	*(25.3)%*	*(17.4)%*	*(11.4)%*	*4.3%*	*(7.2)%*	*(2.1)%*	*(7.2)%*
Operating EBITDA margin	*(21.7)%*	*(9.2)%*	*(3.5)%*	*11.3%*	*0.6%*	*5.7%*	*2.4%*

Source: Management Information, GTCF analysis.

Marley Spoon have experienced strong growth in the Australian market for several years. The Australian market achieved operating EBITDA of c. €8.8 million in FY22, and gross profit for the segment of c. €68.8 million, a 23.1% increase from FY21, however gross margin and contribution margin were negatively affected by external macro events.

The Australian market faced some unique challenges over FY22 with adverse weather events effecting the supply of raw ingredients, leading to prolonged periods of ingredient substitutions in meal kits due to lack of availability or declines in ingredient quality, leading to an increase in customer credits and refunds issued, as well as increased customer churn.

H1 FY23 performance in the Australian segment also showed negative active subscriber growth primarily as a result of reduced marketing spend, declining by 18.5% over the PCP, with net revenue in H1 FY23 experiencing a moderate decline of 9.0% compared to the PCP.

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Europe

Region - Europe							
EUR'm	FY17	FY18	FY19	FY20	FY21	FY22	H1FY23
Net Revenue	14.5	22.7	11.4	40.8	55.2	49.5	19.4
Contribution	2.2	4.2	2.9	9.8	12.4	9.7	4.9
Operating EBIT	(13.2)	(16.7)	(18.0)	(19.7)	(12.4)	(37.7)	(20.0)
Operating EBITDA	(10.6)	(14.2)	(15.1)	(14.3)	(23.5)	(29.5)	(11.3)
Net revenue growth	*n/a*	*55.9%*	*(49.9)%*	*259.6%*	*35.2%*	*(10.3)%*	*(75.5)%*
Contribution margin	*15.0%*	*19.0%*	*20.0%*	*26.0%*	*22.6%*	*19.7%*	*25.3%*
Operating EBIT margin	*(90.9)%*	*(73.5)%*	*(158.4)%*	*(48.2)%*	*(22.5)%*	*(76.1)%*	*(103.1)%*
Operating EBITDA margin	*(72.8)%*	*(62.7)%*	*(132.9)%*	*(35.0)%*	*(42.6)%*	*(59.4)%*	*(58.6)%*

Source: Management Information, GTCF analysis.
The above data includes the impact of headquarter cost. Excluding the impact of headquarter costs, FY22 Operating EBITDA loss would be €7.4 million, and H1 FY23 Operating EBITDA loss would be €1.3 million (compared to an Operating EBITDA loss of 4.4 million in H1 FY22).

The European market is a more challenging operating environment for Marley Spoon, resulting in the segment not yet returning an operating profit, with an FY22 operating EBITDA loss of c. €29.5 million which continued in H1 FY23 with the largest decline in active subscribers and net revenue. The decline in orders was somewhat mitigated by the launch of premium and express recipes, which led to an increase in average order value and meals per order in the period. The continued turnaround efforts in the region saw the contribution margin increase to 25.3% in H1 FY23 (from 19.3% in the PCP) and operating EBITDA loss decreasing to c. €11.3 million from c. €15.5 million in the PCP.

Lower profitability in the region is primarily a result of the subscale nature of Marley Spoon's operations in Europe and a lower starting price when compared to the United States and Australia resulting in less favourable unit economics. In addition, the European customer base is fragmented, with the region covering five different countries that encompass different cultures, languages, and consumer preferences, resulting in incremental costs (recipe translation, for example). This, combined with a lower starting price point, leads to lower margins as compared to the other regions.

Marley Spoon is committed to a turnaround in the Europe segment. Marley Spoon continues to evaluate the portfolio of countries across Europe in which they operate and is targeting further improvement in operation efficiency in the region.

4.4 Multi-brand strategy

Marley Spoon has been the core brand of the business since incorporation and is available in all of Marley Spoon markets, however the Company adopts a multi-brand strategy as outlined below:

- **'Martha Stewart and Marley Spoon:** In the United States, Marley Spoon has a licensing and promotion agreement with Martha Stewart Living Omnimedia which offers co-branded 'Martha Stewart and Marley Spoon' meal kits, coupling the core meal kits business with a well-recognised lifestyle brand in the United States. The agreement saw the inclusion of Martha Stewart recipes and cooking techniques alongside the standard Marley Spoon product offering. The initial agreement was extended in 2018 and then again in the second quarter of 2022. The current agreement is due to expire at the end of the 2023 calendar year, however we understand Management are confident a new agreement will be achieved to continue the partnership.

- **Dinnerly**: In July 2017, Marley Spoon introduced a second brand in the United States named Dinnerly. Dinnerly diversified the product offering by targeting the budget segment of the meal kit market, providing recipes at a lower price for more cost-conscious consumers. The business model, supply chain and distribution network used for the Dinnerly brand are the same as the Marley Spoon product, and the brand has a similar subscription and ordering process. The ability to provide lower pricing in the Dinnerly brand is driven by simpler meals and recipes that include fewer ingredients per meal. Dinnerly also does not provide high quality recipe cards with each meal kit, instead utilising digital recipe cards. Following the success of Dinnerly in the United States, the brand was launched in Australia, Germany and the Netherlands in March 2018, July 2020 and February 2021, respectively.

- **Chefgood:** The acquisition of Chefgood in January 2022 further diversified Marley Spoon's product offering by adding D-to-C ready-to-heat ("R-t-H") meals to their portfolio. Chefgood targets health-conscious consumers, with healthy weekly meals as well as meal plans tailored to weight loss that limit calories per meal. Chefgood also offer a variety of meal plans based on dietary needs, such as vegetarian, vegan, no gluten, no diary, low carb, and high protein options. Chefgood has experienced strong growth in the Australian market and complements Marley Spoon's core meal kit business. Chefgood products are currently offered as a standalone product to customers as well as an add-on to Marley Spoon and Dinnerly meal kits. All meals are cooked at the brand's production facility and use the same supply chain and distribution networks as the other Marley Spoon brands.

- **Bezzie:** During FY21 Marley Spoon launched Bezzie, a personalised dog food delivery service aimed at the premium end of the pet food market that utilises the same distribution and logistics infrastructure as the core business. The service was originally launched in Australia to test the potential of the brand and utilise existing fulfilment centre excess capacity. We understand from management that there are currently no plans to expand the service within Australia or to other operating regions in order to focus on the core business, but note it is a potential growth opportunity.

4.5 Customers and sale channels

Customers are only able to purchase Marley Spoon products for home delivery through online and mobile platforms. Marley Spoon sold 62.8 million meals to customers over 7.2 million total orders in FY22, and as of Q2 FY23 Marley Spoon had approximately 346,000 active customers and 235,000 active subscribers. An active customer is a customer who has purchased a Marley Spoon or Dinnerly kit at least once over the past three months, whereas an active subscriber is a customer who has an active subscription (i.e., they have ordered or skipped a delivery) on an average weekly basis during the past quarter.

Marley Spoon acquires customers through a combination of online and offline marketing channels, the use of marketing vouchers and discounts, and referrals. We understand from discussions with Management that a large proportion of Marley Spoon's marketing activity is via nationwide digital marketing campaigns that target consumers on a personalised level. While Marley Spoon do employ more traditional offline advertising channels such as TV campaigns, such campaigns are typically employed on a smaller regional basis due to their higher cost and increased difficulty to apply across broad geographic regions with different consumer types. A popular method of customer acquisition in the meal kit industry is this use of promotional vouchers and discounts that provide varying discounts across first box or next box orders. Vouchers are often sold to marketing partners to utilise the partners' customer networks and introduce prospective customers to the product. Marley Spoon has recently begun work optimising their voucher program to improve both customer acquisition and reactivation of prior customers that are no longer subscribers.

Marley Spoon leverage data science and AI capabilities across several areas of the business to improve efficiency and optimise operations. Data is gathered on customers purchasing behaviour and used to optimise future customer recommendations and is also a key determinant in forecasting future ingredient and logistics requirements. Improved accuracy in order forecasting allows Marley Spoon to reduce food wastage and incorporate ingredient costs in recipe ranking algorithms for future weekly menu selections.

As mentioned previously, the bulk of Marley Spoon's revenue is derived from repeat customers. Global customer churn rates were relatively stable throughout FY22, excluding a brief spike in churn in May. Churn rates in the first quarter of FY23 have increased over the prior comparable quarter, with the churn rate peaking for the quarter in March 2023. We understand through discussions with management the predominant reasons for customer churn include budgetary constraints, upcoming travel plans, a preference for single orders (as opposed to a bulk order plan), the desire to try alternative meal kits, and changing family situations. Notably Marley Spoon have observed a significant increase in customers leaving the service due to budgetary constraints since December 2022, which coincides with deteriorating economic conditions.

In 2019 Marley Spoon entered a strategic partnership with Woolworths with an initial exclusivity term of five years. Part of the strategic agreement included a mixed debt and equity investment of c. A$30.05 million, in the form of CDIs and convertible note instruments. The partnership between Woolworths and Marley Spoon is a collaboration to support the continued growth of Marley Spoon through marketing activities. As part of this agreement, Marley Spoon benefits from access to Woolworths' customer base via in-store advertising and the Woolworths rewards program. Throughout 2020 and 2021, Woolworths exercised their right to convert the entirety of their notes into shares, and in September 2021 subsequently sold the last of their remaining equity stake in Marley Spoon, however, Woolworths and Marley Spoon remain in a strategic partnership.

4.6 Financial Performance

Below we set out the recent financial performance of Marley Spoon from FY21 to FY22, with H1 FY22 and H1 FY23 for comparison.

Consolidated Profit and Loss EUR'm	FY21 Audited	FY22 Audited	H1 FY22 Audited	H1 FY23 Audited
Net revenue	**322.4**	**401.2**	**211.8**	**177.4**
COGS	(173.3)	(216.8)	(116.1)	(93.8)
Gross profit	**149.1**	**184.4**	**95.6**	**83.7**
Gross margin	*46.2%*	*46.0%*	*45.2%*	*47.1%*
Fulfilment	(57.3)	(69.1)	(37.9)	(27.9)
Contribution margin	**91.8**	**115.3**	**57.7**	**55.8**
CM%	*28.5%*	*28.7%*	*27.2%*	*31.4%*
Marketing	(71.2)	(64.0)	(40.6)	(33.0)
G&A	(54.9)	(62.9)	(31.4)	(32.7)
EBITDA	**(34.3)**	**(11.5)**	**(14.4)**	**(9.9)**
EBITDA Margin	*(10.6)%*	*(2.9)%*	*(6.8)%*	*(5.6)%*
Depreciation & amortisation	(9.1)	(16.1)	(6.8)	(7.6)
EBIT	**(43.4)**	**(27.6)**	**(21.2)**	**(17.5)**
EBIT Margin	*(13.5)%*	*(6.9)%*	*(10.0)%*	*(9.9)%*
Net finance income (expenses)	(3.2)	(12.2)	(5.9)	(5.7)
Change in fair value of derivative instruments	0.1	(0.0)	(0.0)	-
EBT	**(46.4)**	**(39.9)**	**(27.1)**	**(23.2)**
Tax (expense) / benefit	(0.1)	(0.1)	(0.1)	0.4
Net income	**(46.6)**	**(40.0)**	**(27.1)**	**(22.8)**
Net margin (%)	*(14.4%)*	*(10.0%)*	*(12.8%)*	*(12.8%)*
KPIs				
Meals sold (millions)	58.7	62.8	34.8	28.1
Meals/ Order	8.5	8.7	8.6	9.2
Total orders (million)	6.9	7.2	4.0	3.1
Avg Basket Size (net €)	46.4	55.8		
Cost per acquisition (CAC, €)	66.9	66.7		
Active customers (k)	376	313		
Active subscribers (k)	268	249		

Sources: Marley Spoon annual reports.

In relation to the above table, we note the following:

- Historically, Marley Spoon has experienced significant revenue growth, with FY22 net revenue growth of 24.5%[30] to c. €401.2 million, aligned with Management's outlook and achieved primarily through an increase in the average net basket size from €46.39 to €55.78, driven by initiatives such as Market (grocery add-ons), premium recipes (exclusive meals provided at a price premium) and increased pricing. H1 FY23 trading has been difficult with net revenue decreasing 16.2% against the PCP. The revenue contraction has occurred following lower marketing spend in H2 FY22 and H1 FY23 (with an aligned strategy focus on cost discipline) and a lack of marketing efficiencies achieved

30 15.6% on a constant currency basis, as per the FY22 annual report

during Q1 and lower order frequency rates, driven by budget concerns as household incomes have been impacted by rising inflation and lower consumer confidence.

- Marketing spend as a percentage of net revenue decreased to 16.0% in FY22 from 22.1% in FY21. As discussed earlier, this is a result of Management's strategy to implement a planned reduction in overall marketing spend in the second half of FY22. We understand that there is typically a time lag between marketing activity and revenue conversion, as lower marketing spend in one period means lower customer acquisitions that do not become part of the customer base in later periods. The business is continuing its focus on developing customer acquisition efficiency through exploring new channels, leveraging unique data insights and using AI optimisation strategies for media activities.

- EBITDA margin increased from (10.6)% in FY21 to (2.9)% in FY22. Improvements in EBITDA margin are predominantly driven by increased cost discipline in FY22 and improved operating efficiencies in the United States region. Despite lower observed order frequency rates leading Management to revise FY23 net revenue estimates downwards, Management expect margin expansion and cost reduction initiatives to help deliver FY23 operating EBITDA in line with or better than FY22.

- Net financing expenses increased to c. €12.2 million in FY22 from c. €3.4 million in FY21, largely driven by an increase on debt interest expense due to a c. €21.6 million increase in long-term debt, discussed further below and the interest rate increases during FY22 and FY23.

- Other adjustments of c. €0.6 million in FY22 consist largely of items considered to be non-recurring, such as expenses related to employee severance expenses and ESOP exercise expenses that are generally considered as not reflective of the operating performance of the business.

4.7 Financial Position

Below we set out the financial position of Marley Spoon for FY21 to FY22, with H1 FY22 and H1 FY23 for comparison.

Consolidated Balance Sheet EUR'm	31-Dec-21 Audited	31-Dec-22 Audited	30-Jun-22 Audited	30-Jun-23 Audited
Assets				
Non-current assets				
Property, plant and equipment	24.2	25.2	27.5	22.8
Right-of-use assets	24.5	22.2	25.0	18.6
Lease receivables	0.6	0.4	0.7	0.5
Intangible assets	8.8	16.4	15.3	17.7
Goodwill	-	9.0	9.9	9.0
Non-current financial assets	2.3	2.5	2.6	2.4
	60.4	**75.7**	**81.0**	**71.1**
Current assets				
Inventories	9.4	13.1	12.6	12.9
Trade receivables	0.4	0.8	1.1	0.8
Other current financial assets	3.7	3.2	3.2	3.0
Cash and cash equivalents	38.7	19.0	29.2	33.3
	52.2	**36.2**	**46.3**	**50.05**
Total assets	**112.6**	**111.9**	**127.2**	**121.1**
Liabilities				
Non-current liabilities				
Lease liabilities	19.5	17.0	19.9	13.6
Interest-bearing loans and borrowings	49.2	70.8	72.5	69.6
Provisions	1.0	2.3	8.0	3.5
Deferred tax liabilies	-	1.8	-	1.3
	69.6	**91.8**	**100.4**	**88.1**
Current liabilties				
Trade and other payables	27.6	26.4	31.5	19.3
Derivative financial instruments	0.1	-	0.1	-
Contract liabilities	3.6	1.9	3.7	3.7
Interest-bearing loans and borrowings	7.3	7.8	7.0	9.4
Lease liabilities	7.7	8.7	8.3	8.5
Other financial liabilities	11.4	14.8	15.3	18.1
Other non-financial liabilities	2.8	3.6	2.9	3.1
	60.5	**63.2**	**68.8**	**62.1**
Total liabilities	**130.2**	**155.0**	**169.2**	**150.2**
Equity				
Share Capital	0.3	39.3	29.2	73.0
Treasury Stock	(0.0)	-	-	-
Capital reserve	250.3	226.5	226.3	227.6
Other reserve	7.5	8.5	8.2	9.0
Currency translation reserve	(1.6)	(3.4)	(4.5)	(1.8)
Accumulated net earnings / (losses)	(272.7)	(312.4)	(299.7)	(335.1)
Equity attributable to parent	**(16.3)**	**(41.5)**	**(40.5)**	**(27.3)**
Non-controlling interests	(1.3)	(1.6)	(1.5)	(1.7)
Total equity	**(17.6)**	**(43.1)**	**(42.0)**	**(29.0)**

Sources: Marley Spoon annual reports.

In relation to the above table, we note the following:

- Intangible assets increased by 86.3% to c. €16.4 million in FY22 due to the addition of c. €6.6 million of internally developed software related to the development and rollout of the Market offering, investment in the recipe and menu management tool, and developments in logistics operations software with the balance mainly related to the acquisition of Chefgood.

- Inventory increased 39.9% in FY22 to c. €13.1 million driven primarily by the growth of the business as well as the acquisition and integration of Chefgood during the year. Across Marley Spoon fulfilment centres handheld scanners were introduced and integrated with a warehouse management system, leading to improvements in inventory accuracy on a global basis.

- Cash and cash equivalents decreased by 50.8% in FY22 to c. €19.0 million due to increased interest expenses and greater operating activity cash outflows. In late FY22, Marley Spoon raised c. A$22.8 million by way of an accelerated, non-renounceable entitlement offer to eligible existing CDI holders. The purpose of the equity raising was for additional working capital to continue to fund operations, pay costs of the offer and partially repay interest bearing debt. During Q2 FY23, the Placement was completed raising c. €35.0 million.

- Non-current liabilities increased by c. €21.6 million in FY22, an increase of 43.9% from FY21, primarily due to the c. €19.3 million drawdown of the second tranche of the existing Runway debt facility. This drawdown carries the same conditions as the pre-existing Runway debt facility.

- As of June 2023, total current and non-current interest-bearing loans and borrowings were c. €79.0 million, consisting primarily of the c. €70.3 million Runway debt facility (see the following paragraph for further discussion). The remaining loans and borrowings comprise a c. €5.0 million money market facility with Berliner Volksbank ("BVB Facility"), as well as a c. €3.7 million asset financing facility with National Australia Bank ("NAB Facility"). The BVB Facility was entered into during Q1 FY23 and carries an interest rate of 6.5% plus Euribor[31]. The BVB Facility has been extended to 15 November, when it is likely to be renegotiated. The NAB facility was entered into in Q2 FY23 (replacing a previous asset financing facility with NAB) and is due to mature in 2028. Total amounts owing under the NAB facility carry a fixed interest rate of 3.5%, excluding a portion of c. €0.2 million carrying a fixed interest rate of 7.5%. Funds borrowed under the NAB facility are to be used to finance production equipment which is then pledged as collateral for the drawn down facility.

- As of June 2023, the Runway facility was c. €70.3 million and carried an interest rate of 8.5% plus the three-month Secured Overnight Financing Rate ("SOFR"). As a part of the Business Combination Agreement, various amendments were made to the Runway facility, including extending the interest only period to January 2025, extension of the facility maturity to June 2026, as well as a partial repayment of the facility. In July 2023, as part of the Business Combination, a partial repayment of the Runway Facility was made toward the principal balance as part of the Business Combination with the total repayment amounting to c. €7.8 million. The repayment also led to a reduction in the interest rate from 8.5% to 7.5% plus SOFR.

- As of June 2023, the fair value of contingent consideration held on the balance sheet that is related to the Chefgood acquisition was c. €1.1 million, a decrease from c. €4.5 million at December 2022. The decrease is primarily relatable to a c. €1.7 million earn-out payment (the first of two), and a change in

[31] Euribor is short of Euro Interbank Offered Rate. Euribor rates are based on the average interest rates at which a large panel of European banks borrowing funds from one another.

fair value of negative c. €1.6 million due to changes in actual and estimated net revenue that the second earn-out payment is contingent upon.

4.8 Cash flow statement

Below we set out Marley Spoon's statement of cash flows for from FY21 to FY22, with H1 FY22 and H1 FY23 for comparison.

