

BUSINESS DESCRIPTION¹

The following document describes the business conducted by the Marley Spoon Group, which Marley Spoon will continue to pursue as a wholly owned subsidiary of the Company. For the purposes of this Business Description, unless indicated otherwise, references to “we”, “us” or “our” refer to Marley Spoon.

Overview

Founded in Germany in 2014 we are a leading global subscription-based meal kit provider with customers and operations across three regions: Europe, United States and Australia. To date, we reach approximately 190 million households. Our core mission is to help customers solve the daily problem of “what are we going to cook tonight?” and to bring delightful, market-fresh and easy cooking back to the people, especially by seeking to provide a stress-free experience.

We generate our revenues by selling meal kits, ready-to-heat and complementary products, such as baking kits, containing ingredients we source from producers and suppliers, and recipes we create in-house, through a weekly, subscription-based service. Our meal kits enable customers to prepare well-balanced meals at home, removing the hassle of having to plan meals, shop for and find the required ingredients. Every week, our team, based on customer data insights publishes new recipes across our various brands tailored to our customers’ preferences and the seasons. Our customers benefit from the convenience of having pre-portioned ingredients required to prepare the meals delivered to them without having to separately find and purchase food items or repeatedly come up with new recipe ideas. To date, our team of chefs and nutritionists have created more than 10,000 recipes. With our offering of meal kits we seek to cater to major trends such as personalization, convenience and experience, health and wellness and healthy eating, conscious consumption and the shift to online. Our customers are able to choose among hundreds of recipes per week or get their recipes delivered based on a default option. The meal kits then come with easy step-by-step instructions and in general can be prepared in 20 to 30 minutes or 30 to 40 minutes depending on the meal. Because ingredients are pre-measured there is minimal to no food waste. This is, in particular, enabled by our source-to-order model, which is driven by customer data and allows us to minimize inventories.

Currently, we maintain three brands: Marley Spoon, Dinnerly and Chefgood. Marley Spoon is our premium brand with which we started out in 2014 and which we co-brand in the United States with Martha Stewart as “Martha Stewart & Marley Spoon”. By founding Dinnerly we expanded our target audience to more cost conscious consumers by designing it as a low cost meal kit, in particular, compared to Marley Spoon. After a successful launch in the United States in 2017, Dinnerly is now also available in Australia, Germany and the Netherlands. Recently, we acquired Chefgood, an Australian direct-to-consumer ready-to-heat business. Through Chefgood we have access to a high-growth, adjacent category in Australia that complements our core meal kit business. Overall, it is our ambition to build major consumer brands that provide weeknight cooking to families, couples and friends. In 2022, we acquired approximately one quarter of our customers through referrals from existing customers and word of mouth.

We continue to evolve and expand our product offering beyond meal kits. In 2022, for example, we launched our Market, which is an add-on that allows customers to order select pantry and grocery items as well as ready-to-heat meals with their weekly box. This offering is complemented by special holiday meals and the dinner party option, which provides a full multi-course dinner for up to 8 adults. In principle, our product offering may vary between the countries in which we operate, as we use certain countries to trial new products, or due to customer preferences and market structures.

In 2022, we had 249,000 active subscribers (*i.e.*, customers who have ordered or skipped a Marley Spoon or Dinnerly meal kit over the past 3 months, during the quarter, and in this case, Q4 2022) across all of our regions and sold 62.8 million meals to them. Our revenues in 2022 amounted to €401.2 million, resulting in a revenue growth of 24.5% compared to the previous year, with our contribution margin of 28.7% mainly remaining flat

¹ Some of the defined terms used in this document are not defined within this document. Instead they may be defined in one of the other documents published on 468 SPAC II SE’s website together with the convening notice for the extraordinary general meeting voting on the business combination between 468 SPAC II SE and Marley Spoon SE. If the document contains references to the Prospectus or refers to other sections not published, the information will be contained in the Prospectus once published, subject however to the approval by CSSF.

compared to 2021. Through operating profitability in Australia and in the United States, we were able to increase our operating EBITDA from negative €32.6 million to negative €8.8 million, an increase of 73%. Our operating EBITDA for Australia, United States and Europe amounted to €8.8 million, €11.9 million and negative €29.5 million, respectively, resulting in growth year over year for Australia and the United States by over 100%. In Europe, our operating EBITDA decreased by €6 million, driven mostly by a decline in net revenue (*i.e.*, the receivable for goods supplied and is defined as gross revenue net of promotional discounts, customer credits, refunds and value added tax) and the contribution margin (*i.e.*, gross profits less fulfilment expenses, with gross profit meaning net revenue less costs of goods sold). Marley Spoon's main expenses include food, picking (primarily labor costs), packaging and shipping, marketing and general and administrative costs.

We believe we are still at the beginning of the journey to build a global provider of direct-to-consumer meal solutions and more, at a significant scale, especially given that the meal kit market is quite nascent. Global sales of meal kits are currently estimated at \$12 billion and are expected to reach \$27 billion by 2028, a 13% CAGR (*source: Research and Markets*), owing in part to the fact that meal kits are a niche segment within the online grocery segment, a segment that itself is still developing and growing.

Key components of our operations and business model that will help us grow and mature as a company include: (i) efficient and effective customer acquisition, (ii) use of customer data insights to plan our offering, (iii) preference for direct sourcing of produce to ensure freshness, (iv) improvements to our in-house assembly of meal kits to enhance efficiencies and accuracy, (v) outsourced logistics to deliver meal kits in a timely and cost-effective manner and (vi) a focus on customer care and experience to drive customer satisfaction and retention.

Market Opportunity

The global grocery market was estimated to be worth US\$7.0 trillion in 2020 (*source: Euromonitor*). The meal kit industry is quite nascent, with the biggest players having been founded just over a decade ago and growing to scale in an even more recent timeframe. It sits within the intersection of two sub-segments of the global food market, namely the groceries and restaurant food delivery markets. While they share in common a direct-to-consumer model, they still serve different needs and audiences. Most notably, meal kits are solving a recurring everyday problem of what to cook for dinner and while restaurant food delivery similarly solves that problem, it does so in a less healthy and affordable way. Grocery delivery does not address the "what's for dinner" problem at all and contributes much more waste than meal kits which provide pre-apportioned ingredients for all meals.

