EMARKET SDIR CERTIFIED

MARR

Annual Report as at December 31, 2022

MARR S.p.A.
Street Spagna, 20 – 47921 Rimini (Italy)
Share Capital € 33,262,560 fully paid-up
Tax Code and registration number in the Register of Enterprises of the Chamber of Commerce of Romagna – Forlì – Cesena and Rimini 01836980365
Company subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)

EMARKET SDIR CERTIFIED

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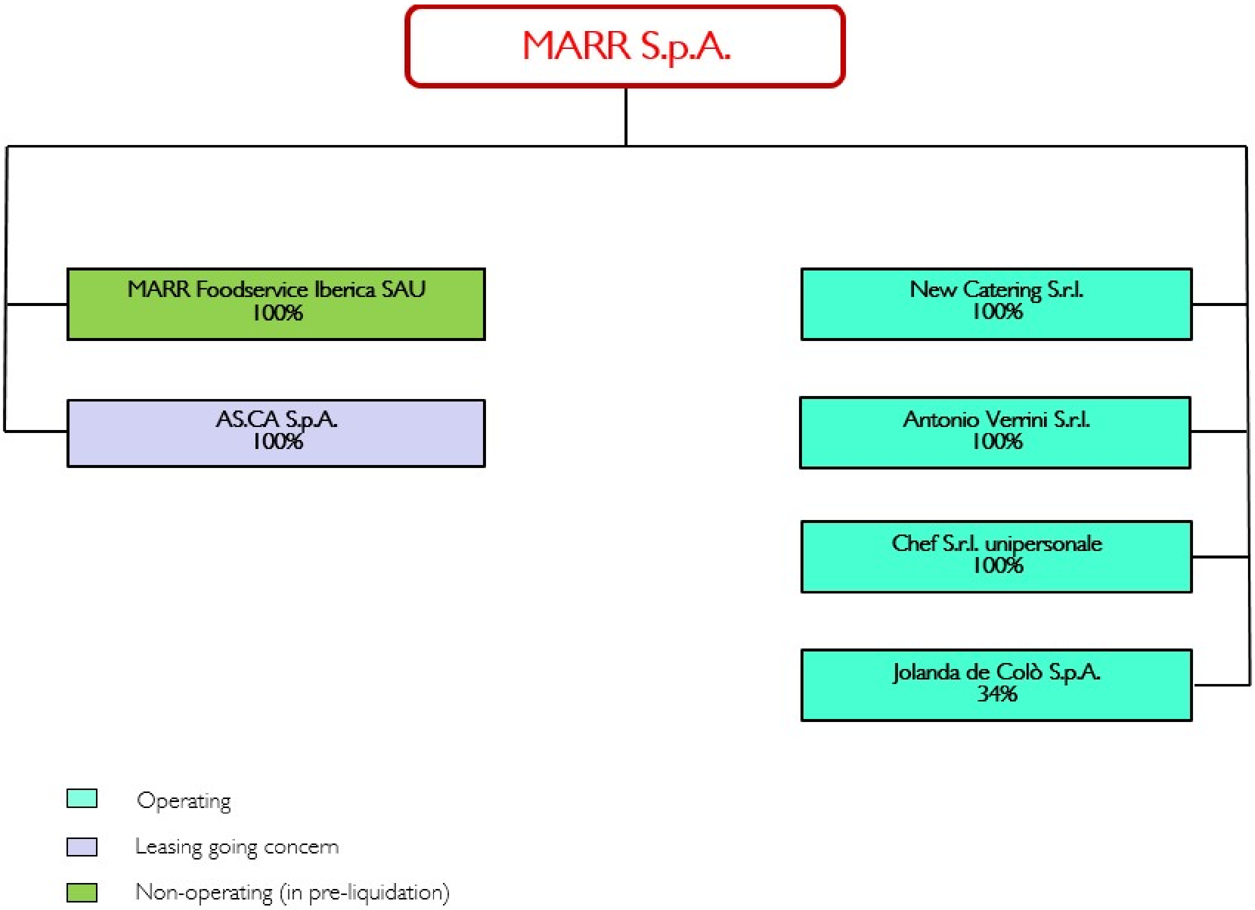
MARR GROUP ORGANISATION

as at 31 December 2022



The structure of the Group as at 31 December 2022 differs from the situation as at 31 December 2021 due to:

- the purchase, finalized on 1 April 2022 by the parent company MARR S.p.A. of all the shares in the new established company Frigor Carni S.r.l., to which the assets of Frigor Carni S.a.s., a company based in Montepaone Lido (Catanzaro) were transferred, and operating in the marketing and distribution of food products to the Foodservice, with a significant specialization in the offer of fish products, aimed mainly at independent catering clients;

- the merger by incorporation into the parent company MARR S.p.A. of the wholly owned company Chef S.r.l. Unipersonale, with legal effects starting from 30 December 2022 and accounting and tax effects starting from 1 January 2022. The merger operation carried out is aimed to obtain a rationalization of economic, financial and administrative management.

The activity of the MARR Group is entirely aimed at the marketing and distribution of food products to the Foodservice, as follows:

Company	Activity
MARR S.p.A. Street Spagna n. 20 – Rimini	Sale and distribution of perishable, non-perishable, frozen and deep-frozen food products for Foodservice operators.
New Catering S.r.l. Street Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of food products to bars and fast food outlets.

Company	Activity
Antonio Verrini S.r.l. Street Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of fresh, frozen and deep-frozen fish products mainly in the Ligurian and Versilia areas.
Frigor Carni S.r.l. Street Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of perishable, non-perishable, frozen and deep-frozen food products mainly in the Calabria Region.
Jolanda de Colò S.p.A. Street 1° Maggio n. 21 – Palmanova (UD)	Production, sale and distribution of food products in the premium segment (high-end).
MARR Foodservice Iberica S.A.U. Calle Lagasca n. 106 1° centro - Madrid (Spagna)	Non-operating company.
AS.CA S.p.A. Street Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Company that from February 1, 2020 exercises a business lease to the parent company MARR S.p.A..

All subsidiaries are fully consolidated.
Associated companies are valued at equity.

BOARD OF DIRECTORS

Office	Name and Surname	Executive	Non-executive	Member of Control and Risk Committee	*Independence as provided by the Corporate Governance Code*	*Independence in accordance with art. 148 TUF*
Chairman	Ugo Ravanelli		✔			✔
Chief Executive Officer	Francesco Ospitali	✔				
Director	Claudia Cremonini		✔			
Director	Paolo Ferrari		✔			✔
Director (independent)	Marinella Monterumisi		✔	✔	✔	✔
Director (independent)	Alessandro Nova		✔		✔	✔
Director (independent)	Rossella Schiavini		✔	✔	✔	✔

BOARD OF STATUTORY AUDITORS

Office	Name and Surname
Chairman	Massimo Gatto
Statutory Auditor	Andrea Foschi
Statutory Auditor	Simona Muratori
Alternate Staturory Auditor	Alvise Deganello
Alternate Staturory Auditor	Lucia Masini

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

MANAGER RESPONSIBLE FOR THE DRAFTING OF CORPORATE ACCOUNTING DOCUMENTS

Pierpaolo Rossi

The functions of the Remuneration Committee and the Appointments Committee are attributed to the entire Board of Directors under the coordination of the Chairman, as required by the Corporate Governance Code and in compliance with the conditions and methods indicated therein (Recommendation No. 26).

DIRECTORS' REPORT

Group performance and analysis of the results for the business year 2022

In application of the Legislative Decree no. 38 of 28 February 2005, which acknowledges regulation no. 1606/2002 of the European Parliament, MARR has drawn up these consolidated and separate financial statements, in accordance with the international accounting standards (International Financial Reporting Standards - IFRS).

The MARR Group closes the 2022 business year with Total Consolidated Revenues of 1,930.5 million Euros, an increase compared to both the 1,456.3 million of 2021 (+32.6%) and 1,695.8 million (pre-pandemic) in 2019.
Specifically, the revenues from sales in 2022 amounted to 1,896.6 million Euros, compared to 1,432.6 million in 2021 (+32.4%) and 1,666.7 million in 2019.

Sales to clients in the Street Market and National Account segments amounted to 1,679.2 million Euros and, compared to 1,171.3 million Euros in 2021 (+43.4%) benefited by approximately 11 million Euros from the contribution of the Verrini Group, consolidated as of 1 April 2021, and by approximately 14 million Euros from that of Frigor Carni S.r.l., consolidated as of 1 April 2022. Sales to Street Market and National Account clients in 2019 had amounted to 1,422.7 million Euros.

The increase in sales in the Street Market and National Account segments compared to 2021 represents another over-performance compared to the trend of the reference Market. On the basis of Confcommercio Studies Office (Survey no. 2, February 2023) consumption (by quantity) in "Hotels and out-of-home food consumption" in Italy increased by +22.1% in 2022 compared to 2021.

Sales in 2022 in the Wholesale segment (almost entirely frozen seafood product to wholesalers) amounted to 217.4 million Euros (261.3 million Euros in 2021 and 244.0 million Euros in 2019) and even in the fourth quarter, following the cancellation of some summer fishing campaigns, were affected by a shorter temporary availability of product.

The trend of sales during the course of the year was influenced by the inflation dynamics in the foodservice sector, with effect the majority of the product categories sold by MARR and also affects the timing of the transfer of the increase in prices, which differ for each single client segment. In particular, the process of adjusting the sales prices to the increase in the procurement costs of the products has witnessed a better progress in the Street Market segment compared to the National Account segment, the latter being penalised by the Canteens component and direct supplies to Public Administrations. In this regard, it must be observed that the greater seasonal incidence of the National Account segment in the mix of total sales in the fourth quarter compared to that for the entire year, and the trends in the Wholesale segment, albeit with a gradual recovery in marginality in the Street Market segment, has penalised the gross margin for the last three months of 2022.

In addition, the fourth quarter, as already observed for the first nine months of 2022, continued to be affected by the inflation dynamics linked to the increase in energy costs compared to the same period of 2021, with a consequent impact on costs relating to conservation and distribution of products, as well as a general increase in logistics rates with effects on costs for handling activities.

In this context, during the entire 2022 business year, MARR continued to maintain the level of service offered, in the framework of a recovery in out-of-home consumption, combining this with the management of the adjustment of sales prices to the increase in the cost of food products and that of the operating costs (especially those linked to the increase in energy costs) through efficiency policies aimed at process optimisation.

The consolidated EBITDA for 2022, which was affected by the aforementioned trends in terms of gross margin and operating costs, reached to 82.1 million Euros (90.5 million Euros in 2021), while the EBIT amounted to 46.2 million (57.6 million Euros in 2021).

The Net Result for the year amounted to 26.6 million Euros and, compared to 35.1 million in 2021, was also affected by the increase in funding costs in the second half of 2022, with net financial charges of 8.2 million Euros, compared to 5.1 million Euros in 2021 business year.

The table below shows the reconciliation between sales data by customer type and revenues from sales and services of the Group as per the consolidated financial statements:

MARR Consolidated (€thousand)	*31.12.22*	*31.12.21**
Revenues from sales and services by customer category		
Street market	1,259,277	903,536
National Account	419,953	267,775
Wholesale	217,394	261,302
Total revenues form sales in Foodservice	1,896,624	1,432,613
(1) Discount and final year bonus to the customers	(18,322)	(12,338)
(2) Other services	298	275
(3) Other	276	183
Revenues from sales and services	1,878,876	1,420,733

Note
(1) Discount and final year bonus not attributable to any specific customer category
(2) Revenues for services (mainly transport) not referring to any specific customer category
(3) Other revenues for goods or services/adjustments to revenues not referring to any specific customer category

* It should be noted that the data as at 31 December 2021 have been restated in order to maintain comparability with the 2022 classification following the redefinition of the channels on some clients.

Organisation and logistics

The organisational structure and logistics of the MARR Group as at 31 December 2022, indicating the availability of properties, is as follows:

Offices, Branches, Distribution Centres and Subsidiaries

Offices, Branches, Distribution Centres		
Management Offices	Santarcangelo di Romagna (RN)	Property
Marr Battistini e Polo Ittico	Rimini and Costermano (VR)	Leasehold by parent company Cremonini S.p.A. and third party
Marr Adriatico	Elice (PE)	Leasehold by third party
Marr Arco	Arco (TN)	Leasehold by third party
Marr Fresh Point	Cesenatico (FC)	Leasehold by third party
Marr Bologna	Anzola dell'Emilia (BO)	Leasehold by third party
Marr Calabria	Spezzano Albanese (CS)	Property
Marr Catania	Catania (CT)	Leasehold by third party
Marr Urbe	Roma	Leasehold by third party
Marr Dolomiti	Pieve di Cadore (BL)	Leasehold by third party
Marr Elba	Portoferraio (LI)	Property and leasehold by third party
Marr Genova	Carasco (GE)	Leasehold by third party
Marr Milano	Opera (MI)	Property
Marr Napoli	Casoria and Ischia (NA)	Leasehold by third party
Marr Piacenza	Castel San Giovanni (PC)	Leasehold by third party
Marr Puglia	Monopoli (BA)	Leasehold by third party
Marr Roma	Capena (Roma)	Leasehold by third party
Marr Romagna	San Vito di Rimini (RN)	Leasehold by a company where Marr S.p.A. is stakeholder
Marr Sanremo	Taggia (IM)	Leasehold by third party
Marr Sardegna	Uta (CA)	Property
Marr Scapa	Marzano (PV)	Leasehold by third party
Marr Scapa	Pomezia (RM)	Leasehold by third party
Marr Sfera	Riccione (RN)	Leasehold by third party
Marr Palermo	Cinisi (PA)	Leasehold by third party
Marr Lago Maggiore	Baveno (VB)	Leasehold by third party
Marr Supercash&carry	Rimini (RN)	Leasehold by third party
Marr Torino	Torino (TO)	Leasehold by third party
Marr Toscana	Bottegone (PT)	Property
Marr Venezia	S. Michele al Tagliamento (VE)	Property
Emiliani (Fish and Seafood products branch)	Santarcangelo di Romagna (RN)	Property
Marr Sifrutta	Rimini (RN)	Sublease by Marr S.p.A.

Subsidiaries		
AS.CA S.p.A.	Castenaso (BO)	Property
Antonio Verrini S.r.l.	Genova (GE), Ventimiglia (IM), Taggia (IM), Viareggio (LU), Quialiano (SV), Savona (SV)	Leasehold by third party
Frigor Carni S.r.l.	Montepaone (CS)	Leasehold by third party
New Catering S.r.l.	Castenaso (BO), Bologna (BO), Forlì (FC), Perugia (PG) and Rimini (RN)	Leasehold by: subsidiary company by MARR S.p.A., partent company MARR S.p.A. and third party

Below are the figures re-classified according to current financial analysis procedures, with the income statement, the statement of financial position and the net financial position for 2022, compared to the previous year.

Analysis of the re-classified Income Statement

MARR Consolidated (€thousand)	31.12.22	%	31.12.21	%	% Change
Revenues from sales and services	1,878,876	97.3%	1,420,733	97.6%	32.2
Other earnings and proceeds[I]	51,635	2.7%	35,543	2.4%	45.3
Total revenues	1,930,511	100.0%	1,456,276	100.0%	32.6
Cost of raw materials, consumables and goods for resale	(1,558,239)	-80.7%	(1,207,154)	-83.0%	(29.1)
Change in inventories	10,061	0.5%	64,237	4.4%	(84.3)
Services	(252,775)	-13.1%	(183,942)	-12.6%	(37.4)
Leases and rentals	(597)	0.0%	(478)	0.0%	(24.9)
Other operating costs	(2,010)	-0.1%	(1,687)	-0.1%	(19.1)
Value added	126,951	6.6%	127,252	8.7%	(0.2)
Personnel costs	(44,877)	-2.4%	(36,721)	-2.5%	(22.2)
Gross Operating result	82,074	4.2%	90,531	6.2%	(9.3)
Amortization and depreciation	(19,869)	-1.0%	(17,993)	-1.2%	(10.4)
Provisions and write-downs	(15,970)	-0.8%	(14,913)	-1.0%	(7.1)
Operating result	46,235	2.4%	57,625	4.0%	(19.8)
Financial income and charges	(8,245)	-0.5%	(5,000)	-0.4%	(64.9)
Value adjustments to financial assets	0	0.0%	(125)	0.0%	(100.0)
Result from recurrent activities	37,990	1.9%	52,500	3.6%	(27.6)
Non-recurring income	0	0.0%	0	0.0%	0.0
Non-recurring charges	(400)	0.0%	(2,880)	-0.2%	86.1
Result before taxes	37,590	1.9%	49,620	3.4%	(24.2)
Income taxes	(10,999)	-0.5%	(14,609)	-1.0%	24.7
Taxes relating previous years	(41)	0.0%	60	0.0%	168.3
Total net result	26,550	1.4%	35,071	2.4%	(24.3)

Operations in 2022 recorded total revenues of 1,930.5 million Euros (1,456.3 million Euros in 2021) and a Gross Operating Result (EBITDA [II]) of 82.1 million Euros (90.5 million Euros in 2021) and an Operating Result (EBIT) of 46.2 million Euros (57.6 million Euros in 2021).

Total consolidated revenues amounted to 1,930.5 million Euros and are up on both the 1,456.3 million Euros in 2021 and the 1,695.8 million Euros (pre-pandemic) of 2019.
In particular, revenues from sales and services amounted to 1,878.9 million Euros, compared to 1,420.7 million Euros in 2021 and 1,651.4 million Euros in 2019. Revenues from sales and services as at 31 December 2022 include the contribution of sales of the subsidiary Frigor Carni S.r.l. (consolidated from 1 April 2022) for Euros 14.1 million Euros.

The item Other revenues and income includes 43.2 million Euros for the amount of contributions received from suppliers for the promotional and marketing activities carried out by the MARR Group for them and 3.3 million Euros for the electricity and gas tax credit accrued by Group companies in relation to the second, third and fourth quarters.
The increase in contributions from suppliers is related to the increase in costs for the purchase of goods and is the reflection of the increase in turnover compared to the previous year.

As far as operating costs are concerned, the Foodservice market in 2022 suffered significant inflationary dynamics which generally affected most of the product categories sold by MARR with an impact on the transfer times of the price increase to the market and with a repercussion on the cost of sold which, however, marked a slight improvement in the second half of the year compared to the first part of the year, even if still recovering compared to the same period of the previous year. Costs for the provision of services also recorded increases linked both to the increase in energy costs which impact the conservation and distribution of products and to that of logistics tariffs with effects on handling activities.

For this reason, it can be observed that the incidence of the cost of sales on total revenues increased from 78.6% as at 31 December 2021 to 80.2% as at 31 December 2022.
The cost of services recorded an increase in the percentage incidence on total revenues, going from 12.6% at 31 December 2021 to 13.1% at 31 December 2022 due to the increase in energy costs and logistics tariffs.

The added value as at 31 December 2022 stood at 127.0 million Euros against 127.3 million Euros in the previous year, with a minimal reduction of 0.2%.

Labor costs recorded an increase of 8.2 million Euros (+22.2%) due to three joint effects: the increase in the Group workforce, the timing of entry of the new companies acquired into the scope of consolidation and the absence of the use of social safety nets, combined with a greater use of seasonal work.
The number of employees went from 917 units as at 31 December 2021 to 957 units as at 31 December 2022 and the increase is mainly connected to the entry into the Group of the subsidiary Frigor Carni S.r.l..
The timing of entry of the new companies acquired within the scope of consolidation during the years 2021 and 2022 determines that the item of labor costs of the subsidiaries Antonio Verrini S.r.l. and Chef S.r.l. Unipersonale, consolidated from 1 April 2021, accounts for 12 months for 2022 against the nine months of 2021, with labor costs amounting to 5.2 million Euros as at 31 December 2022 against 4.1 million Euros last year. The subsidiary Frigor Carni S.r.l. on the other hand, it was consolidated starting from 1 April 2022 and its personnel costs affected the total personnel costs for the year by 906.5 thousand Euros. Finally, with regard to social safety nets, it should be noted that in 2021 the hours of social safety nets used amounted to 182,298, while in 2022 they were not used and in the summer months the number of seasonal workers employed increased.

In the light of the above, the gross operating result as at 31 December 2022 was positive for 82.1 million Euros against 90.5 million Euros as at 31 December 2021, down by 8.5 million Euros (-9.3 %).

Amortization at 31 December 2022 amounted to 19.9 million Euros (18.0 million Euros at 31 December 2021) and recorded an increase of 1.9 million Euros mainly due to the increase in the amortization charge of the right of use associated with the lease contracts of the buildings of the new distribution platform in Piacenza, signed at the end of 2021 and which weighed on 2022 by 1,173 thousand Euros against 131 thousand Euros last year.
The remaining part of the increase is linked to the amortization of the rights of use of the lease contracts of the newly acquired company Frigor Carni S.r.l. (178 thousand Euros) not present in the previous year, and for the residual part to the amortization of the rights of use of the lease contracts of the company Antonio Verrini S.r.l., which in the previous year had weighed for only nine months while in the year 2022 they weighed for twelve months total.

The item provisions and write-downs amounted to 16.0 million Euros (14.9 million Euros as at 31 December 2021) and includes 15.6 million Euros of prudential allocation to the bad debt provision, 200 thousand Euros of provisions for future risks and 137 thousand Euros of allocation to the supplementary customer indemnity fund.

As a result of the above, operating result (EBIT) as at 31 December 2022 amounted to 46.2 million Euros against 57.6 million Euros as at 31 December 2021, down by 11.4 million Euros (-19.8 %).

The result of financial management was affected by the increase in interest rates and non-recurring charges show an amount of 400 thousand Euros which represents the amount of costs relating to the closure of the activities of the subsidiary Chef S.r.l. Unipersonale, following the merger by incorporation into MARR S.p.A..

The result before taxes is positive for 37.6 million Euros, a decrease compared to 49.6 million Euros as at 31 December 2021 (-24.2%).

The **balance of the tax components** is negative for a total of 11.0 million Euros and the tax rate of 29.3% is in line with that of the previous year.

The **net result of the Group** amounts to 26.6 million Euros compared to the 35.1 million Euros of last year (-24.3%).

[I] It should be noted that the item Total revenues also includes the amount of contributions received from suppliers for the promotional and marketing activities carried out by the MARR Group, which in the statements prepared according to the International Accounting Standards are classified as a reduction of the "Purchase cost of goods ".

[II] EBITDA (Gross Operating Margin) and EBIT (Operating Result) are two economic indicators not defined in the IFRS, adopted by MARR starting from the financial statements as at 31 December 2005.

EBITDA is a measure used by Management to monitor and evaluate its operating performance. The management believes that EBITDA is an important parameter for measuring the Group performance as it is not influenced by the volatility due to the effects of the different criteria for determining the taxable income, by the amount and characteristics of the capital employed as well as by the related depreciation. At today date (subject to further analysis connected to the evolution of IFRS accounting practices) EBITDA (Earnings before interests, taxes, depreciation and amortization) is defined by MARR as Profit/Loss for the year gross of depreciation of tangible and intangible fixed assets , provisions and write-downs, financial charges and income and income taxes.

EBIT (Operating Result), an economic indicator of the Group operating performance. EBIT (Earnings before interests and taxes) is defined by MARR as Profit/Loss for the year before financial charges and income, non-recurring items and income taxes.

Finally, it should be emphasized that the reclassified income statement does not contain indications of Other Profits/Losses (net of the tax effect) shown in the "Statement of other comprehensive income", as required by revised IAS 1 applicable from 1 January 2009.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	31.12.22	31.12.21
Net intangible assets	170,377	163,391
Net tangible assets	83,899	79,601
Right of use assets	75,368	72,015
Equity investments evaluated using the Net Equity method	1,828	1,828
Equity investments in other companies	178	175
Other fixed assets	16,492	22,850
Total fixed assets (A)	348,142	339,860
Net trade receivables from customers	353,810	321,280
Inventories	209,913	199,852
Suppliers	(394,611)	(380,958)
Trade net working capital (B)	169,112	140,174
Other current assets	77,760	56,977
Other current liabilities	(16,828)	(27,852)
Total current assets/liabilities (C)	60,932	29,125
Non-current assets held for sale (D)	0	0
Net working capital (E) = (B+C+D)	230,044	169,299
Other non current liabilities (F)	(3,751)	(2,529)
Staff Severance Provision (G)	(7,207)	(8,556)
Provisions for risks and charges (H)	(8,221)	(7,137)
Net invested capital (I) = (A+E+F+G+H)	559,007	490,937
Shareholders' equity attributable to the Group	(341,457)	(349,507)
Consolidated shareholders' equity (J)	(341,457)	(349,507)
(Net short-term financial debt)/Cash	80,827	152,693
(Net medium/long-term financial debt)	(219,128)	(219,331)
Net financial debt - before IFRS16 (K)	(138,301)	(66,638)
Current lease liabilities (IFRS16)	(10,813)	(10,074)
Non-current lease liabilities (IFRS16)	(68,436)	(64,718)
IFRS16 effect on Net financial debt (L)	(79,249)	(74,792)
Net financial debt (M) = (K+L)	(217,550)	(141,430)
Net equity and net financial debt (N) = (J+M)	(559,007)	(490,937)

Analysis of the Net Financial Position [III]

Below is the Group net financial position in accordance with the provisions of Consob Communication no. 6064293 of 28 July 2006 and in compliance with ESMA Recommendation 32-382-1138 of 4 March 2021:

	MARR Consolidated (€thousand)	Note	31.12.22	31.12.21
A.	Cash		15.257	6.505
	Bank accounts		176.406	243.467
	Postal accounts		0	22
B.	Cash equivalent		176.406	243.489
C.	Liquidity (A) + (B)	13	191.663	249.994
	Current financial receivable due to Parent Company		9.404	5.787
D.	Current financial receivable	10	9.404	5.787
E.	Current derivative/financial instruments	7	7	0
F.	Current Bank debt		(15.884)	(45.987)
G.	Current portion of non current debt		(99.838)	(52.227)
	Other financial debt		(4.526)	(4.874)
H.	Other current financial debt		(4.526)	(4.874)
I.	Current lease liabilities (IFRS16)	24	(10.813)	(10.074)
J.	Current financial debt (F) + (G) + (H) + (I)	23/24	(131.061)	(113.162)
K.	Net current financial indebtedness (C) + (D) + (E) + (J)		70.013	142.619
L.	Non current bank loans	16	(119.768)	(119.489)
M.	Non-current derivative/financial instruments	7	1.015	0
N.	Other non current loans	16	(100.374)	(99.842)
O.	Non-current lease liabilities (IFRS16)	17	(68.436)	(64.718)
P.	Non current financial indebtedness (L) + (M) + (N) + (O)		(287.563)	(284.049)
Q.	Net financial indebtedness (K) + (P)		(217.550)	(141.430)

The Net Financial Debt as at 31 December 2022 amounted 217.6 million Euros, compared to 141.4 million Euros in 2021 and 196.0 million Euros in 2019.