Consolidated Cash Flows EUR'm	FY21 Audited	FY22 Audited	H1 FY22 Audited	H1 FY23 Audited
Operating activities				
Net income for the period (loss)	(46.6)	(40.0)	(27.1)	(22.8)
Adjustments for:				
Depreciation of PPE	2.3	4.3	2.0	2.2
Depreciation of ROU assets	4.9	6.2	3.1	2.9
Amortisation	2.0	5.5	1.6	2.5
Increase/(decrease) in share-based payments	1.3	1.0	0.7	0.4
Financing income and expense	5.5	11.9	6.0	5.2
Other non-cash movements	(0.7)	(1.1)	1.6	1.2
Working capital adjustments				
Decrease/(increase) in inventory	(2.8)	(3.7)	(3.2)	0.2
Increase/(decrease) in accounts payable/accrued expenses	13.5	(1.4)	6.3	0.7
Decrease/(increase) in receivables	(0.9)	(1.0)	(0.3)	(0.8)
Increase/(decrease) in other assets & liabilities	6.5	(0.6)	(0.0)	1.7
Net cash flows from operating activities	**(14.9)**	**(18.7)**	**(9.4)**	**(6.7)**
Investing activities				
Purchase of PPE	(15.7)	(3.7)	(2.8)	(0.3)
Purchase/development of intangible assets	(5.8)	(7.0)	(3.4)	(3.8)
Acquisition	-	(7.8)	(6.2)	(1.7)
Net cash flows from investing activities	**(21.5)**	**(18.5)**	**(12.4)**	**(5.8)**
Financing activities				
Net proceeds from issuance of shares	-	15.3	4.9	34.8
Proceeds from warrant/options exercised	0.1	(0.1)	0.0	-
Net proceeds from borrowings	53.3	26.3	24.1	5.2
Repayment of borrowings	(3.7)	(7.8)	(5.9)	(6.3)
Paid interests	(1.7)	(7.5)	(2.7)	(2.6)
Lease payments	(6.4)	(8.7)	(4.3)	(4.2)
Payments from derivatives transaction	-	-	-	(0.2)
Net cash from/(used in) financing activities	**41.6**	**17.6**	**16.1**	**26.8**
Net increase (decrease) in cash and cash equivalents	**5.1**	**(19.6)**	**(5.6)**	**14.2**
Net foreign exchange difference	(0.9)	0.0	(3.8)	0.0
Cash and cash equivalents as at start of period	34.4	38.7	38.7	19.0
Cash and cash equivalents as at end of period	38.7	19.0	29.2	33.3

Sources: Marley Spoon annual reports.

In relation to the above table, we note the following:

- Capex during FY22 included acquisition costs of c. €7.8 million relating to the acquisition of Chefgood and is net of any cash acquired (c. €0.9 million). Gross investment on PPE was c. €3.7 million in FY22, following a significant investment of c. €15.7 million in FY21.

- Successful completion of the previously announced April 2023 equity placement resulted in an increase in cash from investing activities during Q2 FY23 of €35 million. Approximately 33.65 million no-par value shares were registered at a price of A$1.70, which would be equivalent to approximately 336.5 million CDIs, representing c. 46% of total Marley Spoon CDIs on issue.

- As per Management's update in the Q2 FY23 results, H1 FY23 operating cash flows of c. (€6.7) million were primarily driven by lower sales revenue as discussed previously. H1 FY23 financing cash flows were c. €26.8 million, increasing primarily as a result of the capital raising proceeds. Investing cash outflows in H1 FY23 was c. €5.8 million, driven largely by continued investment in digital capabilities to drive operating efficiency and customer-facing enhancements, as well as a €1.7 million payment to the former owners of Chefgood to settle a portion of remaining acquisition related payments.

4.9 Share capital structure and CDI price movements

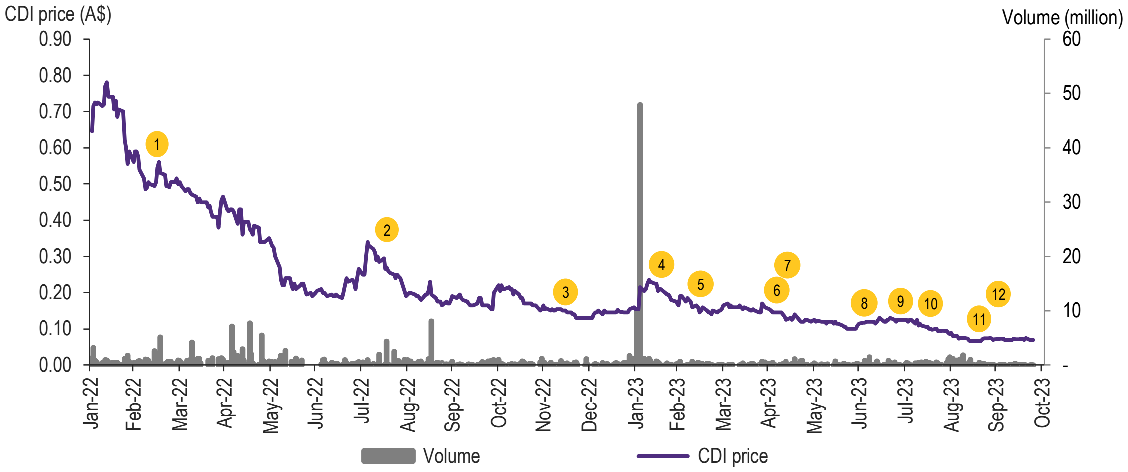
As of 28 July 2023, Marley Spoon's capital structure comprised of the following securities:

- 39.3 million fully paid ordinary shares, in existence before the Business Combination. Marley Spoon is listed as a foreign company on the Australia Stock Exchange and as a result Marley Spoon trade on the exchange via CDIs. As at the date of this Report, one share in Marley Spoon is equivalent to 10 CDIs resulting in 393.4 million CDIs; and

- 34.2 million fully paid ordinary shares, issued through the Placement. As detailed in Section 1.1 of this Report, although these shares were not converted to CDIs to be traded on the ASX (on the basis they would be sold directly to the 468 SPAC), their CDI equivalent is 342.2 million.

- Marley Spoon have 22,035,291 ESOPs on issue. The options are all considerably out of the money, with strike prices of at least A$0.15 per option and which account for most of the ESOPs. There are also a number of RSUs which do not have an exercise price, waiting period or expiry date. The RSUs and Options are subject to varying vesting periods and Marley Spoon performance targets. Our analysis of the daily movements in Marley Spoons' share price and volumes from January 2022 to 26 October 2023 is set out below.

Marley Spoon – historical CDI trading price and volumes



Sources: S&P Global and GTCF Analysis

The following table illustrates the key events from 01 January 2022 to 26 October 2023, which may have impacted the share price and volume movements shown above.

Event	Date	Comment
1	25-Feb-22	Marley Spoon announced its full year 2021 annual report, as summarised below: - Revenue increased c. €68.4 million (27.0%) compared with the prior year, driven by growth across all regions with Australia achieving growth of 37.0%. - EBIT was c. -€43.4 million compared to c. -€7.4 million in FY20, with the loss attributable to an increase in marketing investment by 81% against the prior year, to drive topline growth. There was also significant investment in G&A (a 51% increase against the prior year) to enhance the operational infrastructure. - Financing income and expenses decreased from c. -€78.8 million in the prior year to c. -€3.0 million in FY21, primarily due to the conversion of two convertible bonds.
2	28-Jul-22	Q2 2022 Presentation. H1 Plan was achieved with revenue growth driven by subscribers and basket size. There was also improved operating EBITDA margin driven by cost discipline, with profitability in the US and Australia. Countermeasures were in place for continued inflation and cost control.
3	24-Nov-22 to 19-Dec-22	- On the 24 November 2022, there was a trading halt as Marley Spoon looked to raise c. A$22.8 million by way of a partially underwritten prorated accelerated, non-reducible entitle offer of CDIs to eligible securityholders. The funding is required for additional working capital support. - Runway agreed to extend the interest only period under an existing debt facility until January 2024. - The retail entitlement offer details a 1 for 2.11 pro-rata accelerated non-renounceable entitlement offer of new Marley Spoon CDIs at an offer price of A$0.165, which closed on 15 December 2022 and raised c. A$$0.5 million. - The institutional entitlement offer completed on 28 November 2022, raising c. A$16.7 million.
4	30-Jan-23	Q4 2022 Results Presentation and FY22 highlights, summarised below: - 24% net revenue growth in FY22 compared to the prior year, with greater marketing efficiency achieved. - ARPU expansion contributed to net revenue growth, with Q4 achieving a 13% YoY growth driven by more meals per order and Average Order Value ("AOV") growth. - c. €10.9 million equity raise completed in Q4, leading to a cash balance of c. €19.0 million. - Q4 positive operating EBITDA, with all regions significant up against prior year.
5	28-Feb-23	FY22 Full Year Results. Summarised below: - Net revenue of c. €402 million representing a 24% revenue growth YoY. - Contribution margin of 28.7%, stable YoY despite strong external headwinds. - Operating EBITDA of c. €-9.0 million, an improvement against the prior year of FY21. - Guidance for FY23 is single digit revenue growth against FY22 in constant currency, with a slight margin improvement following operational capability improvements and full year positive operating EBITDA.

Event	Date	Comment
6	25-Apr-23	Marley Spoon announce a proposed equity raising and a proposed business combination with 468 SPAC II SE, summarised below: - Marley Spoon entered into certain investment agreements with new and existing security holders, to raise c. €32.0 million, with the ability to upsize to a maximum of c. €35.0 million, via the issue of 30.77 million new no-par value shares. These shares would be equivalent to 307.7 million CDIs, at an equivalent price of A$0.17 per CDI. - Certain Marley Spoon security holders entered a conditional sale agreement with 468 SPAC (a European special purpose acquisition company) to sell their securities in exchange for stock in 468 SPAC. Securities would be exchanged at a rate of 0.0128 468 SPAC shares for each Marley Spoon CDI, for an implied offer price of $0.21 per Marley Spoon CDI. - As part of the proposed combination 468 SPAC agreed to make a subsequent unconditional off-market, direct tender offer to other CDI holders to acquire their Marley Spoon CDIs for the same consideration as the initial acquisitions.
7	27-Apr-23	Q1 2023 results announcement and business activity report, summarised below: - 11.0% YoY net revenue decline, to c. €91.0 million net revenue - Global contribution margin improvement to 31.0%, driven by improvements in the US and Europe segments - Operating EBITDA of c. -€6.4 million for the quarter, an improvement of c. €3.3 million from the PCP - Operating cash flow of c. €4.0 million, with a quarter end net cash amount of c. €14.7 million - 250k Q1 2023 active subscribers, a 15% decline compared to PCP - Revised FY23 revenue guidance to single digit percentage revenue decline YOY for FY23, reflecting a softer consumer environment. Despite this revision, Marley Spoon still expect to deliver positive operating EBITDA for FY23.
8	29-Jun-23	Successful completion of €35.0 million equity placement. - Placements occurred in conjunction with a series of transactions related to the Business Combination Agreement with 468 SPAC. - Placement was competed at a premium of 17.0% to the April 24 closing CDI price of A$0.15. - Placement was settled via the issue of approximately 33.6 million new shares, equivalent to approximately 336.5 million new CDIs, representing approximately 46% of Marley Spoon CDIs on issue. Placement shares were sold by placement investors to 468 SPAC, and as such no new CDIs were transmuted to be made tradeable on the ASX.
9	11-Jul-23	Completion of listing on the Frankfurt stock exchange through the Business Combination with 486 SPAC. 468 SPAC, listed on the Frankfurt exchange, effectively holds 84% of Marley Spoon.
10	27-Jul-23	Q2 2023 results announcement and business activity report, summarised below: - Net revenue for the quarter of approximately c. €86.0 million, representing c. 21.0% YoY decline. - Q2 2023 operating EBITDA of c. €2.4 million, an increase of approximately €5.5 from the PCP. - Further revision of FY23 guidance to reflect the continuing challenges facing the consumer environment. Adjusted guidance primarily reflects expectations of softening in net revenue, with FY23 revised expectations of high single digit to low double digit declines in constant currency net revenue, from the previous expectation of single digit declines. Operating EBITDA guidance was also revised to FY23 Operating EBITDA in line with or better than FY22.
11	31-Aug-23	H1 2023 Interim Financial Statements released, summarised below: - Net revenue for the half of approximately c. €177 million, a 16% reduction versus the PCP, primarily driven by a decline in active subscribers to 235 thousand, 309 thousand at the end of the PCP. - Increase in global contribution margin from 27.2% in the PCP to approximately 31.4%. - Continued decline in marketing expense (in line with the businesses cost discipline strategy), from 19.2% of net revenue in the PCP to approximately 18.6% of net revenue.
12	04-Sep-23	Small Holdings Offer announced, allowing an unconditional, off-market, direct cash offer to Marley Spoon CD holders to acquire up to 10,000 CDIs from each holder for a cash consideration of A$0.11 per CDI.

Source: ASX announcements; GTCF research

The monthly share price performance of Marley Spoon since September 2022 and the weekly share price performance of Marley Spoon over the last 16 weeks, from July 2023, is summarised below.

Marley Spoon SE	Share Price			Average
	High	Low	Close	weekly volume
	$	$	$	000'
Month ended				
Sep 2022	0.240	0.160	0.190	3,901
Oct 2022	0.250	0.150	0.220	1,685
Nov 2022	0.237	0.150	0.165	1,469
Dec 2022	0.165	0.130	0.130	1,412
Jan 2023	0.175	0.135	0.155	1,807
Feb 2023	0.245	0.150	0.170	16,268
Mar 2023	0.195	0.140	0.165	1,081
Apr 2023	0.170	0.145	0.160	903
May 2023	0.165	0.120	0.125	1,566
Jun 2023	0.125	0.100	0.115	809
Jul 2023	0.135	0.110	0.125	1,731
Aug 2023	0.130	0.084	0.089	1,974
Sep 2023	0.087	0.063	0.071	2,193
Week ended				
7 Jul 2023	0.120	0.110	0.120	3,461
14 Jul 2023	0.135	0.115	0.130	1,006
21 Jul 2023	0.135	0.120	0.130	1,799
28 Jul 2023	0.130	0.120	0.125	843
4 Aug 2023	0.130	0.120	0.125	1,068
11 Aug 2023	0.125	0.110	0.110	1,965
18 Aug 2023	0.110	0.095	0.098	1,929
25 Aug 2023	0.100	0.092	0.095	1,129
1 Sep 2023	0.097	0.080	0.080	4,313
8 Sep 2023	0.081	0.065	0.076	4,278
15 Sep 2023	0.076	0.065	0.067	2,117
22 Sep 2023	0.075	0.063	0.074	1,288
29 Sep 2023	0.075	0.070	0.071	363
6 Oct 2023	0.075	0.070	0.070	461
13 Oct 2023	0.074	0.070	0.071	575
20 Oct 2023	0.075	0.070	0.075	390

Source: GTCF analysis, S&P Global

4.9.1 Top shareholders

We have set out below the top five shareholders of Marley Spoon CDIs as at 30 June 2023.

Marley Spoon significant beneficial security holders			
Rank	Name	Shares	Interest (%)
1	468 Capital II GmbH & Co. KG	17,229,697	23.6%
2	Union Square Ventures	11,920,594	16.3%
3	Mr. Sundeep Ramesh Ramnani	9,615,384	13.2%
4	Conifer Capital Management/ Acacia	8,592,446	11.8%
5	Other security holders (individually under 10%)	25,631,696	35.1%
Total shares outstanding		**72,989,817**	**100.0%**

Source: Marley Spoon FY23 Interim Report
Notes: The issuance of shares relating to the Runway deferral fee is not included in the above table, which occurred post 30 June 2023.

5 Profile of MSG

5.1 Background and IPO

MSG (previously named 468 SPAC) was a European former SPAC that was incorporated in Luxemburg on 26 July 2021, registered on 4 August 2021 and listed on the FSE in January 2022. The entity was established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area, the United Kingdom or Switzerland in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganisation or similar transaction. The sponsors of the 468 SPAC were TEXIXL Investments GmbH (wholly owned by Alexander Kudlich), Ophelia Capital UG (haftungsbeschränkt) (wholly owned by Dr. Ludwig Ensthaler) and Florian Leibert (collectively refer to as "the Sponsors").

MSG is a holding company and does not itself currently carry on any business operations and there is no current intention that MSG will itself carry on any direct business operations. The only investment of MSG is currently its 84.5% shareholding in Marley Spoon after completion of the Business Combination and the Small Holdings Offer.

We have provided an overview of the capital structure of MSG as at the date of this report:

- Public Shares: 29,174,790 Class A shares with a par value of €0.016. Of these public shares, 20,012,470 are held as treasury shares by MSG.

- Sponsor Promote: The Sponsors and the co-sponsors hold 4,987,500 convertible Class B shares of the company, together with the public shares, which were issued at €0.016.

- Public Warrants: 7,000,000 Class A warrants. Each public warrant entitled the holder to subscribe for one public share, with an exercise price of €11.50 (subject to customary anti-dilution adjustments). The Public Warrants became exercisable 30 days after the consummation of the Business Combination and will expire five years from the date of consummation of the Business Combination.

- Sponsor Warrants: The Sponsors together held 4,720,000 sponsor warrants.

The following table provides a summary of the MSG share capital structure at the time of this report.

MSG share capital structure	Shares
Public Shares	1,250,030
Sponsor Shares	4,987,500
Business Combination	7,912,290
Public shares held as Treasury Shares by MSG	20,012,470
MSG total shares (excluding Treasury Shares held by MSG)	**14,149,820**
MSG total shares (including Treasury Shares held by MSG)	**34,162,290**

Source: Management Information, GTCF Analysis
Note) Detailed narrative on the MSG share capital, with accompanying notes is available in Section 1.1 of this Report.

Both the public Class A shares and public Class A warrants were sold through a private placement with investors. They were sold in the form of units, each consisting of one public share with a par value of €0.016 and 1/3 public warrant to subscribe for the public share, at a price of €10.0 per unit. The public warrants were exercisable 30 days after the consummation of the Business Combination and will expire five years from the date of the consummation of the Business Combination.

Holders of Public Shares and holders of Sponsor Shares will vote together as a single class, with each share entitling the holder to one vote.

The Sponsor Shares as well as any Sponsor Warrants or Public Shares held by the Sponsors due to the exercise of Sponsor Warrants or conversion of Sponsor Shares, are subject to the Sponsor Lock-up. During the Sponsor Lock-up period the Sponsors have committed to not sell or otherwise transfer their shares until the first anniversary of the Business Combination. The lockup period may not apply earlier than the first anniversary of the Business Combination if at any time the closing price of Public Shares equals or exceeds €12.00 for any 10 trading days within a 30 trading day period. There are a number of allowed transfers that may not be subject to the lock-up period, presented in further detail in the Prospectus documents. On 25 April 2023, the Sponsors and the Co-Sponsors agreed by means of an irrevocable undertaking to not exercise any Sponsor Warrants.

Under the terms of the Business Combination Agreement and following completion of the Business Combination, MSG have stated they will ensure a new equity participation plan will be established to provide continuity for the existing Marley Spoon ESOPs, which total 22,035,291 Marley Spoon CDIs.

The following table provides a summary of the MSG share capital structure post completion of the Tender Offer, under the assumption that 100% of the Marley Spoon CDI Holders accept the Tender Offer, and all remaining Marley Spoon CDIs are acquired by MSG.

MSG share capital structure post Tender Offer	Calculation	
MSG shares	A	14,149,820
Marley Spoon CDI Holders (CDIs)[1]	B	113,718,130
Tender Offer Consideration	C	0.0128
Marley Spoon CDI Holders (MSG shares)	D = C x B	1,455,592
MSG shares post Tender Offer	**E = A + D**	**15,605,412**
MSG CDI equivalent post Tender Offer	**F = E / C**	**1,219,172,818**

Source: Management Information, ASX Marley Spoon Announcements.
Note (1): Marley Spoon CDIs reflect CDIs listed on the ASX excluding approximately 4.0 million CDIs acquired as part of the Small Holdings Offer.

5.2 Pro Forma Financial information

468 SPAC did not undertake any operations since completion of the IPO, apart from identifying and negotiating potential business combinations. It incurred a loss from operations of c. €12.8 million for the period FY22.

MSG has not yet prepared a set of consolidated financial statements given the Business Combination occurred after 30 June 2023, the last reporting date. The first set of consolidated financial statements will be prepared by MSG for the period ending 31 December 2023. The Pro Forma financial statements presented in the Prospectus are illustrated below. Refer to the Prospectus for details on the preparations and related limitations.

5.2.1 MSG Pro Forma Financial Performance

Below we set out the Pro Forma Profit and Loss of MSG for the period FY22 and H1 FY23, as presented in the Prospectus.

