



press release

MARR: The BoD approves the half-yearly financial report as at 30 June 2024.

Total consolidated revenues of 987.7 million Euros (1,003.2 million in 2023)

Improvement in operating profitability confirmed, with EBITDA of 55.6 million Euros (53.4 million in 2023) and EBIT of 35.4 million Euros (34.7 million in 2023)

Net profits of 17.5 million Euros (18.7 million in 2023)

Sales increased in all client segments in July. After the first seven months, sales to clients in Commercial Catering are consistent with the objectives of strengthening the market presence and focusing on the management of the gross margin.

Rimini, 2 August 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 half-year financial report as at 30 June 2024.

Main consolidated results for the first half of 2024

The first half of 2024 closed with total consolidated revenues of 987.7 million Euros which, in comparison with 1,003.2 million in the same period of 2023, were affected, especially in the first months of 2024, by the implementation of policies for the management of food inflation started from the first part of 2023 and which have involved the Canteens segment in particular.

As a result of these policies, aimed at recovering the gross margin, the improvement in operating profitability has been confirmed, with a consolidated EBITDA amounting to 55.6 million Euros in the first half of 2024 (53.4 million in 2023) and EBIT amounting to 35.4 million Euros (34.7 million in 2023).

At the end of the first six months of 2024, the net profits, which are affected by increased net financial charges as a result of the dynamics in the cost of funding, amounted to 17.5 million Euros (18.7 million in 2023).

The Net Trade Working Capital as at 30 June 2024 amounted to 183.7 million Euros, compared to 198.6 million at the end of the first half of 2023.

The net financial debt as at 30 June 2024 amounted to 240.8 million Euros (250.1 million in the first half of 2023), while net of the application of accounting standard IFRS 16, it amounted to 163.6 million Euros (172.4 million as at 30 June 2023).

The consolidated Net Equity as at 30 June 2024 amounted to 326.2 million Euros, compared to 332.2 million in the first half of 2023.



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Results by segment of activity for the first half of 2024

Sales of the MARR Group in the first half of 2024 amounted to 968.9 million Euros (986.2 million in 2023) with 556.4 million Euros in the second quarter (566.1 million in 2023).

Sales to clients in the Street Market segment (Independent Commercial Catering) in the first six months of 2024 amounted to 624.6 million Euros (628.9 million in 2023); while those in the second quarter amounted to 367.9 million Euros (378.2 million in 2023) and were achieved in a market context marked by a weak beginning of the summer tourist season, also as a result of unfavourable weather conditions, and by a tendential reduction in the Euro/Kg price of the products sold, especially seafood products.

Sales to clients in the National Account segment (Chains and Groups in Structured Commercial Catering and Canteens) in the first half of the year amounted to 245.0 million Euros and, compared to 253.3 million in 2023, were affected in the sub-segment of Canteens and more so in the first months of 2024 by activities implemented early in 2023 for the management of food inflation. Sales in the second quarter of 2024 in the National Account segment amounted to 130.4 million Euros and, in comparison with 131.7 million in 2023, show an increase in Chains and Groups (67.7 million Euros compared to 66.9 million in the second quarter of 2023) and a recovery in Canteens (62.7 million Euros compared to 64.8 million in the second quarter of 2023) in relation to the decrease of 10.8 million Euros in the first three months of 2024.

In overall terms, sales in the first half of 2024 to clients in Commercial Catering - both independent (Street Market segment) and structured (Chains and Groups, in the National Account segment) - amounted to 740.8 million Euros compared to 740.6 million Euros in the same period of 2023, while sales in Commercial Catering in the second quarter of 2024 amounted to 435.6 million Euros (445.2 million in 2023).

As regards the market context of out-of-home food consumption, according to the Confcommercio Studies Office (Survey no. 7, July 2024), consumption by quantity in the item "Hotels, meals and out-of-home consumption" in Italy decreased by 1% in the second quarter of 2024 compared to the same period last year, while according to TradeLab (AFH Consumer Tracking, July 2024), the number of visits to "Away From Home" (AFH) catering structures showed a reduction of 2.4% in the second quarter of 2024.

Sales to clients in the Wholesale segment (almost entirely frozen seafood products to wholesalers) in the first half of 2024 amounted to 99.2 million Euros (103.9 million in 2023), while those in the second quarter of 2024 amounted to 58.0 million (56.2 million in 2023), albeit in the presence of the tendential reduction in the Euro/Kg price of seafood products mentioned above.

