



press release

MARR: The BoD approves the interim management report as at 31 March 2024

Total consolidated revenues of 418.1 million Euros (426.6 million in 2023)

Operating profitability improving, with EBITDA of 16.6 million Euros (14.8 million in 2023) and EBIT of 7.5 million Euros (6.2 million in 2023)

Net profits of 1.7 million Euros (1.5 million in 2023)

After the first four months, the trend in sales to clients in Commercial Catering is consistent with the objectives of strengthening the market presence

Focus on recovery of operating profitability confirmed

Rimini, 14 May 2024 – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the sale and distribution to the foodservice of food and non-food products, today approved the interim management report as at 31 March 2024.

Main consolidated results in the first quarter of 2024

The first quarter of 2024 closed with total consolidated revenues of 418.1 million Euros which, in comparison with 426.6 million in the same period of 2023, were affected by the implementation of policies starting as of the first part of 2023 aimed at managing food inflation.

As a result of these policies, aimed at a recovery of the gross margin, operating profitability has improved, with a consolidated gross operating margin (EBITDA) in the first quarter of 2024 amounting to 16.6 million Euros (14.8 million in 2023) and EBIT of 7.5 million Euros (6.2 million in 2023).

After the first three months of 2024, the net profits, which are affected by increased net financial charges due to dynamics in the cost of funding, amounted to 1.7 million Euros (1.5 million in 2023).

The Net Trade Working Capital as at 31 March 2024 amounted to 234.1 million Euros, compared to 233.5 million as at 31 March 2023.

The net financial debt as at 31 March 2024 amounted to 260.7 million Euros (270.6 million at the end of the first quarter of 2023), while net of the application of accounting standard IFRS 16, it amounted to 181.5 million Euros (192.3 million in 2023).

The consolidated Net Equity as at 31 March 2024 amounted to 354.0 million Euros (341.1 million at the end of the first quarter of 2023).

Results by segment of activity in the first quarter of 2024

Sales of the MARR Group in the first three months of the year, which historically is of a low seasonality, amounted to 412.5 million Euros, compared to 420.0 million in the same period of 2023.



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In particular, sales to clients in the Street Market segment (Independent Commercial Catering) amounted to 256.7 million Euros (250.7 million in the first quarter of 2023), while those to clients in the National Account segment (Chains and Groups in Structured Commercial Catering and Canteens) amounted to 114.6 million Euros, compared to 121.6 million in 2023, and were affected by the decrease in sales in the Canteens sub-segment (66.1 million in the first quarter of 2023, compared to 76.9 million in 2023) as a result of the planned activities implemented as of the first part of 2023 to manage food inflation.

In overall terms, sales in the first quarter of 2024 to clients in Commercial Catering - both independent (Street Market segment) and structured (Chains and Group, in the National Account segment) - amounted to 305.2 million Euros, compared to 295.4 million Euros in the same period of 2023.

The market context remains positive, thanks also to the contribution of foreign tourism flow (Federalberghi, May 2024). In the first quarter of 2024 compared to the same period in 2023, according to the Confcommercio Studies Office (Survey no. 4, April 2024), consumption by quantity in the item "Hotels, meals and out-of-home consumption" in Italy increases by 3.3% while according to TradeLab (AFH Consumer Tracking, April 2024), the increase in the number of visits to "Away from Home" (AFH) food consumption catering structures amounts to 1%, with an increase of 2% in the value of AFH consumption.

Sales to clients in the Wholesale segment (almost entirely frozen seafood products to wholesalers) in the first quarter of 2024 amounted to 41.2 million Euros and, in comparison to 47.7 million in the same period of 2023, were influenced by the trends of certain fishing campaigns compared to last year.

Events after the closure of the first quarter of 2024

The Shareholders' meeting on 19 April 2024 approved the distribution of a gross dividend of 0.60 Euros (0.38 Euros last year) per share, with "ex-coupon" (no. 19) on 20 May 2024, record date on 21 May and payment on 22 May. The non-distributed profits, the entity of which will be determined on the basis of the treasury shares held in the portfolio on distribution of the coupons, will be allocated to the Reserves.

MARR currently holds in its portfolio 1,394,260 own shares, amounting to approximately 2.1% of the share capital.

The Shareholders' Meeting also revoked, for the unused part, the authorisation to purchase, sell and dispose of own shares of the Company granted by resolution of the Shareholders' Meeting on 28 April 2023 and simultaneously approved a new authorisation to purchase, sell and dispose of own shares of the Company according to the terms and conditions provided in the resolution proposal illustrated in the report available on the Company website www.marr.it in the governance/shareholders' meetings section.

From mid-April began, according to schedule, the operating activities of the MARR Lombardy distribution center, a new facility of 14 thousand square metres in Bottanuco (Bergamo), which has strengthened MARR's presence in Lombardy, the top Italian region in terms of value of out-of-home food consumption.

Outlook

The trend of out-of-home food consumption in the first four months of 2024, and thus after the "spring long weekends" of 25 April and 1 May, both penalised by unfavourable weather conditions (Confesercenti, April-May 2024), provided positive indications in view of the summer tourist season.