MSG Pro Forma Profit and Loss EUR'm	FY22 Pro Forma	H1 FY23 Pro Forma
Net revenue	401.2	177.4
COGS	(216.8)	(93.8)
Gross Profit	**184.4**	**83.6**
Fulfilment expenses	(69.1)	(27.9)
Marketing expenses	(64.0)	(33.0)
General and Admin expenses	(81.6)	(37.7)
EBIT	**(30.3)**	**(15.0)**
Financing income	0.9	1.6
Financing expenses	(12.3)	(7.3)
Fair value loss of Public Warrants	(5.4)	(4.6)
Derivative financial instruments	-	-
EBT	**(47.1)**	**(25.3)**
Income tax benefit/(expense)	(0.1)	0.4
Loss for the year/half-year	**(47.2)**	**(24.9)**

Sources: MSG Management, Prospectus.

We have reproduced below a reconciliation of the Pro Forma adjustments made to MSG's statutory Statement of Financial Performance.

MSG Reconciliation of Statutory and Pro Forma Profit and Loss EUR'm	FY22 Pro Forma	H1 FY23 Pro Forma
Statutory historical revenue	-	-
Consolidation of Marley Spoon	401.2	177.4
Pro Forma historical revenue	**401.2**	**177.4**
Statutory historical loss for the year/half-year	**(12.8)**	**(2.0)**
Consolidation of Marley Spoon	(40.0)	(22.8)
MSG transaction costs	1.3	4.2
Marley Spoon tranaction costs	-	3.2
Financing expenses on redeemable Public Shares	2.8	1.4
Fair value loss/(gain) on Sponsor Warrants	1.4	(8.7)
Tax effect of Pro Forma adjustments	-	-
Pro Forma historical loss for the year/half-year	**(47.3)**	**(24.7)**

Sources: MSG Management, Prospectus.

To arrive at the Pro Forma Profit and Loss prepared by MSG and reproduced above, we note the following. Please see Section 5 in the Prospectus for further detail.

- The above Pro Forma Profit and Loss is presented on a 100% basis and is before any attribution of non-controlling interests.

- The Pro Forma adjustments have removed the impact of transaction costs incurred by MSG and Marley Spoon. Transaction costs incurred by MSG in relation to the Business Combination were c. €1.3 million in FY22 and €4.2 million in H1 FY23. Transaction costs incurred by Marley Spoon of approximately €3.2 million in H1 FY23 have also been removed.

- In FY22 MSG issued public shares accounted for on an amortised cost basis. The impact of non-cash amortisation of interest expense of approximately €2.8 million in FY22 and €1.4 million in H1 FY23 has been removed on the basis that such expenses will not recur post the Business Combination.

- As part of the Sponsor Lock-up agreements that occurred in relation to the Business Combination, Sponsors who held Warrants agreed that they would not exercise their warrants, which had the effect of writing down the fair value of these warrants to nil. The financial effect of fair value changes in relation to these warrants has been removed in the Pro Forma adjustments.

5.2.2 MSG Pro Forma Financial Position

Below we set out the Pro Forma Financial Position of MSG for the period 30 June 2023 as presented in the Prospectus. The Pro Forma statement below presents the effect of both the Business Combination and the Small Holdings Offer, with a bridge from the Statutory financial position of MSG at the 30 June 2023 to the Pro Forma financial position of MSG at the same date.

MSG Pro Forma Balance Sheet EUR'm	30-Jun-23 Statutory	Impact of the BCA	Impact of the SHO	30-Jun-23 Pro Forma
Cash and cash equivalents	1.4	25.7	(0.3)	26.8
Cash in escrow	210.4	(210.4)	-	-
Inventories	-	12.9	-	12.9
Trade recievables	-	0.8	-	0.8
Other current financial assets	0.1	3.0	-	3.1
Total current assets	**211.9**	**(168.0)**	**(0.3)**	**43.6**
Property, plant and equipment	-	22.8	-	22.8
Right-of-use assets	-	18.6	-	18.6
Lease receivables	-	0.5	-	0.5
Intangible assets	-	17.7	-	17.7
Goodwill	-	9.0	-	9.0
Non-current financial assets	-	2.4	-	2.4
Total non-current assets	**-**	**71.0**	**-**	**71.0**
Total assets	**211.9**	**(97.0)**	**(0.3)**	**114.6**
Trade and other payables	5.4	11.9	-	17.3
Redeemable Public Shares	209.9	(209.9)	-	-
Sponsor Warrants	0.4	(0.4)	-	-
Derivative financial instruments	-	-	-	-
Contract liabilities	-	3.7	-	3.7
Borrowings	-	9.4	-	9.4
Lease liabilities	-	8.5	-	8.5
Other financial liabilities	-	18.1	-	18.1
Other non-financial liabilities	-	3.1		3.1
Current liabilities	**215.7**	**(155.6)**	**-**	**60.1**
Public Warrants at fair value	10.0	-	-	10.0
Borrowings	-	61.2	-	61.2
Lease liabilities	-	13.6	-	13.6
Provisions	-	3.5	-	3.5
Deferred tax liabilities	-	1.3	-	1.3
Non-current liabilities	**10.0**	**79.6**	**-**	**89.6**
Total liabilities	**225.7**	**(76.0)**	**-**	**149.7**
Net assets/(liabilities)	**(13.8)**	**(21.0)**	**(0.3)**	**(35.1)**
Share capital	0.1	0.1	-	0.2
Share premium/capital reserves	1.0	300.4	-	301.4
Other reserves	0.1	66.8	(0.4)	66.5
Accumulated net losses	(14.9)	(382.3)	-	(397.2)
Non-controlling interest	-	(6.1)	0.1	(6.0)
Total equity	**(13.7)**	**(21.1)**	**(0.3)**	**(35.1)**

Sources: MSG Management, Prospectus

We note the following with relation to the Pro Forma Statement of Financial Position. Please see Section 5 in the Prospectus for further detail.

- As displayed in the table above, the Pro Forma adjustments with relation to the Statement of Financial Position reflect the impact on the balance sheet of the Business Combination Agreement, as well as the Small Holdings Offer.

- The above Pro Forma adjustments do not include the effect of the Sponsor and Co-Sponsor agreement to note exercise their Sponsor Warrants, as well as the effect of the issuance of shares by Marley Spoon in H1 FY23 as part of the Placement.

5.2.3 MSG Pro Forma Statement of Cash Flows

Below we set out the Pro Forma Statement of Cash Flows for the period FY22 and H1 FY23, as presented in the Prospectus.

MSG Pro Forma Statement of Cash Flows EUR'm	FY22 Pro Forma	H1 FY23 Pro Forma
Net loss for the period	**(47.2)**	**(24.7)**
Non-cash items:		
Depreciation and amortisation	16.1	7.6
Financing income and expense	11.0	5.2
Fair value loss on Public Warrants	5.4	4.6
Share based payments expense	1.0	0.4
Other	(0.2)	1.2
Changes in Net Working Capital	(6.2)	(1.2)
Net cash flows from operating activites	**(20.1)**	**(6.9)**
Purchase of property, plant and equipment	(3.7)	(0.3)
Purchase/ development of intangible assets	(7.0)	(3.8)
Acquisition of Chefgood, net of cash acquired	(7.8)	(1.7)
Payments for investments at fair value	-	-
Net cash flows used in investing activities excluding business acquisitions	**(18.5)**	**(5.8)**
Interest paid	(7.8)	(2.6)
Lease payments	(8.7)	(4.2)
Proceeds from the issuance of Public Warrants	0.1	-
Proceeds from borrowings	26.5	5.2
Transaction costs of borrowings	(0.2)	-
Repayment of borrowings	(7.8)	(6.3)
Proceeds from/(repayment) of shareholder loans	(0.1)	-
Payments derivative transaction	-	(0.2)
Net cash flows from financing activities excluding equity transactions	**2.0**	**(8.1)**
Net increase/(decrease) in cash and cash equivalents excluding equity transactions	**(36.6)**	**(20.8)**

Sources: MSG Management, Prospectus

We have reproduced below a reconciliation of the Pro Forma adjustments made to MSG's statutory Statement of Cash Flows.

MSG Reconciliation of Statutory and Pro Forma Cash Flows EUR'm	FY22 Pro Forma	H1 FY23 Pro Forma
Statutory historical net cash flows for the period	**0.2**	**(0.2)**
Consolidation of Marley Spoon	(19.6)	14.2
Cash flows relating to equity issuances, net of transaction costs	(221.1)	(34.8)
Cash in escrow	210.4	-
Cash flows relating to Sponsor Warrants	(7.4)	-
Effect of income statement Pro Forma adjustments on operating cash flows	1.1	-
Pro Forma historical net cash flows for the period excluding equity transactions	**(36.4)**	**(20.8)**

Sources: MSG Management, Prospectus

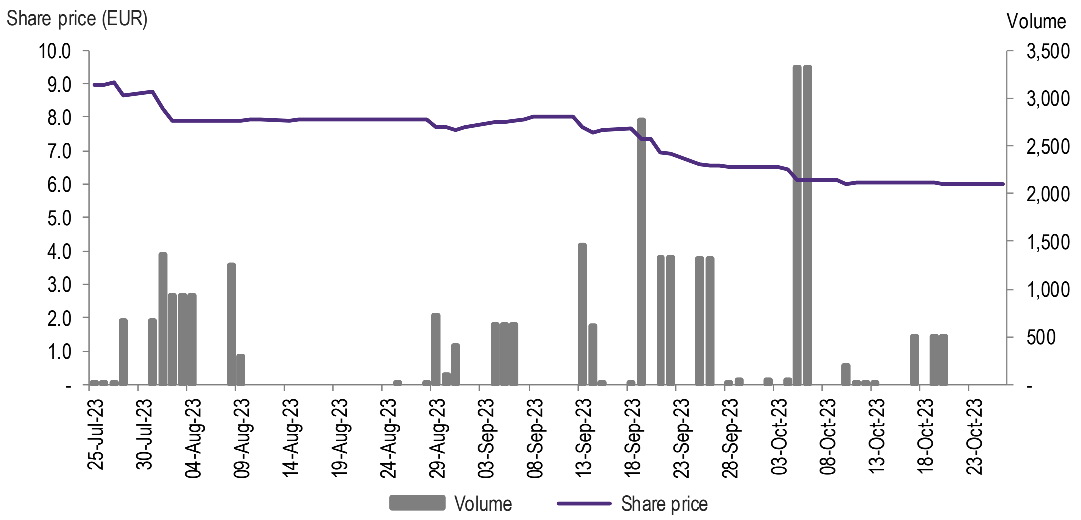
We note the following with relation to the Pro Forma Statement of Cash Flows. Please see Section 5 in the Prospectus for further detail.

- The effect of cash flows relating to equity transactions (net of transaction costs) have been removed as part of the Pro Forma adjustments, including proceeds from the issuance of redeemable Public Shares by MSG and the issue of shares by Marley Spoon in FY22 and H1 FY23.
- Cash in escrow in FY22 relates to approximately c. €210.4 million that was transferred to a cash in escrow account for restricted use. It was released to pay for the redemption of Public Shares in relation to the Business Combination.

5.3 Share capital structure and MSG price movements

Our analysis of the daily movements in MSG's trading price and volume since MSG began trading on the FSE on 12 July 2023 is set out below.

Historical share price and volume for MSG – 12 July 2023 to 26 October 2023



Source: S&P Global, GTCF analysis

The monthly share price performance of MSG on the FSE since listing in July 2023 and the weekly share price performance is summarised below.

MSG	Share Price High €	Low €	Close €	Average weekly volume 000'
Month ended				
Jul 2023	10.000	8.650	8.750	2,021
Aug 2023	8.600	7.550	7.600	1,515
Sep 2023	8.000	6.450	6.500	2,881
Week ended				
4 Aug 2023	8.750	7.900	7.900	4,820
11 Aug 2023	8.000	7.900	7.950	1,550
18 Aug 2023	7.950	7.900	7.950	-
25 Aug 2023	8.000	7.950	7.950	20
1 Sep 2023	7.950	7.500	7.700	1,250
8 Sep 2023	8.000	7.850	8.000	1,890
15 Sep 2023	8.000	7.550	7.600	2,070
22 Sep 2023	7.650	6.900	6.900	5,440
29 Sep 2023	6.700	6.450	6.500	2,700
6 Oct 2023	6.500	6.000	6.100	6,740
13 Oct 2023	6.100	6.000	6.050	230
20 Oct 2023	6.050	6.000	6.000	1,500

Source: S&P Global, GTCF analysis

Note: The share price analysis is based as at 26 October 2023

6 Valuation methodologies

6.1 Introduction

Grant Thornton Corporate Finance has assessed the value of Marley Spoon using the concept of fair market value. Fair market value is commonly defined as:

"the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length."

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

6.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets ("DCF Method");
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets ("FME Method");
- Amount available for distribution to security holders in an orderly realisation of assets ("NAV Method");
- Quoted Security Pricing Method, when there is a liquid and active market; and
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG 111 does not prescribe any above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

6.3 Selected valuation methods

In our assessment of the fair value of Marley Spoon we have relied on the following valuation methodologies as outlined below:

- *DCF Method* – We have undertaken a valuation assessment of Marley Spoon utilising the DCF Method. Grant Thornton Corporate Finance has built the GT Model based on information provided by

Management, an extrapolation of the data provided by Management and benchmarking exercises with publicly available information.

- *Guideline Public Companies Approach* – Grant Thornton has selected the EV/Revenue multiple method to assess the fair market value of Marley Spoon on the following basis:
  - Revenue multiples are widely used to benchmark the value of high growth companies. Given the growth stage of Marley Spoon's lifecycle and high rates of reinvestment in marketing and sales, with no historic positive EBITDA, we consider EV/Revenue multiples appropriate to the valuation assessment.
  - We have considered EV/Revenue multiples on current and forecast revenue estimates.
- *Quoted Security Price Method* – The Quoted Security Price Method is based on the Efficient Market Hypothesis, which assumes that the share price at any point in time reflects all publicly available information and will change when new information becomes publicly available. We note that in the absence of a takeover or other share offer, the trading share price represents the value at which minority shareholders could realise their portfolio investment.

7 Valuation assessment of Marley Spoon

7.1 DCF Method

7.1.1 GT Model

For the purpose of our valuation assessment of Marley Spoon utilising the DCF Method, Grant Thornton Corporate Finance developed the GT Model based on a critical review and consideration of the following:

- Historical financial performance of Marley Spoon;
- Market updates from investment analysts who provided coverage of Marley Spoon's historical and expected performance and of the industry as a whole;
- Key performance indicators of GPCs that operate in a similar segment to Marley Spoon;
- Management's FY23 guidance provided to the market and future performance expectations from their internal modelling for FY24; and
- Key industry risks, growth prospects and general economic outlook.

In the GT Model, we have extended projections beyond the FY23 and FY24 expectations of Management from their external guidance and internal modelling to allow the business to reach a steady state before calculating the terminal value.

Whilst Grant Thornton Corporate Finance believes that the assumptions underlying the GT Model are reasonable and appropriate to be adopted for the purpose of our valuation, we have not disclosed them in our IER as they contain commercially sensitive information and they do not meet the requirements for presentation of prospective financial information as set out in ASIC Regulatory Guide 170 "Prospective Financial Information".

In accordance with the requirement of RG 111, we have undertaken a critical analysis of Management's expectations from their internal modelling before integrating them into the GT Model and relying on them for the purpose of our valuation assessment. Specifically, we have performed the following analysis:

- Performed a broad review, critical analysis and benchmarking with the historical performance of Marley Spoon and current trends in the industry.
- Held discussions with Management and the advisers to discuss Management's future expectations and the key underlying assumptions in their internal modelling.
- Reviewed and benchmarked revenue growth rates, expenses and profitability margins with GPCs.

The assumptions adopted by Grant Thornton Corporate Finance do not represent projections by Grant Thornton Corporate Finance but are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar businesses. We note that the assumptions are inherently subject to considerable uncertainty and there is significant scope for differences of opinion. It should be noted that the value of Marley Spoon could vary materially based on changes to certain key assumptions.

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7.1.2 Key valuation assumptions within the GT Model

Below, we set out the key assumptions adopted within the GT Model.

- *Net revenue growth*: Our revenue for FY23 and FY24 is based on recent guidance provided to the market by Marley Spoon and Management's future performance expectations from their internal modelling, respectively. Revenue in H1 FY23 has been softer than expected (with net revenue 11.3% behind budget) due to the macroeconomic environment, fewer active subscribers (partially due to lower marketing activity in H2 FY22), lower order frequency rates, lower consumer household income and consumer confidence, and a challenging customer acquisition environment following steep discounting in the market. Following Q2 FY23, Management revised the original FY23 guidance downwards given expected performance.

  For FY24, Management's net revenue growth assumptions from their internal modelling are broadly aligned with the broker estimates but higher than the majority of peers, although consistent with the higher growth experienced by Marley Spoon in the historical period. In the GT Model, we have adopted Management's future expectations from their internal modelling, and from FY25 onwards have utilised the industry benchmark data from Statista, which we note aligns with a tapering down of the net revenue growth rate towards the perpetual growth rate of 2%.

  Below we present Marley Spoon's historical and forecast revenue growth rate assumptions from brokers, industry data and GPCs which we have used to guide our revenue growth assumptions in the DCF.

Revenue benchmarking	Historical			Forecast					
Growth rates	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Terminal
Marley Spoon	**96.1%**	**26.9%**	**24.5%**	**(14.0%)**	**n/d**	**11.8%**	**8.6%**	**6.1%**	**2.0%**
Industry benchmark[1]	60.4%	42.9%	18.7%	17.6%	13.1%	11.8%	8.6%	6.1%	n/a
Broker estimates	n/a	n/a	n/a	6.9%	15.6%	13.3%	n/a	n/a	n/a
GPCs:									
Blue Apron Holdings, Inc.	1.3%	2.1%	(2.5%)	(10.2%)	6.2%	15.1%	n/a	n/a	n/a
Goodfood Market Corp.	76.9%	32.9%	(29.2%)	(38.3%)	0.6%	1.9%	n/a	n/a	n/a
HelloFresh SE	107.3%	59.8%	26.9%	3.0%	9.5%	9.5%	n/a	n/a	n/a
My Food Bag Group Limited	24.4%	1.7%	(9.4%)	(0.7%)	3.3%	3.2%	n/a	n/a	n/a
LMK Group AB (publ)	12.1%	14.0%	(22.0%)	(12.3%)	3.9%	5.3%	n/a	n/a	n/a
GPC average	**44.4%**	**22.1%**	**(7.2%)**	**(11.7%)**	**4.7%**	**7.0%**	**n/a**	**n/a**	**n/a**
GPC median	**24.4%**	**14.0%**	**(9.4%)**	**(10.2%)**	**3.9%**	**5.3%**	**n/a**	**n/a**	**n/a**

  Source: S&P Global, Statista, Management Information, GTCF analysis, Marley Spoons annual reports.
  Notes: (1) Industry benchmark data is obtained from Statista and are gross revenue growth rate estimates, compared to the other revenue benchmarking estimates and the selected Marley Spoon revenue growth rates which are net revenue growth rates. (2) Discounts are typically deducted from gross revenues resulting in net revenues. Discounts and promotions are typically applied at the point of purchase and are key to operations, used to drive sales of newly introduced products or sale campaigns. We have relied on Management's revenue growth rates estimates up to FY24 and thereafter we have assumed the discounts/promotions assumption in FY24 gross revenue would apply across the remainder of the forecast period. Subsequently gross and net revenue growth rate assumptions would remain like for like.

- *COGS and gross margin*: Historically Marley Spoon has achieved a high gross margin when compared to GPCs, with only HelloFresh achieving higher gross margins across FY20 to FY22. We understand from Management that during FY21 and FY22 labour shortages and wage inflation, driven largely by COVID-19, led to increased costs. However, strategic plans have been implemented across suppliers, packaging, and delivery logistics to preserve margins which have remained substantially steady during the historical period. With a normalisation of market conditions, we have assumed that gross margin will remain substantially consistent with FY24. We have provided an overview of the historical gross margins achieved compared with GPCs.

Gross margin	Historical		
% of net revenue	FY20	FY21	FY22
Marley Spoon	**47.5%**	**46.2%**	**46.0%**
GPCs			
Blue Apron Holdings, Inc.	38.6%	35.8%	33.6%
Goodfood Market Corp.	30.3%	30.6%	25.3%
HelloFresh SE	66.0%	65.9%	65.6%
My Food Bag Group Limited	25.6%	27.2%	23.5%
LMK Group AB (publ)	38.6%	38.4%	38.9%
GPC average	**39.8%**	**39.6%**	**37.4%**
GPC median	**38.6%**	**35.8%**	**33.6%**

Sources: S&P Global; GPC annual reports; GTCF analysis; Marley Spoon annual reports.