Global sales of meal kits are currently estimated at \$12 billion (*source: Research and Markets*) and the category is expected to reach \$27 billion in sales by 2028, a 13% CAGR, owing in part to the fact that meal kits are a niche segment within the online grocery segment, which itself is also still developing and growing. In fact, it is estimated that online grocery currently has only 9.5% penetration of total grocery sales (*source: Supermarket News*). It is also estimated that by the end of 2020 in the United States, after the peak of the pandemic, online penetration was in the range of 9-12%, whereas other industries, such as beauty, apparel and electronics, pre-pandemic, had online penetration rates between 10-20%, or more, suggesting online grocery is still poised to grow (*source: McKinsey*). Given the relatively low penetration of online grocery within overall grocery, a vast category, we believe there is a market and strong growth trajectory for meal kits. As consumers continue to shift from offline to online grocery shopping, a trend we believe is here to stay, meal kits as a sub-segment of online grocery should continue to benefit.

We have identified certain factors in the food industry which may drive such projected growth. These include: (i) greater preferences for health and wellness, (ii) preferences among some consumers to prepare home cooked meals, (iii) increased propensity to buy online, and (iv) ethically minded and value driven choices by consumers, including to reduce food waste.

Many meal kit providers, including us, aim to address these trends by providing a subscription-based service where customers sign up to a weekly plan and choose a set number of meals and portions from a changing menu, which are then delivered to the customer. Customers may choose meal kits for different reasons, for instance, because they are too busy or prefer not to plan upcoming meals and select appropriate recipes, or because they are too busy or prefer not to go grocery shopping and identify and buy the required quantity of ingredients, or because they lack the skills or confidence to cook from recipes they have at home. Among our key potential customers are, in particular, the households with multiple inhabitants that have developed a habit of regular weeknight home cooking.

In terms of competition, the global meal kit market is fragmented with a number of local and global meal kit providers. Our closest meal kit competitor is HelloFresh, being the only other multi-continental meal kit provider

and operating in all of our geographic markets. Our other competitors are mainly local players such as BlueApron, HomeChef, and Sun Basket in the United States. In our European markets, besides HelloFresh, the only other direct competitor is Linas Matkasse, which operates in Sweden and Denmark. Further meal kit providers that operate in other local markets than ours are Gousto (UK), Good Food (Canada) and My Food Bag (New Zealand). Since we are the second-largest market participant by geography, we believe we have several competitive advantages over smaller and local meal kit providers, including a global recipe base, international chefs and nutritionists to create recipes, centralized administrative services and marketing insights, shared technology and shared experience in logistics and supplier relationships.

Strengths

Established Customer Value Proposition

The appeal of our product offering seeks to cater to trends like sustainability, individuality, nutrition and convenience and is, in particular, driven by the following factors:

- **Choice and variety:** Meal kits provide access to a diverse range of healthy and fresh meals across numerous cuisines. Each week, customers select recipes based on their dietary requirements, tastes and preferences, with our brands appealing to different target audiences. Items from our Market option complete the offered range.
- **Health:** Meal kits typically contain healthy and fresh non-processed ingredients which are designed to resonate with consumers focused on healthy lifestyle choices and food consciousness, particularly those who prefer to cook with fresh ingredients over other alternatives, such as pre-processed food.
- **Convenience and time savings:** Our meal kits can remove the need for customers to spend time planning and shopping for meals, potentially saving the customer time. Meal kits are conveniently delivered directly to the customer during the delivery window offered by us that works best for them.
- **Flexibility:** Consumers can choose between 2 to 6 meals a week, with 2 to 12 portions per recipe, depending on the region. Customers can also skip a week, pause or cancel their subscription to suit their needs.
- **Family time:** One of the key drivers for our founders was to create a product (*i.e.*, meal kits) that assists in bringing families and friends together to share a healthy, delicious and home cooked meal.
- **Food waste reduction:** Our meal kits are assembled to lead to almost zero uncooked food waste as the required amount of each ingredient is pre-measured and provided with each meal kit. For the customer, this results in the benefit of not having to buy ingredients in sizes not necessary for the desired meal and, thus, creating food waste. We contribute to this by our source-to-order supply chain which usually reduces the discarding of food because of expired “sell by dates”, decay or “cosmetic imperfections”.

Source-to-Order Model Enhancing Customer Journey

Our customer value proposition is further driven by our source-to-order model which enhances the customer journey. We utilize data driven marketing and product development to acquire and retain customers. Our customer acquisition is based on referrals and marketing. In 2022, we acquired a quarter of our customers by referrals. This is aided by our customer data insights which we utilize for customer-centric menu creations based on the insights into their behaviors, tastes and preferences we have from the ordering on our website or on mobile applications. This attributes to our customer satisfaction.

We further maintain a simple supply chain with in-house manufacturing and outsourced logistics. We have the preference to directly source ingredients from producers and other trusted suppliers. A key element of our supply chain is an in-house source-to-order manufacturing process under which we order ingredients in an amount that is either based on customers’ orders for meal kits or on our data backed estimate of presumed demand in any given week. This reduces the time between a fresh ingredient is dispatched by a supplier, sits in our fulfillment facilities and when it is received by the customer. For the delivery of our meal kits to our customers we mainly outsource logistics for fast “line haul” and “last mile” delivery to third parties. A further value-add to our customer journey is that in many regions the customer does not need to be at home to accept deliveries. Instead, the meal kit box is left at our customers’ door in accordance with their instructions, adding to our experience and the ease of use of our product offering.

This process is intended to ensure customer satisfaction as happy customers enjoying quality meal kits drives customer retention and referrals. In addition, our source-to-order model results in us profiting from margin share along the value chain. For example, a classic grocery retail profit pool comprises a producer margin, brand margin, wholesale margin and retail margin resulting in, what we believe, is a long-term operating EBITDA margin potential of approximately 5% to 8%. In contrast, our source-to-order model allows for a higher Operating EBITDA margin potential as we are still subject to the producer margin but, however, through in-house manufacturing, own brands, lean infrastructure and waste reduction have less third-party margin participation compared to the grocery retail profit pool.

Operation with Track Record of Strong Growth

Globally, the grocery market size is estimated to be \$7.0 trillion (*source: Euromonitor*). Today, in the regions currently serviced by us there are approximately 190 million households. Those households with multiple inhabitants that have developed a habit of regular weeknight home cooking are key potential customers of meal kit providers.