[III] The Net Financial Position used as a financial indicator of debts is represented by the total of the following positive and negative components of the Statement of financial position:
- Positive short term components: cash and equivalents; items of net working capital collectables; financial assets;
- 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.

The "Notes" column indicates the reference to the item in the consolidated statement of financial position for the purpose of an accurate reconciliation with same.

The increase in debt is associated for 58.3 million Euros to the lower cash flow produced by operations, for 17.9 million Euros to the increase in current financial debt and for 3.5 million Euros to increase in non-current debt.

As regards the changes in the structure of the financial debt components, it should be noted that during the year the parent company MARR S.p.A. repaid installments of medium/long-term loans for a total of Euros 53.9 million and carried out the following operations:

- on 28 June 2022, a medium/long-term loan agreement of 15 million Euros with a duration of 72 months was signed with Crédit Agricole Italia, with disbursement on the same date;
- on 1 July 2022, a medium/long-term loan agreement was signed with BNL and Rabobank for 60 million Euros with a duration of 72 months (with 18 months of pre-amortisation), disbursed on 28 July 2022;
- on 10 August 2022, a medium/long-term syndicated loan agreement of 20 million Euros was signed, with disbursement on the same date, with Iccrea Banca (lead bank and lender) and 5 other CBs (lender banks) with a term 36 months of which the first 12 months in grace period;
- on 11 August 2022, a medium/long-term loan agreement of 7 million Euros was signed with La Cassa di Ravenna with a duration of 60 months, with disbursement on the same date.

The item "Financial payables for IFRS 16 leases" increased mainly due to the consolidation as at 31 December 2022 of the newly acquired company Frigor Carni S.r.l. which involved the entry of two lease contracts relating to industrial buildings for a total of 2,839 thousand Euros.

In addition to the cash flows related to ordinary operations, during the year disbursements for investments of approximately 19.5 million Euros (for details of which see the paragraph "Investments") were made, the amount of 4 million Euros was paid for the purchase of all the shares in Frigor Carni S.r.l., the amount of 1 million Euros forthe residual debt relating to the purchase of the shares in the company Antonio Verrini S.r.l., taxes of 26.4 million Euros were paid and dividends for 31.1 million Euros.

Net of the effects of the application of accounting standards IFRS 16, the Net Financial Position at the end of 2022 amounted to 138.3 million Euros and, compared to 66.6 million Euros as at 31 December 2021 (149.6 million Euros as at 31 December 2019), was also affected by the distribution (May 2022) of dividends amounting to 31.1 million Euros.

The net financial position as at 31 December 2022 remains in line with the company objectives.

Analysis of the Trade Net Working Capital

MARR Consolidated (€thousand)	*31.12.22*	*31.12.21*
Net trade receivables from customers	353,810	321,280
Inventories	209,913	199,852
Suppliers	(394,611)	(380,958)
Trade net working capital	169,112	140,174

The Trade Net Working Capital as at 31 December 2022 amounted to 169.1 million Euros, and its increase compared to 140.2 million Euros at the end of 2021 is linked to the increase in business volume.
There is an improvement in the ratio of trade net working capital to revenues from sales, which goes from 9.9% in the previous year to 9.0% as at 31 December 2022.

In terms of composition, compared to last December 31, 2021, the absorption of trade receivables and inventories decreased in percentage terms of the total trade net working capital.
In absolute terms, the Inventories component is affected by inflationary dynamics and by the variation in the scope of consolidation, while the increase in Net trade receivables from clients is related to the increase in sales volumes. Trade payables show an increase correlated to the increase in purchase volumes associated with the increase in sales.

The attention that the company pays to the management of trade receivables is confirmed by implementing methods calibrated to the situations and needs of each territory and market segment. The goal remains that of safeguarding the company assets by maintaining proximity to the customer which allows, on one hand, timely credit management and, on the other hand, a strengthening of the relationship with the customer.

The Trade Net Working Capital at the end of the year remains aligned with the company goals.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	31.12.22	31.12.21
Net profit before minority interests	26,550	35,071
Amortization and depreciation	19,869	18,000
Change in Staff Severance Provision	(1,349)	1,281
Operating cash-flow	45,070	54,352
(Increase) decrease in receivables from customers	(32,530)	(22,430)
(Increase) decrease in inventories	(10,061)	(65,271)
Increase (decrease) in payables to suppliers	13,653	146,379
(Increase) decrease in other items of the working capital	(19,100)	15,968
Change in working capital	(48,038)	74,646
Net (investments) in intangible assets	(7,595)	(10,396)
Net (investments) in tangible assets	(11,936)	(8,838)
Flows relating to acquisitions of subsidiaries and going concerns	(4,047)	(4,684)
Investments in other fixed assets and other change in non current items	(23,578)	(23,918)
Free - cash flow before dividends	(26,546)	105,080
Distribution of dividends	(31,119)	(22,086)
Other changes, including those of minority interests	(3,332)	(397)
Cash-flow from (for) change in shareholders' equity	(34,451)	(22,483)
FREE - CASH FLOW	(60,997)	82,597
Opening net financial debt	(141,430)	(192,316)
Effect for change in liability for IFRS16	(14,975)	(30,513)
Cash-flow for the period	(60,997)	82,597
Dividends approved and not distributed	(148)	(1,198)
Closing net financial debt	(217,550)	(141,430)

Below we insert the reconciliation between the "cash flow for the period" indicated above and the change in the cash flow indicated in the cash flow statement contained in the following accounting statements (under the indirect method):

MARR Consolidated (€thousand)	31.12.22	31.12.21
Free - cash flow	(60,997)	82,597
(Increase)/Decrease in current financial receivables	(3,624)	633
Increase/(Decrease) in net financial debt	6,291	(84,727)
Increase (decrease) in cash-flow	(58,330)	(1,497)

Investments

Below is a summary of the Net Investments made in 2022:

(€thousand)	*31.12.22*
Intangible assets	
Patents and intellectual property rights	544
Concessions, licenses, trademarks and similar rights	10
Fixed assets under development and advances	412
Other intangible assets	0
Goodwill	6,629
Total intangible assets	7,595
Tangible assets	
Land and buildings	210
Plant and machinery	3,026
Industrial and business equipment	518
Other assets	1,352
Fixed assets under development and advances	6,830
Total tangible assets	11,936
Total	19,531

As regards investments in intangible fixed assets, it should be noted that the purchase on 1 April 2022 of the shares in the company Frigor Carni S.r.l. resulted in the recognition of goodwill of 6.6 million Euros and tangible fixed assets for a total net book value of 344 thousand Euros and concentrated mainly in the categories "Plant and machinery" (for 214 thousand Euros) and " Other assets'' (for 130 thousand Euros).

The increases in other intangible assets under development and advances are related to the purchase of new software, partly still in the implementation phase.

As regards tangible fixed assets, the increases relating to the items "Plant and machinery", "Industrial and commercial equipment", "Other assets", mainly refer for 1,387 thousand Euros to investments for the completion of the Piacenza distribution platform, for 1,579 thousands Euros to the construction of the fish department of MARR Adriatico and for the remaining part mainly to the revimping of the branches of MARR Dolomiti (414 thousand Euros), MARR Torino (93 thousand Euros), MARR Arco (228 thousand Euros) , MARR Battistini (258 thousand Euros).

The increase in the item "Assets under development and advances" is determined for 5,815 thousand Euros by the progress of the works for the construction of the new Bottanuco distribution platform, and for 1,010 thousand Euros by the state of progress of the works for completing the third floor of the Santarcangelo di Romagna headquarters. The remainder pertains to investments not yet operational as at 31 December 2022.

It should be noted that the values of the investments indicated do not take into account the amounts capitalized as right of use following the application of IFRS16, which as at 31 December 2022 recorded an increase of a total of 15,814 thousand Euros, of which 2,839 thousand Euros related upon entry into the consolidation area of Frigor Carni S.r.l..

Research and development activities

The main research and development activities concerned the expansion of the own-brand product lines.

Transactions with related parties

Related parties include subsidiaries, associates, parent companies and associates and members of top management.

In compliance with the provisions of Consob Regulation no. 17221 of 12 March 2010, MARR S.p.A., a company listed on the Mercato Telematico Azionario, Segment Euronext STAR Milan of Borsa Italiana S.p.A., adopted, and subsequently adapted to the supervening legislation, a Procedure for the management of transactions with related parties (the Procedure), whose objective is to ensure the transparency and substantial and procedural correctness of the transactions that the company carries out with related parties. The Control and Risk Committee of MARR S.p.A., made up of Independent Directors, performs the verification and control tasks envisaged by the Procedure and in particular, monitors on a quarterly basis, and therefore more frequently than the six-monthly frequency indicated by the Procedure, the correct application of the conditions of exemption envisaged for operations defined as ordinary and closed at market or standard conditions.
The Procedure is available to the public on the company website at www.marr.it/corporate-governance.

Related parties are parties defined as such by the international accounting standards (IAS 24) and include subsidiaries, associates, parent companies and associated companies and the members of the Board of Directors of the MARR Group.

As regards relations with subsidiary, associated, parent and associated companies, please refer to the analytical indications given in the explanatory notes to these financial statements and, as required by art. 2497 - bis of the Civil Code, we summarize below the types of relationships:

Companies	Nature of Transactions
Subsidiaries	Trade and services
Parent Companies - Cremonini S.p.A.	Trade and general services
Associated companies	Trade and services
Associated companies - Cremonini Group's companies	Trade and services

With reference to transactions with related parties, and precisely with the parent company Cremonini S.p.A. and its subsidiaries, listed by name in the table below, (Consolidated companies of the Cremonini Group) it should be noted that the value of purchases and sales of goods represented, in 2022, respectively 12.7% of total purchases and 4.43% of the total revenues from sales and services performed by the MARR Group.

With regard to the consolidated purchases from companies of the Cremonini Group equal to 196.7 million Euros (consisting of 118.8 million Euros for purchases of produced goods and 77.8 million Euros for purchases of goods with distribution service) highlights that for 195.6 million Euros, corresponding to 99.5%, these relate to supply relationships with MARR S.p.A. and for the remainder from purchases made by other companies of the MARR Group.

In particular, it is represented that the supply relationship with Inalca S.p.A. (Inalca), Fiorani & co. S.p.A. (Fiorani) and Italia Alimentari S.p.A. (Italia Alimentari) is expressed, through continuous commercial purchase operations, in two different ways:
a) MARR carries out operations for the purchase of products from the Inalca, Fiorani and Italia Alimentari range (Production purchases);
b) moreover, MARR entrusts Inalca and Fiorani with the task of also procuring products which do not fall within the range of said companies and which Inalca and Fiorani purchase specifically from time to time, on MARR's mandate, from suppliers selected by MARR at order to complete the range offered to clients. Type, price, quantity, quality, sizes and other specifications of the products are defined by MARR with the supplier and communicated to Inalca and Fiorani. In execution of the instructions received, Inalca and Fiorani purchase the Products from the suppliers in their own name and resell them to MARR also arranging for delivery to each MARR Branch or Platform at a price equal to the purchase price agreed by MARR with the supplier and increased by a amount by way of payment for the logistic service that Inalca and Fiorani perform in favor of MARR (Purchases of products with distribution service).

In relation to the purchases that MARR makes from Inalca and Fiorani (equal to a total of approximately 187.1 million Euros), the cumulative volume of the individual purchases in 2022, equal to a total of approximately 109.2 million Euros (for purchases related to letter a)) and 77.9 million Euros (for the purchases related to etter b)), is to be attributed:

as for Inalca
- approximately 80.3 million Euros for production purchases
- for approximately 71.9 million Euros to Purchases of products with distribution service
as for Fiorani
- approximately 28.9 million Euros for production purchases
- for approximately 5.9 million Euros to Purchases of products with distribution service

The amounts shown above are the result of the sum of a plurality of individual transactions which, carried out in the interest of the company, form part of the ordinary exercise of the operating activity and are closed at conditions equivalent to those of the market or standard in compliance with the provisions of the Procedure for the management of transactions with related parties.

In addition to what has already been reported in the "Group structure" section, the main data relating to subsidiaries and associates is summarized below:

(€ thousand)	*Annual report*	*Value of production*	*Cost of production*	*Profit (loss) for the year*	*Net Investments*	*Employees (number)*	*Net Equity*
Foodservice Companies							
AS.CA S.p.A.	31/12/2022	2,725	202	1,908	13	0	10,166
New Catering S.r.l.	31/12/2022	35,425	33,753	1,261	200	26	10,854
Marr Foodservice Ibérica S.A.u.	31/12/2022	0	8	(4)	0	0	403
Antonio Verrini S.r.l.	31/12/2022	61,373	60,967	39	89	94	5,825
Frigor Carni S.r.l.	31/12/2022	14,171	13,358	(450)	60	34	4,508
Associated Companies							
Jolanda De Colò S.p.A.	31/12/2022	31,346	31,316	125	529	58	1,564

The following table shows the economic and equity values for the year 2022 with respect to each related party.
It should be noted that the amounts relating to the purchases of goods and sales of goods, shown in the table below, recorded an increase in 2022 compared to the previous year mainly due to the recovery in consumption and the inflation dynamics which particularly affected the goods covered by the transactions. Furthermore, as part of the application of the Procedure, at the end of 2022 there was a change in the materiality thresholds mainly due to the capitalization of MARR S.p.A. at the end of the year.

	FINANCIAL RELATIONS								ECONOMIC RELATIONS											
COMPANY	RECEIVEBLES				PAYABLES				REVENUES				COSTS							
	Trade	Other	Financial		Trade	Other	Financial		Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods (by production)	Purchase of goods (by logistic)	Services	Leases and rental	Other operating charges	Personnel costs	Financial charges
From Parent Companies:																				
Cremonini S.p.A. (*)	1,541	4,043	9,404		482				4			19			1,260				75
Total	1,541	4,043	9,404		482	0	0		4	0	0	19	0	0	1,260	0	0	0	75
From unconsolidated subsidiaries:																				
Total	0	0	0		0	0	0		0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies:																				
Jolanda De Colò	2								17										
Total	2	0	0		0	0	0		17	0	0	0	0	0	0	0	0	0	0
From Affiliated Companies (**)																				
Cremonini Group																				
C&P S.r.l.	405					3			1,356										
Castelfrigo S.r.l.		16			33						16		150						
Chef Express S.p.A.	7,979					178			27,952										
Fiorani & C. S.p.a.		225			3,361				21		437		29,364	5,890					
Ges.Car. S.r.l.																			
Global Service S.r.l.		3			380										1,206				
Guardamiglio S.r.l.	7								31										
Inalca Food and Beverage S.r.l.	1,012	4			30	2			11,072	222			5		5		31		
Inalca S.p.a.	126	409			24,628				81		416		81,379	71,960	1				
Italia Alimentari S.p.a.		308			1,005				6		295		9,058						
Roadhouse Grill Roma S.r.l.	840					9			3,750		16								
Roadhouse S.p.A.	13,815					9			41,166	2					1				
Total	**24,184**	**965**	**0**		**29,437**	**201**	**0**		**85,435**	**224**	**1,180**	**0**	**119,956**	**77,850**	**1,213**	**0**	**31**	**0**	**0**
From Affiliated Companies																				
Frigor Carni S.a.s.	7				39						20		2,044		95				
Frigor Fish S.a.s.					55		1,729								1				39
Le Cupole S.r.l.							2,964												95
Scalo S.n.c.					31		960								1				22
Time Vending S.r.l.		22									22								
Verrini Holding S.r.l.	4	17			4		2,217								4	(4)			67
Total	**11**	**39**	**0**		**129**	**0**	**7,870**		**0**	**0**	**42**	**0**	**2,044**	**0**	**101**	**(4)**	**0**	**0**	**223**
Total	**24,195**	**1,004**	**0**	**0**	**29,566**	**201**	**7,870**	**0**	**85,435**	**224**	**1,222**	**0**	**122,000**	**77,850**	**1,314**	**(4)**	**31**	**0**	**223**

(*) The items in the Other Receivables columns relate to the residual IRES receivables for requests of reimbursement regarding to the personel cost not deducted to Irap in the years 2007-2011, transferred to the Parent Company w ithin the scope of of the National Consolidated tax base; the amount in the the other payables is related to the IRES balance of the year 2019. Trade receivables and payables include the net amount of VAT transferred to Cremonini w ithin the scope of the Group VAT liquidation.

(**) The total amount of trade receivables and payables are reclassified under "Receivables from customer" and "Suppliers" respectively.

COMPANY	Rec. Trade	Rec. Other	Rec. Financial	Pay. Trade	Pay. Other	Pay. Financial	Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods (by production)	Purchase of goods (by logistic)	Services	Leases and rental	Other operating charges	Personnel costs	Financial charges
From Other Related Parties																	
Board of Directors MARR S.p.A.					472								759				
Directors of Antonio Verrini S.r.l.					31								155				
Directors of Frigor Carni S.r.l.					9								113				
Total	0	0	0	0	512	0	0	0	0	0	0		1,027	0	0	0	0

Other Information

As at 31 December 2022, the company does not own, and has never owned during the year 2022, shares or quotas of parent companies, even through nominees and/or companies. Therefore, during 2022 it did not carry out any purchase and sale transactions on the aforementioned shares and/or quotas.

As at 31 December 2022, MARR had purchased 387,460 treasury shares at an average price of 12.06 Euros.

During 2022, the Group did not carry out any atypical or unusual transactions.

Adoption of the ESEF taxonomy (Eurospean Single Electronic Format)

Directive 2013/50/EU - which amends Directive 2004/109/EC (the so-called "Transparency Directive") - establishes that starting from 1 January 2021, European listed companies must prepare their annual financial reports according to the same format single electronic communication format, known as the European Single Electronic Format (ESEF). The new format is a combination of eXtensible HyperText Markup Language (XHTML), for presenting financial reports in a human-readable format, and eXtensible Business Reporting Language (XBRL) markup. XBRL markup must be embedded in XHTML using the inline-XBRL or iXBRL specification. The obligation to use the iXBRL has seen two stages of implementation:
First phase: for the 2021 financial year, the companies involved have taken steps to tag, in addition to the basic personal data information, all the numbers present in the statements of the Statement of financial position, the Profit (loss) for the year, the other components statement of comprehensive income, changes in shareholders' equity and cash flow statement.
Second phase: from 1 January 2022, the iXBRL has been extended to the disclosure contained in the notes to the consolidated financial statements.
All with the aim of facilitating the accessibility, analysis and comparability of the financial statements prepared according to the International Financial Reporting Standards (IFRS).

In compliance with the above, MARR has drafted this annual financial report in XHTML format, supplemented by appropriate XBRL markings as regards the consolidated financial statements relating to:
- Consolidated balance sheet - financial situation
- Consolidated statement of profit/(loss) for the year
- Consolidated statement of the other components of the comprehensive income statement
- Changes in consolidated shareholders' equity
- Consolidated statement of cash flows
- Notes to the consolidated financial statements.

The compliance of the annual financial report with the ESEF Regulation has been verified by the auditing firm PricewaterhouseCoopers S.p.A..

It should be noted that the preparation of the annual financial report in accordance with the ESEF regulation was carried out only for the Italian version of the document. The translation into English of the annual financial report is an unofficial form and therefore not subject to the provisions of Delegated Regulation (EU) 2019/815.

Report on corporate governance and the ownership structure

As regards the information required by art. 123 bis of the TUF, please refer to the contents of the "Report on corporate governance and ownership structure", prepared in compliance with current legislation and which is published together with this report on the company website www.marr.it, Corporate Governance section, as well as made available at the registered office.

It should also be noted that MARR S.p.A. adheres to the Corporate Governance Code of Listed Companies approved by the Corporate Governance Committee.

Significant events during 2022

On 1 April 2022, the closing was finalized for the purchase of all the shares of the newly established company, Frigor Carni S.r.l., to which the assets of Frigor Carni S.a.s., a company based in Montepaone Lido (Catanzaro) and operating in the marketing and distribution of food products to the Foodservice, with a significant specialization in the offer of fish products, aimed mainly at independent catering clients.
The acquisition of Frigor Carni confirms the market aggregator role of MARR, which continues to strengthen its leadership both through a path of organic growth and targeted acquisitions, aimed at increasing the specialization of the service.

On 28 April 2022, the Shareholders' Meeting approved the financial statements as at 31 December 2021 and unanimously resolved the distribution of a gross dividend of 0.47 Euros per share (against a consolidated EPS of 0.53 Euros) with "ex coupon" (no.17) on 23 May, record date on 24 May and payment on 25 May. The retained earnings were allocated to the Extraordinary Reserve.
The Ordinary Shareholders' Meeting of 28 April 2022 authorized the purchase, sale and disposal of treasury shares, pursuant to and by effect of article 2357 et seq. of the Civil Code and article 132 of Legislative Decree 24 February 1998, no. 58, appointing the Board of Directors to this end with the power to assign specific powers.
On May 13, 2022, the Board of Directors resolved to launch the treasury share buyback program (the "Buyback Program") by delegating the Chief Executive Officer Francesco Ospitali and the Director Claudia Cremonini, jointly, to execute the related operations.
The buyback program was activated on 27 May and as at 31 December 2022 the company held 387,460 treasury shares at an average price of 12.06 Euros.
The buyback program is aimed at promoting liquidity and volatility management as well as establishing a so-called "securities warehouse" for the envisaged subsequent uses.

The deed of merger by incorporation into MARR S.p.A. was signed on 12 December 2022. of the wholly owned company Chef S.r.l. Unipersonale, with legal effect from 30 December 2022 and accounting and tax effects from 1 January 2022.

The new distribution platform in Piacenza has been operational since January 2022 and work began on the construction of the new distribution platform in Bottanuco starting from the second half of the year.

Subsequent events after the closing of the year

No significant events occurred after the end of the financial year.

Outlook

The trend in sales to clients in the Street Market and National Account segments in the first two months of 2023 is consistent with the growth objectives expected for the year, also confirming a progressive and gradual recovery in margins.
These results have been achieved in the context of an expected increase in out-of-home food consumption (TradeLab, February 2023), also thanks to the positive trends in tourism, and especially in the number of foreigners visiting Italy (+39.9% compared to 2021 in the first nine months of 2022, ISTAT December 2022), which in the latter months of 2022 and this beginning of 2023 have also contributed to the return of tourism in the Large Cities and Art Cities in particular.

As regards the sale of frozen seafood products to Wholesale clients, which have been affected by the unavailability of seafood products in the second half of 2022 and also in this first quarter of 2023, it is expected that the ongoing fishing campaigns and those foreseeable may lead to a recovery in the coming months.

As regards inflation, the prices of food products are expected to stabilise, while the recovery of energy costs ongoing in these winter months is attenuating the distorting effects affecting the operating costs linked to the cost of energy.

In this context, MARR is continuing to strengthen its competitive position, with a strong focus on making the most of the opportunities provided by a growing foodservice market, which rewards a proposal of innovative products and services, which the company is still focusing its efforts on.
The process of adjusting the sales prices of the food products sold is also continuing, an operation that is still more effective in the Street Market segment and, in the framework of the National Account segment, in the sub-segment of Chains & Groups (Groups and Chains of hotels and restaurants), while in that of Canteens (Canteens and direct supplies to Public Administrations), when contractually possible, interventions are becoming increasingly selective on the management of price lists with a view to the sustainability of supply relationships.

The entire organization is also involved in policies aimed at the recovery of operating profitability, along a path which, in light of expected market conditions, management of the gross margin and cost control, is expected to allow to return towards pre-pandemic levels of operating profits already in the current year.
In addition to this, the organization is also very focused on controlling the level of absorption of the working capital, in order to attenuate the cost of its financing.

Business continuity

In consideration of the market trend mentioned above and the solidity of its financial structure, the company considers the use of the going concern assumption to be appropriate and correct.

Main risks and uncertainties

In carrying out its business, the company is affected by financial risks, as amply described in the Explanatory Notes and where these mean: market risk (as a combination of currency risk for foreign purchases of goods, interest rate risk and the price risk), credit risk and liquidity risk.

In the current market context, management attention to credit management and cost containment policies aimed at preserving the commercial margin remains high.
As far as the evolution of the Group financial situation is concerned, this depends on numerous conditions including, in addition to the achievement of the objectives set in terms of management of the trade net working capital, also on the trend of the banking and money market, which are also influenced from the current economic situation.

Human resources

The employees of the MARR Group at the end of December 2022 amounted to 957 (of which 8 Executives, 45 Middle Managers, 644 White Collars and 258 Blue collars and 2 Seasonal workers), with an increase of 40 units compared to the end of 2021 (917 employees). The increase is mainly related to the number of employees who joined the Group following the acquisition of the subsidiary Frigor Carni S.r.l..

In addition to employees, the Group employs more than 900 sales technician, more than 1,000 service and goods handling personnel and a network of more than 850 truck drivers.

As regards information relating to training and safety in the workplace, please refer to the detailed description in Chapter 4 "People at MARR" of the Sustainability Report/Non-financial declaration pursuant to Legislative Decree 254/2016 relating to the year 2022 .

Information on the environment, sustainability and climate risks

There are no pending criminal proceedings for the Group relating to damage caused to the environment.
In this regard, it should be noted that the quality of the wastewater discharged into the sewer or surface course is monitored through periodic analyzes carried out in self-control to verify compliance with the limits established by the Law and, where required, our operating units are in possession of authorization for the discharge or single environmental authorization (AUA) or single environmental authorization being renewed, as required by the provisions of the law on the subject.
The waste produced by the activity, consisting mainly of packaging residues such as paper, plastic, glass and by-products of animal origin, deriving from the processes carried out at some local units, are disposed of in compliance with the provisions of the law on environmental and health matters, through the public service and partly through private disposal companies.

Sustainability is a point of constant attention and the Group reports on its policies and performance with particular regard to environmental, social, personnel, human rights and anti-corruption issues. These topics, together with the others identified as priorities in the context of the materiality analysis, are reported and analyzed in depth in the MARR Group Sustainability Report, which also fulfills the function of consolidated non-financial declaration (NFD) envisaged by Legislative Decree 254/2016, and which is drafted and published separately from this Report and made available for consultation in digital format at the following address: https://www.MARR.it/sostenibilita/bilancio-di-sostenibilita. In preparing the Sustainability Report/NFD 2022, MARR has implemented a process of analysis conducted according to the sustainability guidelines of the GRI (Global Reporting Initiative) Standard aimed at identifying the topics which could influence the capacity to create value and that are most relevant to the company and its stakeholders. All the responsible executive functions, some categories of stakeholders were involved in this process and it was approved by the Board of Directors, together with the draft consolidated financial statements.
The MARR Sustainability Report organically illustrates the sustainability objectives, commitments and activities, with specific focus – with regard to the activities of the Group in the foodservice sector – on those regarding the supply chain. In this regard, it must be taken into consideration that a sustainable chain in the out-of-home food consumption sector cannot be unaware of the interconnection between all of the actors involved in the supply chain. The product, which is sold and distributed by the Supplier to the Client through MARR, is thus the result of an articulate system of selection, verification and management implemented by MARR according to a sustainable approach.