- *Fulfilment expenses:* Estimated at 15.5% - 16.0% of net revenue in FY23 and FY24 which incorporate certain efficiencies being achieved through enhanced supplier relationships, more optimised shipping and delivery logistics, and economies of scale. We have preserved this ratio in the outer years of the GT Model.

- *Marketing expenses*: Marketing expenses are highly correlated to active subscribers, total net revenue and revenue growth. Therefore, although considering marketing spend as a percentage of net revenue in a given financial year does provide some insight, without understanding the net revenue growth achieved in the same year it does not give a clear indication of an appropriate level of marketing expense going forward. On the basis that Management have good visibility over the FY23 and FY24 budgets, we have utilised Management's marketing expense estimates for these periods. When considering forecast estimates (FY25 to FY27 and the terminal year), we have performed regression analysis on the listed peer group[32]. The FY23 reduction in marketing spend (as a percentage of net revenue) is a planned reduction, aligned with Management's shift in strategy to disciplined cost control in order to improve profitability. Based on the benchmark below, we have adopted Management's assumptions for FY23 and FY24 and then we have assumed that marketing expenses will stabilise to around 15% of net revenue once the growth rate normalises.

Marketing expense	Historical			Forecast	
% of net revenue	FY20	FY21	FY22	FY23	FY24
Marley Spoon	**15.5%**	**22.1%**	**16.0%**	**17.6%**	**n/d**
GPCs					
Blue Apron Holdings, Inc.	10.8%	15.3%	18.3%	n/a	n/a
Goodfood Market Corp.	n/a	n/a	n/a	n/a	n/a
HelloFresh SE	12.5%	14.4%	16.9%	n/a	n/a
My Food Bag Group Limited	2.4%	2.4%	2.5%	n/a	n/a
LMK Group AB (publ)	10.7%	12.8%	12.8%	n/a	n/a
GPC average	**9.1%**	**11.2%**	**12.6%**	**n/a**	**n/a**
GPC median	**10.8%**	**13.6%**	**14.8%**	**n/a**	**n/a**

32 Regression analysis based on FY17-FY22 data for Marley Spoon, Blue Apron, HelloFresh and LMK (only data back to FY19) based on the marketing spend (as a percentage of net revenue) and the net revenue growth rate achieved.

Sources: S&P Global; GPC annual reports; GTCF analysis; Marley Spoon annual reports.

- *G&A*: G&A costs mainly include personnel costs (digital, finance, culture/people operations etc), rent, utilities and insurance. In our valuation assessment, we have assumed a tapering down of G&A costs as a percentage of net revenue from 22.0% in FY23 to 14.6% in FY27, on the basis that cost saving efficiencies would be achieved through operational and regulatory business improvements and economy of scale.

- *EBITDA margin*: We have benchmarked the normalised EBITDA margin in the GT Model with the broker forecasts and GPCs, also considering the EBITDA margin expansion that could be considered reasonable whilst maintaining net revenue growth estimates. We note that Marley Soon has twice achieved positive Operating EBITDA at group level historically, in Q4 2022 and Q2 2023, and the majority of the GPCs have achieved positive EBITDA. We have assumed that the adjusted EBITDA margin continues to improve to achieve a level in line with the GPCs in the terminal year (c. 6.5%).

Adjusted EBITDA Margin	Historical			Forecast		
% of net revenue	FY20	FY21	FY22	FY23	FY24	FY25
Marley Spoon	**(0.2%)**	**(10.4%)**	**(3.0%)**	**(2.4%)**	**n/d**	**n/d**
Wilsons Equity Research (Feb 2023)	n/a	n/a	n/a	0.3%	4.8%	7.5%
Canaccord Genuity (Oct 2022)	n/a	n/a	n/a	0.9%	2.6%	n/a
GPCs						
Blue Apron Holdings, Inc.	(0.2%)	(8.3%)	(17.3%)	(6.6%)	0.1%	2.0%
Goodfood Market Corp.	1.2%	(4.0%)	(15.2%)	2.3%	4.3%	4.5%
HelloFresh SE	13.5%	8.8%	6.3%	6.3%	8.0%	9.0%
My Food Bag Group Limited	15.2%	17.7%	10.4%	10.0%	10.5%	11.0%
LMK Group AB (publ)	11.1%	7.6%	2.3%	7.0%	7.5%	8.3%
GPC average	**8.1%**	**4.3%**	**(2.7%)**	**3.8%**	**6.1%**	**6.9%**
GPC median	**11.1%**	**7.6%**	**2.3%**	**6.3%**	**7.5%**	**8.3%**

Sources: S&P Global; GPC annual reports; GTCF analysis; Marley Spoon annual reports.

- *Tax rate:* We have assumed a 25.0% blended corporate tax rate based on the FY23 revenue split between the US, Australia and Europe[33]. Our valuation assessment includes the benefits from carried forward tax losses.

- *Capital expenditure:* Marley Spoon is expected to incur capex largely relating to the development of intangible assets with continued investment in their digital infrastructure and the purchase of PP&E within fulfilment centres, although it is noted from discussions with Management that fulfilment centres have growth capacity from the current level without the requirement of further significant capex. Historically, Marley Spoon has had a low capex as a percentage of net revenue when compared to GPCs (an FY19 to FY22 average of 4.4% compared to 8.5% respectively). Post FY24 we have assumed capex will increase in line with revenue growth in each respective period.

- *Working capital:* Marley Spoon benefits from a negative working capital with favourable payment terms with suppliers. In the GT Model, we have kept the net change in working capital constant as a percentage of change in net revenue.

[33] Average tax rate of Marley Spoon European countries.

- *Terminal growth rate* – We have adopted a terminal growth rate of 2.0% based on the long term inflation estimates of the markets in which Marley Spoon operate.
- *Discount rate* – We have assessed the discount rate midpoint of our range to be 12.3% (refer to Appendix B for details).

7.1.3 Summary of the assessed value

We have set out below our assessment of the fair market value of Marley Spoon on a 100% control basis.

EUR 'millions	*Section Reference*	Low	High
Enterprise Value (control basis)	*7.1.3*	**128.6**	**156.8**
Less: Net Debt	*Note 2*	(68.5)	(68.5)
Less: Chefgood contingent consideration	*Note 3*	(1.1)	(1.1)
Less: Transaction Costs (post 30 June 2023)	*Note 4*	(3.9)	(3.9)
Equity Value (control basis)		**55.1**	**83.3**
Equity Value (control basis) (A$ millions)	***Note 1***	**92.1**	**139.1**
Marley Spoon CDI equivalents (millions)	*Note 5*	*735.6*	*735.6*
Value per CDI (control basis) (A$)		**0.125**	**0.189**
Control Premium	*Note 6 / Appendix E*	*30.0%*	*30.0%*
Value per CDI (minority basis) (A$)		**0.096**	**0.145**

Source: GT Model, GTCF analysis

Notes to the above table are provided below.

1) Equity Value converted from EUR to AUD using the Exchange Rate.

2) *Net Debt* – The following is the pro forma net debt as at 30 June 2023 which we have adopted for the purpose of our valuation assessment. These figures include adjustments advised by Management relating to completion of the Business Combination which occurred after 30 June 2023.

Marley Spoon Net Debt As at 30 June 2023 (including adjustments post)	EUR'million
Current interest bearing loans	9.4
Non-current interest bearing loans	69.6
Less: Runway repayment[2]	(7.8)
Current lease liabilities	8.5
Non-current lease liabilities	13.7
ESOP[3]	0.3
Gross Debt	**93.7**
Less: Cash [1]	(25.1)
Net Debt	**68.6**

Source: Marley Spoon FY22 annual account, H1 FY23 Results, Prospectus.
Notes: (1) Cash balance includes cash received from the Placement and the partial repayment of the Runway debt discussed in note 2 of this table. (2) As part of the Business Combination Agreement, there were revised terms agreed with Runway including the partial repayment of the debt facility from the cash proceeds of the Placement to the amount of €7.8 million. The Runway repayment also includes the reduction of the deferral fee settlement of €0.6 million that was settled through the issuance of shares registered on 4 July 2023, as part of the Business Combination Agreement. (3) We have assessed a value range of between nil and €0.5 million for the ESOPs (please refer to Section 4.9 for further detail on the ESOPs).

3) *Chefgood contingent consideration* – Marley Spoon acquired Chefgood on 4 January 2022. During H1 FY23, the first earn-out payment was made to the seller of €1.7 million and as at 30 June 2023 the fair value of the contingent consideration is €1.1 million.

4) *Marley Spoon transaction costs* – As at 30 June 2023, Marley Spoon has transaction costs payable of €3.9 million, associated with the Business Combination Agreement.

5) *Marley Spoon CDI equivalents* - The following is the number of shares on issue as at 26 October 2023.

Marley Spoon	Pre-Transaction	Placement¹	Runway¹	Total
CDIs (millions)	393.4	336.5	5.7	735.6
Shares (millions)	39.3	33.7	0.6	73.6

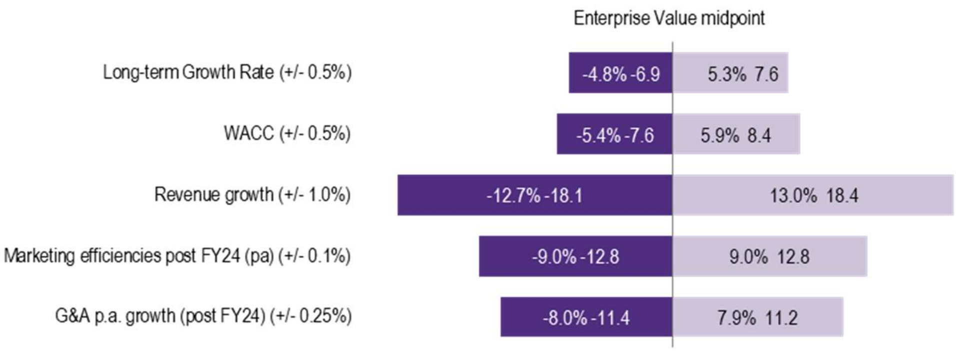
Source: Management Information, ASX Marley Spoon Announcements.
Notes: (1) CDI figure a proxy inverse calculation based on the Tender Offer Consideration. We understand these shares issued from the Placement were not converted into CDIs and traded on the ASX (being sold straight to the 468 SPAC).

6) *Minority basis* – Although we have completed our valuation assessment on a control basis, we have presented the assessed value per CDI on a minority basis, assuming the application of a 30% premium for control (which equates to a discount for minority interest of 23%)[34]. Our assumption regarding premium for control is based on evidence from studies suggesting that the premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia. Please see Appendix E for further detail.

7.1.4 Sensitivity analysis

It should be noted that the assessed enterprise value of Marley Spoon could vary materially based on changes to certain key assumptions. Accordingly, we have undertaken certain sensitivity analyses presented below to highlight the impact on the Marley Spoon enterprise value under the DCF Method, caused by movements in certain key assumptions. The following table summarises our results.

Sensitivity analysis



Source: GTCF analysis

[34] The relationship between control premium and its corresponding discount for minority interest is as follows: Minority discount = (Control premium ÷ (1 + Control premium)), or 23% = (30% ÷ (1 + 30%))

7.2 Guideline public companies approach

7.2.1 Revenue Multiple

In order to provide a cross check of our valuation conclusions under the DCF methodology, we have considered EV/Revenue multiples of GPCs and recent transactions involving convenience foods companies. Below we present the EV/Revenue multiples of Marley Spoon implied in our valuation assessment based on the DCF.

Implied EV/Net Revenue Multiples EUR'm unless otherwise stated	Low	High
Enterprise Value (DCF - control basis)	**128.6**	**156.8**
Net Revenue		
FY22A	401.2	401.2
FY23B	345.2	345.2
Implied EV/Net Revenue Multiples		
FY22A	0.32x	0.39x
FY23B	0.37x	0.45x

Source: GTCF analysis
Notes: (1) Enterprise value computed as the enterprise value from the DCF method (section 7.1)

Revenue multiples are widely used to benchmark the value of high growth companies; however businesses are more often valued with reference to an earnings multiples as earnings are considered the best proxy for measuring a company's underlying financial performance.

Nonetheless, considering Marley Spoon is still exhibiting high levels of growth with high rates of reinvestment in marketing and technology and on the basis Marley Spoon has a history of negative earnings, with growth to a stable EBITDA margin not expected for some time, we have adopted EV/Revenue multiples for the purposes of our valuation.

For the purpose of cross checking the implied Revenue Multiple range of Marley Spoon, we have had regard to the trading multiples of GPCs ("Trading Multiples") and acquisitions of companies with broadly similar operations ("Transaction Multiples").

7.2.2 GPC multiples

In order to select the most comparable peer group, we undertook segmental analysis considering:

- GPCs that have a similar geographical presence with Marley Spoon's operations, noting only HelloFresh operate across all the same geographies with the majority of the comparable companies operating within more targeted locations (i.e. domestic operations).
- We have selected GPCs that have their primary trading operations focused on providing meal kit products and services.

Summarised below are the Revenue Multiples of the selected companies.

EV/Revenue multiple analysis			Market Cap ¹	EV/Revenue (control basis)²		
Company	Country	FYE	€m	FY22A	FY23B	FY24F
Blue Apron Holdings, Inc.	United States	31/12/2022	157.1	0.36x	0.40x	0.37x
Goodfood Market Corp.	Canada	3/09/2022	29.0	0.27x	0.44x	0.44x
HelloFresh SE	Germany	31/12/2022	5409.1	0.67x	0.66x	0.59x
My Food Bag Group Limited	New Zealand	31/03/2023	28.7	0.45x	0.45x	0.44x
LMK Group AB (publ)	Sweden	31/12/2022	19.0	0.27x	0.31x	0.30x
Median			**29.0**	**0.36x**	**0.44x**	**0.44x**
Average			**1128.6**	**0.40x**	**0.45x**	**0.43x**

Sources: S&P Global, GTCF Analysis, Management
Notes: (1): Market capitalisation as at 26 October 2023 translated from local currency to EUR at spot rate. (2): We have applied a premium for control of 30.0% to the trading prices. (3): Enterprise Value (EV) includes net debt (interest-bearing liabilities less non-restricted cash), non-controlling interests and AASB16 liabilities. (4): Forecast trading multiples are based on the median of broker consensus estimates. (5): Multiple analysis is performed in local currency.

We have considered the historical and forecast performance of GPCs when benchmarking and assessing the reasonableness of the cash flows utilised in the DCF. We have provided further financial performance benchmarking detail below.

Key Financial Benchmarks	Net Revenue Growth			EBITDA Margin		
Company	FY22A	FY23F	FY24F	FY22A	FY23B	FY24F
Blue Apron Holdings, Inc.	(2.5%)	(10.2%)	6.2%	(17.3%)	(6.6%)	0.1%
Goodfood Market Corp.	(29.2%)	(38.3%)	0.6%	(15.2%)	2.3%	4.3%
HelloFresh SE	26.9%	3.0%	9.5%	6.3%	6.3%	8.0%
My Food Bag Group Limited	(9.4%)	(0.7%)	3.3%	10.4%	10.0%	10.5%
LMK Group AB (publ)	(22.0%)	(12.3%)	3.9%	2.3%	7.0%	7.5%
Median	**(9.4%)**	**(10.2%)**	**3.9%**	**(13.2%)**	**2.5%**	**6.5%**
Average	**(7.2%)**	**(11.7%)**	**4.7%**	**0.2%**	**5.8%**	**7.7%**

Sources: S&P Global, GTCF Analysis, Company Filings
Notes: (1) Data as at 26 October 2023.

We have set out below some further observations on the listed peers.

Blue Apron

Blue Apron is a US based meal-kit company offering fresh, chef-designed recipes to households, which was launched in 2012 and listed on the New York Stock Exchange (“NYSE”) in June 2017. Recently, the company has experienced a declining customer base after significant growth from the start of the COVID-19 pandemic, owing to the decrease in marketing spending (specifically from media buys which are intended to boost consumer awareness) as well as consumers’ sensitivity to macro-economic conditions such as inflation. As stated in Section 3, Blue Apron received a delisting warning from the New York Stock Exchange in December 2022 due to non-compliance with the listing requirements, as the company was expected to maintain a market capitalisation of at least US$50 million. Blue Apron announced an estimated workforce reduction by laying off around 10.0% of their staff. We note from the FY22 annual report that Blue Apron are required to repay US$30.0 million of outstanding senior secured notes in full by the end of Q2 FY23. On 7 June 2023, Blue Apron’s board approved a reverse stock split of 1-for-12, reducing the number of Class A common stock issued and outstanding from 76 million to 6 million. Further, on 9 June 2023, Blue Apron transferred its operational infrastructure to FreshRealm, including fulfilment centres, equipment, know-how and related personnel for up to US$50.0 million, including US$25.0 million cash and up to US$$25.0 million upon the achievement of certain milestones. On 11 September 2023, it was announced Blue Apron would voluntarily transfer its listing to Nasdaq from the NYSE, with listing on Nasdaq from 25 September 2023.

On September 29, 2023, the Blue Apron board announced that it had entered into a definitive merger agreement to be acquired by Wonder Group, a United States based food delivery company. Under the proposed agreement Blue Apron shareholders would receive US$13.00 per share of cash consideration. The price of Blue Apron shares subsequently rose from c. US$5.49 on September 28 to c. US$12.88 on September 29. Wonder Group have stated that the intend to continue serving meal kit customers under the Blue Apron brand.

Based on the above analysis, Blue Apron's trading price has experienced high volatility since December 2022 and subsequently we do not place reliance on Blue Apron's multiples.

Goodfood Market Corp.

Goodfood Market Corp. is a Canadian online grocery, home meal and meal kit company, based in Montreal, Quebec. It has consistently grown and evolved to capture a larger share of customers grocery spend and expanding its target addressable market. However, in FY22, the company witnessed a decline in sales by 15.2%[35] compared to FY21 as a result of a shift in consumer behaviour driven by post pandemic effects and the current economic conditions. Nevertheless, these factors were partially offset by a higher on-demand active customer base in Q4 FY22 as against Q4 FY21.

The company has invested heavily in technology and data analytics to assist in tracking the origins of its produce, customer demand and preferences. Moreover, the company established the Project Blue Ocean in 2022 wherein they implemented several strategic initiatives such as ingredients simplification, footprint rationalisation and alignment of workforce with scale among others, which resulted in an improved gross margin of 28.0%[36] in Q4 FY22 compared to 23.0%[37] in Q4 FY21.

HelloFresh

With operations across eighteen countries, HelloFresh is a large global business listed on the Frankfurt Stock Exchange with a market capitalisation of c. €4.4 billion[38] and revenue of c. €7.6 billion in FY22. Despite the macro-economic conditions, the company witnessed a 26.9% increase in revenue in FY22 compared to FY21 on account of an increase in the number of orders, a significant expansion of the Average Order Value driven by more meals per order and the annual price increases in various markets with growing popularity.

The company is forecasting for the growth to continue, however at a relatively modest rate in constant currency revenue in the range of 2.0% to 10.0%[39] on account of the subdued consumer environment expectations and the post pandemic economic conditions. Specifically, the company expects the ready-made meal segment in North America to drive a major portion of revenue growth in FY23 alongside the new markets and brands launched in FY22 across Spain, Italy, Ireland and the specialty premium meat and seafood box GoodChop in the US. Given the size of HelloFresh, the scale of its operations, market positioning and profitability, we do not consider it comparable to Marley Spoon.

[35] Goodfood Market Corp. FY2022 annual report
[36] Ibid.
[37] Ibid.
[38] As at 25 April 2023
[39] HelloFresh FY2022 annual report

My Food Bag Group Limited ("MFB")

MFB is a NZ-based and operated company which has been offering meal kit products since 2013. The company operates out of assembly centres both in the North and South Islands, with a new delivery centre commissioned in Christchurch in April 2022. The company has a scalable e-commerce infrastructure which provides the business with the ability to quickly bring new products into the market, data integrity and greater margin visibility.

Whilst we have included MFB in our listed peers, we note its operations are confined to NZ which is a relatively small market and is outside that of Marley Spoon's geographies. MFB attained a revenue of NZ$194.0 million[40] in FY22.

