

Marley Spoon Group SE

Consumer Goods - Germany



Buy (old: Buy)

12.05.2025

EUR 2.70 (old: EUR 4.90)

Further op. improvements // focus on margins; chg.

FY24 sales increased by 0.5% yoy to € 330m carried by the continued execution of the company's strategic priorities, visible in a rise of order frequency of active subscribers, improved average order volume (+13.5% yoy), slowed customer churn but also the successful integration of Bistro MD. Note: The reported FY24 sales figures shows € 308m as Chefgood has been re-classified as "discontinued operations" as MSG signed an asset sale agreement at the end of Q4.

More importantly, MSG recorded a **positive operating EBITDA for the fifth consecutive quarter with € 5.9m, € 9.2m for FY24** (vs. € - 3m in FY23). To a large extent, this is the result of the improved contribution margin (FY24 +3.1pp yoy to 34.7%) driven by the successful shift away from its former discount-heavy acquisition strategy but also positive implications from an improving product mix in the US as a result of the bistroMD acquisition and the shift towards an asset light operation in the US. Further, G&A and marketing expenses decreased by 8% for the FY.

Chefgood divestment. At the end of Q4, MSG decided to sell its subsidiary Chefgood, the group's Australian ready-to-heat brand, for AUD 11m/€ 6.3m, implying an EV/sales multiple of 0.3x. Worth highlighting, Chefgood operated at sub group gross margins (44.6% vs. 49.2%), making this a sensible move. The expected cash inflow (mainly in Q2) coupled with the cash on hand and the expected further operational improvements should be sufficient to bridge the gap to op. cash flow profitability, in our view.

FY25 guidance reflects further profitability focus. Management expects a single-digit % yoy sales decline while at the same time the contribution margin is expected to improve by >100bps and operating EBITDA to increase by 70-80% yoy (i.e. € 15.6-16.6m).

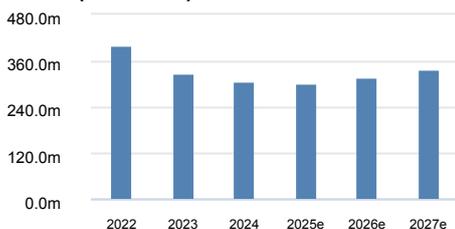
Strategic shift ongoing. MSG discontinued its brand Dinnerly (meal kit boxes for cost-conscious consumers) in Europe and migrated active customers to Marley Spoon, driving its single brand strategy, which offers simpler processes and synergies in regards to marketing. In Q2, the group plans to launch its ready-to-eat (RTE) offering in Europe. During the mid-term, management highlighted plans to offer additional food and nutrition solutions (e.g. juice packs, healthy snacks, special diet meals) under the Marley Spoon brand, ultimately increasing the value proposition for customers on the platform.

BUY with a new € 2.70 PT (old: € 4.90) based on DCF.

Y/E 31.12 (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	401.2	328.5	307.7	302.9	318.3	339.4
Sales growth	24.5%	-18.1%	-6.3%	-1.5%	5.1%	6.6%
EBITDA	-11.5	-72.9	7.1	8.7	11.7	14.1
Net debt (if net cash=0)	59.6	71.3	83.3	83.9	86.5	86.8
FCF	-29.4	-23.0	-9.7	6.8	11.2	13.4
Net Debt/EBITDA	-5.2	-1.0	11.8	9.7	7.4	6.1
EPS pro forma	-1.33	-4.29	-0.25	-0.48	-0.38	-0.27
EBITDA margin	-2.9%	-22.2%	2.3%	2.9%	3.7%	4.2%
ROCE	-71.2%	-225.4%	-23.5%	-0.3%	17.0%	158.7%
EV/sales	0.2	0.3	0.3	0.3	0.3	0.3
EV/EBITDA	-6.6	-1.1	13.4	11.0	8.4	6.9
PER	-0.4	-0.1	-2.2	-1.2	-1.5	-2.1
Adjusted FCF yield	-3.8%	-71.6%	17.4%	19.4%	21.6%	24.0%