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In this context, the trend of sales to clients in the Commercial Catering sector (clients in the Street Market segment and in the sub-segment of Chains and Groups in the National Account segment) after the first four months of the year is consistent with that in the first quarter and with the objectives of strengthening the market presence.

Sales to clients in the Canteens sector after the first four months showed a trend of improved dynamics compared to those in the first quarter, also thanks to a favourable calendar in April. As a result of the actions being implemented, a progressive recovery is expected in sales to the Canteens sub-segment in the second half of the year.

The focus of the entire organization on the recovery of operating profitability is confirmed, in particular thanks to the management of the gross margin and to the control of the levels of absorption of the working capital.

MARR (Cremonini Group), listed on the Euronext STAR Milan segment of the Italian Stock Exchange, is the leading Italian company in the specialised distribution of food products to the foodservice and is controlled by Cremonini S.p.A..

With an organisation comprising over 950 sales agents, the MARR Group serves about 55,000 customers (mainly restaurants, hotels, pizza restaurants, holiday resorts and canteens), with an offer that includes over 25,000 food products, including seafood, meat, various food products and fruit and vegetables and a significant offer of green, sustainable and Made in Italy products (<https://catalogo.marr.it/catalogo>).

MARR operates nationwide through a logistical-distribution network composed of more than 40 distribution units, some of which with cash&carry, and uses over 950 vehicles.

MARR achieved total consolidated revenues in 2023 of 2,085.5 million Euros (1,930.5 million in 2022) with a consolidated EBITDA of 123.1 million Euros (82.1 million in 2022) and net consolidated profits of 47.1 million Euros (26.6 million in 2022).

The MARR's Sustainability Report is available at web page www.marr.it/sustainability/report-and-esg

The manager responsible for preparing the company's financial reports Pierpaolo Rossi, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, declares that the accounting information contained in this press release corresponds to the document results, books and accounting records.

It should be noted that the interim report as at 31 March 2024, approved today by the MARR S.p.A. Board of Directors, will be made available by the end of today on the Investor Relations Section of the company website www.marr.it/investor-relations/bilanci-relazioni, at the company headquarters and on the authorized storage system www.emarketstorage.com.

The results as at 31 March 2024 will be illustrated in a conference call with the financial community, to be held today at 17:30 (CET). This presentation will be available in the "Investor Relations – Presentations" section of the MARR website (www.marr.it) from 17:15 today.

The speech in English of the presentation with a summary of the Q&A session will be published in the "Investor Relations – Presentations" (English version) section, where it will be available for 7 days from the morning of Wednesday 15 May.



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This press release contains forecast elements and elements which reflect the current opinions of the management team (forward-looking statements), especially as regards the future outlook, the realisation of investments, the performance of cash flows and the evolution of the financial structure. The forward-looking statements by nature include a component of risk and uncertainty because they depend upon the occurrence of future events. The effective results may differ even significantly from those announced because of a multitude of factors including, merely for example: the performance of the market of out of home food consumption ("foodservice") and the flow of tourists into Italy; the evolution of the price of raw materials on the food sector; general macroeconomic conditions; geopolitical factors and developments in the regulatory framework.

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ALTERNATIVE PERFORMANCE MEASURES

In this press release certain non-IFRS measures are presented for purposes of a better understanding of the trend of operations and financial condition of the MARR Group; however, such measures should not be construed as a substitute for the operating and financial information required by IFRS.

Specifically, the non-IFRS measures presented are described below:

- **EBITDA** (Gross Operating Result): this economic indicator is not defined by the IFRS and used by the company's management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group's performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital employed and the relevant amortization and depreciation policies. The EBITDA (Earnings before interest, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write downs and financial income and charges, non-recurrent items and income tax.
- **EBIT** (Operating Result): is an economic indicator of the operational performance of the Group. The EBIT (Earnings before interest and taxes) is defined as the business year Profits/Losses gross of financial income and charges, non-recurrent items and income tax.
- **Net Financial Position** used as a financial indicator of debts is represented by the total of the following positive and negative components of the Balance sheet:
 - Positive short and long term components: cash and equivalents; items of net working capital collectables; financial assets; current financial receivables.
 - Negative short and long term components: payables to banks; payables to other financiers, payables to leasing companies and factoring companies; payables to shareholders for loans.