LMK Group AB ("LMK")

LMK, a key player in the Scandinavian foodtech market, offers subscriptions-based meal solutions in the Nordic region through five sites across Sweden, Norway and Denmark. These meal solutions sell under the brands Adams Matkasse (Norway), Godtlevert (Norway), Linas Matkasse (Sweden) and RetNemt (Denmark). LMK witnessed a 22.0%[41] decline in sales in FY22 compared to FY21 owing to a lower customer base, wherein the number of active customers and customer retention were impacted as a result of changed purchasing behaviour among consumers, driven by various external factors similar to their peers. Whilst we have included LMK in our listed peers, we note that it has a significantly lower market capitalisation in comparison to its peers with limited coverage by brokers.

7.2.3 Transaction multiples

We have also considered multiples implied by historical transactions involving companies comparable to Marley Spoon. Notwithstanding that several relevant transactions completed over the past few years, several of them did not disclose transaction metrics. The table below summarises our comparable transaction analysis:

Transaction Multiples - Summary table Date	Target	Bidder	Country	Stake	EV Local Currency (m)	Revenue Local Currency (m)	EV/Revenue
31-Aug-22	The Spice Tailor Limited	Premier Foods plc	United Kingdom	100%	43.8	17.3	2.53x
04-Jan-22	Chefgood Pty Ltd[1]	Marley Spoon SE	Australia	100%	21.0	26.0	0.81x
13-Oct-21	Youfoodz Holdings Limited	Cook E Services Australia Pty Ltd	Australia	100%	103.6	146.4	0.71x
10-May-21	Longo Brothers Fruit Markets Inc.	Empire Company Limited	Canada	51%	654.1	1,100.0	0.59x
31-Dec-20	Factor75, LLC[2]	HelloFresh SE	United States	100%	177.0	100.0	1.77x
30-Oct-20	Freshly Inc.[3]	Nestlé USA, Inc.	United States	84%	950.0	430.0	2.21x
30-Apr-19	Three Limes, Inc.[4]	Oisix ra daichi Inc.	United States	100%	30.0	40.3	0.74x
31-Oct-18	Chef's Plate Inc.	HelloFresh SE	Canada	100%	60.2	7.0	8.60x
22-Jun-18	Relish Labs LLC (Home Chef)[5]	The Kroger Co.	United States	100%	200.0	250.0	0.80x
Average							2.08x
Median							0.81x

Source: S&P Global, GTCF analysis, Mergermarket
Notes: (1) Deal value excludes potential earnouts of up to A$5.6m; (2) Deal value excludes potential earnouts of up to USD $100m; (3) Deal value excludes potential earnouts of up to USD $550m; (4) Deal value excludes potential earnouts of up to USD $17m; (5) Deal value excludes potential earnouts of up to USD $500m.

The comparable transactions observed took place during the period between January 2018 and March 2023. The transactions involved the acquisition of controlling interests, and the EV/Revenue multiples

[40] My Food Bag FY2022 annual report
[41] LMK Group FY2022 annual report

have been determined having regard to the historical and forecast (when available) financial performance. We have set out below further detail for some of the more relevant observations. We note that market conditions and valuations for high growth businesses changed significantly at the beginning of 2022 in conjunction with higher inflation and rising interest rates. Accordingly, the multiple for the transactions that occurred during this period are not replicable in the current environment.

The Spice Tailor Limited

In 2022, Premier Foods announced its acquisition of The Spice Tailor, an authentic Indian and Southeast Asian meal kits and accompaniments brand with presence in the UK, Australia, Canadian and Irish markets. The Spice Tailor achieved revenue growth of c. 20%[42] CAGR over 2019-2022 and was expected to deliver a strong growth and profit in future years as they aligned with existing consumer trends such as convenient home cooking, premiumisation and authenticity. The brand was also seen to be complementary to Premier Foods' Sharwoods' and Loyd Grossman brands. Premier Foods offered an initial consideration of £43.8m[43] to acquire 100% of The Spice Tailor in the pursuit of expanding their ethnic foods business in Australia and achieve further growth across existing and new geographies.

Chefgood Pty Ltd

Marley Spoon acquired 100% of Chefgood, a Melbourne based ready-made meal provider, in January 2022 to grow its presence in the growing and complementary ready-to-heat category. By adding Chefgood to its existing brand cohort, Marley Spoon was looking to address more customer segments and meal orders. Furthermore, Marley Spoon also identified revenue and cost synergy opportunities across operations, supply chain and digital execution areas among others. The key acquisition terms included a total purchase consideration of A$21m and earn-out payments of up to A$5.6m. Chefgood was operating at a c. A$26m revenue run-rate which implies a Revenue multiple of 0.8x based on the consideration.

Youfoodz Holdings Limited ("Youfoodz")

In 2021, Cook E Services Australia Pty Ltd, a subsidiary of HelloFresh acquired Youfoodz for c. A$125m which included 134.4 million shares at a price of A$0.93 per share in cash. Youfoodz engaged in the production and distribution of ready-made meals, protein-packed snacks, cold-pressed juices, and gift cards in Australia. For HelloFresh, this strategic acquisition served as a means to move into the ready-made meals sector and support HelloFresh in becoming one of the largest ready-made meal provider. Specifically, the acquisition was expected to increase HelloFresh's ready-to-eat manufacturing capabilities and expand its total addressable market. Youfoodz was operating at A$146.4m revenue which implied a 0.9x Revenue multiple based on the consideration.

Factor75

In 2020, HelloFresh SE entered into an agreement to acquire all of the outstanding equity interests of Factor75 Inc. which is a fully-prepared meal delivery service in the cost bracket between c. US$12 to US$13 per meal depending on the plan selected. Factor75 focuses on gourmet and health meals with every meal free of refined sugars, gluten, soy, hormones, antibiotics, and GMOs. Factor was founded in 2013 and it operates out of four production and fulfilment facilities. In addition, a new facility capable of producing more than US$500 million in prepared meals a year was set to begin operations shortly after the acquisition. The total purchase price for the acquisition is up to US$277 million, of which up to US$100

[42] Premier Foods website – Company announcement
[43] Ibid.

million is in the form of an earn-out and management incentives. Factor’s full year revenue for 2020 was expected to reach around US$100 million which implies a Revenue Multiple of 1.77x based on the cash upfront consideration. Due to the complementary nature in product offerings, the acquisition of Factor was expected to drive supply chain and operational synergies for both companies.

Freshly

Freshly is a weekly subscription service delivering fresh, chef-cooked meals that can be heated and served in 3 minutes. Freshly’s products are targeted at health-conscious consumers with less sugar and less processing with all meals being gluten-free. Freshly was shipping more than 1 million meals per week across 48 states in the US. Freshly is a large business with a significant footprint across the US and it has been growing at over 80% between 2017 and 2020 (sales have grown from US$70mn in 2017 to an expected US$430mn in 2020) and it is expected to grow at a CAGR of 20% between 2019 and 2025. The company had close to half a million active subscribers in Q3 2020 and Nestlé expected it to be EBITDA positive in the first full year of consolidation.

The deal values Freshly at US$950 million up-front, with potential earn-out up to US$550 million contingent on the successful growth of the business, We understand that Freshly was expected to record US$430 million in sales in 2020 which implies a Revenue Multiple of 2.2 times based on the upfront consideration only as the terms of the earn-out are not known. Nestle had already acquired a 16% stake in Freshly in 2017.

Three Limes trading as Purple Carrot

Purple Carrot is a plant-based meal kit focused on healthy meals. Purple Carrot offers breakfast, lunch and dinner options every week, sending subscribers pre-portioned ingredients and step-by-step instructions. Purple Carrot was founded in 2014 and is based in Needham, Massachusetts and it recorded US$43 million revenue in 2018. It was acquired by Japanese online organic food retailer Oisix ra daichi Inc which paid an up-front amount of US$12.8 million plus earnout potential of US$17.2 million until 2021.

Home Chef

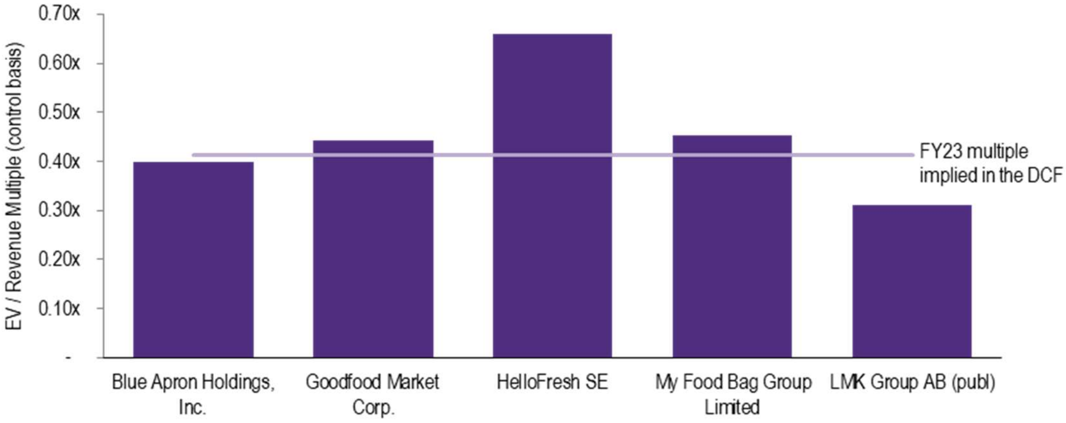
The Kroger Group acquired Home Chef, one the largest privately held meal kit company in the U.S. Home Chef was founded in 2013 and it delivered over 3 million meals each month from three distribution centres in Chicago, Atlanta and Los Angeles to reach c. 98% of US households within a 2-day delivery window. Home Chef experienced a revenue growth of 150% in the year prior to the acquisition to reach US$250 million in revenue.

Kroger paid an upfront consideration of US$200 million plus the potential for an incremental US$500 million over five years contingent upon achieving certain milestones. Home Chef was profitable at an EBITDA level. The implied Revenue Multiple is 0.8x however we are of the opinion that it should be considered with caution given that it reflects an early entry into the sector and the total consideration was heavily skewed towards the contingent consideration, however some of the milestones may have been easy to achieve.

7.2.4 Conclusions on the Revenue Multiple

We have concluded that the revenue Multiple implied by the DCF approach is reasonable, due to the following:

Revenue Multiple comparison (FY23)

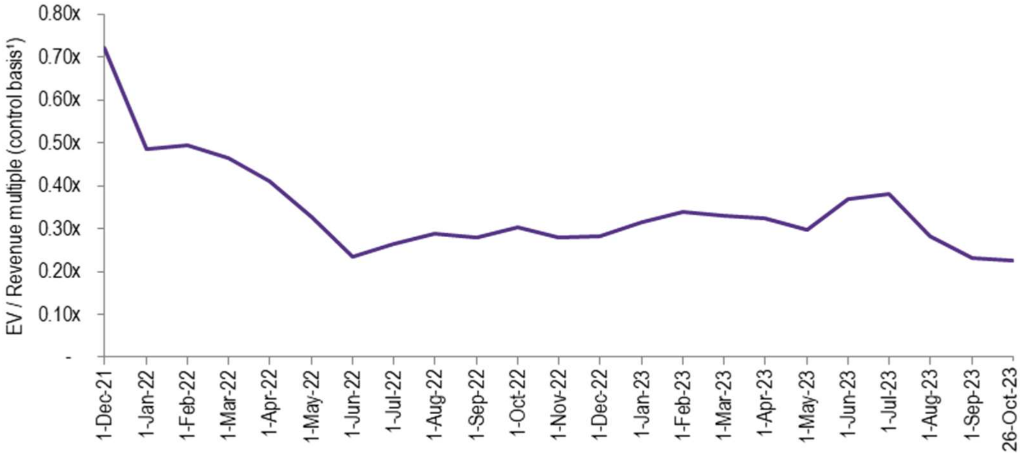


Source: S&P Global, GTCF analysis, Mergermarket
Note: (1) The GPCs have varying financial year ends however, we have aligned revenue multiples to the extent that is possible; (2) Transaction multiple based on current historical revenue at the time of the transaction;(3)DCF implied multiple based on FY23 Revenues.; (4) A 30% control premium has been applied to the market prices of the GPCs to display GPC multiples on a control basis, like for like with the Enterprise Value assessed from the DCF method.

- *GPCs* – Although we note there are no directly comparable companies, we consider this GPC group to be the most closely aligned. Excluding Hello Fresh due to the multiple premium that may attract, the average and median multiples of the GPCs is consistent with the multiple implied in the DCF as outlined in the graph above.

- *Comparable transactions* – We consider the selected group of comparable transaction to include acquisitions of companies with the most similar services and jurisdictional operations. However, we note the median EV / Revenue multiple of 0.81x includes acquisition multiples that would have attracted a premium as a result of the timing of the transaction. In conjunction with the pandemic, the growth of ready meal and meal kit providers was significant due to the lockdowns that occurred. Now that government directives for the majority of the population to stay at home have been lifted and workforces have largely returned to the office, the growth and investment appetite of these companies has eased. We also note that the majority of these transactions occurred before 2022, when significant interest rate rises occurred globally resulting in different macro-economic operating environments. Based on the above, we consider it reasonable for the revenue multiple of the comparable transactions to be at a premium to the revenue multiple implied in the DCF as this is mainly driven by the timing of the transaction and change in market conditions. To further support this, we have set out below the next twelve month ("NTM") revenue multiple of Marley Spoon which has reduced from 0.72x at the end of 2021 to 0.23x around the date of this Report.

Rolling EV/ Revenue (NTM) multiple on a control basis



Sources: S&P Global, GTCF Analysis
Notes: (1) We have applied a premium for control of 30.0% to the trading prices. (2) Net Revenue figures are based on investment coverage sourced from S&P Global and may differ to Marley Spoon guidance provided to the market.

7.3 Quoted Security Pricing Method

In our assessment of the fair market value of Marley Spoon, we have also had regard to the trading price of the CDIs on the ASX for the period after 26 April 2023, when the Company announced the Business Combination Agreement with 468 SPAC as well as the Tender Offer[44].

The assessed value per share based on the trading price is an exercise in professional judgement that takes into consideration the depth of the market for listed securities, the volatility of the trading price, and whether or not the trading price is likely to represent the underlying value of Marley Spoon. The following sections detail the analysis undertaken in selecting the share price range.

7.3.1 Liquidity analysis

We have assessed the liquidity of Marley Spoon CDIs before relying on their trading price for the purpose of our valuation assessment. In the following table we have set out the trading volume from 01 May 2023 to 26 October 2023 as a percentage of the total equivalent CDIs outstanding as well as total equivalent free float CDIs outstanding.

[44] Details of the Tender Offer were not announced at the time of the April Business Combination Agreement announcement; however it was announced that there would be a future subsequent direct offer to allow remaining CDI holders to participate on the same terms as the Business Combination.

Month end	Volume traded ('000)	Monthly VWAP (A$)	Total value of shares traded (A$'000)	Volume traded as % of total shares¹	Cumulative Volume traded as % of total shares¹	Volume traded as % of free float shares²	Cumulative Volume traded as % of free float shares²
May 2023	7,204	0.1348	971	1.8%	1.8%	7.9%	7.9%
Jun 2023	3,559	0.1120	399	0.9%	2.7%	3.9%	11.9%
Jul 2023	7,269	0.1228	893	6.2%	8.9%	6.2%	18.0%
Aug 2023	9,078	0.1018	924	7.7%	16.6%	7.7%	25.8%
Sep 2023	9,212	0.0723	666	7.8%	24.5%	7.8%	33.6%
Min				**0.9%**		**3.9%**	
Average				**4.9%**		**6.7%**	
Median				**6.2%**		**7.7%**	
Max				**7.8%**		**7.9%**	

Sources: S&P Global and GTCF Analysis
Note: (1) Total shares includes total CDIs available for trading on the ASX. Post-Business Combination completion in July total shares represent the total remaining number of CDIs that would be expected to trade on the ASX, excluding the significant shareholders CDIs that were effectively exchanged as part of the Business Combination, noting that the Placement Shares issued as part of the Business Combination Agreement were not transmuted to CDIs for trading on the ASX.
Note (2): The free float shares are calculated based on the remaining number of CDIs effectively available for trading on the ASX post Business Combination completion, therefore excludes the CDIs that were held by significant shareholders and transferred to MSG as part of the Business Combination.

With regard to the above analysis, we note that:

- During the five month period post the Business Combination Agreement announcement up to October 2023, approximately 24.5% of total CDI volume and 33.6% of the free float was traded.
- The table below includes a summary of similar liquidity analysis undertaken for the group of listed comparable companies to Marley Spoon. B Marley Spoon trading is broadly in line with the listed peer group.

Liquidity analysis Company	Country	Free float (%)	Average volume traded as a % of total shares	Average volume traded as a % of free float shares	Cumulative volume traded as a % of free total shares	Cumulative volume traded as a % of free float shares
Marley Spoon SE	Germany	100%¹	4.9%	6.7%	24.5%	33.6%
Tier 1 comparables						
Blue Apron Holdings, Inc.	United States	57.0%	n/m	n/m	n/m	n/m
Goodfood Market Corp.	Canada	61.6%	1.3%	2.1%	6.4%	10.4%
HelloFresh SE	Germany	95.7%	8.5%	8.8%	42.3%	44.2%
My Food Bag Group Limited	New Zealand	75.9%	3.1%	4.1%	15.7%	20.7%
LMK Group AB (publ)	Sweden	69.0%	6.9%	10.0%	34.5%	49.8%
Low		**57.0%**	**1.3%**	**2.1%**	**6.4%**	**10.4%**
Average		**71.9%**	**4.9%**	**6.3%**	**24.7%**	**31.3%**
Median		**69.0%**	**5.0%**	**6.5%**	**25.1%**	**32.4%**
High		**95.7%**	**8.5%**	**10.0%**	**42.3%**	**49.8%**

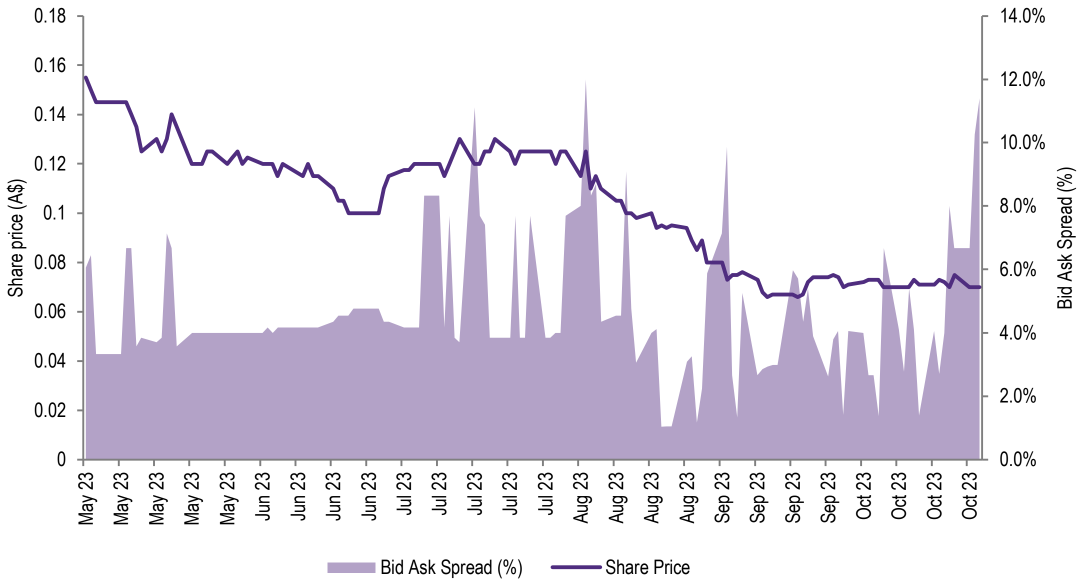
Source: S&P Global; GTCF analysis
Note (1): This analysis covers the period from the announcement of the Business Combination on 25 April 2023 to 26 October 2023. For the period post completion of the Business Combination on 12 July 2023, we have adopted a free float percentage of 100%, on the basis that a significant majority of the non-free float CDIs held by inside securityholders were exchanged as part of the Business Combination. In the absence of a detailed breakdown, for the period 12 July 2023 to 26 October 2023 we assume that all remaining CDIs outstanding for trading on the ASX are free float.

- In the absence of a takeover or alternative transactions, the trading price represents the value at which minority public shareholders could realise their investment.

- Marley Spoon complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of the Company. Marley Spoon provides updates to the market on a regular basis with information regarding the investment strategy and performance. As a result, there is extensive analysis provided to the market not only about the Company's performance but also regarding industry trends. Prior to the company announcing their intention to delist from the ASX, the stock was covered by two investment analysts[45] who have since discontinued their coverage and as such the company is no longer actively covered by any investment analysts.