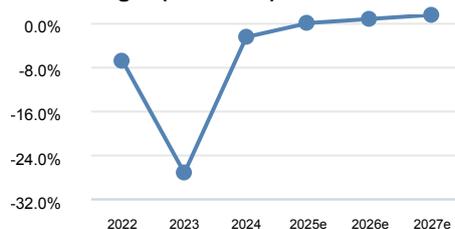
Source: Company data, NuWays, Close price as of 06.05.2025

Sales (2022-27e)



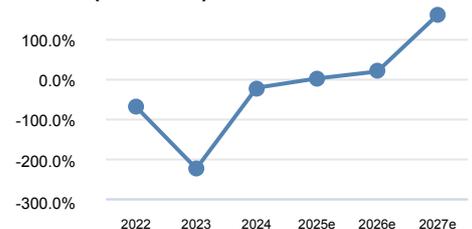
Source: NuWays Research

EBIT margin (2022-27e)



Source: NuWays Research

ROCE (2022-27e)



Source: NuWays Research

Company description

Marley Spoon is a global direct-to-consumer meal kit delivery company. The company offers customers meal kits through its two brands Marley Spoon and Dinnerly and ready-to-heat meals through its brand Chefgood. Marley Spoon serves customers in the US, Australia, and Europe.



Market data

Share price (in €)	0.56
Market cap (in € m)	11.4
Number of shares (in m pcs)	20.3
Enterprise value (in € m)	95.3
Ø trading volume (6 months)	1,955

Identifier

Bloomberg	MS1 GR
Reuters	MS1.DE
WKN	A3C81B
ISIN	LU2380748603

Key shareholders

468 Capital	17.0%
BistroMD	9.0%
USV	5.2%
Sudeep Ramesh Ramnani	5.7%
Free Float	63.7%

Estimates changes

	2025e	2026e	2027e
Sales	-14%	-15%	-14%
EBIT	97%	44%	9%
EPS	-21%	-57%	-130%

- ### Comment on changes
- Adjustments to user growth numbers going forward
 - Reclassification of Chefgood as discontinued operations

Guidance

- Single-digit % rev. decline
- Cont. margin >100bps increase
- Op. EBITDA +70-80% yoy

Financials

Profit and loss (EUR m)	2022	2023	2024	2025e	2026e	2027e
Sales	401.2	328.5	307.7	302.9	318.3	339.4
Sales growth	24.5%	-18.1%	-6.3%	-1.5%	5.1%	6.6%
Cost of sales	216.8	174.1	156.4	152.6	159.9	170.0
Gross profit	184.4	154.4	151.3	150.3	158.4	169.4
Sales and marketing	64.0	55.6	46.7	40.7	42.0	43.9
General and administration	79.0	138.0	75.9	67.2	69.8	73.6
Research and development	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	7.4	0.0	0.0	0.0
Other operating expenses	69.1	50.6	43.9	42.4	44.3	46.9
Total operating expenses	212.1	244.2	159.2	150.4	156.1	164.4
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	-11.5	-72.9	7.1	8.7	11.7	14.1
Depreciation	10.6	11.0	6.4	3.1	3.1	2.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	5.5	6.0	8.6	5.6	6.2	6.8
Impairment charges	0.0	0.0	4.9	0.0	0.0	0.0
EBIT (inc revaluation net)	-27.6	-89.9	-7.9	-0.1	2.3	5.0
Interest income	0.1	10.9	3.0	0.1	0.1	0.1
Interest expenses	12.3	14.8	13.1	11.6	11.6	11.6
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-12.2	-3.9	-10.2	-11.4	-11.4	-11.5
Recurring pretax income from continuing operations	-39.9	-93.7	-18.1	-11.5	-9.1	-6.5
Extraordinary income/loss	-0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-39.9	-93.7	-18.1	-11.5	-9.1	-6.5
Income tax expense	0.1	-0.2	-1.4	0.0	0.0	0.0
Net income from continuing operations	-40.0	-94.0	-16.7	-11.5	-9.1	-6.5
Income from discontinued operations (net of tax)	0.0	0.0	-10.2	0.0	0.0	0.0
Net income	-40.0	-94.0	-6.5	-11.5	-9.1	-6.5
Minority interest	-0.3	-6.7	-1.4	-1.7	-1.4	-1.0
Net profit (reported)	-39.7	-87.3	-5.1	-9.8	-7.7	-5.5
Average number of shares	30.0	20.3	20.3	20.3	20.3	20.3
EPS reported	-1.33	-4.29	-0.25	-0.48	-0.38	-0.27