As regards climate change, it is the object of attention by the Management of the company which assesses the risks and defines the strategies aimed at reducing its impacts on the Group operations, and the impacts of its own activities on it. It is believed that the climate change underway and forecast for the next few years could have repercussions on aspects of

MARR operational management, as the rise in temperatures could have an impact on the costs of refrigerating and storing products and on the supply chain. These aspects are constantly monitored in order to evaluate solutions that can mitigate the negative impacts linked to the increase in costs and, on the other hand, guarantee a containment of the negative effects that the business activity has on the climate. In this regard, it should be noted that the company within the Sustainability Report/Non-financial declaration pursuant to Legislative Decree 254/2016, to which reference is made for detailed information, reports its impact on the climate by displaying the data on Scope 1, Scope 2, Scope 3 emissions and the associated actions for their mitigation.
At the date of this report, there are no significant risks of adjusting the book values of assets and liabilities or uncertainties that influence the assumptions used to prepare the estimates, deriving from climate change.

Fulfilments ex art. 37 of Regulation 16191/2007 (Market Regulation)

The Board of Directors certifies the non-applicability of the conditions inhibiting the listing pursuant to art. 37 of the Market Regulation no. 16191/2007, relating to companies subject to the management and coordination of others.

Information on the impact of the war in Ukraine

With reference to the current international tensions linked to the conflict in Ukraine, it should be noted that the MARR Group does not maintain commercial relations with operators located in said territories.
The company closely follows the evolution of the Russia-Ukraine crisis and the consequent impacts in terms of strengthening of inflationary dynamics on the markets for the procurement of raw materials and energy costs. This scenario of uncertainties makes it difficult to assess any future impacts on consumers spending capacity and on tourist flows, including from abroad.

MARR S.p.A. – PARENT COMPANY

Below is a summary of the results of the Parent company drawn up in compliance with the IAS/IFRS International Accounting Standards.

Re-classified Income Statement of the Parent Company MARR

MARR S.p.A. (€thousand)	*31.12.22*	*%*	*31.12.21*	*%*	*% Change*
Revenues from sales and services	1,773,380	*97.2%*	1,346,316	*97.5%*	*31.7*
Other earnings and proceeds	50,537	*2.8%*	34,868	*2.5%*	*44.9*
Total revenues	1,823,917	*100.0%*	1,381,184	*100.0%*	*32.1*
Raw and secondary materials, consumables and goods for resale	(1,478,724)	*-81.1%*	(1,148,162)	*-83.1%*	*(28.8)*
Change in inventories	9,918	*0.5%*	59,659	*4.3%*	*(83.4)*
Services	(239,426)	*-13.1%*	(174,041)	*-12.6%*	*(37.6)*
Leases and rentals	(2,871)	*-0.2%*	(2,702)	*-0.2%*	*(6.3)*
Other operating costs	(1,892)	*0.0%*	(1,586)	*-0.1%*	*(19.3)*
Value added	110,922	*6.1%*	114,352	*8.3%*	*(3.0)*
Personnel costs	(37,493)	*-2.1%*	(30,846)	*-2.3%*	*(21.5)*
Gross Operating result	73,429	*4.0%*	83,506	*6.0%*	*(12.1)*
Amortization and depreciation	(17,953)	*-1.0%*	(16,491)	*-1.2%*	*(8.9)*
Provisions and write-downs	(15,608)	*-0.8%*	(14,040)	*-1.0%*	*(11.2)*
Operating result	39,868	*2.2%*	52,975	*3.8%*	*(24.7)*
Financial income and charges	(4,955)	*-0.3%*	(4,888)	*-0.3%*	*(1.4)*
Value adjustments to financial assets	(4)	*0.0%*	(134)	*0.0%*	*97.0*
Result from recurrent activities	34,909	*1.9%*	47,953	*3.5%*	*(27.2)*
Non-recurring income	0	*0.0%*	0	*0.0%*	*0.0*
Non-recurring charges	(400)	*0.0%*	(2,880)	*-0.2%*	*86.1*
Result before taxes	34,509	*1.9%*	45,073	*3.3%*	*(23.4)*
Income taxes	(9,148)	*-0.5%*	(13,181)	*-1.0%*	*30.6*
Taxes relating previous years	40	*0.0%*	38	*0.0%*	*5.3*
Total net result	25,401	*1.4%*	31,930	*2.3%*	*(20.4)*

Re-classified Balance Sheet of the Parent Company MARR

MARR S.p.A. (€thousand)	*31.12.22*	*31.12.21*
Net intangible assets	141,817	140,709
Net tangible assets	78,623	74,486
Right of use assets	67,680	66,276
Equity investments in other companies	37,511	31,615
Other fixed assets	16,375	22,871
Total fixed assets (A)	342,006	335,957
Net trade receivables from customers	337,238	308,626
Inventories	203,849	192,657
Suppliers	(350,704)	(366,844)
Trade net working capital (B)	190,383	134,439
Other current assets	47,227	56,036
Other current liabilities	(13,235)	(24,090)
Total current assets/liabilities (C)	33,992	31,946
Non-current assets held for sale (D)	0	0
Net working capital (E) = (B+C+D)	224,375	166,385
Other non current liabilities (F)	(3,736)	(2,525)
Staff Severance Provision (G)	(5,687)	(6,485)
Provisions for risks and charges (H)	(6,848)	(5,494)
Net invested capital (I) = (A+E+F+G+H)	550,110	487,838
Shareholders' equity	(326,875)	(336,246)
Shareholders' equity (J)	(326,875)	(336,246)
(Net short-term financial debt)/Cash	67,277	136,696
(Net medium/long-term financial debt)	(219,128)	(219,331)
Net financial debt - before IFRS16 (K)	(151,851)	(82,635)
Current lease liabilities (IFRS16)	(9,589)	(8,855)
Non-current lease liabilities (IFRS16)	(61,795)	(60,102)
IFRS16 effect on Net financial debt (L)	(71,384)	(68,957)
Net financial debt (M) = (K+L)	(223,235)	(151,592)
Net equity and net financial debt (N) = (J+M)	(550,110)	(487,838)

Re-classified Net Financial Position of the Parent Company MARR

	(€thousand)	Note	31.12.22	31.12.21
A.	Cash		14.696	6.291
	Bank accounts		167.870	236.064
	Postal accounts		0	21
B.	Cash equivalent		167.870	236.085
C.	Liquidity (A) + (B)	15	182.566	242.376
	Current financial receivable due to Subsidiaries		10.907	5.909
	Current financial receivable due to Parent Company		9.404	5.787
D.	Current financial receivable	12	20.311	11.696
E.	Current derivative/financial instruments	8	7	0
F.	Current Bank debt		(15.882)	(45.986)
G.	Current portion of non current debt		(99.838)	(52.227)
	Financial debt due to Subsidiaries		(15.363)	(14.290)
	Other financial debt		(4.525)	(4.873)
H.	Other current financial debt		(19.888)	(19.163)
I.	Current lease liabilities (IFRS16)	25	(9.589)	(8.855)
J.	Current financial debt (F) + (G) + (H) + (I)	24/25/26	(145.197)	(126.231)
K.	Net current financial indebtedness (C) + (D) + (E) + (J)		57.687	127.841
L.	Non current bank loans	18/20	(119.768)	(119.489)
M.	Non-current derivative/financial instruments	8	1.015	0
N.	Other non current loans	18/20	(100.374)	(99.842)
O.	Non-current lease liabilities (IFRS16)	19	(61.795)	(60.102)
P.	Non current financial indebtedness (L) + (M) + (N) + (O)	18/19/20	(280.922)	(279.433)
Q.	Net financial indebtedness (K) + (P)		(223.235)	(151.592)

Re-classified Cash Flows Statement of the Parent Company MARR S.p.A.

MARR S.p.A. (€thousand)	*31.12.22*	*31.12.21*
Net profit before minority interests	25,401	31,930
Amortization and depreciation	17,954	16,490
Change in Staff Severance Provision	(798)	(295)
Operating cash-flow	42,557	48,125
(Increase) decrease in receivables from customers	(28,612)	(12,801)
(Increase) decrease in inventories	(11,192)	(59,793)
Increase (decrease) in payables to suppliers	(16,140)	137,258
(Increase) decrease in other items of the working capital	5,166	5,952
Change in working capital	(50,778)	70,616
Net (investments) in intangible assets	(1,687)	(1,644)
Net (investments) in tangible assets	(11,344)	(8,243)
Flows relating to acquisitions of subsidiaries and going concerns	(4,047)	(4,684)
Investments in other fixed assets and other change in non-current items	(17,078)	(14,571)
Free - cash flow before dividends	(25,299)	104,170
Distribution of dividends	(31,118)	(22,086)
Other changes, including those of minority interests	(3,500)	(342)
Cash-flow from (for) change in shareholders' equity	(34,618)	(22,428)
FREE - CASH FLOW	(59,917)	81,742
Opening net financial debt	(151,592)	(207,139)
Effect for change in liability for IFRS16	(11,578)	(24,997)
Cash-flow for the period	(59,917)	81,742
Dividends approved and not distributed	(148)	(1,198)
Closing net financial debt	(223,235)	(151,592)

Below we insert the reconciliation between the "cash flow for the period" indicated above and the change in the cash flow indicated in the cash flow statement contained in the following accounting statements (under the indirect method):

MARR S.p.A. (€thousand)	*31.12.22*	*31.12.21*
Free - cash flow	(59,917)	81,742
(Increase)/Decrease in current financial receivables	(8,622)	(3,911)
Increase/(Decrease) in net financial debt	8,728	(82,481)
Increase (decrease) in cash-flow	(59,811)	(4,650)

Nature of proxies conferred on Directors

The powers granted to individual Directors are those indicated below:
- the Chairman has the legal representation pursuant to art. 20 of the Corporate By-Laws,
- to the Chief Executive Officer, in addition to the legal representation pursuant to art. 20 of the Corporate By-Laws, the necessary powers have been conferred for the fulfillment of the deeds relating to the corporate activity, to be exercised, within the scope of the powers assigned by resolution of the Board of Directors on 28 April 2020.

In the current structure of the Corporate Bodies, the Executive Committee has not been established.

During the year, the Director who held the position of Chief Executive Officer made use of the powers attributed to him only for the normal management of the company business, while significant transactions, by type, quality and value, were subjected to be examined by the Board of Directors.

Proposal for the allocation of the result for the year 2022 and distribution of the dividend

Dear Shareholders,

before the conclusion and your decisions in this regard, we confirm that the draft financial statements closed on 31 December 2022, submitted for your examination and your approval at this meeting, have been drawn up in compliance with current legislation.

In submitting the financial statements for the year 2022 to the approval of the shareholders' meeting, we propose that you:

a) allocate the profit for the year of 25,400,891 Euros as follows:

- dividend of 0.38 Euros for each entitled ordinary share,

- allocation to the extraordinary reserve of the residual amount, the amount of which will be determined on the basis of the treasury shares in the portfolio at the coupon distribution date.

b) pay the dividend on 24 May 2023 with ex coupon (no. 18) on 22 May 2023 (record date 23 May 2023), as regulated by Borsa Italiana.

The Board of Directors extends a heartfelt thanks to the employees and all the collaborators who, also in the 2022 financial year, contributed with their commitment to achieving the company objectives.

Rimini, 14 March 2023

For the Board of Directors
The Chairman
Ugo Ravanelli

MARR Group

Consolidated Financial Statements as at December 31, 2022

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	*Notes*	*31.12.22*	*relating to related parties*	*%*	*31.12.21**	*relating to related parties*	*%*
ASSETS							
Non-current assets							
Tangible assets	1	83.899			79.601		
Right of use	2	75.368			72.015		
Goodwill	3	167.010			160.382		
Other intangible assets	4	3.367			3.009		
Investments at equity value	5	1.828			1.828		
Investments in other companies		178			175		
Non-current financial receivables	6	22			750		
Non-current derivative/financial instruments	7	1.015			0		
Other non-current assets	8	21.561			29.766		
Total non-current Assets		354.248			347.526		
Current assets							
Inventories	9	209.913			199.852		
Financial receivables	10	9.404	*9.404*	*100,0%*	5.787	*5.787*	*100,0%*
Current derivative/financial instruments	7	7			0		
Trade receivables	11	348.718	*25.738*	*7,4%*	313.615	*13.312*	*4,2%*
Tax assets	12	7.284	*4.043*	*55,5%*	6.234	*12*	*0,0%*
Cash and cash equivalents	13	191.664			249.994		
Other current assets	14	41.224	*440*	*1,1%*	29.597	*177*	*0,6%*
Total current Assets		808.214			805.079		
TOTAL ASSETS		*1.162.462*			*1.152.605*		
LIABILITIES							
Shareholders' Equity	15	341.457			349.507		
Share capital		*33.263*			*33.263*		
Reserves		*260.163*			*262.833*		
Profit for the period		*48.031*			*53.411*		
Total Shareholders' Equity		341.457			349.507		
Non-current liabilities							
Non-current financial payables	16	220.143			219.330		
Non-current lease liabilities (IFRS16)	17	68.436	*6.888*	*10,1%*	64.718	*5.181*	*8,0%*
Employee benefits	18	7.207			8.556		
Provisions for risks and charges	19	6.566			6.994		
Deferred tax liabilities	20	1.655			143		
Other non-current liabilities	21	3.751			2.530		
Total non-current Liabilities		307.758			302.271		
Current liabilities							
Current financial payables	22	120.248			103.088		
Current lease liabilities (IFRS16)	23	10.813	*982*	*9,1%*	10.074	*755*	*7,5%*
Current tax liabilities	24	2.475	*0*	*0,0%*	14.764	*11.489*	*77,8%*
Current trade liabilities	25	365.359	*29.484*	*8,1%*	359.813	*35.003*	*9,7%*
Other current liabilities	26	14.352	*713*	*5,0%*	13.088	*437*	*3,3%*
Total current Liabilities		513.247			500.827		
TOTAL LIABILITIES		*1.162.462*			*1.152.605*		

* *For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other current assets" as a reduction of the item "Current trade liabilities".*

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(€thousand)	*Notes*	*31.12.2022*	*relating to related parties*	*%*	*31.12.2021**	*relating to related parties*	*%*
Revenues	27	1,878,876	*85,680*	*4.6%*	1,420,733	*39,872*	*2.8%*
Other revenues	28	8,445	*49*	*0.6%*	4,472	*143*	*3.2%*
Changes in inventories	9	10,061			64,237		
Purchase of goods for resale and consumables	29	(1,515,049)	*(198,677)*	*13.1%*	(1,176,083)	*(130,250)*	*11.1%*
Personnel costs	30	(45,277)	*0*	*0.0%*	(36,721)	*(11)*	*0.0%*
Amortizations, depreciations and provisions	31	(20,206)			(18,367)		
Losses due to impairment of financial assets	32	(15,633)			(14,664)		
Other operating costs	33	(255,382)	*(3,628)*	*1.4%*	(186,107)	*(3,208)*	*1.7%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(326)*			*(255)*		
Financial income and charges	34	(8,245)	*(279)*	*3.4%*	(7,880)	*(155)*	*2.0%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(2,087)*			*(763)*		
Income (charge) from associated companies	35	0			0		
Profit/(Loss) before taxes		*37,590*			*49,620*		
Taxes	36	(11,040)			(14,549)		
Profit/(Loss) for the period		*26,550*			*35,071*		
Attributable to:							
Shareholders of the parent company		26,550			35,071		
Minority interests		0			0		
		26,550			*35,071*		

(€)	*Notes*	*31.12.2022*	*31.12.2021*
EPS base (euros)	37	0.40	0.53
EPS diluted (euros)	37	0.40	0.53

* *For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other revenues" as a reduction of the item "Purchase of goods and consumables".*

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	*Notes*	*31.12.2022*	*31.12.2021*
Profits/(Loss) for the period (A)		*26,550*	*35,071*
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		777	(134)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		577	(253)
Total Other Profits/(Losses) net of taxes (B)	38	*1,354*	*(387)*
Comprehensive Income/(Loss) (A + B)		*27,904*	*34,684*
Attributable to:			
Shareholders of the parent company		27,904	34,684
Minority interests		0	0
		27,904	*34,684*

CONSOLIDATED STATEMENT OF CHANGES IN THE CONSOLIDATED SHAREHOLDERS' EQUITY
(note no. 15)

Description	Share Capital	Other Reserves											Profits carried over from consolidated	Total Group net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Reserve IAS 19	Total reserves		
Balance at 1st January 2021	33,263	63,348	6,652	13	36,496	170,460	1,475	7,290	134	1,453	(811)	286,510	18,339	338,112
Distribution dividends MARR S.p.A.						(23,283)						(23,283)		(23,283)
Other minor variations										(9)		(7)	1	(6)
- Profit for the period													35,071	35,071
- Other Profits/Losses, net of taxes									(134)		(253)	(387)		(387)
Consolidated comprehensive income 2021														34,684
Balance at 31 December 2021	33,263	63,348	6,652	13	36,496	147,177	1,475	7,290		1,444	(1,064)	262,833	53,411	349,507

Description	Share Capital	Other Reserves												Profits carried over from consolidated	Total Group net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve for treasury shares	Reserve ex art. 55 (DPR 597-917)	Reserve IAS 19	Total reserves		
Balance at 1st January 2022	33,263	63,348	6,652	13	36,496	147,177	1,475	7,290			1,444	(1,064)	262,833	53,411	349,507
Allocation of 2021 profit						663							664	(664)	
Distribution dividends MARR S.p.A.														(31,266)	(31,266)
Effect of the trading of own shares										(4,682)			(4,682)		(4,682)
Other minor variations											(6)		(6)		(6)
- Profit for the period														26,550	26,550
- Other Profits/Losses, net of taxes									777			577	1,354		1,354
Consolidated comprehensive income 2022															27,904
Balance at 31 December 2022	33,263	63,348	6,652	13	36,496	147,840	1,475	7,290	777	(4,682)	1,438	(487)	260,163	48,031	341,457

CONSOLIDATED CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	Ref.	31.12.21	relating to related parties	%	31.12.21*	relating to related parties	%
Result for the Period		26.550			35.071		
Adjustment:							
Amortization /Depreciation	31	11.622			7.653		
IFRS 16 depreciation	31	8.253			10.347		
Change in deffered tax	36	708			(951)		
Allocation of provison for bad debts	32	15.633			14.539		
Allocation of provision for risks and losses	32	200			195		
Provision for supplementary clientele severance indemnity	31	137			178		
Write-downs of investments non consolidated on a line – by – line basis	32	0			125		
Capital profit/losses on disposal of assets	28/33	134			167		
Financial (income) charges net of foreign exchange gains and losses	34	8.074	*279*	*3,5%*	8.542	*114*	*1,3%*
Foreign exchange evaluated (gains)/losses	34	(131)			(193)		
Total		44.630			40.602		
Net change in Staff Severance Provision	18	(1.258)			(281)		
(Increase) decrease in trade receivables	11	(50.736)	*(12.426)*	*24,5%*	(44.014)	*(7.270)*	*16,5%*
(Increase) decrease in inventories	9	(10.061)			(64.237)		
Increase (decrease) in trade payables	25	5.545	*5.519*	*99,5%*	137.233	*25.492*	*18,6%*
(Increase) decrease in other assets	8/14	(3.421)	*(262)*	*7,7%*	11.137	*306*	*2,7%*
Increase (decrease) in other liabilities	21/26	1.453	*276*	*19,0%*	405	*179*	*44,2%*
Net change in tax assets / liabilities	12/20/24	13.657	*6.118*	*44,0%*	17.280	*12.216*	*70,7%*
Interest paid	34	(8.976)	*(298)*	*3,3%*	(9.459)	*(129)*	*1,4%*
Interest received	34	902	*19*	*2,1%*	917	*15*	*1,6%*
Foreign exchange evaluated gains	34	131			193		
Income tax paid	12/24	(26.437)	*(21.638)*	*81,8%*	(3.172)	*(1.497)*	*47,2%*
Cash-flow from operating activities		(8.021)			121.675		
(Investments) in other intangible assets	4	(949)			(527)		
(Investments) in tangible assets	1	(11.860)			(11.071)		
Net disposal of tangible assets	1	128			2.320		
Net (investments) in equity investments in other companies	5	(3)			0		
Outgoing for acquisition of subsidiaries or going concerns during the year (net of cash acquired)	3	(4.047)			(4.640)		
Liquidity acquired from business combinations		10			0		
Cash-flow from investment activities		(16.721)			(13.918)		
Distribution of dividends	22	(31.118)			(22.086)		
Other changes, including those of third parties	15	(4.682)			(393)		
Net change in liabilities (IFRS 16)	17/23	(7.679)	*(1.934)*	*25,2%*	(3.555)	*(1.843)*	*51,8%*
Net change in financial payables (excluding the new non-current loans received)	16/22	(35.356)			(27.777)		
New non-current loans received	16/22	102.000			230.000		
Repayment of other long - term debt	16/22	(53.858)			(288.214)		
Net change in current financial receivables	10	(3.623)	*(3.617)*	*99,8%*	633	*7*	*1,1%*
Net change in non-current financial receivables	6	(728)			2.138		
Cash-flow from financing activities		(33.588)			(109.254)		
Increase (decrease) in cash-flow		(58.330)			(1.497)		
Opening cash and equivalents	13	249.994			251.491		
Closing cash and equivalents		191.664			249.994		

For the reconciliation between the opening figures and the closing balances with the related changes in financial liabilities deriving from financing activities (as required by paragraph 44A of IAS 7), please refer to Attachment 10 of the following Explanatory Notes.

* *For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other current assets" as a reduction of the item "Current trade liabilities".*

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate information

The MARR Group operates entirely in the marketing and distribution of food products to the Foodservice.

In particular, the parent company MARR S.p.A., with the legal form of a joint-stock company, has its registered office in Via Spagna n. 20, Rimini, (Italy) and operates mainly in Italy in the marketing and distribution of fresh, dried and frozen food products intended for catering operators.

The parent company is controlled by the company Cremonini S.p.A. the essential data of which are set out in Attachment 7 below.

The consolidated financial statements at December 31, 2022 were authorized for publication by the Board of Directors on March 14, 2023.

Information by sector of activity

For the purposes of applying IFRS 8, it should be noted that the Group operates in the sole sector of "Distribution of food products to the foodservice".
For what concerns the performance in 2022, please refer to what is set out in the Directors' Report on management performance.

Structure and contents of the consolidated financial statements

The consolidated financial statements as at 31 December 2022 have been prepared in compliance with the evaluation and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure pursuant to art.6 of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as transposed by Legislative Decree 28 February 2005, no. 38 and subsequent amendments, communications and CONSOB resolutions.

The "Valuation criteria" section indicates the reference international accounting standards adopted in preparing the consolidated financial statements as at 31 December 2022.

The consolidated financial statements as at 31 December 2022 present, for comparative purposes, the balances for the year ended 31 December 2021.

The following classifications were used:
- "Statement of financial position" by current/non-current items
- "Statement of profit or loss" by nature
- "Cash flows statement" (indirect method)

These classifications are deemed to provide information which is better suited to represent the economic and financial situation of the Group.

Appendix 2 contains the Statement of financial position, the Statement of Profit or Loss, the Statement of Other Comprehensive Income, Cash Flows Statement and the Statement of changes in the shareholders' equity of MARR S.p.A.. This report omits the explanatory notes concerning the accounting situation of the parent company, as this does not contain significant additional information compared to that contained in the MARR Group Consolidated Financial Statements, as highlighted in the table below, illustrating the impact of the parent company MARR S.p.A. on the Group consolidated data.

(€thousand)	31.12.22 MARR Consolidated	31.12.22 MARR S.p.A.	Impact %
Revenues from sales and services	1,878,876	1,773,380	94.39%
Total Asset	1,162,462	1,134,220	97.57%
Net profit for the period	26,550	25,401	95.67%

The operating and accounting currency is the Euros.
The statements and tables contained in these consolidated financial statements are shown in thousands of Euros.

It should be noted that as at 31 December 2022, the Group proceeded to reclassify the amount of contributions received from suppliers for promotional and marketing activities carried out for its suppliers (marketing contributions, fixed promotional contributions and variables, centralization of flows), in compliance with the provisions of international accounting standards. In particular, the amount that until 31 December 2021 was classified at an economic level under the item "Other revenues" and at a balance sheet level under the item "Other current assets" was classified at an economic level as a reduction of the item "purchase for raw materials, ancillaries, consumables and goods" and at balance sheet level to reduce the item "Current trade liabilities". In order to allow comparability, the data as at 31 December 2021 has been restated in accordance with the new classification.
The restatement of the data relating to the 2021 financial year resulted in the economic reclassification of the amount of 31,071 thousand Euros from the item "Other revenues" as a reduction of the item "purchase for raw materials , ancillaries, consumables and goods" and to balance sheet level the reclassification of the amount of 21,146 thousand Euros from the item "Other current assets" to reduce the item "Current trade liabilities".
As regards the data relating to the 2022 financial year, the amount of the contributions from suppliers amounts to an economic level of 43,190 thousand Euros and in line with the new presentation is classified as a reduction of the item "purchase for raw materials , ancillaries, consumables and goods", while at the balance sheet level it amounts to 29,252 thousand Euros and is shown as a reduction of the item "Current trade liabilities".

In compliance with the provisions of the ESEF Regulation, MARR has drawn up the annual financial report as at 31 December 2022 in xHTML format, supplemented by appropriate XBRL markings as regards the consolidated financial statements relating to:
- Consolidated statement of financial position
- Consolidated statement of profit / (loss) for the year
- Consolidated statement of the other components of the comprehensive income statement
- Changes in consolidated shareholders' equity
- Consolidated cash flow statement
- Explanatory notes to the consolidated financial statements.
XBRL markups have been incorporated into xHTML using the inline-XBRL specification.

Business continuity

In consideration of the aforementioned market performance, the solidity of its financial structure and the forecasts reflected in the 2023 Budget, the company considers the use of the going concern assumption to be appropriate and correct.

These financial statements have been prepared using the valuation principles and criteria illustrated below.

Consolidation method

Consolidation is made by using the line-by-line method, which consists in recognizing all the items in the assets and liabilities in their entirety. The main consolidation criteria adopted to apply this method are the following.