- Where a company's stock (or in the case of Marley Spoon, CDIs) is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock (or CDI) as there may be a difference in opinion between the buyer and seller on the value of the stock (or CDI). We have set out below the bid and ask prices of Marley Spoon CDIs since May 2023, as well as the bid/ask spread percentage of Marley Spoon CDIs.

Marley Spoon – CDI Bid/Ask Spread 1 May 2023 to 26 October 2023



Sources: S&P Global and GTCF Analysis

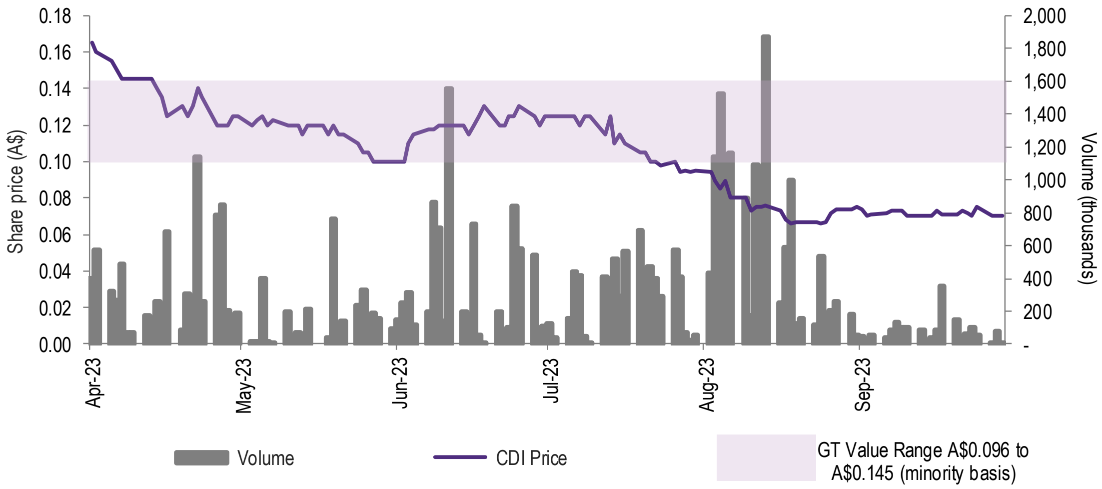
As set out in the graph above, we note that the historical average and median bid-ask spread has been 4.6% and 4.1% respectively. The maximum bid ask spread reached during the period was 12.0%, which is high, and it may indicate a limited level of liquidity at times.

7.3.2 Analysis of the Marley Spoon trading price

We have analysed below Marley Spoon's CDI trading price from 27 April 2023 (post-Business Combination Agreement announcement) to 26 October 2023 compared with our fair market value assessment based on the DCF analysis discussed in Section 7.1.

45 Canaccord and Wilsons

Marley Spoon – Historical share trading price and volume post the Business Combination Agreement announcement



Sources: S&P Global and GTCF Analysis
Note (1) The GT value presented in this graph has been adjusted to a minority basis to allow comparison between our assessed value range and current CDI trading prices.

We have also set out in the table below the VWAP over various periods from 26 October 2023.

VWAP		Low	High	VWAP
Up to	26 Oct 2023			
1 day		0.070	0.070	0.070
1 week		0.070	0.075	0.072
2 week		0.070	0.075	0.072
3 week		0.070	0.075	0.072
1 month		0.063	0.075	0.071
2 month		0.063	0.097	0.076

Sources: S&P Global and GTCF Analysis

Prior to the announcement of the Business Combination Agreement on 26 April 2023, the last closing CDI price observed was A$0.15 on 24 April. The equity raising announced on the same date had an equivalent CDI price of A$0.170 per CDI, a c.17.2% premium to the last close. However, this should be considered with caution as the Placement price was contingent on the Business Combination being completed and the price adopted for the 468 SPAC was €10.0 per share. This was considerably in excess of the current trading prices and it would have the effect of reducing the effective equity raising prices for the CDIs.

Since the announcement of the Business Combination, Marley Spoon CDIs trading prices have been volatile and they have trended downwards towards A$0.07 per share. The recent trading prices of Marley Spoon are lower than our valuation assessment based on the DCF, however they are in line with the low-end of the selected range over a longer period of time. We are of the opinion that this is not unreasonable due to the impact of the following trends:

- The trading prices have been under pressure as a result of the Q1 and Q2 FY23 results announcement that showed slowing customer demand, worsening revenue growth, and guidance downgrades, trends that other ecommerce companies have experienced.

- Trading prices have been influenced by declining liquidity and reduced market participation by institutional investors.

- Market conditions have deteriorated with inflation around the world remaining high and market commentators and investors now expecting interest rates to remain elevated for a longer period of time.

8 Assessment of the Tender Offer Consideration

In our assessment of the fair market value of the Tender Offer Consideration, we have had regard to the trading price of MSG shares since completion of the Business Combination and listing on the FSE on 12 July 2023 and on the DCF approach.

8.1 Valuation of the Tender Offer Consideration based on the trading prices of MSG

8.1.1 Volume and liquidity analysis

As part of our analysis of MSG's liquidity, we have considered the trading volume from 12 July 2023 to 26 October 2023 as a percentage of the total shares outstanding as well as free float shares outstanding, as outlined in the table below:

Week ended	Volume traded ('000)	Monthly VWAP (€)	Total value of shares traded (€'000)	Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of total shares	Cumulative Volume traded as % of free float shares
14 Jul 2023	4	9.42	41	0.01%	0.05%	0.01%	0.05%
21 Jul 2023	2	9.20	20	0.01%	0.02%	0.02%	0.07%
28 Jul 2023	1	8.85	6	0.00%	0.01%	0.02%	0.08%
4 Aug 2023	5	8.21	40	0.01%	0.05%	0.04%	0.13%
11 Aug 2023	1.6	7.98	12.4	0.00%	0.02%	0.04%	0.14%
18 Aug 2023	-	NA	NA	0.00%	0.00%	0.04%	0.14%
25 Aug 2023	0.0	8.00	0.2	0.00%	0.00%	0.04%	0.14%
1 Sep 2023	1.3	7.73	9.7	0.00%	0.01%	0.04%	0.16%
8 Sep 2023	1.9	7.85	14.8	0.01%	0.02%	0.05%	0.18%
15 Sep 2023	2.1	7.80	16.1	0.01%	0.02%	0.06%	0.20%
22 Sep 2023	5.4	7.30	39.7	0.02%	0.06%	0.07%	0.26%
29 Sep 2023	2.7	6.65	17.9	0.01%	0.03%	0.08%	0.29%
6 Oct 2023	6.7	6.21	41.9	0.02%	0.07%	0.10%	0.36%
13 Oct 2023	0.2	6.06	1.4	0.00%	0.00%	0.10%	0.36%
20 Oct 2023	1.5	6.00	9.0	0.00%	0.02%	0.10%	0.38%
Min				**0.00%**	**0.00%**		
Average				**0.01%**	**0.02%**		
Median				**0.00%**	**0.02%**		
Max				**0.02%**	**0.07%**		

Source: S&P Global and GTCF calculations

With regard to the above analysis, we note that:

- We have estimated MSG's level of free float at approximately 27.51%[46], this is lower than industry peers.
- From the week ended 14 July 2023 to the week ended 06 October 2023, only a limited number of shares was traded.

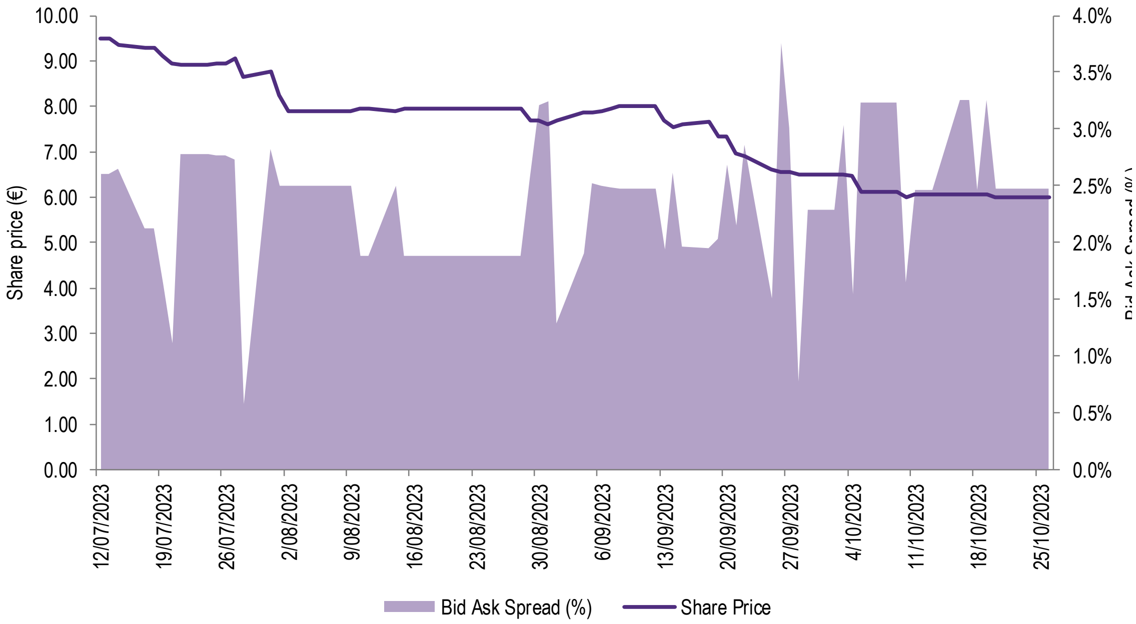
[46] In the absence of accurate free float data available from Capital IQ, we have calculated MSG's free float percentage on the basis of the number of 'other shareholders' that hold public shares, presented in Section 2.8.5 of the Prospectus, divided by the total number of MSG shares, excluding Public Shares held by treasury.

- In the absence of a takeover, merger or other alternative transactions, the trading prices represent the value at which Marley Spoon CDI Holders will be able to realise the Tender Offer Consideration.

- MSG complies with the full disclosure regime required by the FSE and applicable securities law in Germany. As a result, the market is fully informed about the performance of MSG.

In addition to the above, where a company's stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. The graph below shows the bid-ask spread for MSG since 12 July 2023.

MSG – Bid/Ask Spread 12 July 2023 to 26 October 2023



Source: S&P Global and GTCF calculations

As shown in the graph above, the historical difference between the bid and ask price had an average of 2.4%, since 12 July 2023.

Overall, we conclude that the liquidity in MSG Shares is limited, however the circumstances are not materially different from Marley Spoon before the Tender Offer. Further, Marley Spoon CDI Holders accepting the Tender Offer should assist in increasing liquidity.

8.2 Valuation assessment of MSG based on trading prices

We have observed the trading price of MSG since listing, noting that the trading price has gradually declined by approximately 36.3%, from €9.50 on 12 July 2023 to €6.00 on 26 October 2023 with thin volume and a number of days without trading occurring.

Below we present VWAP of the MSG from 12 July 2023 to 26 October 2023, noting the initial issue price on 12 July was €9.50.

VWAP		Low	High	VWAP (€)
Up to	26 Oct 2023			
1 day		6.000	6.000	6.000
1 week		6.000	6.050	6.000
2 week		6.000	6.100	6.138
3 week		6.000	6.550	6.170
1 month		6.000	7.650	6.616
2 month		6.000	8.000	6.899
FTE listing following BCA completion.		6.000	9.500	7.461

Source: S&P Global and GTCF calculations

Despite the limitations discussed above, we have set out below the valuation assessment of the Tender Offer Consideration based on the trading prices of MSG.

Valuation assessment of the Tender Offer consideration	Calculation	Low	High
MS Group Share Price (€)	A	5.50	6.00
Exchange Ratio	B	0.0128	0.0128
Implied Consideration per CDI (€)	**C = A * B**	**0.070**	**0.077**
Implied Consideration per CDI (A$)	**C * Exchange Rate**	**0.117**	**0.128**

Source: S&P Global, GTCF calculations, Management information

8.3 Valuation assessment of Tender Offer Consideration based the DCF approach

We have set out below our assessment of the fair market value of MSG assuming 100% acceptance of the Tender Offer

Assessed value per CDI (equivalent) on a minority basis EUR 'millions, unless otherwise stated	*Section Reference*	Low	High
Enterprise Value (control basis)	*7.1.3*	**128.6**	**156.8**
Less: Net Debt	*8.4*	(66.9)	(66.9)
Less: Chefgood contingent consideration	*7.1.3*	(1.1)	(1.1)
Less: Transaction Costs (post 30 June 2023)	*8.4*	(5.0)	(5.0)
Equity Value (control basis)		**55.8**	**83.9**
Equity Value (control basis) (A$ millions)	*Note 1*	**93.1**	**140.1**
MS Group CDI equivalents - post Direct Offer ('millions)	*5.3, 8.4*	*1,219*	*1,219*
Value per CDI (control basis) (A$)		**0.076**	**0.115**
Control Premium	*Appendix E*	*30.0%*	*30.0%*
Value per CDI (minority basis) (A$)		**0.059**	**0.088**

Source: GT Model; GTCF analysis
Notes: (1) Converted using the Exchange Rate.

We note the following highlights from the comparison to the value per CDI (equivalent) detailed in Section 7.1.3:

- Enterprise Value: the assessed enterprise value for Marley Spoon and MSG is determined to be the same on the basis that there are no material changes to the underlying operations.

- Net Debt: Further to the net debt calculation in Section 7.1.3 of c. €68.0 million[47], there is an additional c. €1.7 million of cash held in MSG (total cash balance of c. €26.8 million). This was a result of the cash proceeds remaining in the 468 SPAC trust account following completion of the Business Combination (primarily relating to the Placement cash proceeds) and the cash payment relating to the Small Holdings Offer. The MSG net debt calculation is provided below.

MSG Pro-Forma Net Debt As at 30 June 2023 (including adjustments post)	EUR'million
Gross Debt	93.7
Add: MSG Cash	(26.8)
MSG Net Debt	**66.9**

Source: GTCF analysis

- Number of CDI equivalents: The table below provides a summary of the proposed capital structure of MSG after completion of the Tender Offer. Please refer to Section 1.1 for further detail.

MSG share capital structure post Tender Offer	Calculation	
MSG shares	A	14,149,820
Marley Spoon CDI Holders (CDIs)[1]	B	113,718,130
Tender Offer Consideration	C	0.0128
Marley Spoon CDI Holders (MSG shares)	D = C x B	1,455,592
MSG shares post Tender Offer	**E = A + D**	**15,605,412**
MSG CDI equivalent post Tender Offer	**F = E / C**	**1,219,172,818**

Source: GTCF analysis; Management Information
Note (1): Marley Spoon CDIs reflect CDIs listed on the ASX after the approximately 4.0 million CDIs were acquired as part of the Small Holdings Offer.

Our valuation assessment under the DCF approach after the application of a minority discount is lower than the trading prices of MSG on the FSE. We are of the opinion that this is due to the limited liquidity of MSG shares and the dilution resulting from the shares issued to the Sponsors, which may not necessarily be fully captured into the trading prices.

[47] The net debt of Marley Spoon was transferred as part of the Business Combination. The net debt calculation of MSG reflects the pro-forma financials as provided in the prospectus.

9 Sources of information, disclaimer and consents

9.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Annual reports/consolidated accounts of Marley Spoon for FY20, FY21, FY22 and H1 FY23.
- Prospectus
- Tender Offer Document
- Management presentations and CFO reports.
- Management's FY23 guidance provided to the market and future performance expectations for FY24 from the Company's internal modelling.
- Debt agreements
- Other financial and operational reports provided by Management
- Transaction databases such as S&P Global Capital IQ and Mergermarket
- IBISWorld
- Other industry reports provided by the Company
- Various broker reports for the Company and for the listed peers.
- Other publicly available information.

In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of Marley Spoon and its advisers.

9.2 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This Report has been prepared to assist the Directors of Marley Spoon in advising the Marley Spoon CDI Holders in relation to the Tender Offer. This Report should not be used for any other purpose. In particular, it is not intended that this Report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Tender Offer is fair and in the best interest of the Marley Spoon CDI Holders.

Marley Spoon has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

9.3 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Prospectus to be sent to the Marley Spoon CDI Holders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses. This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model. Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction. Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Appendix B – Discount rate

Introduction

The cash flow assumptions underlying the DCF approach are on a nominal, ungeared and post-tax basis. Accordingly, we have assessed a range of nominal post-tax discount rates for the purpose of calculating the net present value of the cash flows.

The discount rates were determined using the WACC formula. The WACC represents the average rates of return required by providers of debt and equity capital to compensate for the time value of money and the perceived risk or uncertainty of the cash flows, weighted in proportion to the market value of the debt and equity capital provided. However, we note that the selection of an appropriate discount rate is ultimately a matter of professional judgment.

Under a classical tax system, the nominal WACC is calculated as follows:

$$\mathrm{WACC} = \mathrm{R_d} \times \frac{\mathrm{D}}{\mathrm{D+E}} \times (1-\mathrm{t}) + \mathrm{R_e} \times \frac{\mathrm{E}}{\mathrm{D+E}}$$

Where:

- Re = the required rate of return on equity capital;
- E = the market value of equity capital;
- D = the market value of debt capital;
- Rd = the required rate of return on debt capital; and
- t = the statutory corporate tax rate.

Required rate of return on equity capital

We have used the Capital Asset Pricing Model ("CAPM"), which is commonly used by practitioners, to calculate the required return on equity capital.

The CAPM assumes that an investor holds a large portfolio comprising risk-free and risky investments. The total risk of an investment comprises systematic risk and unsystematic risk. Systematic risk is the variability in an investment's expected return that relates to general movements in capital markets (such as the share market) while unsystematic risk is the variability that relates to matters that are unsystematic to the investment being valued.

The CAPM assumes that unsystematic risk can be avoided by holding investments as part of a large and well-diversified portfolio and that the investor will only require a rate of return sufficient to compensate for the additional, non-diversifiable systematic risk that the investment brings to the portfolio. Diversification cannot eliminate the systematic risk due to economy-wide factors that are assumed to affect all securities in a similar fashion.

Accordingly, whilst investors can eliminate unsystematic risk by diversifying their portfolio, they will seek to be compensated for the non-diversifiable systematic risk by way of a risk premium on the expected return. The extent of this compensation depends on the extent to which the company's returns are correlated with the market as a whole. The greater the systematic risk faced by investors, the larger the required return on capital will be demanded by investors.

The systematic risk is measured by the investment's beta. The beta is a measure of the co-variance of the expected returns of the investment with the expected returns on a hypothetical portfolio comprising all investments in the market - it is a measure of the investment's relative risk.

A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment the higher the beta of the investment.

The CAPM assumes that the return required by an investor in respect of an investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of the investment by the return earned on the market portfolio in excess of the risk-free rate.

Under the CAPM, the required nominal rate of return on equity (Re) is estimated as follows:

$$R_e = R_f + \beta_e (R_m - R_f)$$

Where:

- Rf = risk free rate
- βe = expected equity beta of the investment
- (Rm – Rf) = market risk premium

*Risk-free rate – **2.75%***

In the absence of an official risk free rate, the yield on government bonds (in an appropriate jurisdiction) is commonly used as a proxy. Accordingly, we have observed the yield on the 10-year Euro Government bond over several intervals from a period of 5 trading days to 10 trading years, on the basis that the cash flow currency is Euro. The following table sets out the average yield on the AAA-rated Euro Area Central Government Bond over the last 10 years.

AAA-Rated Euro Area Central Government Bond - 10 Year Valuation Date: October 26, 2023	Low	High	Average
Previous 5 trading days	2.89%	2.98%	2.93%
Previous 10 trading days	2.86%	3.00%	2.93%
Previous 20 trading days	2.76%	3.00%	2.88%
Previous 30 trading days	2.73%	3.03%	2.88%
Previous 60 trading days	2.52%	3.03%	2.78%
Previous 1 year trading	1.85%	3.03%	2.44%
Previous 2 years trading	-0.38%	3.03%	1.33%
Previous 3 years trading	-0.62%	3.03%	1.21%
Previous 5 years trading	-0.82%	3.03%	1.11%
Previous 10 years trading	-0.82%	3.03%	1.11%

Source: Capital IQ and GTCF calculations

Given the historically low Government Bond yields around the world as market uncertainty was heightened during COVID-19, our adopted risk-free rate of 2.75% is based on a long-term yield, considering the spot Euro 10-year Government Bonds as of the valuation date.