We have an established an operation with a track record of strong growth. Since our inception, we have delivered over 230 million individual meals and developed more than 10,000 recipes. We have approximately 249,000 active subscribers in Q4 2022 across our Marley Spoon, Dinnerly and Chefgood brands.

In both the financial year 2021 and 2022, we grew our revenue in excess of 24% per year. Historically, from 2015 to 2022 we have grown our revenue at a compound annual growth rate of approximately 100%. In addition, our Operating EBITDA margin has improved from below negative 100% in 2015 to negative 2.2% in 2022 demonstrating a path to longer term profitability and positive Operating EBITDA.

Attractive Unit Economics

We seek to apply a disciplined approach to customer acquisition costs (“CAC”) and generate positive contribution margins to help drive attractive unit economics. We consider CAC as the costs of acquiring a customer, including marketing expenses such as media spend or tools, calculated per new customer acquired during a certain period.

We target a payback period of six months and total customer lifetime value of approximately three times the CAC. We define the payback period as the time it takes for the contribution margin of a cohort of customers to exceed their customer acquisition costs. Lifetime value is also calculated by us based on a cohort of customers (i.e., all customers starting in a certain period) and calculating the contribution margin generated from the cohort considering its retention over a certain time period. For new 2022 customer cohorts, we target a global payback based on CAC of 1.2x after 6 months, 1.8x after 12 months, 2.4x after 24 months and 3.0x after 48 months, however, subject to average customer base behavior, basket size and contribution margin.

Consequently, we increase our unit economics (i.e., contribution margin on a per customer basis) if we minimize CAC and improve retention and, at the same time, increase the average order value of a single purchase unit. In the time period from the financial year 2018 to the financial year 2022, we were able to hold our CAC steady in the range from €65.66 to €66.85 with only the COVID-19 pandemic-driven financial year 2020 being an outlier. In this year, due to strong industry tailwinds and the ease of acquiring customers we were able to decrease our customer acquisition costs to €39.51.

Tech Stack Drives First Class Product Offering

The satisfaction of our customers and, thus, their retention and acquisition, depends on our product offering which, in turn, is fostered by our customer data insights retrieved through the ordering process of our customers. We utilize an AI driven recipe development and ranking for up to 100+ weekly recipe options that are originally created and refined by our team of chefs and nutritionists. To manage our insights into our customers’ behaviors, tastes and preferences from the ordering on our website or through mobile applications we maintain a global data warehouse which we also utilize for cross brand and region performance management.

In addition, we developed our central operations playbook through 9 years of in-house manufacturing experience and have multi-brand and multi-region capabilities. Our introduction of a global enterprise resource planning (ERP), which allows for global standardization of service delivery, is part of such a playbook. Both our central data-warehouse as well as our global enterprise resource planning were established to drive continuous improvement. In this regard, we believe that we have been the first to launch a successful pick-to-light technology for mass-customization.

Current development projects to our technology platform include the addition of new capabilities for customer incentives, building a proprietary end to end automation system for menu creation with data science that optimizes for food costs, customer preferences and operational excellence, increased automatic handling of operational incidents and incoming customer complaints and improved inventory management via rollout of a warehouse management system. We believe that our tech stack as well as current development projects strengthen our contribution margin as well as our CM% and position us for market consolidation opportunities.

Experienced Management Team

Our team is led by our co-founder and chairmen of the management board Fabian Siegel. Before co-founding Marley Spoon, he was the co-founder of Delivery Hero, a global, publicly-listed, online restaurant food delivery service operating in Europe, Asia, Latin America and the Middle East. Fabian is supported the management board members Jennifer Bernstein as CFO and Rolf Weber as COO and CEO Australia, along with an experienced team of managers across our regions. We operate a flexible management model with experiences from the different regions shared across the network. For example, ideas and developments are often tested in one market, assessed, and then rolled out to other markets. This enables us to be lean and fast.

Furthermore, to provide incentivization, drive and coordination each of our three regions (*i.e.*, Australia, Europe and United States) are headed by local managing directors that are responsible for the revenues and expenses of their local businesses, with our global functions assisting in the implementation of global processes and initiatives such as system improvements. With our regionally empowered and centrally supported organization, we seek to achieve local agility with fast decision making while harnessing the economies of scale of centrally developed, managed and distributed systems and services. We rely for example on one central digital team to develop and manage our digital technology platforms, while our marketing activities are split into centrally executed digital customer acquisition and retention activities closely aligned with locally driven marketing and brand activities.

Strategy

Our strategy is focused on growth based on three pillars: (i) growing our customer base in existing and new markets, (ii) driving growth within the existing customer base and (iii) driving growth via market consolidation opportunities.

Growing Customer Base

Growing our customer base is the first pillar of our growth strategy. We intend to achieve this goal by growing consumer awareness and driving customer acquisition as part of an expansion of our core business, in what we believe, is a market that remains massively untapped, as well as by realizing new market opportunities.

Currently, we service approximately 249,000 active subscribers (as of Q4 2022) across our brands. We plan to continue to invest in building brand recognition of our product offering through online and offline marketing channels as well as through agreements and associations with third parties. For example, in the United States we co-brand our Marley Spoon meal kits as “Martha Stewart & Marley Spoon”. This enables us to widen our target audience. We will continue to invest in customer acquisition growth where there is a return on the customer acquisition costs in line with our target unit economics, which call for, on average, a payback after 6 months (or 1.2x after 6 months based on our projections of the 2022 customer cohort (*see “Attractive Unit Economics” below*)) and 3x return after approximately 4 years.

In addition, for growing our customer base, we seek to capture new market opportunities through new meal kits and distribution opportunities. An example of this approach is the successful launch of our Dinnerly brand in the United States in July 2017 which we now offer in Australia, Germany and the Netherlands. We further intend to increase our range of services to attract more customers and increase the average amount spent per order. Opportunities in this regard relate to entering other meal kit segments by including additional cuisines, offering add-on boxes or additional meals as well as introducing new services, such as our Market option. Under the Market option, we provide our customers with the option to purchase select add-on grocery and pantry items in connection with their weekly meal kit delivery. We further introduced saver meals for the budget-conscious customer alongside premium options at higher price points. Other growth opportunities we may investigate include the reselling of meal kits through traditional supermarkets as well as bolt-on opportunities, such as our acquisition of Chefgood in 2022 through which we have a foothold in the ready-to-heat business, an adjacent market that is complementary to our existing product offering.