- Subsidiaries have been consolidated as from the date when control was actually transferred to the Group, and are no longer consolidated as from the date when control was transferred outside the Group.
- Assets and liabilities, charges and income of the companies consolidated on a line-by-line basis, have been fully entered in the consolidated financial statements; the book value of equity investments has been written off against the corresponding portion of shareholders' equity of the related concerns, by assigning to each single item of the statement of financial position assets and liabilities, the current value as at the date of acquisition of control (purchase method as defined by IFRS 3, "Business combinations"). Any residual difference, if positive, is entered under "Goodwill" in the assets; if negative, in the income statement.
- Mutual debt and credit, costs and revenues relationships, between consolidated companies, and the effects of all significant transactions between these companies, have been written off.
- The portions of shareholders' equity and of the results for the period of minority shareholders have been shown separately in the consolidated shareholders' equity and income statement: this holding is determined on the basis of the percentage held in the fair value of the assets and liabilities recorded at the date of original takeover and in the changes in shareholders' equity after this date.
- Subsequently, the profits and losses are attributed to the minority shareholders on the basis of the percentage they hold and the losses are attributed to minorities even if this implies that the minority holdings have a negative balance.
- Changes in the shareholding of the parent company in a subsidiary which do not imply loss of control are accounted as equity transactions.
- If the parent company loses control over a subsidiary, it:
    - derecognises the assets (including any goodwill) and liabilities of the subsidiary,
    - derecognises the carrying amount of any non-controlling interest,

- derecognises the cumulative translation differences recorded in equity,
- recognises the fair value of the consideration received,
- recognises the fair value of any investment retained,
- recognises any surplus or deficit in the profit and loss,
- re-classifies the parent share of components previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

Scope of consolidation

The consolidated financial statements as at 31 December 2022 include the financial statements of the parent company MARR S.p.A. and that of the companies in which it directly or indirectly holds control.
Control is obtained when the Group is exposed or has the right to variable returns, deriving from its relationship with the investee entity and, at the same time, has the ability to affect these returns by exercising its power over that entity. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee entity (ie holds valid rights which give him the current ability to direct the relevant activities of the investee entity);
- the exposure or rights to variable returns deriving from the relationship with the investee entity;
- the ability to exercise one power over the investee to affect the amount of its returns.

Generally, there is an assumption that a majority of voting rights entail control. In support of this presumption and when the Group holds less than the majority of voting rights (or similar rights), the Group considers all relevant facts and circumstances to establish whether it controls the investee, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual agreements;
- voting rights and potential voting rights of the Group.

The Group reconsiders whether or not it has control of an investee if the facts and circumstances indicate that there have been changes in one or more of the three relevant elements for the purposes of defining control.
The complete list of equity investments included in the scope of consolidation as at 31 December 2022, with an indication of the method of consolidation, is shown in Attachment 1.
The consolidated financial statements have been prepared on the basis of the financial statements as at 31 December 2022 prepared by the companies included in the scope of consolidation and adjusted, where necessary, in order to align them with the accounting standards and group classification criteria compliant with IFRS.

The scope of consolidation as at 31 December 2022 differs from that as at 31 December 2021 due to the purchase finalized on 1 April 2022, by the parent company MARR S.p.A., of all the shares in the company Frigor Carni S.r.l. and for the merger by incorporation within the parent company MARR S.p.A. of the wholly owned company Chef S.r.l. Unipersonale which took place on 30 December 2022.

Accounting policies

The most significant accounting standards and evaluation criteria adopted for drafting the consolidated financial statements of the MARR Group as at 31 December 2022 are shown below:

Tangible assets

Tangible assets are recorded at the purchase price or production cost including directly attributable ancillary costs necessary to make the assets available for use. As permitted by IFRS 1, the company proceeded with the initial fair value measurement of some owned land and buildings, and used this value as a new cost subject to depreciation.
Revaluations are not permitted, even if in application of specific laws. Tangible assets are systematically depreciated on a straight-line basis over their useful life, intended as the estimate of the period in which the asset will be used by the company. When the tangible asset consists of several significant components with different useful lives, the depreciation is carried out for each component. The value to be depreciated is represented by the book value reduced by the presumable net transfer value at the end of its useful life, if significant and reasonably determinable. Land is not subject to depreciation, even if purchased together with a building, as well as tangible assets held for sale which are valued at the lower of their carrying value and their fair value net of disposal costs.
The costs for improvements, modernization and transformation of an incremental nature of tangible assets are recognized in the balance sheet if they meet the capitalization requirements required by IAS 16.
The recoverability of the book value of tangible fixed assets is verified by adopting the criteria indicated in the point "Impairment of non-financial assets".
The rates (not changed compared with the period before) applied are the following:

Buildings	2.65% - 4% - 3%
Plant and machinery	7.50%-15%
Industrial and business equipment	15% - 20%
Other assets:	
Electronic office equipment	20%
Office furniture and fittings	12%
Motor vehicles and means of internal transport	20%
Cars	25%
Other minor assets	10%-30% contract term

The residual book value, the useful life and the amortization criteria are reviewed at each year-end and adjusted prospectively if necessary.
An asset is eliminated from the financial statements at the time of sale or when there are no future economic benefits expected from its use or disposal. Any losses or profits (calculated as the difference between the net proceeds from the sale and the book value) are included in the income statement upon the aforementioned elimination.

Goodwill and other intangible assets

Intangible assets refer to assets without identifiable physical substance, controlled by the company and capable of producing future economic benefits, as well as goodwill when acquired for consideration.
Intangible assets acquired separately are initially recognized at cost, determined according to the criteria indicated for tangible assets, while those acquired through business combinations are recognized at fair value at the acquisition date. Revaluations are not permitted, even if in application of specific laws.
Intangible assets with a finite useful life are systematically amortized over their useful life, intended as the estimate of the period in which the assets will be used by the company; the recoverability of their book value is verified by adopting the criteria indicated in the point "Impairment of non-financial assets".
Goodwill and other intangible assets, where present, with an indefinite useful life are not subject to amortization; the recoverability of their book value is verified at least annually and in any case when events occur that suggest a reduction in value. With reference to goodwill, the verification is carried out at the cash generating unit (CGU) level, where CGU means the smallest aggregate that generates independent cash flows. Write-downs are not subject to write-back.
The other intangible assets were amortized by adopting the following criteria:

Patents and intellectual property rights	5 years
Concessions, licenses, trademarks and similar rights	5 years/20 years
Other assets	5 years/contract term

The amortization period and the amortization criteria of intangible assets with a finite useful life are reviewed at least at each year-end and adjusted prospectively if necessary.

Right of use

The Right of Use at the commencement date, the date on which the asset is made available for use, was initially valued at cost and derives from the sum of the following components:
- the initial amount of the "Lease liability";
- payments due for the lease made on or before the effective date less any lease incentives received;
- the initial direct costs incurred by the lessee;
- an estimate of any costs that the lessee expects to incur for the dismantling and removal of the underlying asset and for the restoration of the site on which it is located or for the restoration of the underlying asset under the terms and conditions set out in the agreement of leasing.

After the initial recognition at the transition date, the right of use was reduced by the accumulated depreciation quotas, any impairment losses and the effects associated with any recalculations of the "Lease liability".
The amortization rates are constant and follow the duration of the contract, taking into account the renewal/term options which are highly likely to be exercised.
Only if the lease provides for the exercise of a reasonably certain purchase option is the right of use systematically amortized over the useful life of the underlying asset.

As regards the financial liability, please refer to the following paragraph "Financial Liabilities".

Furthermore, the standard eliminates the classification of leases as operating or financial for the lessee, with limited exceptions in the application of the accounting treatment (recognition of lease payments in the income statement on an accrual basis for leases that meet the requirements to be considered as "short-term" or "low-value"). For the purpose of identifying low value assets, a threshold of less than USD 5,000 has been defined. Leases lasting less than 12 months were also excluded from the calculation.
The main contractual cases relating to leased assets, linked to specific categories of assets that affect most of the companies of the Group, are mainly the following:
- real estate rental contracts;
- car rental agreements.

Investments in related companies and other companies

An associated company is a company over which the Group exercises significant influence. Significant influence means the power to participate in determining the financial and management policies of the investee without having control or joint control.
Investments in associated companies are valued using the equity method and investments in other companies are valued at fair value, as indicated in Attachment 1 and in the following notes.
With the equity method, the investment in an associated company is initially recognized at cost. The book value of the investment is increased or decreased to recognize the investor share of the investee profits and losses realized after the acquisition date. The goodwill relating to the associate is included in the book value of the investment and is not subject to amortization or to an individual impairment test.
The consolidated statement of profit/(loss) for the year reflects the Group share of the associated company result for the year. Any change in other components of the comprehensive income statement relating to these investees is presented as part of the Group comprehensive income statement. Furthermore, in the event that an associated company recognizes a change with direct attribution to shareholders' equity, the Group recognizes its pertinent share, where applicable, in the statement of changes in shareholders' equity. Unrealized profits and losses deriving from transactions between the Group and associated companies or joint ventures are eliminated in proportion to the shareholding in the associated companies or joint ventures.
The recoverability of their book value is verified by adopting the criteria indicated in the point "Impairment of non-financial assets" as regards investments in associated companies and in the point "Impairment of financial assets" as regards investments in other businesses.
Upon loss of significant influence over an associate or joint control over a joint venture, the Group measures and recognizes the residual investment at fair value. The difference between the carrying amount of the investment at the date of loss of significant influence or joint control and the fair value of the residual investment and the considerations received is recognized in the income statement.

Inventories

Inventories are recorded at the lower of purchase or production cost, determined according to the FIFO method, and the presumable realizable value based on market trends.

Receivables and other financial assets

Trade receivables and other financial assets are generated during the ordinary course of the Group business and held with the aim of collecting the contractual cash flows consisting of "principal and interest payments only" in accordance with the provisions of IFRS 9. Therefore, these receivables are initially recorded at fair value and subsequently valued at amortized cost based on the effective interest rate method, net of the bad debt provision. Receivables from clients and other financial assets are included in current assets, with the exception of those with contractual expiries of more than twelve months with respect to the balance sheet date, which are classified in non-current assets and recorded at their present value. At each balance sheet date, trade receivables and other financial assets are analyzed to verify the existence of indicators of a possible reduction in their value (impairment). In carrying out this analysis in accordance with IFRS 9, the Group uses an impairment model for financial assets which requires the recognition of provisions for impairment based on expected losses. In order to carry out this analysis, the Group applies a simplified approach to estimate the expected losses on receivables from clients over the entire duration of these receivables and takes into consideration the historical experience gained by the Group regarding losses on receivables, grouped into homogeneous classes, and corrected on the basis of prospective factors specific to the nature of the Group receivables and the economic context. Trade receivables are written down when there is no rational expectation of being collected. Indicators signaling the absence of rational recovery expectations include, among others, the impossibility of a creditor to commit to a recovery plan with the Group, and the impossibility of making contractual payments for a significant period of time.

Derivatives

After their initial recognition, derivatives are remeasured at fair value and are recorded as financial assets when the fair value is positive. Any gains or losses deriving from changes in the fair value of derivatives are recognized directly in the income statement, with the exception of the effective part of the cash flow hedges, which is recognized among other components of the comprehensive income statement and subsequently reclassified in the statement of profit/(loss) for the year when the hedging instrument influences the profit or loss.
For instruments classified as cash flow hedges and which qualify as such, the changes in fair value are recognized limited to the effective portion only, in a specific equity reserve defined as the "Cash flow hedge reserve" through the comprehensive income statement. This reserve is subsequently reversed to the income statement at the time the underlying hedged item becomes economic. The change in fair value relating to the ineffective portion is immediately recognized in the income statement for the period. If the occurrence of the underlying transaction is no longer considered highly probable, or the hedging relationship can no longer be demonstrated, the corresponding portion of the "Cash flow hedge reserve" is immediately reversed to the income statement.

Losses in value of non-financial assets

In the case of equity instruments classified as available for sale, the objective evidence would include a significant or prolonged reduction in the fair value of the instrument below its cost. The 'Significant' is valued against the original cost of the instrument and the 'prolonged' against the (length of) the period in which the fair value was below the original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the income statement –is reversed from the other components of the statement of comprehensive income and recognized in the income statement.
Impairment losses on equity instruments cannot be reversed with effect recognized in the income statement; the increases in their fair value subsequent to the reduction in value are recognized directly in the other components of the comprehensive income statement.
When events occur that suggest a reduction in the value of an asset, its recoverability is verified by comparing the book value with the related recoverable value, represented by the higher of the fair value, net of disposal charges, and the value of use.
In the absence of a binding sale agreement, the fair value is estimated on the basis of the values expressed by an active market, by recent transactions or on the basis of the best information available to reflect the amount that the company could obtain from the sale of the asset.
The value in use is determined by discounting the expected cash flows deriving from the use of the asset and, if significant and reasonably determinable, from its sale at the end of its useful life. The cash flows are determined on the basis of reasonable and documentable assumptions representative of the best estimate of the future economic conditions that will occur in the residual useful life of the asset, giving greater importance to external indications. Discounting is carried out at a rate which takes into account, in addition to the risk implicit in the business sector, also market assessments of the current value of money and the specific risks of the business.
The valuation is carried out for a single asset or for the smallest identifiable set of assets that generates autonomous incoming cash flows deriving from continuous use (so-called cash generating unit). When the reasons for the write-downs cease to exist, the assets, except goodwill, are revalued and the adjustment is charged to the income statement as a revaluation (reversal of value). The revaluation is carried out at the lower of the recoverable value and the book value gross of the write-downs previously made and reduced by the depreciation charges that would have been allocated if the write-down had not been made.
Goodwill is tested for impairment at least once a year (at each reporting date as at 31 December) and, more frequently, when circumstances lead to believe that the carrying value could be subject to impairment.
The impairment loss on goodwill is determined by valuing the recoverable value of the cash flow generating unit (or group of cash flow generating units) to which the goodwill is attributable. Where the recoverable value of the cash-generating unit is less than the book value of the cash-generating unit to which the goodwill has been allocated, an impairment loss is recognised. The reduction in the value of goodwill cannot be reversed in future years.

Employee benefits

Severance indemnity falls within the scope of what IAS 19 defines as defined benefit plans within the ambit of post-employment benefits. The accounting treatment envisaged for these forms of remuneration requires an actuarial calculation which makes it possible to project the amount of the already accrued severance indemnity into the future and to discount it to take into account the time that will elapse before the actual payment. In the actuarial calculation, some variables are considered such as the average permanence of employees, the level of inflation and the expected interest rates. The valuation of the liability is carried out by an independent actuary. Following the amendment to IAS 19, effective for years starting on 1 January 2013 and subsequent, the gains and losses deriving from the actuarial calculation for defined benefit plans are recognized in the statement of comprehensive income entirely in the period to which they refer. These actuarial gains and

losses are immediately classified as retained earnings and are not reclassified in the income statement in subsequent periods. The social security cost relating to past services (past service cost) is recognized at the most recent of the following dates:
• the date on which a change or curtailment of the plan occurs; and
• the date on which the Group recognizes the related restructuring costs.

The Group recognizes the changes in the net obligation for defined benefits in the statement of profit/(loss) for the year.

The defined benefit asset or liability includes the present value of the defined benefit obligation, less the fair value of the plan assets.
Finally, it should be recalled that, following the 2007 reform of the national legislation governing it, for companies with more than 50 employees, the severance indemnity accruing from 1 January 2007 takes the form of a defined-contribution plan, whose payments are booked directly to income statement, as an expense, when recognised. The "TFR" (severance staff indemnity) accrued up to 12.31.2006 remains a defined benefit plan, without future contributions. Therefore, its valuation is carried out by the independent actuaries on the basis only of the average expected residual working life of the employees, without considering the remuneration received by them during a predetermined period of service. The severance pay "accrued" before 1 January 2007 therefore undergoes a variation in the calculation due to the fact that the actuarial assumptions previously envisaged linked to salary increases no longer exist. In particular, the liability associated with the "accrued severance indemnity" is actuarially valued at 1 January 2007 without applying the pro-rata method (years of service already provided/total years of service), since the employee benefits accrued up to 31 December 2006 can be considered almost fully accrued (with the sole exception of the revaluation) in application of paragraph 67 (b) of IAS 19. It follows that, for the purposes of this calculation, the "current service costs" relating to the future services of employees are to be considered void as they are represented by contributions to supplementary pension funds or to the INPS Treasury Fund.

Provisions for risks and charges

Provisions for risks and charges concern costs and charges of a specific nature and of certain or probable existence which at the closing date of the financial year are undetermined in amount or in the date of occurrence. Provisions are recognized when: (i) the existence of a current obligation, legal or implicit, deriving from a past event is probable; (ii) it is probable that fulfillment of the obligation will be onerous; (iii) the amount of the obligation can be estimated reliably. Provisions are recorded at the value representative of the best estimate of the amount that the company would rationally pay to extinguish the obligation or to transfer it to third parties at the end of the period. When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provision is discounted; the increase in the provision connected with the passage of time is recognized in the income statement under the item "Financial income (expenses)". The customer supplementary indemnity provision, like the other provisions for risks and charges, was set aside on the basis of a reasonable estimate, taking into consideration the elements available, of the probable future liability.

Financial liabilities

Financial liabilities are initially valued at their fair value equal to the consideration received on the date, to which directly attributable transaction costs are added in the case of payables and loans. Subsequently, non-derivative financial liabilities are measured with the amortized cost criterion using the effective interest rate method.

The Group financial liabilities include trade payables and other payables, loans and derivative financial instruments.

Financial liabilities that fall within the scope of IFRS 9 are classified as payables and loans, or as derivatives designated as hedging instruments, depending on the case. The Group determines the classification of its financial liabilities upon initial recognition.

Profits and losses are recorded in the income statement when the liability is extinguished, as well as through the amortization process.

Amortized cost is calculated by recognizing any discount or premium on the acquisition and fees or costs that are an integral part of the effective interest rate. Amortization at the effective interest rate is included in financial charges in the income statement.
A financial liability is derecognised when the obligation underlying the liability is extinguished or canceled or fulfilled.

In cases where an existing financial liability is replaced by another from the same lender, under substantially different terms, or the terms of an existing liability are substantially changed, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with recognition in the income statement of any differences between the book values.

The financial liability for leases (IFRS16) is initially recognized at the present value of the payments due for the lease not yet made at the commencement date, which include:

- the fixed payments that will be paid with reasonable certainty, net of any leasing incentives to be received;
- variable payments due that depend on an index or rate (variable payments such as fees based on the use of the leased asset are not included in the lease liability, but recognized in the income statement as operating costs over the term of the lease leasing);
- any amounts expected to be paid as a guarantee of the residual value granted to the lessor;
- the exercise price of the purchase option, if the lessee is reasonably sure of exercising it;
- penalty payments for termination of the lease, if the lessee is reasonably certain to exercise this option.

The present value of the aforementioned payments was calculated by adopting a discount rate equal to the tenant incremental financing rate.
The lessee incremental borrowing rate is defined taking into account the periodicity and duration of the payments stipulated in the lease agreement, the currency in which they are denominated and the characteristics of the lessee economic environment ('IBR'). In particular, the IBR is determined on the basis of the Risk Free Rate from Bloomberg inputs on the basis of the Euros swap, reflecting considerations or adjustments relating to the specific national context in which the Group operates where relevant. The defined rate is consistent with the average residual life of the contracts.
After initial recognition, the financial liability is valued at amortized cost (i.e. increasing its book value to take into account interest on the liability and decreasing it to take account of payments made) using the effective interest rate and is recalculated, registration of the related right of use, to take into account any changes to the lease following contractual renegotiations, changes in indices or rates, changes relating to the exercise of the contractually provided renewal options, early withdrawal or purchase of the leased asset.

Derivatives

After their initial recognition, derivatives are remeasured at fair value and are accounted for as financial liabilities when the fair value is negative. Any gains or losses deriving from changes in the fair value of derivatives are recognized directly in the income statement, with the exception of the effective part of the cash flow hedges, which is recognized among other components of the comprehensive income statement and subsequently reclassified in the statement of profit/(loss) for the year when the hedging instrument influences the profit or loss.

For instruments classified as cash flow hedges and which qualify as such, the changes in fair value are recognized limited to the effective portion only, in a specific equity reserve defined as the "Cash flow hedge reserve" through the comprehensive income statement. This reserve is subsequently reversed to the income statement at the time the underlying hedged item becomes economic. The change in fair value relating to the ineffective portion is immediately recognized in the income statement for the period. If the occurrence of the underlying transaction is no longer considered highly probable, or the hedging relationship can no longer be demonstrated, the corresponding portion of the "Cash flow hedge reserve" is immediately reversed to the income statement.

Income taxes

Current income taxes are calculated on the basis of an estimate of taxable income. Tax payables and receivables for current taxes are recognized at the value that is expected to be paid/recovered to/from the tax authorities by applying the rates and tax legislation in force or substantially approved at the end of the period, taking into account the adhesion of some companies of the Group to the tax consolidation.

If there is uncertainty about the treatments for income tax purposes, the Group must report the effect of the uncertainty for each uncertain tax treatment using one of the following methods: a) the most probable amount method; or b) the expected value method, ie the sum of the different amounts of a range of possible outcomes, weighted by the probability of their occurrence.
Deferred and prepaid income taxes are calculated on the temporary differences between the values of the assets and liabilities recorded in the financial statements and the corresponding values recognized for tax purposes.
Deferred taxes are recognized on all taxable temporary differences, with the following exceptions:

- deferred tax liabilities that derive from the initial recognition of goodwill or of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction itself, does not influence either the financial statement result or the tax result;
- the reversal of taxable temporary differences, associated with equity investments in subsidiaries, associated companies and joint ventures, can be controlled, and it is probable that it will not occur in the foreseeable future.

In addition, they are also recognized on the dividends that the subsidiaries have resolved to distribute.

Deferred tax assets are recognized against all deductible temporary differences, unused tax receivables and losses that can be carried forward, to the extent that it is probable that sufficient future taxable income will be available, which can allow the use of the temporary differences deductibles and tax credits and losses carried forward, except where:

- the deferred tax assets associated with the deductible temporary differences derive from the initial recognition of an asset or liability in a transaction which does not represent a business combination and, at the time of the transaction itself, does not affect either the result in the financial statements or the tax result;

- in the case of deductible temporary differences associated with equity investments in subsidiaries, associates and joint ventures, deferred tax assets are recognized only to the extent that it is probable that they will reverse in the foreseeable future and that there will be sufficient taxable bases to allow the recovery of these temporary differences.

Deferred tax assets are recognized when their recovery is probable. Prepaid tax assets and deferred tax liabilities are classified among non-current assets and liabilities and are offset if they refer to offsettable taxes. The balance of the compensation, if active, is recorded under the item "Deferred tax assets"; if a liability, under the item "Liabilities for deferred taxes". When the results of operations are recognized directly in equity, current taxes, deferred tax assets and deferred tax liabilities are also recognized in equity.
Prepaid and deferred taxes are calculated on the basis of the tax rates that are expected to be applied in the year in which these assets will be realized or these liabilities will be extinguished.

Criteria for conversion of items in foreign currency

Transactions in foreign currency are initially recognized in the functional currency, applying the spot exchange rate at the date of the transaction.
Monetary assets and liabilities, denominated in foreign currency, are converted into the functional currency at the exchange rate at the balance sheet date.
The differences are recognized in the income statement.

Business combinations

Business combinations are accounted for using the acquisition method (IFRS 3R). The cost of an acquisition is measured as the sum of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, any non-controlling interest in the acquiree shall be measured at fair value or as a proportionate share of the non-controlling interest in the acquiree identifiable net assets. Acquisition costs are expensed and classified under administrative expenses.
If the business combination is achieved in several stages, the fair value of the investment previously held is recalculated at the fair value at the acquisition date, recognizing any resulting gain or loss in the income statement.
Any contingent consideration is recognized by the acquirer at fair value at the acquisition date. The change in the fair value of the contingent consideration classified as a financial asset or liability will be recognized in accordance with the provisions of IFRS9.
If the potential consideration is classified in shareholders' equity, its value is not recalculated until its extinction is recorded against shareholders' equity.
Goodwill is initially valued at cost which emerges as the excess between the sum of the consideration paid and the amount recognized for the minority interests with respect to the identifiable net assets acquired and the liabilities assumed by the Group. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement.
After initial recognition, goodwill is valued at cost less accumulated impairment losses. For impairment testing purposes, goodwill acquired in a business combination must, from the acquisition date, be allocated to each cash-generating unit of the Group which is expected to benefit from the synergies of the combination, whether or not other assets or liabilities of the acquiree are assigned to those units.
If the goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the disposed asset shall be included in the carrying amount of the asset when determining the profit or the loss resulting from the disposal. The goodwill associated with the divested asset must be determined on the basis of the relative values of the divested asset and of the retained part of the cash-generating unit.

Revenue and cost recognition

Revenues from the sale of products and services are recognized when the transfer of control of the goods and services promised to clients occurs. The control of the goods by the customer is normally identified with the delivery of the goods except in specific cases which provide for other delivery terms.
Revenues for services are recognized on the basis of contractual provisions and substantially when the obligation to perform is fulfilled.
Revenues are presented net of discounts, rebates, returns and year-end bonuses.
Revenues of a financial nature are recognized on an accruals basis.
Costs are recognized when they relate to goods and services purchased and/or received during the period and are presented net of discounts, rebates, returns and year-end bonuses.

Accounting treatment of financial assets/instruments

The group uses derivative financial instruments to hedge the exposure to the exchange risk on purchases and loans in currencies other than the functional currency, as well as the exposure to the risk of changes in interest rates on some floating rate loans.

These derivative financial instruments are initially recognized at fair value on the date they are stipulated; subsequently this fair value is periodically remeasured; they are accounted for as an asset when the fair value is positive and as a liability when it is negative.
Fair value is the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in an orderly transaction between market operators at the measurement date.
The fair value of the derivative financial instruments used is determined with reference to the market value if it is possible to identify an active market for them. If, on the other hand, the market value of a financial instrument is not easily identifiable, but can be identified for its components or for a similar instrument, the market value is determined by valuing the individual components of the instrument or similar instrument. Furthermore, for instruments for which it is not possible to easily identify an active market, the valuation is determined using the value resulting from generally accepted valuation models and techniques, which ensure a reasonable approximation to the market value. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized according to the fair value hierarchy, as described below:

- Level 1 – the quoted (not adjusted) prices on active markets for identical assets and liabilities which the entity may access on the date of valuation;
- Level 2 – Input other than the quoted prices included in Level 1, observable directly or indirectly for the asset or liability in question;
- Level 3 – valuation techniques for which the input data is not observable for the asset or liability in question.

Derivatives are classified as hedging instruments when the relationship between the derivative and the hedged object is formally documented and the effectiveness of the hedge, verified periodically, is high. When derivatives hedge the risk of changes in the cash flows of the hedged instruments (cash flow hedges; e.g. hedging the variability of the cash flows of assets/liabilities due to fluctuations in exchange rates), the changes in the fair value derivatives are initially recognized in equity and subsequently recognized in the income statement consistently with the economic effects produced by the hedged transaction. When the derivatives hedge the fair value risk, the change in the fair value of the hedging derivatives is recognized in the statement of profit/(loss) for the year under financial charges. The change in the fair value of the hedged item attributable to the hedged risk is recognized as part of the carrying amount of the hedged item and is also recognized in the statement of profit/(loss) for the year under financial charges. Changes in the fair value of derivatives that do not meet the conditions for being classified as hedges are recognized in the income statement during the year.