Profit and loss (common size)	2022	2023	2024	2025e	2026e	2027e
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	54.0%	53.0%	50.8%	50.4%	50.2%	50.1%
Gross profit	46.0%	47.0%	49.2%	49.6%	49.8%	49.9%
Sales and marketing	16.0%	16.9%	15.2%	13.4%	13.2%	12.9%
General and administration	19.7%	42.0%	24.7%	22.2%	21.9%	21.7%
Research and development	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other operating income	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%
Other operating expenses	17.2%	15.4%	14.3%	14.0%	13.9%	13.8%
Total operating expenses	52.8%	74.4%	51.7%	49.6%	49.0%	48.4%
Unusual or infrequent items	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBITDA	-2.9%	-22.2%	2.3%	2.9%	3.7%	4.2%
Depreciation	2.6%	3.3%	2.1%	1.0%	1.0%	0.7%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	1.4%	1.8%	2.8%	1.9%	2.0%	2.0%
Impairment charges	0.0%	0.0%	1.6%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	-6.9%	-27.4%	-2.6%	-0.0%	0.7%	1.5%
Interest income	0.0%	3.3%	1.0%	0.0%	0.0%	0.0%
Interest expenses	3.1%	4.5%	4.3%	3.8%	3.6%	3.4%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	-9.9%	-28.5%	-5.9%	-3.8%	-2.9%	-1.9%
Extraordinary income/loss	-0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	-9.9%	-28.5%	-5.9%	-3.8%	-2.9%	-1.9%
Tax rate	-0.4%	0.2%	8.0%	0.0%	0.0%	0.0%
Net income from continuing operations	-10.0%	-28.6%	-5.4%	-3.8%	-2.9%	-1.9%
Net income	-10.0%	-28.6%	-2.1%	-3.8%	-2.9%	-1.9%
Minority interest	-0.1%	-2.0%	-0.4%	-0.6%	-0.4%	-0.3%
Net profit (reported)	-9.9%	-26.6%	-1.7%	-3.2%	-2.4%	-1.6%

