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Woolworths Group invests A\$30 million into strategic partnership with leading subscription-based meal kit provider Marley Spoon

Woolworths Group Limited (ASX:WOW), has today announced that it has entered into a strategic partnership in the Australian market with Marley Spoon AG (ASX: MMM), a leading global subscription-based meal kit provider.

The partnership includes a A\$30 million investment in Marley Spoon by Woolworths Group, via a senior secured convertible note (A\$23 million) and issue of Marley Spoon shares (A\$7 million). The issue of shares will result in Woolworths Group owning approximately 9% of Marley Spoon and the convertible note is structured to allow Woolworths Group to participate in the growth of the Australian business.

The partnership will see both companies working collaboratively to grow both the Marley Spoon and Dinnerly brands in Australia, and to build operational synergies, with an initial exclusive term of five years.

Woolworths will gain valuable insights from Marley Spoon's market experience as it looks to complement its current customer offering online by promoting Marley Spoon's meal kits service through the partnership.

Marley Spoon will benefit from Woolworths' deep industry experience, through the ability to engage with Woolworths' customer base, and to work with the Woolworths sourcing and supply chain teams.

Brad Banducci, CEO of Woolworths Group said: "This partnership gives Woolworths exposure to the high-growth ready-to-cook meal kits segment and aligns with our ongoing goal of meeting our customers' needs for healthy and convenient meal solutions.

"Marley Spoon has demonstrated it has a customer focused, innovative and entrepreneurial culture and we are excited to partner with them."

Fabian Siegel CEO of Marley Spoon said: "As grocery spending shifts to online, home-delivered meal kits will play an increasingly large role in helping consumers save time with their weeknight meals. We see this partnership delivering important benefits to both Marley Spoon and Woolworths, with both parties incentivised to grow Marley Spoon's business in Australia.

"We have chosen to partner with Woolworths because it's clear they understand what scale-up businesses need. Despite their size, they have a genuine partnership mentality, offering us support to grow the business whilst empowering us to run our own race."

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