Treasury shares

Treasury shares are recorded as a reduction of shareholders' equity. The original cost of treasury shares and the revenues from any subsequent sales are recognized as movements in equity.

Main estimates adopted by management and discretional assessments

The drafting of the Group financial statements requires the directors to make discretionary assessments, estimates and hypotheses that influence the values of revenues, costs, assets and liabilities, as well as the indication of potential liabilities at the balance sheet date. However, the uncertainty surrounding these assumptions and estimates could lead to outcomes that will require, in the future, a significant adjustment to the book value of these assets and/or liabilities.

Estimates and hypotheses used

The key assumptions regarding the future and other important sources of uncertainty in the estimates at the balance sheet date that could produce significant adjustments in the book values of assets and liabilities in the coming years are presented below. The results that will be achieved may differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of each change are immediately reflected in the income statement.

- Estimates adopted for the purpose of assessing the impairment of non-financial assets

For the purpose of verifying any loss in value of the goodwill recorded in the financial statements, the company has adopted the methodology already described in the paragraph "Impairment of non-financial assets".
The impairment test is performed by comparing the book value with the recoverable value of each CGU. The recoverable value of a group of CGUs is determined with reference to the higher of the fair value less costs to sell and the value in use. In determining the value in use, future cash flows are discounted using a discount rate that reflects the current market valuation of the time value of money and the specific risks of the group of CGUs. The estimates and assumptions reflect the company state of knowledge regarding business developments and take into account prudent forecasts on future developments in the market in which the company and the Group operate.

- *Expected credit losses* (debt devaluation): the company pays great attention to the management of trade receivables by implementing methods calibrated to the situations and needs of each territory and market segment; the objective remains that of safeguarding the company assets by maintaining proximity to the customer which allows timely credit management and the strengthening of the relationship with the customer. In light of this, Management has made a prudential estimate of the Expected credit losses, which can be confirmed in the coming months on the basis of the collection activities undertaken to date.

- Economic and financial plans: the company has revised the economic and financial and performance forecasts formalized in the 2023 Budget. Likewise, it has made forecasts reflected in the cash flows underlying the impairment test for the next three years. These forecasts could be further influenced in the coming months by developments linked to the evolution of the Foodservice market, expected to be positive with expectations of "consumption away from home" also supported by important tourist flows from abroad, despite the presence of an internal economic situation which could affect the final consumer spending capacity, inflationary dynamics and the trend in electricity tariffs.

- Estimates adopted in the actuarial calculation for the purpose of determining the defined benefit plans in the context of post-employment benefits:
  - The expected inflation rate is equal to 2.30%;
  - The discount rate used is equal to 3.63%;
  - The annual rate of increase of the TFR is expected to be equal to 3.2%;
  - An employee turnover equal to 6.5%.

Based on these parameters, the valuation carried out at 31 December 2022 for the purposes of IAS 19 determines the following result for Group companies:

Company (€)	Defines Benefit Obligation at 31.12.2022
MARR S.p.A.	5,626,683
New Catering S.r.l.	310,269
Antonio Verrini S.r.l.	1,144,859

The sensitivity analysis for each relevant actuarial assumption as at 31 December 2022 is shown below, showing the effects that would have arisen as a result of changes in the reasonably possible actuarial assumptions at that date.

Sensitivity analysis of the main evaluation parameters

Company (€)	Turnover +1%	Turnover -1%	Inflation rate +0.25%	Inflation rate -0.25%	Discounting rate +0.25%	Discounting rate -0.25%
MARR S.p.A.	5,639,882	5,612,552	5,672,019	5,581,865	5,556,571	5,698,452
New Catering S.r.l.	311,578	308,798	314,779	305,872	304,599	316,145
Antonio Verrini S.r.l.	1,148,772	1,140,582	1,155,493	1,134,375	1,128,482	1,161,698

- Estimates adopted in the actuarial calculation for the purpose of determining the customer supplementary indemnity provision:
  - The expected voluntary turnover rate is equal to 13% for MARR S.p.A. and to 5% for New Catering S.r.l.;
  - The expected corporate turnover rate is equal to 2% for MARR S.p.A. and to 7% for New Catering S.r.l.;
  - The discount rate used is equal to 3.57%[VI].

- Estimates adopted in the determination of deferred taxes
  Significant judgment is required of directors to determine the amount of deferred tax assets that can be accounted for. They must estimate the probable timing and the amount of future taxable profits.

- Other
  Other elements of the financial statements which have been the subject of estimates and assumptions by Management are the inventory write-down fund and the determination of depreciation.
  These estimates, while supported by well-defined company procedures, in any case require assumptions to be made regarding mainly the future realizability of the value of inventories, as well as the residual useful life of the assets which can be influenced both by market trends and by the information available to Management .

As regards climate change, reference is made to the Directors' Report. This aspect is constantly monitored in order to assess the possible impact on the estimates of the economic and financial forecasts. It should be noted that at the date of this report, there are no significant risks linked to climate change which could lead to an adjustment of the carrying values of assets and liabilities or uncertainties which influence the assumptions used to prepare the economic and financial estimates.

[VI] Average yield curve resulting from the IBOXX Eurozone Corporates AA index with a duration of 5 -7 years at the valuation date

Accounting policies, amendments and interpretations applicable as of 1 January 2022

The valuation criteria used for drafting the consolidated financial statements for the financial statements as at 31 December 2022 do not differ from those used for drafting of the consolidated financial statements for the year ended 31 December 2021, with the exception of the new accounting standards, amendments and interpretations applicable from January 1, 2022 set out below:

- *Changes to IAS 16 Property, Plant and Equipment*
- *Changes to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract*
- *Changes to IFRS 3 Reference to the Conceptual Framework*
- *Changes to IFRS (cycle 2018-2020)*

Changes to IAS 16 Property, Plant and Equipment - the changes concerned the issue of Proceeds before Intended Use. In particular, in May 2020, the IASB issued amendments to IAS 16, which prohibit a company from deducting from the cost of property, plant and equipment the amounts received from the sale of manufactured items while the company is preparing the asset for the intended use. Instead, a company will recognize such sales proceeds and any related costs in the income statement.

Changes to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract - in May 2020, the IASB issued amendments to IAS 37 par. 68A which clarify the nature of the costs directly related to the contract, consisting both in the incremental costs of the execution of the contract and in the other costs directly connected to the execution of the contracts. The adoption of these changes has not produced significant effects.

Changes to IFRS 3 Reference to the Conceptual Framework - in May 2020, the IASB issued amendments to IFRS 3, which update a reference to the Conceptual Framework for Financial Reporting without changing its accounting requirements for business combinations. The amendments to IFRS 3 are applied prospectively.

Improvements to IFRS (cycle 2018-2020) – in May 2020, the IASB published the annual improvements to the IFRS for the 2018-2020 cycle. The amendments modified the following principles: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards, the amendments simplify the first application of the IFRS by a subsidiary/associate/joint venture entity which becomes a first time adopter after its parent/participant in relation to the measurement of the translation reserve at the date of transition to IFRS; ii) IFRS 9 — Financial Instruments, the amendments clarify which fees must be included in the 10% test to assess whether the modification to the contractual terms of a financial liability are substantially different from those of the original financial liability, iii) IAS 41 — Agriculture, in relation to the exclusion of tax cash flows in the fair value measurement of a biological asset; iv) IFRS 16 — Leases, the amendments refer to illustrative example 13 of IFRS 16 in which a potential misinterpretation of lease incentives has been eliminated. This amendment having as its object an illustrative example of IFRS 16 which is not an integral part of the standard has not been approved by the European Union.

Accounting standards, amendments and interpretations applicable in future years

The standards and interpretations which, at the date of drafting these financial statements, had already been issued but not yet in force, are illustrated below.

These principles will be applicable from subsequent years and, from an initial examination, the Group believes that they will not have a significant impact on its consolidated equity, financial and economic situation.

- On 18 May 2017, the IASB issued IFRS 17 "Insurance Contracts", subsequently amended with the document "Amendments to IFRS 17" issued on 25 June 2020. The standard regulates the accounting treatment of insurance contracts issued and contracts of reinsurance owned

The provisions of IFRS 17 are effective from financial years beginning on or after January 1, 2023.

- On 23 January 2020 and on 15 July 2020, the IASB issued the documents "Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current" and the document "Classification of Liabilities

as Current or Non- current - Deferral of Effective Date" to define the requirements for the classification of liabilities as current or non-current. More specifically:
- management expectations regarding events subsequent to the balance sheet date, such as for example in the event of a breach of a covenant, are not relevant;
- the amendments indicate that the conditions existing at the end of the reference period are those which must be used to determine whether there is a right to defer the settlement of a liability;
- the amendments define more clearly the situations that are considered liquidation of a liability.

The amendments are effective for financial years beginning on or after January 1, 2023.

- On 12 February 2021, the IASB issued the document "Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies". The objective of the amendments is to develop guidelines in order to facilitate entities to apply a materiality judgment in reporting on accounting standards. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to disclosures on accounting standards.

  The amendments are effective for financial years beginning on or after January 1, 2023.

- On 12 February 2021, the IASB issued the document "Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". The amendments clarify how the company must distinguish changes in accounting policies from changes in accounting estimates, which is relevant because changes in accounting estimates are applied prospectively to future transactions and other future events, while changes in accounting policies are generally also applied in retrospectively to past transactions and other past events.

  The amendments are effective from financial years beginning on or after January 1, 2023.

- On 7 May 2021, the IASB issued the document "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document addresses the uncertainty in practice regarding the application of the exemption under paragraphs 15 and 24 of IAS 12 to transactions that give rise to both an asset and a liability on initial recognition and may result in tax temporary differences of the same amount. Under the proposed amendments, the exemption from initial recognition envisaged by IAS 12 would not apply to transactions which, at the time of the transaction, give rise to equal and offsettable amounts of taxable and deductible temporary differences.

The amendments are effective from financial years beginning on or after January 1, 2023.

At present, the Group is analyzing the standards indicated and assessing whether their adoption will have a significant impact on the consolidated financial statements.

Capital management policy

With regard to capital management, it is a priority for the Group to maintain an appropriate level of equity in relation to debt ("Net debt/Equity" or "gearing" ratio), so as to guarantee capital solidity that is adequate for the management of financial flows.

Taking into account that, due to the characteristics of the business managed by the company, the financial requirement is identified with the exposure in terms of trade net working capital, the main indicator for cash flow management is synthetically represented by the trend in the ratio trade net working capital and revenues ("Trade NWC on Total revenues"). Furthermore, always in relation to the seasonal factor that characterizes the business, the company monitors the performance of the individual components of the trade net working capital (trade receivables and payables and inventories) both in absolute value and in terms of days of outstanding.
Capital management is then also measured with recourse to the main indicators of financial practice, such as: ROS, ROCE, ROE, Net Debt/Equity and Net Debt/EBITDA.

Financial risks management

The financial risks to which the Group is exposed in carrying out its business are as follows:
- market risk (including exchange rate risk, interest rate risk, price risk);
- credit risk;
- liquidity risk.

The Group uses derivative financial instruments for the sole purpose of hedging, on the one hand, certain non-functional currency exposures and, on the other hand, part of the floating rate financial exposure.

Market risk

(iii) Exchange risk: exchange risk arises when recognized assets and liabilities are expressed in a currency other than the functional currency of the company (the Euros). The Group operates internationally and is therefore exposed to exchange rate risk especially with regard to commercial transactions denominated in US dollars. The Group method of managing this risk consists, on the one hand, of entering into forward contracts for the purchase/sale of foreign currency specifically intended to hedge individual commercial transactions, if the forward exchange rate is favorable compared to that of the transaction date.

As at 31 December 2022, a 5% appreciation of the Euros against the US dollar and other currencies, all other variables being equal, would have resulted in a lower pre-tax profit of Euros 263 thousand (Euros -227 thousand Euros in 2021), attributable to exchange gains (losses) on payables, trade receivables and cash and cash equivalents denominated in foreign currencies, primarily US dollars (due to the change in the fair value of current assets and current liabilities).
The other equity items would have recorded a decrease of approximately 37 thousand Euros attributable to the change in the cash flow hedge reserve (due to the change in the fair value of existing hedging contracts). As at 31 December 2021 there were no hedging contracts and related cash flow hedge reserve.
On the other hand, on the same date, a 5% weakening of the Euros against the US dollar and other currencies, all other variables being equal, would have resulted in a higher profit before taxes of 100 thousand Euros (+203 thousands of Euros in 2021).
The other equity items would have recorded an increase of Euros 14 thousand, attributable to the change in the cash flow hedge reserve due to the change in the fair value of the existing hedging contracts. As at 31 December 2021 there were no hedging contracts and related cash flow hedge reserve.

(ii) Interest rate risk: the risks relating to changes in interest rates refer to loans. Long-term loans from banks are mostly at variable rates and expose the Group to the risk of changes in cash flows due to interest. Against this risk, the parent company has historically entered into Interest Rate Swap contracts specifically related to the partial or total hedging of certain loans. Fixed-rate loans expose the Group to the risk of changes in the fair value of the loans themselves.

In 2022, a hypothetical increase or decrease of 10% in the interest rate, all other variables being equal, would have respectively produced a higher or lower pre-tax charge (and therefore a corresponding change in shareholders' equity) of around 175 thousand of Euros on an annual basis (133 thousand Euros as at 31 December 2021).

As regards the use of other short-term credit lines, management attention is aimed at safeguarding and consolidating relations with credit institutions in order to stabilize the spread applied to the Euribor as much as possible.

(iii) Price risk: the Group carries out purchases and sales worldwide and is therefore exposed to the normal risk of fluctuations in prices typical of the sector.

Credit risk

The Group has adopted a Credit Procedure and Credit Management Guidelines which define the rules and operating mechanisms which guarantee monitoring of the customer solvency and the profitability of the relationship with the same.

The Group deals only with known and reliable clients. It is Group policy that clients requesting deferred payment terms are subject to verification procedures of their class of merit. Furthermore, the balance of receivables is monitored during the year so that the amount of non-performing positions is not significant.

The customer monitoring activity is mainly divided into two phases. A preliminary one, in which personal and fiscal data is collected and the information is verified – obtained both from the Sales Force and by reading the commercial information – with the aim of assigning conditions consistent with the potential and reliability of each individual new client. The activation of the new customer is subject to the completeness and regularity of the data mentioned above and to the approval of several corporate entities according to the criteria indicated in the current policy. Each new customer is assigned a credit line on the basis of their potential and reliability, taking into account various information including the type of activity carried out, the number of years of activity, reputation with other suppliers, seasonality, expected turnover and agreed terms of payment.
Once the above phase has been successfully completed, the so-called commercial relationship monitoring phase is entered. In order to ensure risk containment and reduction of payment days, all orders received from clients are analyzed in terms of exceeding the assigned credit line and/or the presence of overdue outstanding; this control involves the inclusion of blocks on master data with different levels of severity as specified in the current policy.

The daily activity of order fulfillment control on clients with past due and/or out of credit situations is of fundamental importance in order to promptly and preventively implement all the measures necessary to bring the customer back within the company parameters, reduce the risk and regularly follow up on the continuity of the commercial relationship.

At the balance sheet date, the maximum exposure to credit risk is equal to the value of each category of receivables indicated below:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Current trade receivables	348,718	313,615
Other non-current receivables	21,561	29,766
Other current receivables	41,224	29,597
Total	411,503	372,978

For comments on the categories, see note 8 for "Other non-current assets", note 11 for "Trade receivables" and note 14 "Other current assets".

The fair value of the above categories is not indicated as the book value represents a reasonable approximation. The value of Trade receivables, Other non-current assets and Other current assets can be classified as "Level 3" financial assets, i.e. those in which the inputs are not based on observable market data.

At 31 December 2022, overdue trade receivables, net of the bad debt provision, amounted to 74,015 thousand Euros (73,961 thousand Euros in 2021). The breakdown by maturity is as follows:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Overdue:		
Less than 30 days	32,875	31,792
betweeen 31 and 60 days	13,061	11,710
betweeen 61 and 90 days	8,147	7,332
Over 90 days	63,892	65,960
	117,975	116,794
- Provision for write-down of receivables from customers	(43,960)	(42,833)
Total overdue trade receivables	74,015	73,961

As at 31 December 2022, disputed trade receivables (all classified in the past due category "more than 90 days") which have a loss in value with a write-down amounted to 23,218 thousand Euros (26,329 thousand Euros as at 31 December 2021). These receivables are mainly related to clients in economic difficulty and the portion of these receivables which is not recoverable is specifically covered by the bad debt provision.

Liquidity risk

The Group manages liquidity risk with a view to maintaining an adequate level of liquidity for operational management. The Group manages the liquidity risk mainly through the constant monitoring of the centralized treasury of the collection and payment flows of all the companies. This allows in particular to monitor the flows of resources generated and absorbed by the normal operating activity.
Given the dynamic nature of the sector, in order to cope with ordinary management and the seasonality of the business, obtaining liquidity through the use of adequate credit lines is privileged.

As far as the management of the resources absorbed by investment activities is concerned, the retrieval of sources through specific long-term loans is generally preferred.

The table below analyzes the financial liabilities and the derivative financial liabilities on the basis of the contractual maturity at the balance sheet date. It should be noted that the amounts indicated do not reflect the book values as they consider the expected future cash flows. Given the high volatility of reference rates, the cash flows of floating-rate loans were estimated in line with what was done in previous years using a six-year rate determined by the IRS increased by the average spread applied to our medium-term loans. long term.

(€thousand)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 december 2022				
Borrowings	132,376	56,921	104,569	97,519
Financial payables for leases (IFRS 16)	12,960	12,457	31,512	33,266
Derivative financial instruments	0	0	0	0
Trade and other payables	365,359	0	0	0
	510,695	69,378	136,081	130,785
At 31 december 2021				
Borrowings	103,631	95,062	27,771	102,049
Payables for the purchase of quotas or shares	12,102	11,048	27,842	34,966
Derivative financial instruments	0	0	0	0
Trade and other payables	380,959	0	0	0
	496,692	106,110	55,613	137,015

Classes of financial instruments

The following items are accounted for in accordance with financial instrument accounting standards:

(€thousands) — 31 December 2022

Assets as per balance sheet	Amortized Cost	Fair value through other comprehensive income (FVOCI)	Fair value through profit or loss (FVTPL)	Total
Non-current derivative/financial instruments	0	1,015	0	1,015
Non-current financial receivables	22	0	0	22
Other non-current assets	21,561	0	0	21,561
Current financial receivables	9,404	0	0	9,404
Current derivative/financial instruments	0	7	0	7
Current trade receivables	348,718	0	0	348,718
Cash and cash equivalents	191,664	0	0	191,664
Other current receivables	41,224	0	0	41,224
Total	612,593	1,022	0	613,615

Liabilities as per balance sheet	Amortized Cost	Fair value through other comprehensive income (FVOCI)	Fair value through profit or loss (FVTPL)	Total
Non-current financial payables	220,143	0	0	220,143
Non-current lease liabilities (IFRS16)	68,436	0	0	68,436
Non-current derivative/financial instruments	0	0	0	0
Current financial payables	120,248	0	0	120,248
Current lease liabilities (IFRS16)	10,813	0	0	10,813
Current derivative financial instruments	0	0	0	0
Total	419,640	0	0	419,640

(€thousands) — 31 December 2021

Assets as per balance sheet	Amortized Cost	Fair value through other comprehensive income (FVOCI)	Fair value through profit or loss (FVTPL)	Total
Non-current derivative/financial instruments	0	0	0	0
Non-current financial receivables	750	0	0	750
Other non-current assets	29,766	0	0	29,766
Current financial receivables	5,787	0	0	5,787
Current derivative/financial instruments	0	0	0	0
Current trade receivables	313,615	0	0	313,615
Cash and cash equivalents	249,994	0	0	249,994
Other current receivables	29,597	0	0	29,597
Total	629,509	0	0	629,509

Liabilities as per balance sheet	Amortized Cost	Fair value through other comprehensive income (FVOCI)	Fair value through profit or loss (FVTPL)	Total
Non-current financial payables	219,330	0	0	219,330
Non-current lease liabilities (IFRS16)	64,718	0	0	64,718
Non-current derivative/financial instruments	0	0	0	0
Current financial payables	103,088	0	0	103,088
Current lease liabilities (IFRS16)	10,074	0	0	10,074
Current derivative financial instruments	0	0	0	0
Total	397,210	0	0	397,210

In accordance with the requirements of IFRS 13, we indicate that derivative financial instruments, consisting of exchange and interest hedging contracts, can be classified as "Level 2" financial assets, since the inputs that have a significant effect on the fair value recorded are directly observable market data (exchange and interest rate market) [VIII].

Similarly, as regards non-current financial payables, whose exposure to fair value is indicated in paragraph 16 of these explanatory notes, they can also be classified as "Level 2" financial assets, since the inputs that influence the fair value are directly observable market data.
As regards Other non-current and current assets, please refer to what is indicated in paragraphs 8 and 14 of these explanatory notes.

[VIII] The group identifies as "Level 1" financial assets/liabilities those in which the inputs that have a significant effect on the recorded fair value are represented by prices quoted in an active market for similar assets or liabilities and which "Level 1" financial assets/liabilities 3" those in which the inputs are not based on observable market data.

Comments on the main items of the consolidated statement of financial position

ASSETS

Non-current assets

1. Tangible assets

Movements in this item in 2022 and in the previous year are as follows:

(€thousand)	Balance at 31.12.21	Purchases / other movements	Net decreases for divestments	Depreciation/ Write down	Consolidation change	Balance at 31.12.20
Land and buildings	59,947	16,234	(10)	(2,889)	0	46,612
Improvements on leased facilities	2,781	518	0	(440)	209	2,494
Plant and machinery	7,944	3,516	(7)	(2,136)	121	6,450
Industrial and business equipment	1,707	539	0	(391)	8	1,551
Other assets	4,401	2,894	(69)	(1,303)	131	2,748
Fixed assets under development and advances	2,821	(12,841)	0	0	0	15,662
Total tangible assets	79,601	10,860	(86)	(7,159)	469	75,517
Land and buildings	0	0	(2,400)	0	0	2,400
Total assets held for sale	0	0	(2,400)	0	0	2,400
Total	79,601	10,860	(2,486)	(7,159)	469	77,917

(€thousand)	Balance at 31.12.22	Purchases / other movements	Net decreases for divestments	Depreciation/ Write down	Consolidation change	Balance at 31.12.21
Land and buildings	56,850	(240)	(12)	(2,845)	0	59,947
Improvements on leased facilities	2,995	761	(51)	(496)	0	2,781
Plant and machinery	9,311	3,617	(110)	(2,354)	214	7,944
Industrial and business equipment	2,541	1,364	(10)	(520)	0	1,707
Other assets	4,525	1,503	(80)	(1,429)	130	4,401
Fixed assets under development and advances	7,677	4,856	0	0	0	2,821
Total tangible assets	83,899	11,861	(263)	(7,644)	344	79,601

The changes shown in the column "change in the scope of consolidation" show the net book value of the tangible fixed assets acquired with the control and subsequent consolidation of the subsidiary Frigor Carni S.r.l..
The investments for the year are shown in the "Purchases/Other movements" column.

The consolidation of the subsidiary Frigor Carni S.r.l. resulted in the entry of tangible fixed assets for a total net book value of 344 thousand Euros and concentrated mainly in the categories "Plant and machinery" (for 214 thousand Euros) and "Other assets" (for 130 thousand Euros).

As regards tangible fixed assets, the increases relating to the items "Plant and machinery", "Industrial and commercial equipment", "Other assets", mainly refer for 1,387 thousand Euros to investments for the completion of the Piacenza distribution platform, for 1,579 thousands Euros to the construction of the fish department of MARR Adriatico and for the remaining part mainly to the revimping of the branches of MARR Dolomiti (414 thousand Euros), MARR Torino (93 thousand Euros), MARR Arco (228 thousand Euros) , MARR Battistini (258 thousand Euros).

The increase in the item "Assets in progress and advances" is determined by the progress of the works for the construction of the new Bottanuco distribution platform, and by the progress of the works to complete the third floor of the Santarcangelo di Romagna headquarters. The remainder pertains to investments not yet operational as at 31 December 2022.

For details relating to the movement of tangible fixed assets and assets held for sale, please refer to the information set out in Attachment 5.
Please refer to Annex 11 for details of the Land and Buildings owned by the Group as at 31 December 2022.

2. Right of use

This item represents the discounted value of future lease installments relating to multi-year operating lease contracts outstanding as at 31 December 2022, as envisaged by IFRS16.

(€thousand)	Balance at 31.12.21	Purchases	Net decreases for divestments	Depreciation	Consolidation change	Balance at 31.12.20
Land and buildings - Rights of use	69,864	24,919	(67)	(9,126)	3,527	50,611
Other assets - Rights of use	2,151	48	(14)	(1,222)	2,101	1,238
Total Rights of use	72,015	24,967	(81)	(10,348)	5,628	51,849

(€thousand)	Balance at 31.12.22	Purchases	Net decreases for divestments	Depreciation	Consolidation change	Balance at 31.12.21
Land and buildings - Rights of use	73,837	12,570	(802)	(10,634)	2,839	69,864
Other assets - Rights of use	1,531	405	(37)	(988)	0	2,151
Total Rights of use	75,368	12,975	(839)	(11,622)	2,839	72,015

This item represents the discounted value of future lease installments relating to multi-year operating lease contracts in place as at 31 December 2022.

As regards the item "change in the scope of consolidation", it should be noted that the consolidation of the company Frigor Carni S.r.l. resulted in the entry of two lease contracts relating to industrial buildings.
With reference to the changes shown, we note the increase in the right of use on the MARR buildings is related to the extension of some lease contracts in which some branches of the parent company MARR S.p.A. operate.

In order to provide a better understanding of this item, we provide below some details relating to its composition and movements during the year.