Besides new meal kits and distribution opportunities, we may capture new geographic opportunities, both relating to global expansion as well as intra-country geographic expansion to increase our market presence and our brand equity. In our European region we currently service, for example, approximately 100% of Germany and the Netherlands, 90% of Austria, 70% of Belgium (except for Wallonia) and 50% of Denmark; in the United States approximately 99% of the population and in Australia approximately 82% of the population (including in particular, the regions of Sydney, Melbourne and Brisbane). Globally, potential countries for an expansion include countries in Europe where we are not currently present as well as Canada and New Zealand.

Drive Growth in Existing Customers

Our main levers for driving growth within our existing customer base include the upselling of additional products to existing customers, an increase of the order frequency and the reduction of churn via data driven personalization.

Upselling of additional products to existing customers mainly relates to add-on items and bundles. We have already begun to innovate in this area by expanding, in certain countries, both our Marley Spoon and Dinnerly brand offerings beyond a standard recipe-based menu to respective assortments that include baking kits, fruit boxes, various holiday entertaining meals and packages, a ready-to-heat meal selection, the Market option stocked with rotating pantry and grocery items and seasonal ingredients. We will continue to trial new and seasonal add-on products in an effort to further expand our offering, and seek to satisfy customers' eating and entertaining needs and wants.

Our aim to drive growth in existing customers is further aided by our technology platform and, in particular, our customer data insights. Our data collected in each region through our websites and applications relating to customers' buying patterns, feedback and recipe ratings provides us with insights into recipe design and weekly selection. This data provides insight into the likely popularity of a meal and expected demand. We harness data to personalize recipe recommendations for customers to improve order frequency and customer retention, *i.e.*, by further tailoring the suggested recipe selection and weekly menus.

Driving Growth via Market Consolidation Opportunities

We are one of only two meal kit companies with global operations. The competitive landscape in markets we operate in is comprised of players with varied offerings, in meal kits as well as adjacent categories, and targeting a range of customer segments. Given our global scale and operating platforms we believe that there may be opportunities to consolidate the market and deliver scale and future growth through such consolidation. We are continuously watching the market we operate in and are openly evaluating potential options, while always taking note of what is happening externally with peer companies or those operating in adjacent categories. In particular, we intend to leverage growth opportunities through M&A, as we did, for example, with our acquisition of Chefgood in January 2022, to further gain market share and expand our brand portfolio.

Business Model

Our business model is centered around providing customers with meal kits under our Marley Spoon and Dinnerly brands as well as our Chefgood brand's ready-to-heat options through a simple four-step process:

Step 1: Our culinary team designs a range of varied recipes

- Each week, chefs and nutritionists select recipes for each market and brand. These recipes may be existing or new recipes which have been developed in-house.
- Recipes are selected (i) with regard to the availability of seasonal fresh produce and proteins, (ii) to provide a variety of meal options to meet different dietary requirements, tastes and preferences; and (iii) to offer different cuisine options.

Step 2: Customers decide what to cook and when

- Customers sign up for weekly deliveries and have the ability to skip a delivery or cancel their subscription.
- Up to 6 days before the delivery day (*i.e.*, order cut-off), the customer selects the following through the Marley Spoon, Dinnerly or Chefgood websites or their mobile applications:

- the number of meals from meal kits in the coming week(s) - generally between 2 and 6 meals per week;
- the desired recipes the customer wishes to cook;
- the number of portions required (generally either between 2 to 12 portions per recipe);
- the items the customer wants to purchase under the Market option;
- a delivery day and time (options can vary by region).

Step 3: We source ingredients and deliver them to the customer's door

- The Company sources its meal kit ingredients from producers or suppliers, generally on a "source to order" basis which allows for fast turnaround of quality, fresh ingredients to customers. Ingredients are delivered to the Company's fulfillment centers, where our associates then assemble the meal kits, or in the case of Chefgood, cook the meals, with the required quantity of each ingredient. Meal kits are typically delivered weekly (with multiple delivery windows) in recyclable boxes. Perishables are protected in boxes lined with insulation and contain ice packs to preserve their freshness.

Step 4: Customers cook and enjoy

- Each meal kit contains fresh pre-measured ingredients, ready for customers to cook at their convenience.
- A recipe card is included with each meal, on paper (for Marley Spoon) or digitally (for Dinnerly), which provides simple, step-by-step cooking instructions.
- Meals may require customers to have a few pantry staples (*e.g.*, oil, salt and pepper) and select kitchen equipment (*e.g.*, oven, stove and common cooking items like pots, pans, knives, grater, etc.).

Product Offering

We provide our customers with meal kits, ready-to-heat options and adjacent products under a multi-brand strategy, including our Marley Spoon, Dinnerly and Chefgood brands.

Marley Spoon

The Marley Spoon brand is our original brand and offered in all our of markets consisting of the United States, Australia and select countries in Europe (*i.e.*, Germany, Austria, Belgium, Denmark and the Netherlands). It is targeted at customers who seek delicious and exciting recipes as well as unique flavors.

The product offering consists of up to 100 meal options per week, depending on the country, with customers being able to choose between 2 and 12 portions.

The average cost per serving of these meal kits in the United States, for example, is \$10.00 with Baby Boomers being our core target audience. Our Marley Spoon meal kits stand for an elevated cooking experience as they are chef tested and chef perfected (*e.g.*, Martha Stewart), providing high quality ingredients and offering healthy options.

In the United States, our Marley Spoon meal kits are co-branded with Martha Stewart and sold under "Martha Stewart and Marley Spoon" through a licensing and promotion agreement entered into with Martha Stewart Living Omnimedia, Inc. through the end of calendar year 2023 (*see "Licensing and Promotion Agreement with Martha Stewart Living Omnimedia, Inc."* below).

Dinnerly

Dinnerly is the second brand we launched. We designed it as a low cost meal kit in order to broaden our customer base by targeting more cost conscious consumers compared to Marley Spoon as our premium offering. After its launch in the United States in July 2017, Dinnerly is available in Australia (since March 2018), Germany (since July 2020) and the Netherlands (since February 2021). Similarly to our Marley Spoon brand, Dinnerly offers a large variety of meals per week.