Outlook

The increase in sales in July, also benefitting from the effects of a calendar that had affected June, has involved all of the client segments. After the first seven months, in a context of tendential reduction in the Euro/Kg of the products sold, the trend in sales to clients in Commercial Catering is consistent with the objectives of strengthening the market presence and focusing on the management of the gross margin.

The entire organization is focused on the current summer season in order to continue to provide support to the Client in the peak of the out-of-home consumption period, through a level of service that is a distinctive factor of MARR's proposal to the market.

The focus on the recovery of the operating profitability has been confirmed, in particular thanks to the management of the gross margin, and on the control of the absorption of the working capital.



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With regard to the investment Plan, released by the Company on 14 November 2023 during the presentation of the results as at 30 September 2023, as a result of the recent finalisation of the definitive project for the logistics platform in Central-Northern Italy (Ospedaletto Lodigiano), please note that this project was originally expected to be activated in the first half of 2024, but should now begin in the fourth quarter in 2024.

The construction of the logistics platform in Central-Southern Italy continues according to plans (in Castelnuovo di Porto in Lazio), the start of operations of which is confirmed for the first part of 2025.

Also in the light of this new timing for the Central-Northern platform, and without prejudice to the total amount of the investment Plan and the areas of intervention, it is expected that the overall investments in the 2024 business year could be around 50 million Euros.

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 must be noted that the half-year financial report as at 30 June 2024, approved today by the Board of Directors of MARR S.p.A., will be made available on the same date, together with the Report by the Independent Auditing Firm, in the Investor Relations section of the Company website on the page: www.marr.it/investor-relations/bilanci-relazioni and also at the company's head office and on the authorised storage platform www.emarketstorage.com.

The results of the first half of 2024 will be illustrated during a conference call with the financial community, which will be held today at 17:30 (CET). The presentation will be available in the "Investor Relations - Presentations" section of the MARR website (www.marr.it) after 17:15.

The speech in English regarding the presentation with a summary of the Q&A session will be published in the "Investor Relations - Presentations" section, where it will be consultable for 7 days starting on the morning of Monday 5 August.



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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) | 30.06.24 (6 months) | % | 30.06.23 (6 months) | % | % Change |
|---|--------------------------------------|---------------|--------------------------------------|---------------|-----------------|
| Revenues from sales and services | 958,587 | 97.0% | 976,122 | 97.3% | (1.8) |
| Other earnings and proceeds | 29,161 | 3.0% | 27,127 | 2.7% | 7.5 |
| Total revenues | 987,748 | 100.0% | 1,003,249 | 100.0% | (1.5) |
| Cost of raw materials, consumables and goods for resale | (825,172) | -83.5% | (849,880) | -84.7% | (2.9) |
| Change in inventories | 46,126 | 4.6% | 49,824 | 4.9% | (7.4) |
| Services | (126,202) | -12.8% | (124,707) | -12.4% | 1.2 |
| Leases and rentals | (410) | 0.0% | (382) | 0.0% | 7.3 |
| Other operating costs | (888) | -0.1% | (946) | -0.1% | (6.1) |
| Value added | 81,202 | 8.2% | 77,158 | 7.7% | 5.2 |
| Personnel costs | (25,554) | -2.6% | (23,785) | -2.4% | 7.4 |
| Gross Operating result | 55,648 | 5.6% | 53,373 | 5.3% | 4.3 |
| Amortization and depreciation | (10,797) | -1.1% | (9,966) | -1.0% | 8.3 |
| Provisions and write-downs | (9,498) | -0.9% | (8,666) | -0.8% | 9.6 |
| Operating result | 35,353 | 3.6% | 34,741 | 3.5% | 1.8 |
| Financial (charges)/income | (9,752) | -1.0% | (8,463) | -0.9% | 15.2 |
| Net result before taxes | 25,601 | 2.6% | 26,278 | 2.6% | (2.6) |
| Income taxes | (8,139) | -0.8% | (7,609) | -0.7% | 7.0 |
| Net result attributable to the MARR Group | 17,462 | 1.8% | 18,669 | 1.9% | (6.5) |