Re-classified Income Statement¹

MARR Consolidated (€thousand)	1st quarter 2024	%	1st quarter 2023	%	% Change
Revenues from sales and services	407,963	97.6%	415,192	97.3%	(1.7)
Other earnings and proceeds	10,129	2.4%	11,407	2.7%	(11.2)
Total revenues	418,092	100.0%	426,599	100.0%	(2.0)
Cost of raw materials, consumables and goods for resale	(365,753)	-87.5%	(379,698)	-89.0%	(3.7)
Change in inventories	32,827	7.9%	35,354	8.3%	(7.1)
Services	(56,094)	-13.5%	(55,350)	-13.0%	1.3
Leases and rentals	(192)	0.0%	(140)	0.0%	37.1
Other operating costs	(428)	-0.1%	(456)	-0.1%	(6.1)
Value added	28,452	6.8%	26,309	6.2%	8.1
Personnel costs	(11,827)	-2.8%	(11,549)	-2.7%	2.4
Gross Operating result	16,625	4.0%	14,760	3.5%	12.6
Amortization and depreciation	(5,248)	-1.3%	(4,906)	-1.2%	7.0
Provisions and write-downs	(3,865)	-0.9%	(3,696)	-0.9%	4.6
Operating result	7,512	1.8%	6,158	1.4%	22.0
Financial income/(charges)	(4,832)	-1.2%	(3,746)	-0.8%	29.0
Foreign exchange gains and losses	301	0.1%	(237)	-0.1%	227.0
Result from recurrent activities	2,981	0.7%	2,175	0.5%	37.1
Non-recurring income	0	0.0%	0	0.0%	0.0
Non-recurring charges	0	0.0%	0	0.0%	0.0
Net result before taxes	2,981	0.7%	2,175	0.5%	37.1
Income taxes	(1,253)	-0.3%	(705)	-0.2%	77.7
Net result attributable to the MARR Group	1,728	0.4%	1,470	0.3%	17.6

¹ Data unaudited.

Re-classified Balance sheet¹

MARR Consolidated	31.03.24	31.12.23	31.03.23
(€thousand)			
Net intangible assets	170,367	170,392	170,408
Net tangible assets	104,910	101,879	88,388
Right of use assets	75,220	77,239	74,781
Equity investments evaluated using the net equity method	1,828	1,828	1,828
Equity investments in other companies	178	178	178
Other fixed assets	14,526	23,009	15,972
Total fixed assets (A)	367,029	374,525	351,555
Net trade receivables from customers	349,547	348,678	350,658
Inventories	236,198	203,370	245,267
Suppliers	(351,634)	(381,396)	(362,469)
Trade net working capital (B)	234,111	170,652	233,456
Other current assets	60,354	82,988	62,441
Other current liabilities	(28,858)	(29,808)	(16,362)
Total current assets/liabilities (C)	31,496	53,180	46,079
Net working capital (D) = (B+C)	265,607	223,832	279,535
Other non current liabilities (E)	(3,722)	(5,093)	(3,941)
Staff Severance Provision (F)	(6,679)	(6,672)	(7,193)
Provisions for risks and charges (G)	(7,519)	(7,665)	(8,231)
Net invested capital (H) = (A+D+E+F+G)	614,716	578,927	611,725
Shareholders' equity attributable to the Group	(353,991)	(355,473)	(341,118)
Consolidated shareholders' equity (I)	(353,991)	(355,473)	(341,118)
(Net short-term financial debt)/Cash	92,131	115,566	27,405
(Net medium/long-term financial debt)	(273,600)	(257,378)	(219,725)
Net financial debt - before IFRS 16 (J)	(181,469)	(141,812)	(192,320)
Current lease liabilities (IFRS 16)	(12,103)	(11,826)	(11,153)
Non-current lease liabilities (IFRS 16)	(67,153)	(69,816)	(67,134)
IFRS 16 effect on Net financial debt (K)	(79,256)	(81,642)	(78,287)
Net financial debt (L) = (J+K)	(260,725)	(223,454)	(270,607)
Net equity and net financial debt (M) = (I+L)	(614,716)	(578,927)	(611,725)

¹ Data unaudited.

Net financial position¹

MARR Consolidated (€thousand)	31.03.24	31.12.23	31.03.23
A. Cash	13,328	17,479	6,482
Bank accounts	150,624	205,927	148,563
Postal accounts	0	0	0
B. Cash equivalent	150,624	205,927	148,563
C. Liquidity (A) + (B)	163,952	223,406	155,045
Current financial receivable due to Parent company	9,796	9,818	9,640
Others financial receivable	0	0	0
D. Current financial receivable	9,796	9,818	9,640
E. Current receivables for derivative/financial instruments	0	2	0
F. Current Bank debt	(15,128)	(44,699)	(67,186)
G. Current portion of non current debt	(65,219)	(70,082)	(66,110)
Other financial debt	(1,270)	(2,879)	(3,984)
H. Other current financial debt	(1,270)	(2,879)	(3,984)
I. Current lease liabilities (IFRS 16)	(12,103)	(11,826)	(11,153)
J. Current financial debt (F) + (G) + (H) + (I)	(93,720)	(129,486)	(148,433)
K. Net current financial indebtedness (C) + (D) + (E) + (J)	80,028	103,740	16,252
L. Non current bank loans	(174,150)	(157,533)	(120,112)
M. Non-current derivative/financial instruments	466	126	776
N. Other non current loans	(99,916)	(99,971)	(100,389)
O. Non-current lease liabilities (IFRS 16)	(67,153)	(69,816)	(67,134)
P. Non current financial indebtedness (L) + (M) + (N) + (O)	(340,753)	(327,194)	(286,859)
Q. Net financial indebtedness (K) + (P)	(260,725)	(223,454)	(270,607)

¹ Data unaudited.