In the United States, for example, the average cost per serving of our Dinnerly brand is approximately \$5.70 with Millennials being our core target audience. In this regard, we focus with our Dinnerly meal kits are focused on a very simple cooking process consisting of 5 steps and 6 ingredients. Overall, Dinnerly is intended to provide an “easy, affordable and with a taste you will love” value proposition that is family friendly and low fuss/pragmatic.

We achieve the lower price point of our Dinnerly meal kits relative to our Marley Spoon brand through a reduction in the number of individual ingredients in a meal, by designing lower priced recipes, using digital recipe cards instead of paper and simple packaging. Further, we achieve synergies between Dinnerly and our traditional Marley Spoon offering as both use the same supply and distribution chain and offer a similarly simple subscription and order process.

Chefgood

Chefgood is our newest brand. We acquired Chefgood, an Australian direct-to-consumer ready-to-heat business, in January 2022. Through Chefgood we have access to a high-growth, adjacent category that complements our core meal kit business. To date, Chefgood is only available in Australia.

We will continue to operate Chefgood as a stand-alone business, allowing us to expand our reach into new customer segments and demographics, such as single customers or younger and older customer segments. Chefgood also reaches segments that are more focused on weight loss and control. In addition to its stand-alone business, we also cross-sell Chefgood meals on our other brands’ platforms. We also cross promote each brand and as a result achieve customer acquisition synergies. Operationally, we have achieved various synergies in procurement, fulfilment and logistics, for example.

Operations

Meal Kit Design

At the heart of our operation is the meal kit design. Each week our dedicated team of chefs and nutritionists curate hundreds of recipes across our brands and markets based on the aim to cater to our customers’ tastes and preferences as well as to include fresh, high-quality ingredients. Our meal kits are designed to appeal to customers by providing a stress-free cooking experience and variety to suit our customers’ tastes and dietary requirements. Meals are designed based on simple recipes, with easy step-by-step instructions and generally can be prepared in 20 to 30 minutes or 30 to 40 minutes depending on the meal. Our aim is to simplify the weekly cooking experience by removing the need to plan and shop for meals and with step-by-step instructions, no cooking experience is necessary. In addition, the ingredients in our meal kits are pre-measured so that there is minimal to no food waste.

Our weekly selection is based on offering, for example, healthy, vegetarian or non-pork options, and providing in addition various cuisines to choose from. It is further refined by our customer data insights. We use our direct link to our customers provided by the ordering process through our website or on mobile applications to get insights into their behaviors, tastes and preferences when they choose their weekly meals. Based on this, our culinary team develops the recipe designs and weekly selections using seasonal ingredients and a variety of meat and fish options.

To foster the feedback we receive from our customers, we further introduced a rating system. The rating system enables us to gather direct feedback on our recipes on a weekly basis. The degree of popularity of a recipe in a particular country gives us an understanding of the customer tastes and preferences in that area. This assists us with menu creation and ensuring that the weekly menus are to our customers’ preferences and tastes. To further cater to the individual demands of our customers and seasons, our recipes differ across the regions in which we operate. This way, more than 10,000 recipes have been created by our dedicated team of chefs and nutritionists since 2014.

Procurement

For the procurement of our meal kits’ ingredients we have a preference to source them directly from the producers but are also utilizing wholesalers. This assists us in delivering high quality, fresh ingredients to our customers cost-efficiently. Our sourcing strategy combined with a focus on seasonal products proves also beneficial to offset fluctuations in the supply market.

We utilize approximately 350 suppliers with multiple producers and wholesalers within each region to reduce the extent to which we are reliant on any single supplier for common ingredients. This broad network of producers

reduces the risk of us not receiving the necessary ingredients to fulfill our current orders. In addition, it gives us sourcing flexibility and optionality to adjust the weekly selection on short notice in the event that one producer should be unable to deliver the required ingredients on time.

A key pillar of our business model is that we procure the majority of our supply based on known or locked demand, *i.e.*, pre-sold and with very short lead times. Therefore, we have low inventory requirements to support our revenue and very low internal waste of around 1-2% despite a significant percentage of our products being perishable.

Fulfillment

For the packing of our meal kits we maintain 8 fulfillment facilities, including 7 fulfillment centers and one manufacturing center, across the regions in which we operate, with three being located in the United States and one being located in the Netherlands serving all European countries, another three fulfillment centers are set up in Australia for our Marley Spoon and Dinnerly brands. The sole manufacturing center relates to Chefgood brand and is set up in Australia as well. All of our fulfillment and manufacturing centers are leased from third parties.

In our fulfillment facilities we prepare and pack our meal kits utilizing proprietary and non-proprietary, standardized processes. The majority of pick and pack processes are currently done manually with automation features being introduced over time to aid efficiency. For example, we operate repackaging machines in each of Australia, Europe and the United States to automate the packaging of liquid and dry goods in individual portions. We further introduced handheld scanners and integrated them with our warehouse management system to improve global inventory accuracy and adopted a production line monitoring system, providing transparency on important operational metrics such as line speed and downtime. In-house ice production is also helping us realize cost-savings. In our Chefgood manufacturing center we cook and pack the meals.

As part of our overall strategy we adopted “five pillars of manufacturing excellence” for our fulfillment facilities which caters to (i) food safety, (ii) employee engagement, (iii) reduction of waste, (iv) standardization and (v) continuous improvement. Based on these, we regularly assess the performance and efficiency of our processes in the fulfillment facilities with the aim to continuously improve them. In particular, to enhance our processes, we maintain a team focused on proprietary culinary software and data analytics.

Generally, we have dry goods delivered to our fulfillment centers weekly, with perishable items being delivered on a daily basis. Our customers order in advance through our website or mobile application, which provides us with a high degree of visibility into the level of demand from customers in any particular week. Therefore, our source-to-order model (*i.e.*, ingredients are ordered based on customers’ orders for meal kits or on our data backed estimate of presumed demand in any given week) reduces the time between when a fresh ingredient is dispatched by a supplier and when it is received by the customer. Our source-to-order model, which reduces the risk of ingredients perishing or their shelf life expiring in our fulfillment centers, differentiates us from online and offline supermarkets.