(€thousand)	NBV 31.12.22	Depreciation	Net decreases for divestments	Purchases	Consolidation change	NBV 31.12.21
Land and buildings - MARR	67,343	(9,797)	(792)	12,177	0	65,755
Land and buildings - Chef	0	(50)	0	1	0	49
	67,343	(9,847)	(792)	12,178	0	65,804
Land and buildings - New Catering	940	(190)	(10)	210	0	930
Land and buildings - Antonio Verrini	2,893	(418)	0	181	0	3,130
Land and buildings - Frigor Carni	2,661	(178)	0	0	2,839	0
Other assets - MARR	337	(324)	0	140	0	521
Other assets - Chef	0	(4)	(18)	0	0	22
	337	(328)	(18)	140	0	543
Other assets - New Catering	17	(10)	(8)	0	0	35
Other assets - Antonio Verrini	1,177	(651)	(11)	266	0	1,573
Total Rights of use	75,368	(11,622)	(839)	12,975	2,839	72,015

The data indicated above is represented by no. 99 lease contracts: no. 43 relating to the industrial buildings in which some branches of the parent company and of the subsidiaries New Catering S.r.l., Antonio Verrini S.r.l. and Frigor Carni S.r.l. and no. 56 contracts relating to other assets.

For details relating to the movement of the right of use, please refer to the information set out in Annex 6.

For a better understanding of the impacts, we also report below the changes in the related financial liability overall generated by the application of IFRS16 (please refer to paragraphs 17 and 24 for further details on the matter).

Lease liabilities for right of use *(€thousand)*	Balance at 31.12.22	Payments	Other movements	Consolidation change	Balance at 31.12.21
Land and buildings	77,694	(9,445)	11,745	2,839	72,555
Other assets	1,555	(1,050)	368	0	2,237
Total	79,249	(10,495)	12,113	2,839	74,792

(€thousand)	Liability at 31.12.22	Payments	Other movements	Consolidation change	Liability at 31.12.21
MARR S.p.A.	71,384	(9,075)	11,502	0	68,957
Chef S.r.l. (merged in MARR)	0	(54)	(17)	0	71
	71,384	(9,129)	11,485	0	69,028
New Catering S.r.l.	1,008	(193)	193	0	1,008
Antonio Verrini S.r.l.	4,167	(1,024)	435	0	4,756
Frigor Carni S.r.l.	2,690	(149)	0	2,839	0
Total	79,249	(10,495)	12,113	2,839	74,792

3. Goodwill

Below are the details of the item "Goodwill":

(€thousand)	Balance at 31.12.22	Purchases	Reclassification / other movements	Balance at 31.12.21
MARR S.p.A. (including CHEF S.r.l. Unipersonale merged)	137,352	0	0	137,352
AS.CA S.p.a.	8,634	0	0	8,634
New Catering S.r.l.	5,082	0	0	5,082
Antonio Verrini S.r.l.	9,314	0	0	9,314
Frigor Carni S.r.l.	6,628	6,628	0	0
Total Goodwill	167,010	6,628	0	160,382

The increase in the item relates to the purchase of all the shares in Frigor Carni S.r.l, for details please refer to the paragraph below "Business combinations carried out during the year".

Impairment test

At the end of each financial year, the company carries out a check on the recoverability of intangible assets with an indefinite life.

The recoverable value of the CGU, to which the individual assets have been attributed, is verified by determining the value in use.

It should also be noted, as already highlighted in the notes to the financial statements of previous years, that management deems it correct to consider the individual subsidiaries as the smallest aggregate that generates independent cash flows ('Cash Generating Unit').

In line with what was done last year, as at 31 December 2022, the Management evaluates the return on the investment and therefore the recoverability of the goodwill at the level of aggregation consisting of MARR S.p.A and the subsidiary AS.CA S.p.A., based on the fact that from 1 February 2020 the subsidiary AS.CA S.p.A. has leased its company to the parent company MARR and therefore the activities have been integrated into those of the MARR Bologna and MARR Romagna branches.

The estimate of the value in use of the CGU for the purposes of the impairment test was based on the discounting of the cash flows of the CGU, determined on the basis of the hypotheses indicated below.

For the 2023 financial year, the 2023 Budget of the individual companies was used as the basis for the calculation. The projections of the 2023 Budget approved by the Board of Directors on 24 February 2023, were made assuming an expected positive foodservice market scenario with expectations of "out-of-home" consumption also supported by important tourist flows from abroad, albeit in the presence of an internal economic situation that could affect the final consumer spending power. As regards the inflationary dynamics, a forecast of an increase in the prices of the products marketed by MARR of around an overall 5% per year was considered, while as regards energy costs, a reduction in the cost of energy tariffs electricity compared to the year 2022.

For the years 2024 and 2025, from a prudential point of view, the assumption of a minimum growth in turnover of 1.5% was assumed for all the operating companies. Revenue growth forecast formulated from a prudential point of view for the sole purpose of calculating the impairment. As far as margins are concerned, prudential growth levels have been envisaged, for the sole purpose of the specific calculation of the Impairment, which take into account the positive expectations of market performance and a reduction in the incidence of operating costs due both to a forecast reduction of energy tariffs and an efficiency of transport and handling costs.

Expected future cash flows, represented by the expected result of ordinary operations, to which depreciation and expected investments are added, include a normalized value ("terminal value") used to estimate future results over the period of time explicitly considered relative to the period 2023-2025. The terminal value was determined using a long-term growth rate ("g rate") of 1.5%. The investments were made with reference to the indications of Management which, in planning the investments up to 2025, envisaged a total disbursement for the years from 2023 to 2025 of 193 million Euros, without considering the disbursements for new emerging business combinations. Investments deriving from the renewal of any expiring lease agreements were also considered.

Expected future cash flows were discounted at a weighted average cost of capital ("WACC") rate of 8.43% (6.43% in the previous year) which reflects the current market assessment of the time value of money for the period considered and the specific risks of the country that makes up the individual CGU, in line with the methodology used last year. Below are the main assumptions underlying the calculation of the WACC:

- the risk-free rate adopted refers to the average yield of the last quarter of 10-year government bonds relating to the country in which the CGU operates;
- the beta coefficient was considered taking as reference the one proposed by Aswath Damodaran, officially recognized by the "best practice" for the analysis of financial data and ratios;
- the tax rate used corresponds to the "regular" tax rate of the country that makes up the individual CGU;
- was finally considered a risk premium.

In addition, it should be noted that IFRS 16 had an impact both on the book value of net invested capital which includes the net book value of the rights of use at the balance sheet date and on the estimate of the 2023-2025 flows and in the terminal value, mainly due the higher operating cash inflows resulting from the positive effect on the Ebitda value and higher cash outflows for investments which also include the flows deriving from the renewal of lease contracts.

Although the assumptions on the macroeconomic context, the developments in the sector in which the company operates, and the estimates of future cash flows are deemed adequate and prudent, a sensitivity analysis was carried out both on the WACC and on the expected economic results, which assesses the changes to the basic assumptions for each CGU, in order to determine any recoverable value.
Based on the impairment test carried out according to the principles and assumptions analytically set out above and in the section "Main estimates adopted by management and discretionary assessments", the total goodwill value of 167,010 thousand Euros is fully recoverable.
It should also be noted that management believes that, given the prudence used in defining the key hypotheses used, a change in them cannot reasonably occur such as to be able to produce a recoverable value of the units lower than their book value.

Cash Generating Unit	Carrying amount 31.12.22	Net Present Value Free Cash Flow	Change: Net Present Value Free Cash Flow[1] - Carrying Value (absolute value and % incidence on Carrying Value)
		WACC 8.43%	
MARR S.p.A. + AS.CA S.p.A.	527,573	781,304	253,731
New Catering S.r.l.	8,163	20,705	12,543
Antonio Verrini S.r.l.	17,658	18,665	1,008
Frigor Carni S.r.l.	11,932	12,686	755
Total	565,326	833,360	268,037

[1] The Net Present Value Free Cash Flow is right of use calculated actualizing the expeted cash flows deriving from the Cash Generating Unit.

Business combinations closed during the year

The acquisition of Frigor Carni S.r.l., on 1 April 2022, had the following effects:

Purchase consideration	*(€thousand)*
Total purchase consideration	6,247
- Fair value of the net assets identifiable	(381)
Goodwill	6,628

The book values, determined in accordance with IFRS as at 31 March 2022 of the acquired company, and the amounts at the same date of each class of assets, liabilities and contingent liabilities of the acquiree, are illustrated below:

(€thousand)	*Fair value of the acquired assets and liabilities*	*Activities and liabilities acquired*
Tangible and intangible assets	362	3,201
Cash and cash equivalents	10	10
Employee benefits	(486)	(486)
Provisions for risks and costs	(17)	(17)
Other current payables	(250)	(3,089)
Total activities and liabilities acquired	(381)	(381)

The goodwill attributed to the acquisition is justified by the strategic value of the acquired company, operating in the market for the distribution of food products, in particular seafood products, with particular reference to the Calabria region.

It should be noted that from 1 April 2022 (date of the first consolidation) to 31 December 2022, the subsidiary Frigor Carni S.r.l. generated sales revenues of around 14.2 million Euros.

The price paid by MARR for this acquisition amounts to 4,047 thousand Euros, to which is added an incremental price ("earn-out") of 2.2 million Euros, which is expected to be paid later.

Business combinations closed after the end of the year

No business combinations have been finalized after the end of the year.

4. Other intangible assets

Movements in this item in 2022 and in the previous year are as follows:

(€thousand)	Balance at 31.12.21	Purchases / other movements	Net decreases	Depreciation	Consolidation change	Balance at 31.12.20
Patents	1,540	714	0	(469)	133	1,162
Concessions, licenses, trademarks and similar rights	434	445	0	(24)	1	12
Intangible assets under development and advances	1,035	(211)	0	0	0	1,246
Other intangible assets	0	0	0	0	0	0
Total Other Intangible Assets	3,009	948	0	(493)	134	2,420

(€thousand)	Balance at 31.12.22	Purchases / other movements	Net decreases	Depreciation	Consolidation change	Balance at 31.12.21
Patents	1,649	685	0	(585)	9	1,540
Concessions, licenses, trademarks and similar rights	421	2	0	(24)	9	434
Intangible assets under development and advances	1,297	262	0	0	0	1,035
Other intangible assets	0	0	0	0	0	0
Total Other Intangible Assets	3,367	949	0	(609)	18	3,009

The increases are mainly linked to new licenses, software and applications, partly which came into operation during the year, partly still in the implementation phase as at 31 December 2022 and therefore shown under the item "Intangible assets under construction and advances" .
For details relating to changes in intangible fixed assets, please refer to the information set out in Attachment 4.

5. Equity investments evaluated using the net equity method

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Jolanda De Colò S.p.A.	1,828	1,828
Total investments at equity value	1,828	1,828

The main figures as at 31 December 2022 are shown below with reference to the associate Jolanda de Colò S.p.A., held for 34%.

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Jolanda De Colò S.p.A.		
Total Assets	10,910	10,075
Total Liabilities	10,910	10,075
Total Revenues	31,346	24,178
Result of the period	125	(199)

6. Non-current financial receivables

As at 31 December 2022, this item amounted to 22 thousand euros (750 thousand Euros as at 31 December 2021) and includes the portion beyond one year of interest-bearing financial receivables from commercial partner companies.

7. Financial instruments / derivatives

The amount of 1,015 thousand Euros as at 31 December 2022 represented the positive fair value of the two Interest Rate Swap (IRS) derivative contracts stipulated to hedge the risk of changes in the interest rate on 70% of the value of the medium-term loan -long term of 60 million Euros subscribed by MARR S.p.A. on 01.07.2022 with Banca Nazionale del Lavoro S.p.A. (BNL) and Cooperatieve Rabobank U.A. (Rabobank).

8. Other non-current assets

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Non-current trade receivables	5,092	7,666
Accrued income and prepaid expenses	2,482	3,463
Other non-current receivables	13,987	18,637
Total Other non-current assets	21,561	29,766

“Non-current trade receivables”, amounting to 5,092 thousand Euros, mostly relate to agreements and deferred payments defined with clients. Their decrease is linked to the repayments made during the year.
Prepaid expenses are mainly linked to promotional contributions with long-term clients (the portion due beyond 5 years is estimated at approximately 98 thousand Euros). The item "Other non-current receivables" includes, in addition to tax receivables for VAT on customer losses for 4,505 thousand Euros, guarantee deposits for 461 thousand Euros and trade receivables for 9,021 thousand Euros (12,948 thousand Euros at the 31 December 2021).

Current assets

9. Inventories

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Finished goods and goods for resale		
Foodstuff	63,609	43,972
Meat	20,959	11,368
Seafood	113,292	123,024
Fruit and vegetables	123	120
Hotel equipment	3,205	2,829
	201,188	181,313
provision for write-down of inventories	(1,368)	(1,368)
Goods in transit	5,762	16,796
Packaging	4,331	3,111
Total Inventories	209,913	199,852

The inventories are not encumbered by bonds or other restrictions of the right of ownership.
As also highlighted in the management report, the value of inventories shows an increase of 10.06 million Euros compared to 31 December 2021 due to specific procurement policies.

Movements for the year are shown below:

(€thousand)	Balance at 31.12.22	Change of the year	Consolidation change	Balance at 31.12.21
Finished goods and goods for resale	201,188	19,875	0	181,313
Goods in transit	5,762	(11,034)	0	16,796
Packaging	4,331	1,220	0	3,111
	211,281	10,061	0	201,220
Provision for write-down of inventories	(1,368)	0	0	(1,368)
Total Inventories	209,913	10,061	0	199,852

10. Current financial receivables

The item "Current financial receivables" is made up of:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial receivables from Parent companies	9,404	5,787
Receivables from loans granted to third parties	0	0
Total Current financial receivables	9,404	5,787

It should be noted that receivables from parent companies are also interest-bearing (at rates in line with those of the market).

11. Current trade receivables

This item is made up of:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Trade receivables from customers	391,137	353,902
Trade receivables from Parent companies	1,541	2,546
Total current receivables	392,678	356,448
Provision for write-down of receivables from customers	(43,960)	(42,833)
Total current net receivables	348,718	313,615

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Trade receivables from customers	366,940	343,136
Receivables from Associated Companies	2	0
Receivables from Associated Companies Consolidated by the Cremonini Group	24,184	10,756
Receivables from Associated Companies not Consolidated by the Cremonini Group	11	10
Total current trade receivables from customers	391,137	353,902

Receivables from clients, due within one year, deriving in part from normal sales operations and in part from the provision of services, have been valued on the basis of what was previously indicated. Receivables are shown net of a bad debt provision of 43,960 thousand Euros, as shown in the subsequent movement.

Receivables "from associated companies consolidated by the Cremonini Group" (24,184 thousand Euros) are analytically shown, together with the corresponding payable items, in Attachment 9 of these Notes. These credits are all of a commercial nature.

The item Receivables from clients is net of a credit transfer program on an ongoing and without recourse basis following the Contract initially signed by the parent company in May 2014 and subsequently renewed in December 2018 for a further 5-year period.
As at 31 December 2022, the outstanding sold amounted to 81,846 thousand Euros (59,998 thousand Euros as at 31 December 2021), an increase compared to the previous year due to the increase in turnover.

Finally, it should be noted that as at 31 December 2022, trade payables for year-end premiums are classified as a reduction of commercial assets.

Receivables in foreign currencies have been adjusted to the exchange rate at 31 December 2022.

At each balance sheet date, trade receivables are analyzed to verify the existence of indicators of a possible reduction in value. In order to carry out this analysis, the company evaluates whether there are expected losses on receivables from clients over the entire duration of these receivables and takes into consideration the historical experience gained by the same regarding the losses on receivables, grouped into homogeneous classes, and corrected on the basis of factors specific

to the nature of the Group receivables and the economic context. Receivables from clients are written down when there is no rational expectation of being collected and any write-down is recognized in the income statement under the item "depreciations and provisions".
The bad debt provision during 2022 changed as follows and the determination of the provision for the period reflects the exposure of the receivables - net of the bad debt provision - at their presumed realizable value.

(€thousand)	Balance at 31.12.22	Increases	Other movements	Drecreases	Consolidation change	Balance at 31.12.21
- Tax-deductible provision	1,976	2,123	(89)	(1,907)	0	1,849
- Taxed provision	41,980	12,610	40	(11,650)	0	40,980
- Provision for interest for late payments	4	0	0	0	0	4
Total Provision for write-down of Receivables from customers	43,960	14,733	(49)	(13,557)	0	42,833

12. Tax Receivables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Ires/Irap tax advances /withholdings on interest	42	31
VAT carried forward	195	876
Irpeg litigation	25	25
Ires transferred to the Parent Company	4,148	117
Receivable for Irap	392	0
Tax credit	2,190	3,652
Other	292	1,533
Total Tax assets	7,284	6,234

As regards the item "Tax credits" as at 31 December 2021, it consisted of 3,141 thousand Euros of residual tax credits ("holiday bonuses") which during 2021 had mainly been transferred to the parent company MARR S.p.A. by its clients against the payment of its trade receivables. It should be noted that the "holiday bonus" measure was not extended to 2022 as well.
The balance as at 31 December of the item "Tax credits", totaling 2,190 thousand Euros, refers for approximately 646 thousand Euros to tax credits accrued by the Group on investments in capital goods pursuant to Law 160/2019 and Law 178/ 2020, and recognized in the income statement on the basis of the useful life of the assets and for the remaining part of 1,476 thousand Euros to the electricity and gas tax credit relating to the third and fourth quarters of 2022 not yet used. For further details, see paragraph 30. Other revenues.
The balance of the item "IRES credit/IRES benefit transferred to the parent company" refers to the higher IRES advances paid during the year and refers for 3,913 thousand Euros to MARR S.p.A. and for 279 thousand Euros to the company Antonio Verrini S.r.l.
The amount of 392 thousand Euros relating to the item "Receivable for Irap" relates to the higher Irap advances paid during the year by MARR S.p.A.

13. Cash and cash equivalents

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Cash and Cheques	15,258	6,505
Bank and postal accounts	176,406	243,489
Total Cash and cash equivalents	191,664	249,994

The balance represents the cash and cash equivalents at the closing date of the period.

For the evolution of the net financial position, please refer to the cash flow statement for 2022, while for the composition of the same, refer to the comments in the paragraph of the Directors' Report, "Analysis of the Net Financial Position".

14. Other current assets

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Accrued income and prepaid expenses	1,388	665
Other receivables	39,836	28,932
Total Other current assets	41,224	29,597

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Other accrued income (from loans)	*0*	*1*
Prepaid expenses		
Leases on buildings and other assets	2	2
Maintenance fees	387	244
Insurance costs/Administration services	160	68
Commercial and advertising costs	24	1
Other prepaid expenses	815	349
	1,388	*664*
Totale Current accrued income and prepaid expenses	1,388	665

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Guarantee deposits	151	164
Other sundry receivables	4,424	3,766
Provision for write-down of receivables from others	(3,162)	(5,592)
Receivables from social security institutions	553	576
Receivables from agents	2,173	2,170
Receivables from employees	83	41
Receivables from insurance companies	1,713	537
Advances and deposits	353	370
Advances to suppliers and supplier credit balances	33,128	26,824
Advances to suppliers and supplier credit balances from Associates	420	76
Total Other current receivables	39,836	28,932

Receivables from foreign suppliers in foreign currencies, where necessary, have been adjusted to the exchange rate of 31 December 2022.

The item "Advances and other receivables from suppliers" includes payments made to foreign suppliers (non-EEC) for the purchase of goods with an "f.o.b." clause. o advances on the next fishing campaigns.
Until 31 December 2021, contributions to be received from suppliers for promotional and marketing activities were also reclassified within the item, which starting from this report are reclassified as a reduction of the item "Current trade liabilities". For comparative purposes, therefore, the amount as at 31 December 2021 was reduced by the amount of contributions to suppliers for promotional and marketing activities for a total of 31,071 thousand Euros which were reclassified as a reduction of Payables to Suppliers under the item "Current trade liabilities".

It should be noted that as at 31 December 2022, the part of the receivable from suppliers, relating to year-end bonuses to be received, is also classified as a reduction of trade liabilities.

The provision for bad debts towards others refers to receivables from commercial technicians and for the remainder to receivables from suppliers. During the year, the provision showed the following changes:

(€thousand)	Balance at 31.12.22	Increases	Decreases	other movements	Balance at 31.12.21
- Provision for Receivables from Others	3,162	900	(3,384)	54	5,592
Total Provision for write-down of Receivables from Others	3,162	900	(3,384)	54	5,592

Breakdown of receivables by geographical area

The breakdown of receivables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial receivables	22	0	0	22
Non-current derivative/financial instruments	1,015	0	0	1,015
Deferred tax assets	0	0	0	0
Other non-current assets	12,540	0	9,021	21,561
Financial receivables	9,404	0	0	9,404
Current derivative/financial instruments	7	0	0	7
Trade receivables	332,243	11,193	5,282	348,718
Tax assets	6,935	349	0	7,284
Other current assets	12,965	4,721	23,538	41,224
Total receivables by geographical area	375,131	16,263	37,841	429,235

LIABILITIES

15. Shareholders' Equity

As regards the changes within the Shareholders' Equity, please refer to the related statement of changes.

Share capital
The Share Capital as at 31 December 2022, equal to 33,263 thousand Euros, is unchanged compared to the previous year and is represented by no. 66,525,120 MARR S.p.A. ordinary shares, fully subscribed and paid up, with regular entitlement, with a nominal value of 0.50 Euros each.

Share premium reserve
This reserve amounted to 63,348 thousand Euros as at 31 December 2022 and was unchanged compared to 31 December 2021. It should be noted that part of this reserve, for a value of 4,682 thousand Euros, is to be considered unavailable ex. art. 2357-ter of the Civil Code against the purchase of treasury shares. This amount is shown in the table of movements in shareholders' equity under the item "Purchase of treasury shares".

Legal reserve
This reserve amounts to 6,652 thousand Euros and is unchanged compared to 31 December 2021.

Capital account shareholder payment
This reserve has not changed in 2022 and amounts to 36,496 thousand Euros.

IAS/IFRS transition reserve
This is the reserve (equal to 7,290 thousand Euros) established following the first-time adoption of the international accounting standards and did not undergo any changes during the year.

Extraordinary reserve
The increase in the Extraordinary reserve as at 31 December 2022, equal to 663 thousand Euros, is attributable to the allocation of the result for the year 2021.

Cash flow hedge reserve
This item amounted to a positive value of 777 thousand Euros as at 31 December 2022 and is linked to the stipulation of two contracts to hedge the risk of changes in the interest rate on medium/long-term loan agreements.

Stock option reserve
This reserve did not undergo any changes during the year as the repayment plan ended in April 2007 and amounts to 1,475 thousand Euros.

IAS19 reserve
This reserve amounted to a positive value of 487 thousand Euros as at 31 December 2022 and includes the value, net of the theoretical tax effect, of the actuarial losses and gains relating to the valuation of the severance indemnity as established by the amendments made to IAS 19 "Benefits for employees", applicable to financial years starting from 1 January 2013. These profits/losses have been accounted for, in accordance with the provisions of the IFRS, in equity and their changes during the financial year have been highlighted (as required by IAS 1 revised, applicable from 1 January 2009) in the statement of comprehensive income.

The related deferred tax liabilities were recorded on the reserves in suspension of taxation (reserve pursuant to Article 55 of Presidential Decrees 917/86 and 597/73), which at 31 December 2022 amounted to 1,438 thousand Euros.

Non-current liabilities

16. Non-current financial payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to banks - non-current portion	119,769	119,488
Payables to other financial institutions - non-current portion	99,874	99,842
Payables for the purchase of quotas or shares (1-5 years)	500	0
Total non-current financial payables	220,143	219,330

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to banks (1-5 years)	111,753	119,488
Payables to banks (over 5 years)	8,016	0
Total payables to banks - Non-current portion	119,769	119,488

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to other financial institutions (1-5 years)	19,913	(94)
Payables to other financisl institutions (over 5 years)	79,961	99,936
Total payables to other financial institutions - Non-current portic	99,874	99,842

The balance of non-current financial payables totaling 220,143 thousand Euros, consists of 119,769 thousand Euros of the portion beyond 12 months of payables to banks, 99,874 thousand Euros of the residual debt relating to the bond loan with PRICOA with expiry 29 July 2031 and for the remaining 500 thousand Euros to the portion of Earn out linked to the purchase of the shares of the company Frigor Carni S.r.l..

The change in long-term bank payables is the result of the combined effect of the repayments linked to the ordinary progress of the amortization plans of the medium/long-term loans in place and of the increases linked to the new loans taken out during the year.
During the year, the parent company MARR S.p.A. repaid installments of medium-long term mortgages for a total of 53.9 million Euros and carried out the following operations to raise new loans:
- on 28 June 2022, a medium/long-term loan agreement of 15 million Euros with a duration of 72 months was signed with Crédit Agricole Italia, with disbursement on the same date;
- on 1 July 2022, a medium/long-term loan agreement was signed with BNL and Rabobank for 60 million Euros with a duration of 72 months (with 18 months grace period), disbursed on 28 July 2022;
- on 10 August 2022, a medium/long-term syndicated loan agreement of 20 million Euros was signed, with disbursement on the same date, with Iccrea Banca (lead bank and lender) and 5 other CBs (lender banks) with a term 36 months of which the first 12 months in grace period;
- on 11 August 2022, a medium/long-term loan agreement of 7 million Euros was signed with La Cassa di Ravenna with a duration of 60 months, with disbursement on the same date.
Below is the breakdown of the medium and long-term portion of payables to banks with an indication of the interest rates applied:

Credit institutes	Interest rate	Expiry	Portion from 2 to 5 years	Portion beyond 5 years	Balance at 31.12.22
Credito Valtellinese	Euribor 6m +0,75%	05/01/2024	1,261	0	1,261
Crédit Agricole	Euribor 6m +0,90%	09/04/2026	4,246	0	4,246
Rivierabanca	Fisso 0,65%	21/09/2024	5,015	0	5,015
Cassa Centale Banca in pool	Euribor 3m +0,55%	05/10/2024	10,141	0	10,141
Banca Popolare dell'Emilia Romagna	Euribor 6m +1,15%	25/10/2025	5,035	0	5,035
Crédit Agricole	Euribor 3m +1,25%	28/06/2028	10,030	1,353	11,383
BNL-Rabobank	Euribor 6m +1,5%	30/06/2028	53,160	6,663	59,823
ICCREA	Euribor 3m +1,15%	10/08/2025	17,521	0	17,521
Cassa di Risparmio di Ravenna	Euribor 3m +1,5%	11/08/2027	5,344	0	5,344
			111,753	8,016	119,769

It should be noted that as at 31 December 2022 there are no mortgage guarantees on the Group properties.

The table below provides a detailed description of the financial covenants in place as at 31 December 2022 and the related loans.