We note from discussions with Management that the Management's internal model incorporates forecast forex rates when converting each jurisdiction's local currency forecast into the consolidated internal modell (US and Australian forecast is produced in USD and AUD, respectively). However, upon review of the forecast rates, we note these only include FY23 estimates. On the basis that the US and Australia Government Bond yields are higher than Euro[48], we consider there may be additional risk not captured within the 2.75% Euro risk-free rate. We discuss this further in the specific risk premium narrative below.

Market risk premium ***– 6.0%***

The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to assets on which a risk free rate of return is earned. However, given the inherent high volatility of realised rates of return, especially for equities, the market risk premium can only be meaningfully estimated over long periods of time. In this regard, Grant Thornton studies of the historical risk premium over periods of 20 to 80 years suggest a risk premium of 6.0% for the Euro area markets.

For the purpose of the WACC assessment, Grant Thornton Corporate Finance has adopted a market risk premium of 6.0%.

Equity beta – ***1.50 to 1.65***

The beta measures the expected relative risk of the equity in a company. The choice of the beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

Equity betas are typically calculated from historical data. These are then used as a proxy for the future which assumes that the relative risk of the past will continue into the future. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity.

For the purpose of the report, we would normally have regard to the observed betas (equity betas) of listed companies operating in the relevant industry. Given the niche nature of Marley Spoon's business there were a lack of directly comparable companies with reliable data, we therefore considered listed companies operating across five market categories – meal kits, food delivery, fast foods, groceries/supermarkets and

[48] Australia and US 10 year Government Bond Yield – Previous 60 trading day average of 3.56% and 3.73%.

restaurants, as outlined in the table below we assigned a weighting to each category based on GTCF's comparability assessment (refer Appendix C for companies considered within each category).

We have performed regressions of the historical betas across companies operating in the five categories over a 2-year weekly[49] time period with local indices. The beta for the meal kits category in particular considers that of Marley Spoon and Hello Fresh given the betas for the remaining selected GPCs in the category were not statistically relevant i.e., trading at a lower R-squared over a 2-year weekly time period, and accordingly we were not able to rely upon them.

Comparable peer categories	Debt/capital		Unlevered Beta		Category weights (GT analysis/ assumptions)
	2YR Cap structure	5YR Cap structure	2YR Cap structure	5YR Cap structure	
Category 1 - Meal kits	45.5%	24.8%	0.99	1.14	50.0%
Category 2 - Food delivery	22.1%	23.5%	1.39	1.55	20.0%
Category 3 - Fast foods	25.0%	20.4%	0.75	0.79	10.0%
Category 4 - Groceries/ supermarkets	38.8%	40.4%	0.39	0.36	10.0%
Category 5 - Resturants	25.7%	24.3%	0.64	0.65	10.0%

Source: S&P Global and GTCF calculations

Note (1): Equity betas are calculated using data provided by S&P Global as at 26 October 2023. The betas are based on a two-year period with weekly observations based on the local index or MSCI indices. Betas have been ungeared based on the average gearing ratio (i.e. net debt divided by total capital although some practitioners relever using net debt divided by shareholders' equity based on market values). Betas have been regeared based on the assumed 2-year and 5-year capital structure.

It should be noted that the above betas are drawn from the actual and observed historical relationship between risk and returns. From these actual results, the expected relationship is estimated generally on the basis of extrapolating past results. Despite the arbitrary nature of the calculations, it is important to assess their commercial reasonableness.

Consequently, while measured equity betas of the listed comparable companies provide useful benchmarks against which the equity beta used in estimating the cost of equity for the predevelopment assets, the selection of an unsystematic equity beta requires a level of judgement.

The asset betas of the selected companies are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable companies, a process commonly referred as de-gearing. We have then recalculated the equity beta based on an assumed 'optimal' capital structure deemed appropriate for the business (regearing). This is a subjective exercise, which carries a significant possibility of estimation error.

We used the following formula to undertake the de-gearing and regearing exercise:

$$\beta_e = \beta_a \left[1 + \frac{D}{E} \times (1 - t) \right]$$

Where:

- βe = Equity beta
- βa = Asset beta
- t = corporate tax rate

[49] Preferred to the 5-year monthly betas, which were considered but not ultimately relied upon due to the significant growth experienced during the Covid-19 pandemic and a lack of statistically reliable data points.

The betas are de-geared using the average historical gearing levels of those respective companies over several years. We then re-geared the betas based on the approximate 5-year average capital structure of Marley Spoon. This approach has been preferred rather than using a market participation capital structure to re-lever the asset beta on the basis that it incorporates the risk profile of Marley Spoon's current capital structure.

As a result for the purposes of our valuation we have selected a beta range of between 1.50 and 1.65 to calculate the required rate of return on equity capital.

Specific risk premium

The specific risk premium represents the additional return an investor expects to receive to compensate for country, size and project related risk not reflected in the beta of observed comparable companies. We have applied a specific risk premium of 2.0% and 3.0% to reflect:

- The risk associated with the perceived uncertainties associated with operating forecast, including the growth to profitability.
- The current spot gearing of Marley Spoon is c. 30.0% higher than the five-year average, therefore there is considerable financial risk associated with the level of gearing of the existing Marley Spoon capital structure not captured;
- As discussed earlier in this appendix, the forecast forex rates beyond FY23 are flat with the FY23 estimates. We therefore consider there may be additional risk not captured in the risk-free rate relating to the US and Australian operations[50], which account for the majority of Marley Spoon operations.

We note that the selection of the specific risk premium involves a certain level of professional judgement and as a result, the total specific risk premium is not fully quantifiable with analytical data.

*Cost of debt – **11.0% - 12.0%***

For the purpose of estimating the cost of debt applicable to Marley Spoon, Grant Thornton Corporate Finance has considered the following:

- The existing Runway debt facility which holds an interest rate of 7.5% plus the three-month SOFR.
- New asset financing agreement with NAB in Q4 FY22 for €0.9 million at an interest rate of 7.02%
- During Q1 FY23 a new €5.0 million loan facility was obtained from BVB, retaining the same interest as previous facilities with BVB of 6.5% + EURIBOR.

Based on the above, Grant Thornton Corporate Finance has adopted a cost of debt between 11.0% and 12.0% on a pre-tax basis.

Capital Structure

Grant Thornton Corporate Finance has considered the gearing ratio which a hypothetical purchaser of the business would adopt in order to generate a balanced return given the inherent risks associated with debt

[50] Accounting for 89.7% of FY23 Net Revenue (per Management geographical breakdown figures)

financing. Factors which a hypothetical purchaser may consider include the shareholders' return after interest payments, and the business' ability to raise external debt.

The appropriate level of gearing that is utilised in determining WACC for a particular company should be the "target" gearing ratio, rather than the actual level of gearing, which may fluctuate over the life of a company. The target or optimal gearing level can therefore be derived based on the trade-off theory which stipulates that the target level of gearing for a project is one at which the present value of the tax benefits from the deductibility of interest are offset by present value of costs of financial distress. In practice, the target level of gearing is evaluated based on the quality and variability of cash flows. These are determined by:

- the quality and life cycle of a company;
- the quality and variability of earnings and cash flows;
- working capital;
- level of capital expenditure; and
- the risk profile of the assets.

For the purpose of the valuation, Grant Thornton Corporate Finance has adopted a capital structure based on 40.0% debt and 60.0% equity.

*Tax rate – **25.0%***

For the purpose of our valuation assessment, we have assumed a corporate tax rate of 25.0%, weighted by FY23 revenue of the countries in which Marley Spoon operates.

Discount rate summary

WACC calculation	Low	High	Mid
Cost of Equity			
Risk-free rate	2.75%	2.75%	2.75%
Plus: Equity risk premiums			
Equity risk premium	6.0%	6.0%	6.0%
Relevered equity beta	1.50	1.65	1.58
Specific risk premium	2.0%	3.0%	2.5%
Total Cost of Equity	**13.8%**	**15.7%**	**14.7%**
Cost of Debt			
Pre-tax weighted cost of debt	11.0%	12.0%	11.5%
Estimated tax rate	25.0%	25.0%	25.0%
After-tax Cost of Debt	**8.3%**	**9.0%**	**8.6%**
Debt % of Capital	40.0%	40.0%	40.0%
Equity % of Capital	60.0%	60.0%	60.0%
Weighted Average Cost of Capital (rounded)	**11.6%**	**13.0%**	**12.3%**

Source: GTCF Analysis

Grant Thornton

Appendix C – Comparable companies descriptions

Company	Category	Description
Marley Spoon SE	1	Marley Spoon SE provides subscription-based weekly meal kit services in Australia, the United States, Austria, Belgium, Denmark, Germany, and the Netherlands. It creates and delivers original recipes directly to customers for them to prepare and cook; and offers ready-to-heat meals. The company sells its products under the Marley Spoon, Dinnerly, and Chefgood brands. Marley Spoon SE was incorporated in 2014 and is headquartered in Berlin, Germany.
Blue Apron Holdings, Inc.	1	Blue Apron Holdings, Inc. operates a direct-to-consumer platform that delivers original recipes with fresh and seasonal ingredients. The company also operates Blue Apron Market, an e-commerce market that provides cooking tools, utensils, pantry items, and other products. In addition, it offers Blue Apron Wine, a direct-to-consumer wine delivery service that sells wines, which can be paired with its meals. The company serves young couples, families, singles, and empty nesters. It offers its services through order selections on Website or mobile application primarily in the United States. The company was founded in 2012 and is headquartered in New York, New York.
Goodfood Market Corp.	1	Goodfood Market Corp., an online grocery company, delivers fresh meals and grocery items in Canada. It offers ready-to-eat and ready-to-cook products, which include bakery, dessert, meat and seafood, drinks, pantry, produce, snacks, dairy, frozen, kitchen essentials, etc. The company is headquartered in Montréal, Canada.
HelloFresh SE	1	HelloFresh SE, together with its subsidiaries, delivers meal kit solutions to prepare home-cooked meals using its recipes. The company offers premium meals, double portions, and others, as well as add-ons, such as soups, snacks, fruit boxes, desserts, ready-to-eat meals, and seasonal boxes. The company has operations in the United States, Australia, Austria, Belgium, Canada, Germany, France, Luxembourg, the Netherlands, New Zealand, Switzerland, Sweden, Denmark, Norway, Italy, Japan, and the United Kingdom. It operates under the HelloFresh brand; and owns the Chefs Plate, EveryPlate, Factor75, Green Chef, and YouFoodz brand names. HelloFresh SE was founded in 2011 and is headquartered in Berlin, Germany.
My Food Bag Group Limited	1	My Food Bag Group Limited engages in online meal-kit, grocery items, and pre-prepared ready to heat meal delivery business in New Zealand. It offers a range of meal kit bags under the My Food Bag, Bargain Box, and Fresh Start brands. The company was formerly known as MFB Group Limited and changed its name My Food Bag Group Limited in January 2021. The company was founded in 2013 and is based in Auckland, New Zealand.
LMK Group AB (publ)	1	LMK Group AB (publ) supplies and delivers meal kits to the customer's front door in Sweden, Norway, and Denmark. It operates under the Linas Matkasse, Godtlevert, Adams Matkasse, and RetNemt brand names. The company was founded in 2008 and is headquartered in Sundbyberg, Sweden.
Delivery Hero SE	2	Delivery Hero SE offers online food ordering and delivery services. It operates approximately in 50 countries in Europe, the Middle East, North Africa, Asia, and the Americas. The company was founded in 2011 and is headquartered in Berlin, Germany.
Just Eat Takeaway.com N.V.	2	Just Eat Takeaway.com N.V. operates an online food delivery marketplace in the Netherlands and internationally. It focuses on connecting consumers and restaurants through its platforms. The company was founded in 2000 and is headquartered in Amsterdam, the Netherlands.
Deliveroo plc	2	Deliveroo plc operates an online food delivery platform. It connects local consumers, riders and restaurants, and grocery partners. The company operates in the United Kingdom, Ireland, France, Italy, Belgium, Hong Kong, Singapore, the United Arab Emirates, Kuwait, and Qatar. Deliveroo plc was founded in 2013 and is based in London, the United Kingdom.
DoorDash, Inc.	2	DoorDash, Inc. operates a logistics platform that connects merchants, consumers, and dashers in the United States and internationally. It operates DoorDash and Wolt marketplaces, which provides an array of services that enable merchants to solve mission-critical challenges, such as customer acquisition, delivery, insights and analytics, merchandising, payment processing, and customer support; DashPass and Wolt+, a membership products; and offers DoorDash Drive and Wolt Drive, a white-label delivery fulfillment services; DoorDash Storefront that enables merchants to offer consumers on-demand access to e-commerce; and Bbot, which offers merchants digital ordering and payment solutions for in-store and online channels. The company was formerly known as Palo Alto Delivery Inc. and changed its name to DoorDash, Inc. in 2015. DoorDash, Inc. was incorporated in 2013 and is headquartered in San Francisco, California.
Domino's Pizza Enterprises Limited	3	Domino's Pizza Enterprises Limited operates retail food outlets. The company holds franchise rights for the Domino's brand in Australia, New Zealand, Belgium, France, the Netherlands, Japan, Germany, Luxembourg, Denmark, and Taiwan. It operates a network of 3,396 stores. Domino's Pizza Enterprises Limited was founded in 1983 and is based in Brisbane, Australia.
Papa John's International, Inc.	3	Papa John's International, Inc. operates and franchises pizza delivery and carryout restaurants under the Papa John's trademark in the United States and internationally. It operates through four segments: Domestic Company-Owned Restaurants, North America Commissaries, North America Franchising, and International Operations. The company also operates dine-in and delivery restaurants under the Papa John's trademark internationally. The company was founded in 1984 and is based in Louisville, Kentucky.

Source: S&P Global

Company	Category	Description
Domino's Pizza, Inc.	3	Domino's Pizza, Inc., through its subsidiaries, operates as a pizza company in the United States and internationally. The company operates through three segments: U.S. Stores, International Franchise, and Supply Chain. It offers pizzas under the Domino's brand name through company-owned and franchised stores. It also provides oven-baked sandwiches, pasta, boneless chicken and chicken wings, bread and dips side items, desserts, and soft drink products. Domino's Pizza, Inc. was founded in 1960 and is based in Ann Arbor, Michigan.
McDonald's Corporation	3	McDonald's Corporation operates and franchises McDonald's restaurants in the United States and internationally. The company's restaurants offer hamburgers and cheeseburgers, chicken sandwiches and nuggets, fries, salads, shakes, frozen desserts, sundaes, soft serve cones, bakery items, soft drinks, coffee, and beverages and other beverages, as well as breakfast menu, including muffins, Sausages, biscuit and bagel sandwiches, oatmeal, hash browns, breakfast burritos and hotcakes. McDonald's Corporation was founded in 1940 and is headquartered in Chicago, Illinois.
Tesco PLC	4	Tesco PLC, together with its subsidiaries, engages in retailing and retail banking activities. It provides food products through approximately 4,752 stores in the United Kingdom, Republic of Ireland, the Czech Republic, Slovakia, and Hungary, as well as through online. The company is also involved in the food and drink wholesaling activities. In addition, it offers banking and insurance services in the United Kingdom. Further, the company operates a network of one stop convenience stores; and provides data science, technology, software, and consultancy services. Tesco PLC was founded in 1919 and is headquartered in Welwyn Garden City, the United Kingdom.
J Sainsbury plc	4	J Sainsbury plc, together with its subsidiaries, engages in the food, general merchandise and clothing retailing, and financial services activities in the United Kingdom and the Republic of Ireland. It operates through three segments: Retail – Food, Retail – General Merchandise and Clothing, and Financial Services. The company operates various store formats, including convenience stores and supermarkets. It is also involved in the online grocery and general merchandise operations. In addition, it offers financial services, such as credit cards, scorecards, and personal loans; and home, car, pet, travel, and life insurance products. The company was founded in 1869 and is headquartered in London, the United Kingdom.
Marks and Spencer Group plc	4	Marks and Spencer Group plc operates various retail stores. It operates through five segments: UK Clothing & Home, UK Food, International, Ocado, and All Other. The company offers protein deli and dairy; produce; ambient and in-store bakery; meals dessert and frozen; and hospitality and 'Food on the Move' products. The company also provides womenswear, menswear, lingerie, kids wear, and home products; financial services, including credit cards, payment solutions, insurances, savings, and loans; and renewable energy services. In addition, it invests in and develops real estate properties; operates international franchises; and provides its products online. The company also exports its products. It operates 1,487 stores in worldwide. The company was founded in 1884 and is headquartered in London, the United Kingdom.
Woolworths Group Limited	4	Woolworths Group Limited operates retail stores. It operates through Australian Food, Australian B2B, New Zealand Food, BIG W, and Other segments. The Australian Food segment procures and resells food and related products, and provides services to customers in Australia. It operates 1,087 Woolworths supermarkets and Metro Food stores. The Australian B2B segment engages in procurement and distribution of food and related products for resale to other businesses, as well as provision of supply chain services to business customers in Australia. The New Zealand Food segment is involved in the procurement and resale of food and drinks, and provides services to retail customers in New Zealand. This segment operates 190 countdown supermarkets. The BIG W segment procures and resells discount general merchandise products to customers in Australia. This segment operates 176 BIG W stores. Woolworths Group Limited also engages in the wholesale operation. The company was formerly known as Woolworths Limited and changed its name to Woolworths Group Limited in December 2017. Woolworths Group Limited was incorporated in 1924 and is based in Bella Vista, Australia.
Coles Group Limited	4	Coles Group Limited operates as a retailer in Australia. It operates through Supermarkets, Liquor, and Express segments. The company operates 835 supermarkets; and coles.com.au, which offers a choice of home delivery, including same-day, overnight drop and go services, and pick up from click and collect locations. Its Coles Financial Services provides insurance, credit cards, and personal loans to Australian families. The company is also involved in the retailing of liquor through its 933 stores under the Liquorland, First Choice, First Choice Liquor, and Vintage Cellars brand names. In addition, it operates 711 fuel and convenience stores; and operates as flybuys loyalty program. The company was formerly known as Coles Myer Ltd. and changed its name to Coles Group Limited. Coles Group Limited was founded in 1914 and is based in Hawthorn East, Australia.