Source: Company data, NuWays

Balance sheet (EUR m)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	25.4	26.6	28.1	31.0	33.9	36.7
Property, plant and equipment	47.4	54.4	23.2	20.8	18.4	16.8
Financial assets	2.9	2.9	2.0	2.0	2.0	2.0
FIXED ASSETS	75.7	83.9	53.3	53.8	54.2	55.4
Inventories	13.1	9.3	4.9	4.8	5.0	5.4
Accounts receivable	0.8	1.5	2.4	2.4	2.5	2.7
Other assets and short-term financial assets	3.2	3.6	9.2	9.2	9.2	9.2
Liquid assets	19.0	12.7	5.6	5.0	2.4	2.1
Deferred taxes	0.0	0.0	0.9	0.9	0.9	0.9
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	36.2	27.2	23.0	22.2	20.0	20.1
TOTAL ASSETS	111.9	111.1	76.3	76.0	74.2	75.5
SHAREHOLDERS EQUITY	-41.5	-35.2	-58.8	-56.7	-79.8	-75.2
MINORITY INTEREST	-1.6	-8.6	-6.7	-8.4	-9.8	-10.8
Long-term liabilities to banks	70.8	67.3	70.2	70.2	70.2	70.2
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	0.0	12.2	12.9	12.9	12.9	12.9
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	2.3	1.8	2.0	2.0	2.0	2.0
NON-CURRENT LIABILITIES	73.0	81.3	85.2	85.2	85.2	85.2
Short-term liabilities to banks	7.8	4.5	5.8	5.8	5.8	5.8
Accounts payable	26.4	26.0	25.8	25.1	26.3	27.9
Advance payments received on orders	1.9	1.4	0.8	0.8	0.8	0.8
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	44.0	40.0	23.1	23.1	44.0	40.0
Deferred taxes	1.8	1.8	1.1	1.1	1.8	1.8
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	81.9	73.6	56.6	55.9	78.7	76.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	111.9	111.1	76.3	76.0	74.2	75.5
Balance sheet (common size)	2022	2023	2024	2025e	2026e	2027e
Intangible assets	22.7%	23.9%	36.9%	40.9%	45.7%	48.5%
Property, plant and equipment	42.3%	49.0%	30.4%	27.4%	24.8%	22.2%
Financial assets	2.6%	2.6%	2.6%	2.6%	2.7%	2.6%
FIXED ASSETS	67.7%	75.5%	69.9%	70.8%	73.1%	73.3%
Inventories	11.7%	8.4%	6.5%	6.3%	6.8%	7.1%
Accounts receivable	0.7%	1.4%	3.2%	3.1%	3.4%	3.5%
Other assets and short-term financial assets	2.9%	3.3%	12.0%	12.0%	12.3%	12.1%
Liquid assets	17.0%	11.5%	7.4%	6.6%	3.3%	2.8%
Deferred taxes	0.0%	0.0%	1.1%	1.1%	1.2%	1.1%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	32.3%	24.5%	30.1%	29.2%	26.9%	26.7%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SHAREHOLDERS EQUITY	-37.1%	-31.7%	-77.2%	-74.6%	-107.6%	-99.5%
MINORITY INTEREST	-1.4%	-7.8%	-8.8%	-11.1%	-13.2%	-14.2%
Long-term liabilities to banks	63.3%	60.6%	92.1%	92.4%	94.6%	92.9%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	0.0%	11.0%	16.9%	17.0%	17.4%	17.1%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	2.0%	1.6%	2.7%	2.7%	2.8%	2.7%
NON-CURRENT LIABILITIES	65.3%	73.2%	111.7%	112.1%	114.8%	112.8%
Short-term liabilities to banks	7.0%	4.0%	7.5%	7.6%	7.8%	7.6%
Accounts payable	23.6%	23.4%	33.9%	33.0%	35.4%	37.0%
Advance payments received on orders	1.7%	1.3%	1.1%	1.1%	1.1%	1.1%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	39.4%	36.0%	30.3%	30.5%	59.3%	52.9%
Deferred taxes	1.6%	1.6%	1.4%	1.5%	2.4%	2.4%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	73.2%	66.2%	74.3%	73.6%	106.0%	101.0%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2022	2023	2024	2025e	2026e	2027e
Net profit/loss	-40.0	-94.0	-19.5	-11.5	-9.1	-6.5
Depreciation of fixed assets (incl. leases)	10.6	11.0	6.4	3.1	3.1	2.3
Amortisation of goodwill & intangible assets	5.5	6.0	8.6	5.6	6.2	6.8
Other costs affecting income / expenses	11.8	67.9	-0.5	20.0	20.0	20.0
Cash flow from operating activities	-18.7	-13.2	-1.7	16.6	21.0	23.7
Increase/decrease in inventory	-3.7	3.8	4.4	0.1	-0.2	-0.3
Increase/decrease in accounts receivable	-1.0	-1.2	-0.9	0.0	-0.1	-0.2
Increase/decrease in accounts payable	-1.4	-6.7	-0.1	-0.7	1.2	1.7
Increase/decrease in other working capital positions	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1
Increase/decrease in working capital	-6.6	-4.1	3.3	-0.6	0.8	1.1
Cash flow from operating activities	-18.7	-13.2	-1.7	16.6	21.0	23.7
CAPEX	-10.7	-9.8	-8.0	-9.8	-9.8	-10.3
Payments for acquisitions	-7.8	-2.5	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	16.8	23.9	6.3	0.0	0.0
Cash flow from investing activities	-18.5	4.6	15.9	-3.5	-9.8	-10.3
Cash flow before financing	-29.4	-23.0	-9.7	6.8	11.2	13.4
Increase/decrease in debt position	18.8	-9.9	-15.1	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	15.9	35.0	8.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-17.0	-22.8	-13.8	-13.8	-13.8	-13.8
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	17.6	2.3	-20.9	-13.8	-13.8	-13.8
Increase/decrease in liquid assets	-11.8	-20.6	-30.6	-6.9	-2.6	-0.3
Liquid assets at end of period	19.0	12.8	5.6	5.0	2.4	2.1