For the storage of the dry goods and perishable items delivered to us, each fulfillment center has rooms at various temperatures for the storing and packaging of different ingredients. For example, each center has a cool room to receive and assemble meat and fish into meal kits. These products are pre-packaged when delivered to the fulfillment center thereby removing the need for us to handle the raw product. The cool rooms not only promote food quality and safety but also mean that it is not necessary for the entire fulfillment center to be chilled since the storing and packaging of dry goods does not require refrigeration.

After our meal kits are packed, or produced, in the fulfillment, or manufacture centers, they are shipped directly from the fulfillment and manufacture centers to our customers’ homes.

Logistics

We have mostly outsourced the long haul and most of our “last mile”-delivery of our meal kits from our fulfillment and manufacturing centers to our customers’ homes to third party logistics providers who have experience and appropriate scale to provide reliable deliveries and support our customer experience. Currently, we utilize 15 primary logistics partners across our three regions who are subject to a qualification process focused on reliability and capacity. In some regions, we may have a preferred logistics provider with respect to long hauls or “last mile” deliveries.

Our logistics partners are responsible for deliveries from the fulfillment and manufacturing centers to other cities (*i.e.*, line haul) as well as the last stage of deliveries to customers (*i.e.*, “last mile”-delivery). In Australia the

line hauls are done in chilled vehicles all year round, with “last mile” delivery being always refrigerated in Australia, Denmark and the Netherlands. In the United States, line hauls are done on selected routes depending on temperature and distance. In many regions the customer does not need to be at home to accept delivery. Instead, the meal kit box is left at our customers’ door in accordance with their instructions, adding to our experience and the ease of use of our product offering. Where our meal kits are not transported in refrigerated vehicles or left at our customers’ door, we use insulation and ice packs to ensure that our products remain fresh.

In certain regions in the Netherlands and in Germany, we have established our own “last-mile” delivery capabilities. We continue to experiment and learn based on early positive data regarding cost and service levels, with an option to further expand this important part of the value chain.

Marketing

As for every consumer facing business, marketing and customer care are important to us. We acquire customers through a combination of online marketing, offline marketing and referrals. Approximately one quarter of new customers are referrals from existing customers and word of mouth. We are committed to improving our customers’ experience and have designed our processes, including our website and apps, fulfillment facilities and delivery chain to aim to ensure that our customers receive the meal kits they desire, on time. We further facilitate our customer experience by offering support through a call center, email, social media and chat and, in 2022, by introducing an improved escalation process. With respect to our customer acquisition, we further benefit in the United States from our cooperation with Martha Stewart.

Our marketing team is closely monitoring the performance of our marketing channels across each region and follows a responsive approach to adjust marketing investment based on the data and statistics observed, with the aim to invest in marketing with respect to regions and channels that generate the highest returns. Among the variety of paid marketing channels we use are online search, online display, social media, traditional print media, TV advertising, direct mail and outdoor advertising.

In 2022, we acquired 52% of our customers by online sales channels, such as online search and social media, 3% of our customers through email marketing and 3% through display marketing, including website banner advertising. We acquired further 16% through offline marketing and public relations which includes traditional print media, TV advertising, outdoor advertising and promotions. The remaining 26% of our customers were acquired, as previously stated, by referrals and word of mouth.

Overall, customer acquisition is supported by high service levels and ensuring customers have a clear understanding of why they should purchase Marley Spoon meal kits (*see “Established Customer Value Proposition” below*).

Technology

To aid our operational functions we operate a technology platform to execute on, and manage data generated from, five core business processes which reflect the e-commerce and fulfillment facets of our business:

- **Recipe development:** menu building, recipe pricing, customer selection and recipe ratings;
- **Acquisition, orders and user management:** handling new customers, customer orders, payments, websites and mobile apps;
- **Execution:** procurement, planning, purchasing, inventory control, production, incident management, logistics and food safety & quality assurance;
- **Customer support:** personalized complaint handling, self-service automation and outbound retention services and ratings (including net promoter score);
- **Customer insights management:** data collection to provide insight into customers’ buying patterns and willing to repurchase and establishing a closed feedback loop.

The technology platform is comprised of established third party software-as-a-service providers (*e.g.*, marketing, accounting, customer support, payments and ERP) and cloud-based proprietary systems developed in-house, including our recipe and menu management, customer webshop, shipper integrations, order generation, billing, data science models and data warehouse, all migrated into Amazon Web Services, in 2022, to increase reliability and security of our technical stack.

As part of our commitment to technology, we regularly add new capabilities to our technology platform that drive increases in topline revenue. These manifest as updates and improvements to our customer websites and mobile applications to allow our customers to manage all aspects of their service online, any time of the day or night, including menu selection, portion selection, delivery times and days, and to pause their subscription if desired. In 2022, we improved our technology platform with respect to product offering, data and operational capabilities. For example, we introduced the Market option, which provides our customers with the ability to purchase add-ons such as pantry and refrigerated items, desserts, sides as well as other individual ingredients or ready-to-heat meals as part of their weekly box. Another feature related to the introduction of increased pricing flexibility across recipes, which enabled the introduction of saver and premium recipe options.

Current development projects to our technology platform include the addition of new capabilities for customer incentives, building a proprietary end to end automation system for menu creation with data science that optimizes for food costs, customer preferences and operational excellence, increased automatic handling of operational incidents and incoming customer complaints and improved inventory management via rollout of a warehouse management system. In addition, we have technology workstreams dedicated to increasing the efficiency of our core business processes via automation, use of data science, consolidation of tools and integration of data from multiple systems.

Employees

As of the date of this Prospectus, we employ a global workforce totaling 1,511 employees, or 1,232.2 full-time equivalents. Our largest department is production which makes up 69% of our workforce, including central operations, supply chain & sourcing as well as quality, safety and sustainability. Of the other 31%, the largest departments include customer communications, digital engineering, and marketing.

Intellectual Property, Trademarks and Domains

As of the date of this Prospectus, our portfolio of patent applications comprises 5 patent applications across our three regions. Our patent applications relate to a “*device and method for providing ingredients for at least one dish*”. In this regard, we have filed patent applications in Germany (DE102018131154A1 and DE102018103006A1), Australia (2019219224), at the European Patent Office (3750125A1) and the United States (US020200394603A1).