Source: S&P Global

Company	Category	Description
The Kroger Co.	4	The Kroger Co. operates as a food and drug retailer in the United States. The company operates combination food and drug stores, multi-department stores, marketplace stores, and price impact warehouses. Its combination food and drug stores offer natural food and organic sections, pharmacies, general merchandise, pet centers, fresh seafood, and organic produce; and multi-department stores provide apparel, home fashion and furnishings, outdoor living, electronics, automotive products, and toys. The company's marketplace stores offer full-service grocery, pharmacy, health and beauty care, and perishable goods, as well as general merchandise, including apparel, home goods, and toys; and price impact warehouse stores provide grocery, and health and beauty care items, as well as meat, dairy, baked goods, and fresh produce items. It also manufactures and processes food products for sale in its supermarkets and online; and sells fuel through fuel centers. The Kroger Co. was founded in 1883 and is based in Cincinnati, Ohio.
Albertsons Companies, Inc.	4	Albertsons Companies, Inc., through its subsidiaries, engages in the operation of food and drug stores in the United States. The company's food and drug retail stores offer grocery products, general merchandise, health and beauty care products, pharmacy, fuel, and other items and services. It also manufactures and processes food products for sale in stores. It operates stores under various banners, including Albertsons, Safeway, Vons, Pavilions, Randalls, Tom Thumb, Carrs, Jewel-Osco, Acme, Shaw's, Star Market, United Supermarkets, Market Street, Haggen, Kings Food Markets, and Balducci's Food Lovers Market; and pharmacies, in-store branded coffee shops, adjacent fuel centers, distribution centers, and manufacturing facilities, as well as various digital platforms. The company was founded in 1860 and is headquartered in Boise, Idaho. Albertsons Companies, Inc. operates as a subsidiary of Albertsons Investor Holdings LLC.
Koninklijke Ahold Delhaize N.V.	4	Koninklijke Ahold Delhaize N.V. operates retail food stores and e-commerce primarily in the United States and Europe. The company's stores offer produce, dairy, meat, deli, bakery, seafood, and frozen products; grocery, dairy, and beer and wine; floral, pet food, health and beauty care, kitchen and cookware, gardening tools, general merchandise articles, electronics, newspapers and magazines, tobacco, etc.; gasoline; and pharmacy products. It operates its supermarkets, convenience stores, and online stores under the Food Lion, Stop & Shop, The GIANT Company, Hannaford, Giant Food, FreshDirect, Albert Heijn, bol.com, Etos, Gall & Gall, Delhaize, Albert, Alfa Beta Vassilopoulos, Mega Image, and Delhaize Serbia brands. The company was formerly known as Koninklijke Ahold N.V. and changed its name to Koninklijke Ahold Delhaize N.V. in July 2016. Koninklijke Ahold Delhaize N.V. was founded in 1867 and is headquartered in Zaandam, the Netherlands.
Ingles Markets, Incorporated	4	Ingles Markets, Incorporated operates a chain of supermarkets in the southeast United States. It offers food products, including grocery, meat and dairy products, produce, frozen foods, and other perishables; and non-food products, which include fuel centers, pharmacies, health and beauty care products, and general merchandise, as well as private label items. The company also owns and operates a milk processing and packaging plant that supplies organic milk, fruit juices, and bottled water products to other retailers, food service distributors, and grocery warehouses. In addition, it provides home meal replacement items, delicatessens, bakeries, floral departments, and greeting cards, as well as broad selections of local organic, beverage, and health-related items. It operates under the brand names Ingles, Sav-Mor, as well as pharmacies and fuel stations. Ingles Markets, Incorporated was founded in 1963 and is headquartered in Asheville, North Carolina.
Chipotle Mexican Grill, Inc.	5	Chipotle Mexican Grill, Inc., together with its subsidiaries, owns and operates Chipotle Mexican Grill restaurants. It offers burritos, burrito bowls, quesadillas, tacos, and salads. The company was founded in 1993 and is headquartered in Newport Beach, California.
Restaurant Brands International Inc.	5	Restaurant Brands International Inc. operates as a quick-service restaurant company in Canada, the United States, and internationally. It operates through four segments: Tim Hortons (TH), Burger King (BK), Popeyes Louisiana Kitchen (PLK), and Firehouse Subs (FHS). The company owns and franchises TH chain of donut/coffee/tea restaurants that offer blend coffee, tea, and espresso-based hot and cold specialty drinks; and fresh baked goods, including donuts, Timbits, bagels, muffins, cookies and pastries, grilled paninis, classic sandwiches, wraps, soups, and other food products. It is also involved in owning and franchising BK, a fast-food hamburger restaurant chain, which offers flame-grilled hamburgers, chicken and other specialty sandwiches, French fries, soft drinks, and other food items; and PLK quick service restaurants that provide Louisiana-style fried chicken, chicken tenders, fried shrimp and other seafood, red beans and rice, and other regional items. In addition, the company owns and franchises FHS quick service restaurants that offer meats and cheese, chopped salads, chili and soups, signature and other sides, soft drinks, and local specialties. Restaurant Brands International Inc. was founded in 1954 and is headquartered in Toronto, Canada.
Darden Restaurants, Inc.	5	Darden Restaurants, Inc., through its subsidiaries, owns and operates full-service restaurants in the United States and Canada. It operates under Olive Garden, LongHorn Steakhouse, Cheddar's Scratch Kitchen, Yard House, The Capital Grille, Seasons 52, Bahama Breeze, Eddie V's Prime Seafood, and Capital Burger brands. Darden Restaurants, Inc. was founded in 1968 and is based in Orlando, Florida.
Compass Group PLC	5	Compass Group PLC operates as a food and support services company in North America, Europe, and internationally. The company offers support services, such as cleaning in hospitals; reception services at corporate headquarters; managing remote camps; grounds and facilities services at schools and universities; and others. It serves business and industry; healthcare and senior living market; education; sports and leisure; and defense, offshore, and remote sectors. The company was founded in 1941 and is based in Chertsey, the United Kingdom.
Yum! Brands, Inc.	5	Yum! Brands, Inc., together with its subsidiaries, develops, operates, and franchises quick service restaurants worldwide. The company operates through four segments: the KFC Division, the Taco Bell Division, the Pizza Hut Division, and the Habit Burger Grill Division. It operates restaurants under the KFC, Pizza Hut, Taco Bell, and The Habit Burger Grill brands, which specialize in chicken, pizza, made-to-order chargrilled burgers, sandwiches, Mexican-style food categories, and other food products. The company was formerly known as TRICON Global Restaurants, Inc. and changed its name to Yum! Brands, Inc. in May 2002. Yum! Brands, Inc. was incorporated in 1997 and is headquartered in Louisville, Kentucky.
Collins Foods Limited	5	Collins Foods Limited engages in the operation, management, and administration of restaurants in Australia, Europe, and Asia. The company operates restaurants under the KFC, Taco Bell, and Sizzler brands. Collins Foods Limited was founded in 1969 and is based in Hamilton, Australia.

Source: S&P Global

Appendix D – Comparable transaction targets descriptions

Target Company	Description
Super Fresh Foods USA	Super Fresh Foods USA, through a partnership with All Your Foods, operates meal-subscription platform to deliver meals. The company was founded in 2022 and is based in the United States. As of March 2, 2023, Super Fresh Foods USA operates as a subsidiary of Golden Star Enterprises Ltd.
Go Buddha LLC	As of February 5, 2023, Go Buddha LLC was acquired by Meal Plan Pros. Go Buddha LLC provides healthy meals to people at home with meals delivered to their doors. The company was incorporated in 2019 and is based in Lakewood, Ohio.
The Spice Tailor Limited	The Spice Tailor Limited manufactures and sells Indian and Southeast Asian meal kits and accompaniments. The Spice Tailor Limited was formerly known as Spice Tailor Limited and changed its name to The Spice Tailor Limited in May 2010. The company was incorporated in 2010 and is based in London, United Kingdom. As of August 31, 2022, The Spice Tailor Limited operates as a subsidiary of Premier Foods plc.
Vegano Foods Inc.	As of June 20, 2022, Vegano Foods Inc. was acquired by SMPL Oats Ltd., in a reverse merger transaction. Vegano Foods Inc. provides plant-based meal-kits and grocery products in Canada. The company offers sauces, soups, and protein powders. It also sells its products through online platform. The company was incorporated in 2020 and is based in Vancouver, Canada.
Smartmat N.V.	Smartmat N.V. provides food delivery services in the form of dinner boxes. The company focuses on local and biological ingredients. The company was founded in 2012 and is based in Antwerp, Belgium.
Community Chef - Good Food For All C.I.C.	Community Chef - Good Food For All C.I.C. offers cookery training courses for cookery leaders, food banks, community cafes, and community organizations. It also offers cookery workshops, cookery demonstrations, capacity building training, catering, and community food consultancy services. The Chef Good brand manufactures and delivers ready-to-heat meals in Australia. The company was founded in 2001 and is based in Lewes, United Kingdom. As of January 4, 2022, Community Chef - Good Food For All C.I.C. operates as a subsidiary of Marley Spoon AG.
Youfoodz Holdings Limited	Youfoodz Holdings Limited engages in the production and distribution of ready-made meals, protein-packed snacks, cold-pressed juices, and gift cards in Australia. It serves supermarkets, independent grocers, and petrol and convenience stores; and corporate, government, and residential customer. Youfoodz Holdings Limited was founded in 2012 and is based in Virginia, Australia. As of October 13, 2021, Youfoodz Holdings Limited operates as a subsidiary of Cook E Services Australia Pty Ltd.
Longo Brothers Fruit Markets Inc.	Longo Brothers Fruit Markets Inc. owns and operates a chain of grocery stores. It offers grocery gateways, takeout, and meal kits; and sells home-delivered groceries online. The company was founded in 1956 and is based in Vaughan, Canada. Longo Brothers Fruit Markets Inc. operates as a subsidiary of Empire Company Limited.
SimplyCook Ltd.	SimplyCook Ltd., doing business as SimplyCook.com, provides subscription-based cooking recipes and ingredient kits online. It also offers gift kits. The company was incorporated in 2014 and is based in London, United Kingdom.
Factor75, LLC	Factor75, LLC prepares and delivers organic meals to homes and offices. The company offers organic and non-GMO meal plans, which include paleo plan, keto plan, and gluten-free diet. Further, the company offers meals for breakfast, lunch, and dinner, including grass-fed and pastured meats with low-glycemic carbohydrates, which are free of gluten, soy, antibiotics, and hormones, with no added sugar or artificial sweeteners. Additionally, the company offers subscription plans for its customer through which the orders are placed on an automated recurring basis, every Wednesday. In addition, the company offers nutritional supplements and diet consulting services. It also offers its products at health clubs and fitness centers. Factor75, LLC was formerly known as Optimal Performance LLC. The company was founded in 2011 and is based in Batavia, Illinois with additional operations in Chicago, Illinois. Factor75, LLC operates as a subsidiary of HelloFresh SE.

Source: S&P Global, Mergermarket

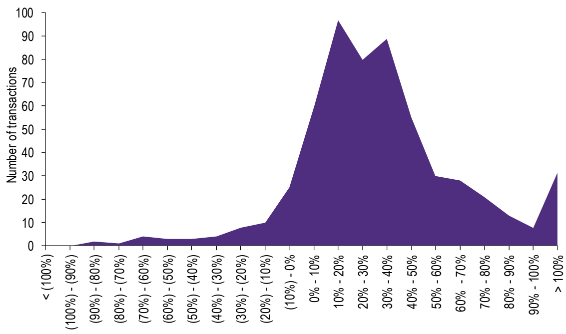
Target Company	Description
Mindful Chef Ltd	Mindful Chef Ltd. provides recipe box services to households in the United Kingdom and Scotland. It enables users to choose new healthy recipes listed in its website; and sources and delivers the required ingredients from farms to cook the recipes. The company was incorporated in 2014 and is based in London, United Kingdom. As of November 9, 2020, Mindful Chef Ltd operates as a subsidiary of Nestlé UK Ltd.
My Muscle Chef Pty Ltd	My Muscle Chef Pty Ltd delivers freshly prepared high protein meals in Australia. It also supplies a range of protein types, including chicken, beef, lamb, seafood, and plant-based protein options. Its custom services include selection of meal plans and pre-selected sets for different dietary requirements through its web and mobile application. The company was incorporated in 2013 and is based in Fairfield, Australia.
Freshly Inc.	Freshly Inc. produces and delivers freshly prepared meals online. The company's meals menu includes entrees and breakfasts with dairy products, eggs, pork, tree nuts, chicken, beef, turkey, fish, soy, shellfish, and others. It offers monthly and weekly subscriptions. Freshly Inc. was formerly known as F3 Foods of Arizona, Inc. and changed its name to Freshly Inc. in December 2014. The company was founded in 2012 and is based in New York, New York. It has operations in Phoenix, Arizona; Savage, Maryland; Linden, New Jersey; Commerce, California; and Austell, Georgia. As of October 30, 2020, Freshly Inc. operates as a subsidiary of Nestlé USA, Inc.
Three Limes, Inc.	Three Limes, Inc., doing business as The Purple Carrot, sells plant-based meals online. It also offers breakfast, lunch, and packaged snacks. The company was incorporated in 2014 and is based in Needham, Massachusetts. As of April 2019, Three Limes, Inc. operates as a subsidiary of Oisix ra daichi Inc.
Chef's Plate Inc.	Chef's Plate Inc. sells fresh ingredients, groceries, and meal kits online in Ontario, British Columbia, Alberta, and Manitoba. The company was founded in 2014 and is based in Toronto, Canada. Chef's Plate Inc. operates as a subsidiary of HelloFresh SE.
Relish Labs LLC	Relish Labs LLC, doing business as Home Chef, provides a fresh ingredient and recipe delivery service. It offers a meal delivery service that includes fresh ingredients and instructions needed to cook restaurant quality meals for two, four, or six people in the home kitchen. The company was founded in 2013 and is based in Chicago, Illinois. As of June 22, 2018, Relish Labs LLC operates as a subsidiary of The Kroger Co.
Riverford Organic Vegetables Ltd.	Riverford Organic Vegetables Ltd. produces and distributes vegetables. It offers organic farm food products that include vegetable boxes, recipe boxes, vegetables, salads, seasonal stars, meats, fruits, dairy products, and eggs; and organic grocery products, such as breakfasts, cheese, chocolates, preserves, wines, beer and ciders, fruit juices, and soft drinks. The company also provides meat products, such as beef, turkey, pork, chicken, lamb, sausages, bacon, burgers, gammons, and roasts; dairy products that include milk, cream, yogurt, eggs, butter, and cheese; and bread, pies, pastries and tarts, deli, store cupboard staples, oils and vinegar, sauces, condiments and stocks, pasta, rice and noodles, tins, grains, pulses and sugar, breakfast cereals, and chocolates. It also operates a restaurant and a pub. The company offers its products online. Riverford Organic Vegetables Ltd. was formerly known as Riverford Organic Farms Limited and changed its name to Riverford Organic Vegetables Ltd. in March 2016. The company was founded in 1987 and is based in Buckfastleigh, United Kingdom.
Kitchen Trotter SAS	Kitchen Trotter SAS mails recipes and ingredients for its preparation to its subscribers. The company was incorporated in 2012 and is based in Paris, France. As per the transaction announced on April 20, 2018, Kitchen Trotter SAS operates as a subsidiary of Blue Sugar.
Green Chef Corporation	Green Chef Corporation offers organic ingredients for cooking healthy and flavorful meals in the Western and Central United States. It delivers its products primarily to Arizona, California, Colorado, Idaho, Iowa, Missouri, Montana, Nebraska, Nevada, New Mexico, Oklahoma, South Dakota, Texas, Utah, and Wyoming, as well as to small areas of Arkansas, Illinois, North Dakota, and Oregon. The company was incorporated in 2014 and is based in Denver, Colorado. As of March 31, 2018, Green Chef Corporation operates as a subsidiary of Grocery Delivery E-Services USA INC.
QuiToque	QuiToque delivers and markets packed recipes to homes in France. The company was formerly known as SAS Cookin'theworld. The company was incorporated in 2012 and is based in Paris, France. As of March 15, 2018, QuiToque operates as a subsidiary of Carrefour SA.

Source: S&P Global, Mergermarket

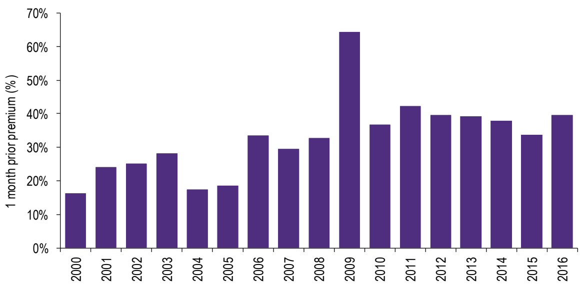
Appendix E – Control Premium study

Evidence from studies indicates that the premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia, and that the premium can vary significantly for each transaction.

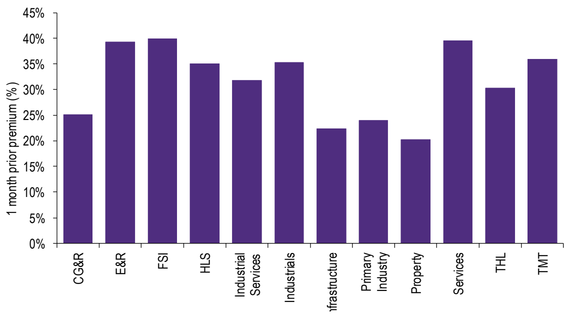
1 Month Prior Control Premium



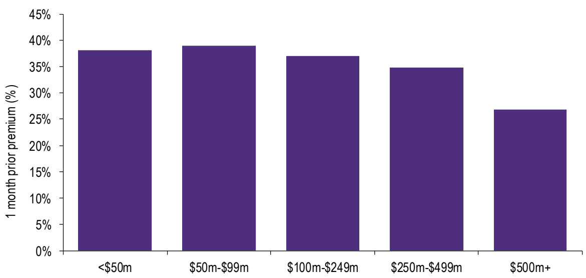
Control premium per completion date



Control premium per industry



Control premium and size



	Control premium
Average	34.33%
Median	29.34%

Source: GTCF Analysis

Appendix F – Glossary

$ or A$	Australian Dollar
€ or EUR	Euro
468 Capital	468 Capital II GmbH & Co KG
468 SPAC	468 SPAC II SE
AOV	Average Order Value
APES 225	Accounting Professional and Ethical Standard 225 "Valuation Services"
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Business Combination Agreement	An agreement between Marley Spoon and 468 SPAC, dated 25 April 2023, to implement a number of transactions resulting in 468 SPAC acquiring an initial 84.0% interest in Marley Spoon.
Business Combination	The implementation of the Business Combination Agreement in July 2023.
BVB Facility	Marley Spoon money market facility with Berliner Volksbank
CAC	Customer acquisition cost
CAGR	Compound annual growth rate
CAPM	Capital Asset Pricing Model
CDI	CHESS Depositary Interest
Chefgood	Chefgood Pty Ltd
Corporations Act	Corporations Act 2001 (Cth)
DCF Method	Discounted Cash Flows Methodology
Direct Offer Consideration	Consideration offered as part of the Business Combination Agreement of 0.0128 MSG Shares per Marley Spoon CDI
D-to-C	Direct to Consumer
ESOP	Employee share option program
Exchange Rate	The CapIQ spot 30D exchange rate of €1:A$1.670 as at 26 October 2023
FME Method	Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets
FSE	Frankfurst Stock Exchange
FSG	Financial Services Guide
G&A	General and administrative expenses
GPC	Guideline Public Company
GT Model	Financial model prepared by GTCF, projecting the post-tax free cash flows of Marley Spoon
GTCF, Grant Thornton, or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd (CAN 003 265 987)
IER	Independent Expert's Report
Implied Consideration	The value of the Scrip Consideration of the Tender Offer, implied by recent trading prices of MSG public shares
IPO	Initial Public Offering
LMK	LMK Group AB
Management Projections	High level management projections for FY23 to FY25
Market	Marley Spoon product offering allowing customers to purchase non-food kitchen items and utensils
Marley Spoon or the Company	Marley Spoon SE
Marley Spoon CDI Holders	Remaining holders of ASX listed Marley Spoon CDIs post Business Combination (totalling 117.7 million CDIs)
Marley Spoon ESOPs	Marley Spoon Employee Share Option Plans
MFB	My Food Bag Group Limited
MSG	Marley Spoon Group SE, originally 468 SPAC
NAB Facility	Marley Spoon asse finance facility with National Australia Bank
NAV Method	Amount available for distribution to security holders in an orderly realisation of assets

NTM	Next twelve months
NYSE	New York Stock Exchange
Offer Shares	MSG Class A public shares offered as scrip consideration as part of the Tender Offer
Options	Share options
PCP	Prior corresponding period
Placement	Marley Spoon's successful completion of a €35.0 million capital raise on 29 June 2023.
Placement Shares	New publicly traded shares of MSG, issued to Marley Spoon CDI holders as part of the Placement at a price of A$1.70 per share.
Prospective Financial Information	Prospective financial information as set out in ASIC Regulatory Guide 170
Quoted Security Price Method	Quoted price for listed securities where there is a liquid and active market
Revenue Multiple	Enterprise value divided by total forecasted revenue
RG 111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG 112	ASIC Regulatory Guide 112 "Independence of experts"
RG60	ASIC Regulatory Guide 60 "Scheme of Arrangement"
RSUs	Restricted Stock Units
R-t-H	Ready to Heat meals
Runway	Runway Growth Finance Corporation
SE	Societas Europea, a public company registered in accordance with the corporate law of the European Union
Small Holdings Offer	MSG offer to Marley Spoon CDI holders to acquire up to 10,000 CDIs at a cash consideration of A$0.11 per CDI
SOFR	Secured Overnight Funding Rate
SPAC	Special Purpose Acquisition Company
Sponsors	The sponsors of the 468 SPAC were TEXIXL Investments GmbH (wholly owned by Alexander Kudlich), Ophelia Capital UG (haftungsbeschränkt) (wholly owned by Dr. Ludwig Ensthaler) and Florian Leibert
Tender Offer	Unconditional offer to the Marley Spoon CDI Holders to acquire their CDIs via scrip consideration in the form of the Tender Offer Consideration
Tender Offer Consideration	0.0128 MSG Class A public shares per Marley Spoon CDI
The Placement	Completion of a €35 million placement to new and existing Marley Spoon shareholders
The Sponsors	TEXIXL Investments GmbH (wholly owned by Alexander Kudlich), Ophelia Capital UG (haftungsbeschränkt) (wholly owned by Dr. Ludwig Ensthaler) and Florian Leibert
Trading Multiples	Current trading multiples (enterprise value divided by revenue) of comparable companies
Transaction Multiples	Acquisitions of companies with broadly similar operations
USD or US$	United States Dollars
Youfoodz	Youfoodz Holdings Limited
YoY	Year on Year