Key ratios (EUR m)	2022	2023	2024	2025e	2026e	2027e
P&L growth analysis						
Sales growth	24.5%	-18.1%	-6.3%	-1.5%	5.1%	6.6%
EBITDA growth	-66.3%	531.6%	-109.7%	22.7%	34.2%	21.2%
EBIT growth	-36.3%	225.0%	-91.2%	-99.1%	-3419.7%	116.6%
EPS growth	-99.2%	224.0%	-94.2%	92.2%	-20.6%	-28.9%
Efficiency						
Sales per employee	239.4	166.7	145.8	191.0	159.8	161.6
EBITDA per employee	-6.9	-37.0	3.4	5.5	5.9	6.7
No. employees (average)	1,676	1,970	2,110	1,586	1,991	2,100
Balance sheet analysis						
Avg. working capital / sales	-4.5%	-4.7%	-5.8%	-6.3%	-6.0%	-5.9%
Inventory turnover (sales/inventory)	16.5	18.7	31.7	31.7	31.7	31.7
Accounts receivable turnover	0.7	1.7	2.9	2.9	2.9	2.9
Accounts payable turnover	44.4	54.4	60.2	60.0	60.0	60.0
Cash flow analysis						
Free cash flow	-29.4	-23.0	-9.7	6.8	11.2	13.4
Free cash flow/sales	-7.3%	-7.0%	-3.2%	2.3%	3.5%	4.0%
FCF / net profit	73.6%	24.4%	49.7%	neg.	neg.	neg.
Capex / sales	-2.7%	-3.0%	-2.6%	-3.2%	-3.1%	-3.0%
Solvency						
Net debt	59.6	71.3	83.3	83.9	86.5	86.8
Net Debt/EBITDA	-5.2	-1.0	11.8	9.7	7.4	6.1
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest paid / avg. debt	18.2%	18.2%	15.2%	13.0%	13.0%	13.0%
Returns						
ROCE	-71.2%	-225.4%	-23.5%	-0.3%	17.0%	158.7%
ROE	95.7%	247.9%	8.6%	17.2%	9.7%	7.3%
Adjusted FCF yield	-3.8%	-71.6%	17.4%	19.4%	21.6%	24.0%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-1.33	-4.29	-0.25	-0.48	-0.38	-0.27
Average number of shares	30.0	20.3	20.3	20.3	20.3	20.3
Valuation ratios						
P/BV	-0.4	-0.3	-0.2	-0.2	-0.1	-0.2
EV/sales	0.2	0.3	0.3	0.3	0.3	0.3
EV/EBITDA	-6.6	-1.1	13.4	11.0	8.4	6.9
EV/EBIT	-2.8	-0.9	-12.0	-1367.0	42.3	19.6

Source: Company data, NuWays

Disclosures

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Indication of conflict of interest

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Company	Disclosures
Marley Spoon Group SE	2

Historical target price and rating changes for Marley Spoon Group SE

Company	Date	Analyst	Rating	Target Price	Close
Marley Spoon Group SE	05.11.2024	Schüssler, Mark	Buy	EUR 4.90	EUR 0.83
	01.08.2024	Schüssler, Mark	Buy	EUR 5.40	EUR 1.30

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjust-

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According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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