With respect to trademarks, our portfolio comprises approximately 63 different registered word marks, figurative marks and word-figurative marks and applications. Most of these trademarks are European, U.S., Australian and international registrations. Our most important protected trademarks are those related to our brand families, in particular “MARLEY SPOON”, “DINNERLY” and “CHEFGOOD”.

In addition, we own more than 200 registered domain names including general domains, such as marley-spoon.com, marleyspoon.de and dinnerly.com.au.

Real Estate

Besides our headquarters in Berlin, Germany, we maintain offices in Amsterdam, Sydney, Australia and New York, United States.

Our total fulfilment facility space amounts to approximately 60,000sqm across 8 fulfilment facilities that are located on three continents and positioned with our logistics in mind. In Europe, we maintain a fulfilment center in Nieuwegein, Netherlands. In Australia, we are represented with three fulfilment centers for our meal kits, located in Wetherill Park, New South Wales, Altona North, Victoria and Bibra Lake, Western Australia, and one manufacturing center for Chefgood located in Keysborough, Victoria. Our three fulfilment facilities in the United States are located in Dallas, Texas as well as in Tracy, California and in Newark, New Jersey. We are considering the possibility of relocating our New Jersey fulfilment center later in 2023.

All of our offices, including our headquarters, and our fulfilment facilities are leased.

Material Agreements

License and Promotion Agreement with Martha Stewart Living Omnimedia, Inc.

In April 2016, we entered into a license and promotion agreement (as amended) with Martha Stewart Living Omnimedia, Inc. (“MSLO”), a company associated with Martha Stewart, pursuant to which we are entitled to co-brand our meal kits in the United States with the “Martha Stewart”-name, for example as “Martha Stewart & Marley Spoon”. In addition, we agreed to undertake various promotional and marketing activities to support the sales of our co-branded meal kits in the United States.

In return for the license and the promotional and marketing activities we pay a royalty to MSLO based on a percentage of our co-branded annual net sales in the United States, with certain minimum royalties applying. We further committed to a minimum marketing spend based on our annual net sales to promote “Martha Stewart & Marley Spoon”.

The agreement was initially concluded for a term of approximately 5 years (*i.e.*, until December 2020) and on March 30, 2020 was extended until December 31, 2023. In addition, the agreement provides for an optional renewal term commencing on January 1, 2024 and expiring on December 31, 2033 which is subject to, among others, us not having breached the agreement in any material respect, having complied with the minimum guaranteed annual royalty rates and requesting renewal at least six months prior to the commencement of the renewal term.

Due to our cooperation with MSLO we are subject to certain limitations designed to protect the Martha Stewart brand, such as the obligation to only sell meal kits through our website and certain third party distribution channels, and marketing campaigns requiring MSLO approval. The agreement contains customary termination rights for MSLO to terminate the agreement early, for example, if there is a breach of obligations or representations and warranties by us.

Loan and Credit Facility Agreements

Runway Growth Capital

In June 2021, we signed a senior secured credit facility of initially four years with Runway Growth Capital (as amended), which based on one of these amendments will be extended to June 2026 subject to the consummation of the Business Combination. The facility in its amended form gives us access to up to \$73.1 million to support our growth strategy. The funds were made available in three tranches, all of which have been drawn as of December 31, 2022. An initial \$30 million of Tranche 1 was drawn in June 2021. In October 2021, we drew the remaining \$15 million of Tranche 1 and in June 2022, we drew the full \$20 million of Tranche 2. In December 2022, we drew the \$8.1 million of Tranche 3 which was granted in the meantime at the same terms as the other tranches to partially finance the acquisition of Chefgood.

The interest rate on the loan is comprised of a variable interest rate of 8.5% over the three-month SOFR, subject to a SOFR floor of 0.76%. In addition, a deferred interest rate of 1.25% p.a. applies. The deferred interest amount is added monthly to the outstanding principal amount and due upon maturity. The maturity of the credit facility occurs on June 15, 2026, based on an amendment concluded in April 2023. As per the amendment, it is further agreed to (i) suspend the amortization of the loan further until January 15, 2025, (ii) capitalize the cash interest payable for the six months from April to September 2023 to the outstanding loan balance subject to a deferral fee applying and (iii) the option to pre-pay a portion of the outstanding loan balance with the proceeds from the Business Combination and the Marley Spoon Capital Increase, however, subject to the limitation that only a certain amount of the proceeds is eligible to be used for the prepayment.

The facility is subject to certain customary termination rights for cause, in particular, in the event of a change of control which occurs if any person or group becomes the beneficial owner, directly or indirectly, of more than 35% of our equity interests (on a fully diluted basis and measured by voting rights after conversion, if any). We have obtained a waiver for the change of control termination right that is contingent on the consummation of the Business Combination and us receiving net proceeds from the Business Combination of at least €20 million. Other covenants and, consequently, termination rights relate to limitations on distributions to shareholders and mergers and acquisitions. The facility is senior, secured by pledges over Marley Spoon’s assets, *i.e.*, among others, bank accounts, intellectual property, goods, equipment, inventory and rights as well as shares in subsidiaries. 468 SPAC II SE is required to join the facility on the side of the borrowers and pledge its shares in Marley Spoon in due course.

On June 15, 2023, our annual general meeting will resolve on the satisfaction of the agreed interest deferral fee in the amount of \$650,000 by the making of a payment as contribution in-kind under the issuance of MS Shares.

National Australia Bank Limited

National Australia Bank Limited (“**NAB**”) and MarleySpoon Pty Ltd, our principal Australian subsidiary, entered into (i) a loan and goods mortgage equipment financing agreement, dated October 24, 2019, for A\$2.49 million for a term of 36 months at an interest rate of 4.15% per annum, (ii) a loan and goods mortgage equipment financing agreement, dated February 1, 2020, for A\$0.5 million for a term of 36 months at an interest rate of 4.41% per annum, (iii) a loan and goods mortgage equipment financing agreement, dated September 23, 2020, for A\$ 1.32 million for a term of 36 months at an interest rate of 3.58% per annum, (iv) a loan and goods mortgage equipment financing agreement, dated March 22, 2021, for A\$0.9 million for a term of 36 months at an interest rate of 3.79% per annum, (v) another loan and goods mortgage equipment financing agreement, dated September 28, 2021, for A\$6.0 million for a term of 60 months at an interest rate of 3.5% per annum. Additionally, NAB and Chefgood entered into a loan and goods mortgage equipment financing agreement, dated December 12, 2021, for A\$1.36 million for a term of 24 months at an interest rate of 7.02% per annum.