¹ Data unaudited

Re-classified Balance sheet¹

| MARR Consolidated (€thousand) | 30.06.24 | 31.12.23 | 30.06.23 |
|--|------------------|------------------|------------------|
| Net intangible assets | 170,400 | 170,392 | 170,447 |
| Net tangible assets | 105,565 | 101,879 | 93,858 |
| Right of use assets | 72,647 | 77,239 | 73,571 |
| Equity investments evaluated using the net equity method | 1,828 | 1,828 | 1,828 |
| Equity investments in other companies | 178 | 178 | 188 |
| Other fixed assets | 21,712 | 23,009 | 21,306 |
| Total fixed assets (A) | 372,330 | 374,525 | 361,198 |
| Net trade receivables from customers | 398,138 | 348,678 | 420,711 |
| Inventories | 249,496 | 203,370 | 259,737 |
| Suppliers | (463,963) | (381,396) | (481,824) |
| Trade net working capital (B) | 183,671 | 170,652 | 198,624 |
| Other current assets | 71,386 | 82,988 | 64,597 |
| Other current liabilities | (37,724) | (29,808) | (23,641) |
| Total current assets/liabilities (C) | 33,662 | 53,180 | 40,956 |
| Net working capital (D) = (B+ C) | 217,333 | 223,832 | 239,580 |
| Other non current liabilities (E) | (5,308) | (5,093) | (4,169) |
| Staff severance provision (F) | (6,548) | (6,672) | (6,991) |
| Provisions for risks and charges (G) | (10,751) | (7,665) | (7,288) |
| Net invested capital (H) = (A+ D+ E+ F+ G) | 567,056 | 578,927 | 582,330 |
| Shareholders' equity attributable to the Group | (326,241) | (355,473) | (332,233) |
| Consolidated shareholders' equity (I) | (326,241) | (355,473) | (332,233) |
| (Net short-term financial debt)/Cash | 98,788 | 115,566 | 67,238 |
| (Net medium/long-term financial debt) | (262,355) | (257,378) | (239,681) |
| Net financial debt - before IFRS16 (J) | (163,567) | (141,812) | (172,443) |
| Current lease liabilities (IFRS16) | (12,183) | (11,826) | (11,454) |
| Non-current lease liabilities (IFRS16) | (65,065) | (69,816) | (66,200) |
| IFRS16 effect on Net financial debt (K) | (77,248) | (81,642) | (77,654) |
| Net financial debt (L) = (J+ K) | (240,815) | (223,454) | (250,097) |
| Net equity and net financial debt (M) = (I+ L) | (567,056) | (578,927) | (582,330) |

¹ Data unaudited

Re-classified Cash-flow statement¹

| MARR Consolidated (€thousand) | 30.06.24 | 30.06.23 |
|--|------------------|------------------|
| Net result before minority interests | 17,462 | 18,669 |
| Amortization and depreciation | 10,797 | 9,966 |
| Change in staff severance provision | (124) | (216) |
| Capital (profit)/losses in disposal of assets | (11) | 0 |
| Dividends received | (150) | 0 |
| Sub-total operating activity | 27,974 | 28,419 |
| (Increase) decrease net trade receivables from customers | (49,460) | (66,901) |
| (Increase) decrease in inventories | (46,126) | (49,824) |
| Increase (decrease) in payables to suppliers | 82,567 | 87,215 |
| (Increase) decrease in other assets and liabilities | 23,990 | 14,570 |
| Change in trade net working capital and other assets and liabilities | 10,971 | (14,940) |
| Net (investments) in intangible assets | (376) | (401) |
| Net (investments) in tangible assets | (7,915) | (13,709) |
| Flows relating to acquisitions of subsidiaries and going concerns | (1,200) | (2,010) |
| Dividends received | 150 | 0 |
| Investments in other fixed assets | (9,341) | (16,120) |
| Free - cash flow before dividends and other changes in shareholders' equity | 29,604 | (2,641) |
| Distribution of dividends | (39,030) | (24,733) |
| Trading of own shares | (8,007) | (2,918) |
| Cash-flow from (for) change in shareholders' equity | (47,037) | (27,651) |
| FREE - CASH FLOW | (17,433) | (30,292) |
| Opening net financial debt | (223,454) | (217,550) |
| Effect for change in liability for IFRS16 | (1,599) | (4,090) |
| Dividends approved and not distributed | (48) | (335) |
| Effect of changes in other financial payables | 1,200 | 2,010 |
| Effect of changes in derivatives | 519 | 160 |
| Cash-flow for the period | (17,433) | (30,292) |
| Closing net financial debt | (240,815) | (250,097) |

¹ Data unaudited