Credit institutes	Due date	Residual value	Covenants			Reference Date	
			NFP/ Net Equity	NFP/ EBITDA	EBITDA/ Net financial charges	30 June	31 December
BNL	30/09/2023	29,992	=< 2.0	=< 3.0	>= 4.0	✔	✔
Credito Valtellinese	05/01/2024	3,773	=< 2.0	=< 3.5			✔
Intesa - Tranche A	24/02/2023	3,999	=< 2.0	=< 3.5	>= 4.0		✔
Intesa - Tranche B	24/02/2023	29,999	=< 2.0	=< 3.5	>= 4.0		✔
Crédit Agricole	09/04/2026	5,857	=< 2.0	=< 4.0			✔
Ubi Banca	20/05/2023	5,032	=< 2.0	=< 3.0			✔
Popolare dell'Emilia Romagna	25/10/2025	7,526	=< 2.0	=< 4.0			✔
Crédit Agricole	28/06/2028	13,717	=< 2.0	=< 3.5			✔
BNL-Rabobank	01/07/2028	59,754	=< 1.5	=< 3.5	>= 4.0		✔
		159,649					
PRICOA Private Placement bond	29/07/2031	99,853	=< 1.5	=< 3.5	>= 4.0	✔	✔
		99,853					

All financial covenants were respected both as at 30 June 2022 and as at 31 December 2022.

17. Non-current lease liabilities (IFRS16)

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial payables for leases - Right of use (2-5 years)	38,359	33,394
Financial payables for leases - Right of use (over 5 years)	30,077	31,324
Total payables for leases - Right of use - Non-current portion	68,436	64,718

This item includes the financial payable mainly related to the long-term lease contracts of the buildings where some MARR branches are located.
The liability was recognized in accordance with the provisions of the IFRS16 accounting standard and is determined as the present value of future lease payments, discounted at a marginal interest rate which, on the basis of the contractual duration envisaged for each individual contract, was identified in a range between 1% and 3%.

18. Employee benefits

The item includes the payable for severance indemnities, for which the movement for the period is shown:

(€thousand)	
Opening balance at 31.12.21	*8,556*
changes in consolidation area	486
payments of the period	(1,239)
provision for the period	657
other changes	(1,253)
Closing balance at 31.12.22	7,207

The employment contract applied is that of companies operating in the "Tertiary, Distribution and Services" sector.

19. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.22	Other movements	Provisions	Decreases	Consolidation change	Balance at 31.12.21
Provision for supplementary clients severance indemnity	5,413	0	137	(366)	17	5,625
Provision for specific risks	1,153	0	200	(416)	0	1,369
Total Provisions for non-current risks and charges	6,566	0	337	(782)	17	6,994

The provision for additional customer indemnity was set aside, in accordance with the provisions of IAS 37, on the basis of a reasonable estimate, taking into consideration the elements available, of the probable future liability.

The provision for specific risks was set aside mainly against probable liabilities associated with some pending legal disputes and its decrease is related to the settlement of some of the outstanding disputes.

In relation to the ongoing disputes with the Customs Agency (which arose in 2007 concerning the payment of preferential customs duties on certain imports of seafood products and for which, despite the company appeals having been rejected, the judges of first instance have ascertained the absolute extraneousness of the same to the disputed irregularities, as attributable exclusively to their suppliers) with sentence no. 110/2020 issued by the Regional Tax Commission of Tuscany on 19 April 2021, the judges of merit expressed themselves in favor of the company, fully confirming the provisions of the Supreme Court of Cassation with order number 15358/19 of 04/16/2019.

Contingent liabilities
In relation to the disputes in court originating from the INPS inspection assessment reports notified in 2021 due to the bond of solidarity pursuant to article 29 of Legislative Decree 276/2003 relating to disputed omissions of contribution payments and/or undue compensation cargo to contractors for handling and porterage services that have ceased to operate for MARR, it is believed that no significant economic damage can arise and in any case not at the expense of MARR.
This assessment is supported by the trend of the appeal proceedings in progress, as evidenced by the results of the case and by the notes of the attorney consultants to the disputes.

20. Deferred tax assets and deferred tax liabilities

As at 31 December 2022, this item amounts to a net liability of 1,655 thousand Euros.

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
On taxed provisions	11,850	12,649
On costs deductible in cash	131	242
On costs deductible in subsequent years	1,664	1,332
On other changes	40	0
Deferred tax assets	13,685	14,223
On goodwill amortisation reversal	(10,081)	(9,583)
On funds subject to suspended taxation	(403)	(405)
On leasing recalculation as per IAS 17	(449)	(449)
On actuarial calc. of severance provision fund	111	261
On fair value revaluation of land and buildings	(3,285)	(3,230)
On allocation of acquired companies' goodwill	(651)	(708)
Others	(582)	(254)
Deferred tax liabilities	(15,340)	(14,366)
Deferred tax assets/(liabilities)	(1,655)	(143)

21. Other non-current payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Other non current liabilities	3,160	2,148
Other non-current accrued expenses and deferred income	591	382
Total other non-current payables	3,751	2,530

The item "other sundry payables" is represented by guarantee deposits paid by the carriers.
The item "Accrued expenses and deferred income" represents the portion beyond one year of deferred income on interest income from clients.
The amount of other deferred income beyond 5 years amounts to 111 thousand Euros.

Current liabilities

22. Current financial payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to banks	115,722	98,214
Payables to other financial institutions	826	1,874
Payables for the purchase of quotas / shares / going concern	3,700	3,000
Total Current financial payables	120,248	103,088

Current portion due to banks:

(€thousand)		Balance at 31.12.22		Balance at 31.12.21
Current accounts		740		151
Loans/Advances		15,077		45,813
Loans:				
- Cassa di Risparmio di Ravenna	843		1,673	
- BNL	29,992		0	
- Credito Valtellinese	2,512		2,500	
- BNP Paribas	0		9,278	
- Riviera Banca	1,504		2,995	
- CaixaBank	0		0	
- Banca Intesa San Paolo Tranche A	3,999		7,989	
- Banca Intesa San Paolo Tranche B	29,999		0	
- Credito Emiliano	940		3,750	
- Crédit Agricole	1,611		1,649	
- Ubi Banca	5,032		10,012	
- Riviera Banca	4,980		0	
- Cassa Centrale Pool	9,902		9,930	
- Bper	2,491		2,474	
- Crédit Agricole	2,334		0	
- ICCREA	2,454		0	
- Cassa di Risparmio di Ravenna	1,312		0	
		99,905		52,250
		115,722		98,214

As regards changes in mortgages and loans, reference should be made to what has already been explained in paragraph 16 "Non-current financial payables".

It should be noted that the item "Loans/Advances" of 15,077 thousand Euros refers to advances subject to payment.

23. Current lease liabilities (IFRS16)

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial payables for leases - Right of use	10,813	10,074
Total Payables for leases - Current portion	10,813	10,074

This item includes the financial debt due within one year mainly related to multi-year lease contracts of the buildings where the branches of the parent company and of the subsidiaries New Catering S.r.l, Antonio Verrini S.r.l. and Frigor Carni S.r.l.. As also reported in paragraph 17 with reference to the non-current portion of financial payables for leases, it should be recalled that the liability was recognized in accordance with the provisions of the IFRS 16 accounting standard and is determined as the present value of future lease payments, discounted at a marginal interest rate which, on the basis of the contractual duration envisaged for each individual contract, was identified in a range between 1% and 3%.

24. Current tax liabilities

The composition of the item is as follows:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Irap	280	1,639
Ires trasferred to Parent Company	0	11,489
Other taxes payables	367	469
Irpef for employees	1,425	885
Irpef for external assistants	403	282
Total current tributary payables	2,475	14,764

This item refers to tax payables that are certain and determined in terms of amount.
Finally, evidence is given of the fact that for MARR S.p.A., due to the ordinary terms of assessment and except for the currently pending tax disputes, the years 2017 and following are still verifiable by the tax authorities.

25. Current trade liabilities

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to suppliers	335,875	324,810
Trade payables to Parent Company	482	689
Payables to Associated Companies consolidated by the Cremonini Group	28,897	34,905
Payables to Associated Companies	0	0
Payables to other Correlated Companies	105	18
Total current trade liabilities	365,359	360,422

Trade payables mainly refer to balances deriving from transactions for the purchase of goods intended for marketing and payables to commercial agents. They also include "Payables to associated companies consolidated by the Cremonini Group" for 28,897 thousand Euros and "Trade payables to Parent Companies" for 482 thousand Euros, the analytical details of which are set out in Attachment 9 of these Explanatory Notes.

The item "Trade payables" is shown net of trade receivables for promotional and marketing contributions totaling 29,252 thousand Euros (21,146 thousand Euros as at 31 December 2021) and net of trade receivables relating to year-end bonuses for the amount of 8,465 thousand Euros.

26. Other current liabilities

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Current accrued income and prepaid expenses	242	156
Other payables	14,110	12,932
Total other current liabilities	14,352	13,088

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Other accrued expenses	57	48
Other accrued expenses - unconsolidate Correlated Company	25	0
Other deferred income	148	81
Deferred income for interest from clients	12	27
Total current accrued expenses and deferred income	242	156

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Inps/Inail and other social security institutes	2,379	2,144
Enasarco/ FIRR	865	985
Payables to personnel for emoluments	5,882	5,469
Amounts due for remuneration of employees/directors	1,274	1,196
Advances from customers, customers credit balances	1,843	1,783
Advances from customers, customers credit balances - Associated Company	200	6
Payables to Directors	488	431
Other sundry payables	1,179	918
Total other payables	14,110	12,932

The items "Payables for personnel fees" and "Fees accruals to employees/administrators" include current salaries still to be paid as at 31 December 2022 and the provisions relating to accrued and untaken holidays and related charges.
It should be noted that as at 31 December 2022, trade payables for year-end premiums were classified as a reduction of commercial assets rather than under other payables.

Breakdown of payables by geographical area

The breakdown of payables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial payables	220,143	0	0	220,143
Non-current lease liabilities (IFRS16)	68,436	0	0	68,436
Non current derivative financial instruments	0	0	0	0
Employee benefits	7,207	0	0	7,207
Provisions for risks and charges	6,566	0	0	6,566
Deferred tax liabilities	1,655	0	0	1,655
Other non-current liabilities	3,751	0	0	3,751
Current financial payables	120,100	0	148	120,248
Current lease liabilities (IFRS16)	10,813	0	0	10,813
Current derivative financial instruments	0	0	0	0
Current tax liabilities	2,475	0	0	2,475
Current trade liabilities	321,127	35,908	8,324	365,359
Other current liabilities	14,319	28	5	14,352
Total payables by geographical area	776,592	35,936	8,477	821,005

Guarantees, securities and commitments

Sureties (for a total of 19,257 thousand Euros)
They refer to:
guarantees given by MARR S.p.A. in favor of financial institutions in the interest of subsidiaries. As at 31 December 2022, this item amounted to 40 thousand Euros and refers to the credit lines granted to investee companies, as detailed below:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Guarantees		
Antonio Verrini S.r.l.	40	40
Total Guarantees	40	40

Real guarantees given
As at 31 December 2022, there are no mortgage guarantees in place on the properties of Group companies.

Other risks and commitments
This item includes 11,063 thousand Euros relating to letters of credit issued by some credit institutions to guarantee obligations undertaken with our foreign suppliers.

Comments on the main items of the consolidated statement of profit or loss

27. Revenues

Revenue is made up of:

(€thousand)	31.12.2022	31.12.2021
Revenues from sales - Goods	1,878,313	1,420,276
Revenues from Services	162	125
Advisory services to third parties	226	147
Manufacturing on behalf of third parties	24	23
Rent income (typical management)	15	12
Other services	136	150
Total revenues	1,878,876	1,420,733

Total revenues compared to the previous year were characterized by an increase of 458,143 thousand Euros (+32.25%) and were driven by the recovery of the foodservice market during the year 2022, which was characterized by a significant recovery of "away from home" consumption, supported by a recovery in foreign tourist flows. In this context, the Group recorded an increase in volumes and sales revenues to Street Market and National Account clients compared to 2021, the latter period penalized in the first part of the year (January-May) by the lock down. The growth in revenues was also supported by the increase in average sales prices (Euro/kg) following the inflationary dynamics. The Wholesale channel, on the other hand, showed a decline in volumes and revenues, despite the presence of an increase in the average selling prices of frozen seafood products, also following the performance of some fishing campaigns, and in particular the summer one in Morocco (octopus fishing canceled) and less product availability in Mexico.

For a more detailed analysis of the trend in revenues and the comparison with the same period of the previous year, please refer to what is set out in the Directors' Report on management performance.

The breakdown of revenues from the sale of goods and services by geographical area is as follows:

(€thousand)	31.12.2022	31.12.2021
Italy	1,791,310	1,332,294
European Union	56,865	55,333
Extra-EU countries	30,701	33,106
Total	1,878,876	1,420,733

It should be noted that there are no clients that could generate a significant concentration of revenues (equal to 10% of total revenues). It should also be noted that the ongoing Russian-Ukrainian conflict will not have direct effects on revenues.

28. Other revenues

Other revenues and income are made up as follows:

(€thousand)	31.12.2022	31.12.2021
Contributions from suppliers and others	170	163
Other Sundry earnings and proceeds	1,763	2,757
Revenues for accrued tax credits	3,298	72
Reimbursement for damages suffered	2,595	747
Reimbursement of expenses incurred	389	642
Recovery of legal taxes	142	68
Capital gains on disposal of assets	88	23
Total other revenues	8,445	4,472

The item Revenues from accrued tax credits includes 3,193 thousand Euros in extraordinary contributions granted in the form of tax credits during 2022 by the Italian Government in favor of companies with a high consumption of electricity and natural gas to mitigate the sudden increase and disproportionate price of energy raw materials.
For the MARR Group, consumption mainly refers to the electricity necessary for the operation of the refrigeration and cooling systems and that the gas is used in a residual manner only for heating the buildings.
The companies of the MARR Group which, within the regulatory framework governing the requirements for access to the benefit, all qualify as "non-energy-intensive companies" and "non-gas-intensive companies" have benefited from a lower subsidy rate than the maximum envisaged for energy-intensive and gas-intensive companies and specifically in relation to electricity consumption: 15% tax credit for the second and third quarters and 30% tax credit for the fourth quarter. While in relation to gas consumption: 25% tax credit for the second and third quarters and 40% tax credit for the fourth quarter.

29. Purchase of goods for resale and consumables

The item consists of:

(€thousand)	31.12.2022	31.12.2021
Purchase of goods	1,504,597	1,169,726
Purchase of packages and packing material	7,700	4,406
Purchase of stationery and printed paper	951	747
Purchase of promotional and sales materials and catalogues	212	100
Purchase of various materials	655	545
Fuel for industrial motor vehicles and cars	934	559
Total purchase of goods for resale and consumables	1,515,049	1,176,083

With regard to the trend in the cost for the purchase of goods intended for marketing, please refer to the Directors' Report and the related comment on the gross margin.

The item "Purchase of goods" is shown net of both the bonuses paid by suppliers upon reaching certain turnover targets and purchase volumes for an amount of €11,019 thousand, and contributions received from suppliers for promotional and marketing activities performed by the Group on their behalf for an amount of 43,190 thousand Euros (31,071 thousand Euros as at 31 December 2021).

30. Personnel costs

The item includes all expenses for employees, including holiday accruals and additional monthly salaries as well as the related social security charges, in addition to the provision for severance indemnities and other contractually envisaged costs.

(€thousand)	31.12.2022	31.12.2021
Salaries and wages	32,922	25,677
Social security contributions	9,707	8,655
Staff Severance Provision	2,355	2,016
Other Costs	293	373
Total personnel costs	45,277	36,721

Personnel costs recorded an increase of 8.556 million Euros (+23.3%) due to three main joint effects: the increase in the Group workforce, the timing of entry of the new companies acquired within the area consolidation and the absence of the use of social shock absorbers combined with a greater use of seasonal work.
The number of employees went from 917 units as at 31 December 2021 to 957 units as at 31 December 2022 and the increase is mainly connected to the entry into the Group of the subsidiary Frigor Carni S.r.l..
The timing of entry of the new companies acquired within the consolidation area during the years 2021 and 2022 determines that the item of labor costs of the subsidiaries Antonio Verrini S.r.l. and Chef S.r.l. Unipersonale, consolidated from 1 April 2021, accounts for 12 months for 2022 against the nine months of 2021, with labor costs amounting to 5.2 million Euros as at 31 December 2022 against 4.1 million Euros last year. The subsidiary Frigor Carni S.r.l. on the other hand, it was consolidated starting from 1 April 2022 and its personnel costs affected the total personnel costs for the year by 906.5 Euros thousand. Finally, with regard to social safety nets, it should be noted that in 2021, the total hours of social safety nets used by Group companies amounted to 182,298, while in 2022 they were not used by any of the companies and in the months summer the number of seasonal workers employed increased.

The details of the Group workforce and the breakdown of employees by category are shown below:

	Workers	Employees	Managers	Total
Employees at 31.12.21	271	638	8	917
Net increases and decreases	*(11)*	*51*	*0*	*40*
Employees at 31.12.22	260	689	8	957
Average employees at 31.12.22	290.9	685.5	8.0	984.4

31. Amortizations, depreciation and provisions

(€thousand)	31.12.2022	31.12.2021
Depreciation of tangible assets	7,638	7,153
Depreciation of right of use	11,622	10,347
Amortization of intangible assets	609	493
Adjustment to provision for supplementary clientele severance indemnity	137	179
Allocation of provision for risks and losses	200	195
Total amortization, depreciation and provisions	20,206	18,367

As far as depreciation is concerned, please refer to the changes shown in paragraphs 1, 2 and 4 relating to fixed assets.
The increase in the item Amortization of rights of use is mainly connected to the amortization quota of the right of use associated with the two lease contracts of the buildings of the new distribution platform in Piacenza, which having been signed at the end of 2021, weighed on the 2022 financial year for 1,173 thousand Euros against 131 thousand Euros last year.
The remaining part of the increase is linked to the amortization of the rights of use of the lease contracts of the newly acquired company Frigor Carni S.r.l. (178 thousand Euros) not present in the previous year, and for the residual part to the amortization of the rights of use of the lease contracts of the company Verrini S.r.l. which last year had weighed for only nine months with an impact while in the year 2022 they weighed for a total of 12 months.

32. Losses due to impairment of financial assets

(€thousand)	31.12.2022	31.12.2021
Allocation of taxable provisions for bad debts	13,509	12,695
Allocation of non-taxable provisions for bad debts	2,124	1,844
Depreciation of investments in other companies	0	125
Total Losses due to impairment of financial assets	15,633	14,664

The increase in the item is mainly related to a greater prudential provision made at 31 December 2022 following the increase in the amount of trade receivables resulting from the increase in sales volumes recorded during the year.
As regards the allocations to provisions, please refer to the changes shown in paragraph 11 "Current trade receivables" and to what is explained with regard to receivables in the paragraph "Credit risk".

33. Other operating costs

(€thousand)	31.12.2022	31.12.2021
Operating costs for services	252,775	183,942
Operating costs for leases and rentals	597	478
Operating costs for other operating charges	2,010	1,687
Total other operating costs	255,382	186,107

(€thousand)	31.12.2022	31.12.2021
Sale expenses, distribution and logistic costs for our products	204,605	151,816
Energy consumption and utilities	27,983	14,559
Third-party production	3,452	2,991
Maintenance costs	6,053	5,104
Advertising, promotion, exhibitions, sales (sundry items)	829	380
Directors' and statutory auditors' fees	1,175	965
Insurance costs	1,104	1,016
Reimbursement of expenses, travel costs and sundry personnel costs	427	399
General and other services	7,146	6,712
Total operating costs for services	252,774	183,942

Operating costs for services recorded an increase in absolute terms of 68,832 thousand Euros (+37.42%) mainly attributable to the increase in costs for the sale, handling and distribution of products marketed by the Group (+38.79%) and all 'increase in costs associated with energy consumption and utilities.

As regards the item "Costs of sale, movement and distribution of our products" the increase is primarily related to the increase in the volume of sales which led to a consequent increase in transport, porterage and sales activities. With regard to transport activities, it should be noted that the year 2022 also saw an increase in logistics tariffs.

"Energy consumption and utilities" recorded an increase of 13,424 thousand Euros and are primarily associated with the increase recorded in 2022 in electricity and gas tariffs and secondarily with the increase compared to the previous year in the square meters of available surfaces relating to cold rooms and refrigerated rooms. For the MARR group, the consumption of electricity is in fact mainly associated with the operation of the refrigeration and cooling systems and the companies of the Group, which all qualify as "non-energy-intensive companies" and "non-gas-intensive companies" have benefited in relation to the second, third and fourth quarters of 2022 of the tax credits envisaged by the national legislator to mitigate the increase in expenses incurred for the purchase of electricity and gas for a total amount of 3,193 thousand Euros. The latter amount which was recorded under the item "Revenue for accrued tax credits" within the grouping of Other revenues. Net of the benefit of tax credits, the increase in costs associated with energy and gas consumption is equal to Euros 10,231 thousand, with an increase of +70.27% compared to the previous year.
It should be noted that although the increase is mainly related to the increase in electricity tariffs, compared to the previous year, the surfaces relating to cold rooms and refrigerated rooms, available to the Group, have also increased. In this regard, it should be noted that the new Piacenza platform, which became operational in February 2022, has 9,073 square meters

of surfaces relating to cells and refrigerated rooms, of which 6,474 square meters with temperatures at -18°C and that the consumption of the company Antonio Verrini S.r.l. which has 4,156 square meters of surfaces relating to cold rooms and refrigerated rooms, of which 1,373 square meters with temperatures at -18°C, last year had weighed in relation to just 9 months of activity, as the company was acquired in April 2021, while on the year 2022 they affect the totality of the twelve months.

(€thousand)	31.12.2022	31.12.2021
Lease of industrial buildings	145	32
Lease of processors and other personal property	187	147
Lease of industrial vehicles	92	85
Lease of going concern	0	60
Lease of cars	11	10
Lease of plants, machinery and equipment	18	17
Rent fees and other charges paid on other personal property	144	127
Total operating costs for leases and rentals	597	478

Costs for the use of third-party assets amount to a total of 597 thousand Euros (478 thousand Euros as at 31 December 2021) and refer to lease agreements with a term of less than one year which do not fall within the scope of application of IFRS16.

(€thousand)	31.12.2022	31.12.2021
Other indirect taxes, duties and similar charges	801	698
Expenses for recovery of debts	228	209
Other sundry charges	357	197
Capital losses on disposal of assets	222	190
IMU	328	310
Contributions and membership fees	74	83
Total operating costs for other operating charges	2,010	1,687

"Other indirect taxes, duties and similar charges" mainly include: stamp duties and registration duties, municipal duties and taxes and car and vehicle property taxes.

34. Financial income and charges

(€thousand)	31.12.2022	31.12.2021
Financial charges	8,976	9,459
Financial income	(902)	(917)
Foreign exchange (gains)/losses	171	(662)
Total financial (income) and charges	8,245	7,880

The net effect of exchange balances mainly reflects the trend of the Euros against the US Dollar, the reference currency for non-EU imports.
The breakdown of financial income and expenses is shown below:

(€thousand)	31.12.2022	31.12.2021
Interest paid on other loans, bills discount, hot money, imports	3,681	2,984
Interest payable on loans	0	2,909
Interest payable on discounted bills, advances, exports	226	212
Interest payable on right of use	2,303	1,831
Other financial interest and charges	2,691	1,514
Interest and Other financial charges for Consolidated Parent Companies	75	9
Total financial charges	8,976	9,459

On 31 December 2021, the item "Interest expense on mortgages" recognized the amount of approximately 2,909 thousand Euros referring to the make whole clause following the early repayment on 23 July 2021 of the last tranche of the residual debt of 33 million dollars relating to the USPP bond subscribed in July 2013 and with original maturity in July 2023.

(€thousand)	31.12.2022	31.12.2021
Other sundry financial income (interest from customers, etc.)	831	776
Interests and financial income from Parent Companies	19	22
Income interests from bank accounts	52	119
Total Financial Income	902	917

Other financial income is related to interest income from clients and suppliers for payment extensions, up on the previous year.

35. Income/(loss) from holdings valued using the net equity method

This item has no consistency as at 31 December 2022.

36. Taxes

(€thousand)	31.12.2022	31.12.2021
Ires-Ires charge transferred to Parent Company	7,687	12,606
Irap	2,604	2,954
Net provision for deferred tax liabilities	708	(951)
Previous years tax	41	(60)
Total taxes	11,040	14,549

The reconciliation between the theoretical tax burden and the effective tax burden is shown below.

(€thousand)			31.12.2022
Result before taxation			37,590
Theoretical tax rate			24.0%
Theoretical tax burden			**9,022**
Items in reconciliation	Taxable amounts		
IRAP			2,602
Car expenses deductible	361	24.0%	87
Various expenses and fines	380	24.0%	91
Non deductible taxes	337	24.0%	81
Fiscal benefits on super-depreciation	(482)	24.0%	(116)
10% deduction IRAP on IRES	(348)	24.0%	(84)
ACE	(1,759)	24.0%	(422)
Distributed dividends	(2,972)	24.0%	(713)
Other	2,048	24.0%	492
Total current and deferred taxes			11,040
Effective tax rate			**29.4%**

37. Earnings per share

The calculation of basic and diluted earnings/(losses) per share looks like this:

(€)	2022	2021
EPS base	0.40	0.53
EPS diluted	0.40	0.53

It should be noted that the calculation is based on the following data:

Result of the year:

(€thousand)	31.12.2022	31.12.2021
Profit for the period	26,550	35,071
Minority interests	0	0
Profit used to determine basic and diluted earnings per share	26,550	35,071

Number of shares:

(number of shares)	31.12.2022	31.12.2021
Weighted average number of ordinary shares used to determine basic earning per share	66,388,000	66,525,120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	66,388,000	66,525,120

38. Other profits/losses

The value of other profits/losses contained in the comprehensive income statement is made up of the effects generated and reversed in the period with reference to the following items:

- effective part of the transactions put in place to hedge the risk of changes in the interest rate on medium/long-term loan agreements, for 777 thousand Euros;
- actuarial gains relating to the valuation of the severance indemnity as established by the amendments made to IAS 19 "Employee benefits" for the amount of 577 thousand Euros.

These gains/losses were accounted for, in accordance with the provisions of the IFRS, in equity and highlighted (as required by IAS 1 revised, applicable from 1 January 2009) in the statement of comprehensive income.

Net financial position [XII]

As regards the comments on the components of the net financial position and the indication of the debit and credit positions with related parties, please refer to what is set out in the Directors' report on management performance.