NAB and MarleySpoon Pty Ltd also entered into a master asset financing agreement, dated July 22, 2020, of up to A\$2.6 million in order to fast track approvals for asset-backed loans issued to MarleySpoon Pty Ltd as borrower. We have A\$1.1 million drawn under this agreement as of April 30, 2022.

Besides, the A\$1.1 million outstanding by Chefgood towards to NAB, MarleySpoon Pty Ltd has a balance of A\$5.3 million outstanding towards NAB as of April 30, 2022. For these outstanding balances, MarleySpoon Pty Ltd. and Chefgood each have pledged specific production equipment used by them as security for NAB.

The loan and goods mortgage equipment financing agreements and the master asset financing agreement contain change-of-control provisions with respect to a change in legal or beneficial ownership or management control of MarleySpoon Pty Ltd. Control is defined as having direct or indirect power to direct the management or control the membership of the board of directors. Any change-of-control constitutes an adverse event which entitles NAB to terminate the agreement if the change-of-control is material or impacts the value of securities or the ability to make payments, which is not the case under the Business Combination. In addition, NAB assured that it will continue its current agreements with MarleySpoon Pty Ltd. and Chefgood as well as consented to the Business Combination in its essential terms (i.e., that the corporate structure up to Marley Spoon SE will remain unchanged).

Berliner Volksbank

In February 2023, Berliner Volksbank eG extended our €5 million money market loan, at an interest rate of 6.5% + EURIBOR per annum. In general, the loan can be drawn down for 90 days and extended automatically until up to April 30, 2024 if certain EBITDA milestones at certain due dates are reached. The loan is subject to customary termination rights for cause on the part of the lender, such as in the event of a change of control which is to occur if there is any change in our shareholders or if our CEO and co-founder Fabian Siegel leaves our management board. This termination right has been waived with respect to the Business Combination, subject to Fabian Siegel remaining a member of our management board. Ordinary termination rights are excluded.

Last Mile Logistics Agreement with Home Delivery Services Pty

In 2021, MarleySpoon Pty Ltd, our principal Australian subsidiary, extended its master services agreement with Home Delivery Services Pty (“**HDS**”), dated September 21, 2021. HDS is our sole provider for “last mile” logistic services in Australia with volume based pricing and a current yearly value of approximately A\$25.0 million.

The “last mile” delivery services performed by HDS under a separately concluded contract are governed by the terms of the master services agreement. The contract for last mile services has an initial term of 5 years and commenced on July 1, 2021. We have the option to renew the contract for a 12-month period, and a subsequent 6-month period. Neither we nor HDS are able to terminate the agreement without cause. Besides customary termination right triggers such as a material breach or insolvency of the other party, we can terminate the “last mile” services contract with one months’ notice in case HDS has an error rate that exceeds the thresholds defined in the contract.

We have a right of first refusal should HDS receive an offer that would lead to a change of control event to HDS involving one of our competitors. Should we exercise our right of first refusal, HDS must make a good faith effort to enter into the same transaction with MarleySpoon Pty Ltd as proposed by the competitor's offer. MarleySpoon Pty Ltd may further terminate the agreement upon such change of control of HDS involving a competitor.

Co-Existence Agreement with Fifty-Six Hope Road Music Limited

In 2016, we entered into a co-existence agreement with Fifty-Six Hope Road Music Limited (“**Fifty-Six Hope Road**”) (*i.e.*, the heirs of musician Bob Marley) in connection with oppositions filed by Fifty-Six Hope Road against certain of our existing applications and registrations of Marley Spoon trademarks.

Under the agreement, we committed to use “Marley” only together with “Spoon” in respect of size and color, among others, and further agreed not to expand our offering of goods and services beyond the product offering permitted by the agreement, which includes “prepared food kits” such as our current product offering (*i.e.*, meal kits and ready-to-heat meals) as well as some adjacent categories. In addition, we undertook to not use any trademarks related to Bob Marley as well as to not challenge these trademarks.

Legal Proceedings

In the ordinary course of our business activities, we may be exposed to litigation, particularly in the areas of product warranty, guarantee claims, delivery and payment delays, competition law, laws relating to marketing and advertising, intellectual property disputes, labour disputes and tax matters.

We noticed an industry-wide uptick in the interest from United States class action attorneys alleging regulatory breaches, including with respect to us. We expect this trend to continue in line with the growth in the industry and our business, as we become more visible. For example, in June 2022, a plaintiff filed a claim with the United States District Court Southern District of New York alleging violations of the federal Telephone Consumer Protection Act. The Telephone Consumer Protection Act, in principle, prohibits the use of automatic telephone dialing equipment to send telemarketing calls or texts unless the recipient has provided express written consent to receive the communications. We currently estimate the financial exposure to be in the low to mid-five-digit range for the individual plaintiff. Given that damages are sought for a class of plaintiffs, the financial exposure may have to be reassessed and could theoretically add up to a substantial range in the event that a class of plaintiffs were to be certified. No class has been certified so far, as was the case in other proceedings in which an individual plaintiff brought a claim on behalf of a class.

Additionally, in May 2023 an attorney contacted MMM Consumer Brands, Inc., our United States’ subsidiary alleging non-compliance with the California Invasion of Privacy Act in relation to a customer’s use of our website’s chat function. We have disputed the merits of this claim, which could turn into a class action. Currently, we do not expect a significant financial impact in connection with this claim. In the event that a class action complaint will be filed and a class of plaintiffs certified, the financial exposure may have to be reassessed and could theoretically add up to a substantial range.

To date and subject to the condition that single legal proceedings, such as the aforementioned do not result in class action lawsuits of a material size, which we do not believe, we are not involved in any legal proceedings (*i.e.*, including legal disputes and governmental and arbitration proceedings, among others) with a significant effect, , and have not been involved in any such proceedings during the past twelve months, nor are we aware of any threatened legal proceedings within the last twelve months that could have a significant effect on our financial position or profitability.