	MARR Consolidated (€thousand)	Note	31.12.22	31.12.21
A.	Cash		15.257	6.505
	Bank accounts		176.406	243.467
	Postal accounts		0	22
B.	Cash equivalent		176.406	243.489
C.	Liquidity (A) + (B)	13	191.663	249.994
	Current financial receivable due to Parent Company		9.404	5.787
D.	Current financial receivable	10	9.404	5.787
E.	Current derivative/financial instruments	7	7	0
F.	Current Bank debt		(15.884)	(45.987)
G.	Current portion of non current debt		(99.838)	(52.227)
	Other financial debt		(4.526)	(4.874)
H.	Other current financial debt		(4.526)	(4.874)
I.	Current lease liabilities (IFRS16)	24	(10.813)	(10.074)
J.	Current financial debt (F) + (G) + (H) + (I)	23/24	(131.061)	(113.162)
K.	Net current financial indebtedness (C) + (D) + (E) + (J)		70.013	142.619
L.	Non current bank loans	16	(119.768)	(119.489)
M.	Non-current derivative/financial instruments	7	1.015	0
N.	Other non current loans	16	(100.374)	(99.842)
O.	Non-current lease liabilities (IFRS16)	17	(68.436)	(64.718)
P.	Non current financial indebtedness (L) + (M) + (N) + (O)		(287.563)	(284.049)
Q.	Net financial indebtedness (K) + (P)		(217.550)	(141.430)

[XII] The "Note" column indicates the reference to the item of the Consolidated Statement of Financial Position for the purpose of a timely reconciliation with the same.

Events after the closing of the year

There have been no events subsequent to the end of the financial year of significant importance and with effects on the measurement of the financial statement items as at 31 December 2022.

Outlook

The trend in sales to clients in the Street Market and National Account segments in the first two months of 2023 is consistent with the growth objectives expected for the year, also confirming a progressive and gradual recovery in margins.
These results have been achieved in the context of an expected increase in out-of-home food consumption (TradeLab, February 2023), also thanks to the positive trends in tourism, and especially the number of foreigners visiting Italy (+39.9% compared to 2021 in the first nine months of 2022, ISTAT December 2022), which in the latter months of 2022 and this beginning of 2023 have also contributed to the return of tourism in the Large Cities and Art Cities in particular.

As regards the sale of frozen seafood products to Wholesale clients, which have been affected by the unavailability of seafood products in the second half of 2022 and also in this first quarter of 2023, it is expected that the ongoing fishing campaigns and those foreseeable may lead to a recovery in the coming months.

As regards inflation, the prices of food products are expected to stabilise, while the recovery of energy costs ongoing in these winter months is attenuating the distorting effects affecting the operating costs linked to the cost of energy.

In this context, MARR is continuing to strengthen its competitive position, with a strong focus on making the most of the opportunities provided by a growing foodservice market, which rewards a proposal of innovative products and services, which the company is still focusing its efforts on.
The process of adjusting the sales prices of the food products sold is also continuing, an operation that is still more effective in the Street Market segment and, in the framework of the National Account segment, in the sub-segment of Chains & Groups (Groups and Chains of hotels and restaurants), while in that of Canteens (Canteens and direct supplies to Public Administrations), when contractually possible, interventions are becoming increasingly selective on the management of price lists with a view to the sustainability of supply relationships.

The entire organization is also involved in policies aimed at the recovery of operating profitability, along a path which, in light of expected market conditions, management of the gross margin and cost control, is expected to allow to return towards pre-pandemic levels of operating profits already in the current year.
In addition to this, the organization is also very focused on controlling the level of absorption of the working capital, in order to attenuate the cost of its financing.

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Rimini, 14 March 2023

For the Board of Directors

The Chairman

Ugo Ravanelli

Appendices

These appendices contain additional information compared to that reported in the Notes, of which they constitute an integral part.

- Appendix 1 – List of equity investments, including those falling within the scope of consolidation as at 31 December 2022.
- Appendix 2 – Statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in the shareholders, cash flows statement (indirect method) of the parent company MARR S.p.A.
- Appendix 3 – Reconciliation as at 31 December 2022 with the values in the financial statements of the parent company.
- Appendix 4 – Table showing variations in Intangible Assets for the year ending 31 December 2022.
- Appendix 5 – Table showing variations in Tangible Assets for the year ending 31 December 2022.
- Appendix 6 – Table showing changes in the Right of use for the year ending 31 December 2022.
- Appendix 7 – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2021. – company that exercises direct or mediated management and coordination activities.
- Appendix 8 – Information as per art. 149-duodecies of the Consob Issuers Regulation.
- Appendix 9 – Table summarising the relations with parent companies, subsidiaries, associates and other related parties.
- Appendix 10 – Reconciliation of liabilities deriving from financing activities as at 31 December 2022 and as at 31 December 2021.
- Appendix 11 – Details of lands and buildings owned by the Group as at 31 December 2022.

Appendix 1

MARR GROUP
LIST OF EQUITY INVESTMENTS INCLUDING THOSE FALLING WITHIN THE SCOPE OF CONSOLIDATION AT 31 DECEMBER 2022

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control	
				Company	Share held
COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS					
- Parent Company:					
MARR S.p.A.	Rimini	33,263			
- Subsidiaries:					
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (Spagna)	600	100.0%		
New Catering S.r.l.	Santarcangelo di R. (RN)	34	100.0%		
Antonio Verrini S.r.l.	Santarcangelo di R. (RN)	250	100.0%		
Frigor Carni S.r.l.	Santarcangelo di R. (RN)	100	100.0%		
INVESTMENTS EVALUATED USING THE NET EQUITY METHOD					
Jolanda De Colò S.p.A.	Palmanova (UD)	846	34.0%		
INVESTMENTS VALUED AT FAIR VALUE:					
- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	9,697	1.69%		

Appendix 2 – Statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in the shareholders, cash flows statement (indirect method) of the Parent Company MARR S.p.A.

MARR S.p.A. STATEMENT OF FINANCIAL POSITION

(€)	Notes	31.12.22	relating to related parties	%	31.12.21*	relating to related parties	%
ASSETS							
Non-current assets							
Tangible assets	1	78,622,728			74,485,667		
Right of use	2	67,680,019			66,275,640		
Goodwill	3	138,544,446			138,232,466		
Other intangible assets	4	3,272,398			2,476,320		
Investments in subsidiaries and associated companies	5	37,337,861			31,444,664		
Investments in other companies	6	173,411			170,711		
Non-current financial receivables	7	23,398			750,443		
Non-current derivative/financial instruments	8	1,014,820			0		
Deferred tax assets	9	0			160,450		
Other non-current assets	10	21,444,036			29,626,166		
Total non-current Assets		348,113,117			343,622,527		
Current assets							
Inventories	11	203,848,840			192,656,980		
Financial receivables	12	20,311,941	*20,311,941*	*100.0%*	11,696,701	*11,696,701*	*100.0%*
Current derivative/financial instruments	8	7,346			0		
Trade receivables	13	332,145,638	*26,101,897*	*7.9%*	300,960,622	*13,609,922*	*4.5%*
Tax assets	14	6,998,647	*3,923,946*	*56.1%*	6,207,972	*11,175*	*0.2%*
Cash and cash equivalents	15	182,566,222			242,376,654		
Other current assets	16	40,228,609	*430,254*	*1.1%*	28,913,362	*85,441*	*0.3%*
Total current Assets		786,107,243			782,812,291		
TOTAL ASSETS		*1,134,220,360*			*1,126,434,818*		
LIABILITIES							
Shareholders' Equity	17	326,875,202			336,245,736		
Share capital		*33,262,560*			*33,262,560*		
Reserves		*269,854,899*			*272,695,990*		
Profit for the period		*23,757,743*			*30,287,186*		
Total Shareholders' Equity		326,875,202			336,245,736		
Non-current liabilities							
Non-current financial payables	18	220,142,950			219,330,462		
Non-current lease liabilities (IFRS16)	19	61,795,133	*2,374,051*	*3.8%*	60,102,131	*2,963,981*	*4.9%*
Employee benefits	20	5,686,575			6,485,082		
Provisions for risks and charges	21	5,614,582			5,494,380		
Deferred tax liabilities	9	1,232,961			0		
Other non-current liabilities	22	3,735,893			2,524,889		
Total non-current Liabilities		298,208,094			293,936,944		
Current liabilities							
Current financial payables	23	135,608,895	*15,362,975*	*11.3%*	117,377,155	*14,290,323*	*12.2%*
Current lease liabilities (IFRS16)	24	9,588,806	*589,930*	*6.2%*	8,855,186	*572,748*	*6.5%*
Current tax liabilities	25	1,859,495	*0*	*0.0%*	13,739,419	*11,396,894*	*83.0%*
Current trade liabilities	26	350,704,108	*29,403,822*	*8.4%*	345,929,463	*35,009,997*	*10.1%*
Other current liabilities	27	11,375,760	*671,996*	*5.9%*	10,350,915	*436,704*	*4.2%*
Total current Liabilities		509,137,064			496,252,138		
TOTAL LIABILITIES		*1,134,220,360*			*1,126,434,818*		

MARR S.p.A. STATEMENT OF PROFIT OR LOSS

(€)	Notes	31.12.2022	relating to related parties	%	31.12.2021*	relating to related parties	%
Revenues	28	1,773,380,452	*88,950,077*	*5.0%*	1,346,316,298	*43,556,293*	*3.2%*
Other revenues	29	7,904,941	*57,412*	*0.7%*	4,215,349	*20,432*	*0.5%*
Changes in inventories	11	9,918,414			59,658,882		
Purchase of goods for resale and consumables	30	(1,436,092,124)	*(196,737,549)*	*13.7%*	(1,117,508,874)	*(126,453,340)*	*11.3%*
Personnel costs	31	(37,893,374)			(30,846,441)		
Amortizations, depreciations and provisions	32	(18,411,253)			(16,690,700)		
Losses due to impairment of financial assets	33	(15,150,000)			(13,964,783)		
Other operating costs	34	(244,188,528)	*(5,873,854)*	*2.4%*	(178,329,595)	*(5,736,157)*	*3.2%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*326,276*			*254,929*		
Financial income and charges	35	(8,084,137)	*(183,829)*	*2.3%*	(7,767,856)	*(133,426)*	*1.7%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*2,087,149*			*763,142*		
Income (charge) from associated companies	36	3,124,721			(9,137)		
Result before taxes		*34,509,112*			*45,073,143*		
Taxes	37	(9,108,221)			(13,142,809)		
Result for the period		*25,400,891*			*31,930,334*		

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MARR S.p.A. STATEMENT OF OTHER COMPREHENSIVE INCOME

(€)	*Notes*	*31.12.2022*	*31.12.2021*
Profits/(Losses) for the period (A)		*25.400.891*	*31.930.334*
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		776.846	(133.941)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		406.544	(175.789)
Total Other Profits/(Losses), net of taxes (B)	39	*1.183.389*	*(309.730)*
Comprehensive Income/(Losses) (A + B)		*26.584.280*	*31.620.604*

MARR S.p.A. CASH FLOWS STATEMENT (INDIRECT METHOD)

MARR S.p.A. *(€thousand)*	Ref.	*31.12.22*	*relating to related parties*	*%*	*31.12.21**	*relating to related parties*	*%*
Profit for the Period		25.401			31.930		
Adjustment:							
Amortization / Depreciation	32	7.786			7.183		
IFRS 16 depreciation	32	10.174			9.313		
Change in deffered tax	37	674			(896)		
Allocation of provison for bad debts	33	15.150			13.840		
Allocation of provision for investments in subsidiaries	33/36	4			134		
Allocation of provision for risks and losses		200			0		
Provision for supplementary clientele severance indemnity	32	258			200		
Capital profit/losses on disposal of assets	29/34	134			169		
Financial (income) charges net of foreign exchange gains and losses	35	7.918	*184*	*2,3%*	8.440	*133*	*1,6%*
Foreign exchange evaluated (gains)/losses	35	(131)			(193)		
Dividends Received	36	3.129			0		
Total		45.296			38.190		
Net change in Staff Severance Provision	20	(393)			(295)		
(Increase) decrease in trade receivables	13	(45.338)	*(12.492)*	*27,6%*	(33.058)	*(7.332)*	*22,2%*
(Increase) decrease in inventories	11	(9.919)			(59.659)		
Increase (decrease) in trade payables	26	3.352	*5.606*	*167,2%*	128.849	*25.007*	*19,4%*
(Increase) decrease in other assets	10/16	(2.874)	*(345)*	*12,0%*	10.816	*85*	*0,8%*
Increase (decrease) in other liabilities	22/27	1.566	*235*	*15,0%*	(462)	*(178)*	*38,5%*
Net change in tax assets / liabilities	9/14/25	11.917	*5.134*	*43,1%*	15.420	*11.397*	*73,9%*
Interest paid	35	(8.949)	*(356)*	*4,0%*	(9.378)	*(177)*	*1,9%*
Interest received	35	1.031	*172*	*16,7%*	938	*43*	*4,6%*
Foreign exchange evaluated gains	35	131			193		
Foreign exchange evaluated losses		0			0		
Income tax paid	14/25	(24.140)	*(20.444)*	*84,7%*	(1.545)	*0*	*0,0%*
Cash-flow from operating activities		(2.919)			121.939		
(Investments) in other intangible assets	4	(995)			(495)		
(Investments) in tangible assets	1	(11.500)			(10.613)		
Net disposal of tangible assets	1	122			2.300		
Net (investments) in equity investments (subsidiaries and associated)	5	(4)			(10)		
Net (investments) in equity investments in other companies	5	(3)			0		
Outgoing for acquisition of subsidiaries or going concerns during the year (net of cash acquired)	5	(3.686)			(5.086)		
Dividends Received	36	(3.129)	*(3.129)*	*100,0%*	0	*0*	*0,0%*
Cash-flow from investment activities		(19.195)			(13.904)		
Distribution of dividends	23	(31.118)			(22.086)		
Other changes, including those of third parties	17	(4.682)			(316)		
Net change in liabilities (IFRS 16)	19/24	(9.151)	*(573)*	*6,3%*	(8.210)	*(556)*	*6,8%*
Net change in financial payables (excluding the new non-current loans received)	18/23	(31.395)	*2.670*	*(8,5%)*	(20.721)	*2.447*	*(11,8%)*
New non-current loans received	18/23	102.000			230.000		
Repayment of other long - term debt	18/23	(53.858)			(288.214)		
Net change in current financial receivables	12	(10.220)	*(10.212)*	*99,9%*	(5.277)	*(5.903)*	*111,9%*
Net change in non-current financial receivables	7	(727)			2.138		
Cash-flow from financing activities		(37.697)			(112.685)		
Increase (decrease) in cash-flow		(59.811)			(4.650)		
Opening cash and equivalents	15	242.377			247.027		
Closing cash and equivalents		182.566			242.377		

For the reconciliation between the opening figures and the closing balances with the related changes in financial liabilities deriving from financing activities (as required by paragraph 44A of IAS 7), please refer to Annex 9 of the Notes to the financial statements at 31 December 2022.

MARR S.p.A. STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

(€thousand)

Description	Share Capital	Other Reserves												Profits carried over	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Reserve IAS 19	Total reserves		
Balance at 1st January 2021	33,263	63,348	6,652	13	36,496	170,460	1,475	7,516	134	1,451	9,555	(771)	296,329	(1,643)	327,948
Distribution dividends MARR S.p.A.						(23,283)							(23,283)		(23,283)
Merger of SIFrutta S.r.l. in MARR S.p.A.											(33)		(33)		(33)
Other minor variations										(7)			(8)		(7)
- Profit for the period														31,930	31,930
- Other Profits/Losses, net of taxes									(134)			(175)	(309)		(309)
Consolidated comprehensive income 2021															31,621
Balance at 31 December 2021	33,263	63,348	6,652	13	36,496	147,177	1,475	7,516		1,444	9,522	(946)	272,696	30,287	336,246

(€thousand)

Description	Share Capital	Other Reserves													Profits carried over	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve for treasury shares	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Reserve IAS 19	Total reserves		
Balance at 1st January 2022	33,263	63,348	6,652	13	36,496	147,177	1,475	7,516			1,444	9,522	(946)	272,696	30,287	336,246
Allocation of 2021 profit						663								664	(664)	
Distribution dividends MARR S.p.A.															(31,266)	(31,266)
Effect of the trading of own shares										(4,682)				(4,682)		(4,682)
Other minor variations											(6)			(6)		(7)
- Result for the period															25,401	25,401
- Other Profits/Losses, net of taxes									777				406	1,183		1,183
Consolidated comprehensive income 2022																26,584
Balance at 31 December 2022	33,263	63,348	6,652	13	36,496	147,840	1,475	7,516	777	(4,682)	1,438	9,522	(540)	269,855	23,758	326,875

Appendix 3 - Reconciliation as at 31 December 2022 with the values in the financial statements of the Parent Company.

	Increase/(Decrease) Shareholders' Equity	of which Net Profit for the period
Parent Company's shareholders' equity and profit/(loss) for the year	326,876	25,401
Effect of the consolidation on a line-by-line basis:		
-- Difference between the book value of the consolidated subsidiaries and the relevant portion of shareholders' equity	(7,409)	0
-- Allocation of the surplus of the purchase price paid for the acquisition of equity investments consolidated on a line-by-line basis, to lands, buildings and consolidation difference	18,065	(21)
-- Pro rata subsidiary profits (losses)	3,654	3,654
Allocation of the consolidation differences caused by the company amalgamations	2,718	0
Write-off of the goodwill caused by company merged	(2,053)	0
Effect of the elimination of profits not yet realised from transactions between Group companies, net of the applicable tax effect	(1,578)	(3,115)
Adjustments to adapt the financial statements of some consolidated companies to Group Accounting Standards	1,184	631
Group's share of net equity and profit/(loss)	341,457	26,550

Appendix 4 - Table showing variations in Intangible Assets for the year ending 31 December 2022.

Intangible fixed assets (in thousand of Euros)	Opening Balance			Changes during the year						Closing Balance		
	Original Cost	Provision for amortization	Balance 01/01/2022	Purchases/ reclassification	Consolidation Change	Decreases		Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2022
						Original cost	Prov. for am.					
Cost of industrial patents and rights for the use of intellectual property	8,827	(7,287)	1,540	685	9	(17)	17		(585)	9,504	(7,855)	1,649
Concessions, licences, brand names, and similar rights	622	(188)	434	2	9	(6)	6		(24)	627	(206)	421
Goodwill	160,382		160,382		6,628					167,010		167,010
Intangible fixed assets under development and advances	1,035		1,035	262						1,297		1,297
Other intangible fixed assets	436	(436)								436	(436)	
Total	171,302	(7,910)	163,391	949	6,646	(23)	23		(609)	178,874	(8,497)	170,377

Appendix 5 - Table showing variations in Tangible Assets for the year ending 31 December 2022.

Tangible fixed assets (in thousand of Euros)	Opening balance			Changes during the year								Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2022	Purchases/ other movements	Consolidation change	Consolidation change	Decreases		Reclassification		Amortization/ write down	Original Cost	Provision for amortization	Balance 31/12/2022
					Original cost	Prov. for am.	Original cost	Prov. for am.	Original cost	Prov. for am.				
Land and buildings	94,520	(34,573)	59,947	51			(199)	187	(291)		(2,845)	94,081	(37,231)	56,850
Improvements on leased facities	3,607	(826)	2,781	514			(85)	34	247		(496)	4,283	(1,288)	2,995
Plant and machinery	44,924	(36,980)	7,944	2,923	214		(1,217)	1,107	694		(2,354)	47,538	(38,227)	9,311
Industrial and commercial equipment	8,470	(6,763)	1,707	528			(105)	95	836		(520)	9,729	(7,188)	2,541
Other tangible assets	18,466	(14,065)	4,401	1,301	130		(688)	608	202		(1,429)	19,411	(14,886)	4,525
Tangible fixed assets under development and advances	2,821		2,821	6,858					(2,002)			7,677		7,677
Total	172,808	(93,207)	79,601	12,175	344		(2,294)	2,031	(314)		(7,644)	182,719	(98,820)	83,899

Appendix 6 - Table showing changes in the Right of use for the year ending 31 December 2022.

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year					Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2022	Consolidation change	Purchases/ other movements	Decreases: Original cost	Decreases: Prov. for am.	Amortization/ write down	Original Cost	Provision for amortization	Balance 31/12/2022
Right of use - Land and buildings	94,363	(24,499)	69,864	2,839	12,570	(1,934)	1,132	(10,634)	107,837	(34,001)	73,837
Right of use - Other assets	3,836	(1,685)	2,151		405	(1,338)	1,301	(988)	2,904	(1,372)	1,531
Total	98,199	(26,184)	72,015	2,839	12,975	(3,272)	2,433	(11,622)	110,741	(35,373)	75,368

Appendix 7 – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2021. – Company that exercises direct or mediated management and coordination activities.

Main figures' Statement of the last Cremonini S.p.A. financial statements and consolidated financial statements - MARR S.p.A. parent company -

Financial Statements as of December 31, 2021

Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
81,395		Tangible assets		1,224,932
0		Right of use assets		321,939
10		Goodwill and other intangible assets		240,997
263,250		Investments		31,055
118		Non-current assets		106,849
344,773		*Total non-current assets*		*1,925,772*
0		Inventories		552,287
52,443		Receivables and other current assets		729,304
23,157		Cash and cash equivalents		343,491
75,600		*Total current assets*		*1,625,082*
420,373		**Total assets**		**3,550,854**
		LIABILITIES		
321,587		Shareholders' equity:		*1,004,454*
	67,074	Share capital	67,074	
	226,435	Reserves	531,280	
	28,078	Net profit (loss)	23,412	
	0	Minority interest	382,688	
36,870		Non-current financial payables		1,038,875
317		Employee benefits		24,550
102		Provisions for risks and charges		18,107
3,851		Other non-current liabilities		37,596
41,140		*Total non-current liabilities*		*1,119,128*
39,321		Current financial payables		504,695
18,325		Current liabilities		922,577
57,646		*Total current liabilities*		*1,427,272*
420,373		**Total Liabilities**		**3,550,854**
		INCOME STATEMENT		
7,264		Revenues		3,981,291
884		Other revenues		95,766
0		Changes in inventories		(26,139)
0		Internal works performed		7,446
(63)		Purchase of goods		(2,772,056)
(4,338)		Other operating costs		(571,500)
(4,033)		Personnel costs		(399,363)
(3,085)		Amortization		(155,200)
0		Depreciation and Allocations		(28,918)
31,363		Income from investments		556
(369)		Financial income and charges		(33,575)
0		Profit from business aggregations		0
27,623		*Profit before taxes*		*98,308*
455		Taxes		(32,750)
28,078		Net profit (loss) before consolidation		65,558
0		Minority interest's profit (loss)		(42,146)
28,078		**Consolidated Net profit (loss)**		**23,412**

The essential data of the parent company Cremonini S.p.A. shown in the summary table required by article 2497-bis of the Civil Code have been extracted from the related financial statements for the year ended 31 December 2021. For an adequate and complete understanding of the equity and financial situation of Cremonini S.p.A. as at 31 December 2021, as well as the economic result achieved by the company in the financial year ended on that date, please refer to the reading of the financial statements which, accompanied by the report of the independent auditors, are available in the forms and methods required by law.

EMARKET SDIR CERTIFIED

Appendix 8 - Information as per art. 149-duodecies of the Consob Issuers Regulation.

The following table, drawn up pursuant to art. 149-duodecies of the Consob Issuers' Regulation, highlights the fees for the 2022 financial year for services rendered to Group companies by Independent Auditors or by entities belonging to the network of Independent Auditors:

(€thousand)	Service Company	Client	Fees pertinent to business year 2022
Auditing	PricewaterhouseCoopers S.p.A.	MARR S.p.A.	180
	PricewaterhouseCoopers S.p.A.	As.Ca S.p.a.	11
Total			191

Appendix 9 - Summary table of relations with parent companies, subsidiaries, associates, affiliates and other related parties.

COMPANY	FINANCIAL RELATIONS								ECONOMIC RELATIONS										
	RECEIVEBLES				PAYABLES				REVENUES				COSTS						
	Trade	Other	Financial		Trade	Other	Financial		Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods (by production)	Purchase of goods (by logistic)	Services	Leases and rental	Other operating charges	Personnel costs	Financial charges
From Parent Companies:																			
Cremonini S.p.A. (*)	1.541	4.043	9.404		482				4			19			1.260				75
Total	1.541	4.043	9.404		482	0	0		4	0	0	19	0	0	1.260	0	0	0	75
From unconsolidated subsidiaries:																			
Total	0	0	0		0	0	0		0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies:																			
Jolanda De Colò	2								17										
Total	2	0	0		0	0	0		17	0	0	0	0	0	0	0	0	0	0
From Affiliated Companies (**)																			
Cremonini Group																			
C&P S.r.l.	405					3			1.356										
Castelfrigo S.r.l.		16			33						16		150						
Chef Express S.p.A.	7.979					178			27.952										
Fiorani & C. S.p.a.		225			3.361				21		437		29.364	5.890					
Ges.Car. S.r.l.																			
Global Service S.r.l.		3			380										1.206				
Guardamiglio S.r.l.	7								31										
Inalca Food and Beverage S.r.l.	1.012	4			30	2			11.072	222			5		5		31		
Inalca S.p.a.	126	409			24.628				81		416		81.379	71.960	1				
Italia Alimentari S.p.a.		308			1.005				6		295		9.058						
Roadhouse Grill Roma S.r.l.	840					9			3.750		16								
Roadhouse S.p.A.	13.815					9			41.166	2					1				
Total	**24.184**	**965**	**0**		**29.437**	**201**	**0**		**85.435**	**224**	**1.180**	**0**	**119.956**	**77.850**	**1.213**	**0**	**31**	**0**	**0**
From Affiliated Companies																			
Frigor Carni S.a.s.	7				39						20		2.044		95				
Frigor Fish S.a.s.					55		1.729								1				39
Le Cupole S.r.l.							2.964												95
Scalo S.n.c.					31		960								1				22
Time Vending S.r.l.		22									22								
Verrini Holding S.r.l.	4	17			4		2.217								4	(4)			67
Total	**11**	**39**	**0**		**129**	**0**	**7.870**		**0**	**0**	**42**	**0**	**2.044**	**0**	**101**	**(4)**	**0**	**0**	**223**
Total	**24.195**	**1.004**	**0**	**0**	**29.566**	**201**	**7.870**	**0**	**85.435**	**224**	**1.222**	**0**	**122.000**	**77.850**	**1.314**	**(4)**	**31**	**0**	**223**

(*) The items in the Other Receivables columns relate to the residual IRES receivables for requests of reimbursement regarding to the personel cost not deducted to Irap in the years 2007-2011, transferred to the Parent Company within the scope of of the National Consolidated tax base; the amount in the the other payables is related to the IRES balance of the year 2019. Trade receivables and payables include the net amount of VAT transferred to Cremonini within the scope of the Group VAT liquidation.
(**) The total amount of trade receivables and payables are reclassified under "Receivables from customer" and "Suppliers" respectively.

From Other Related Parties																	
Board of Directors MARR S.p.A.					472								759				
Directors of Antonio Verrini S.r.l.					31								155				
Directors of Frigor Carni S.r.l.					9								113				
Total	0	0	0	0	512	0	0	0	0	0	0	0	1.027	0	0	0	0

Appendix 10 - Reconciliation of liabilities arising from financial activities as at 31 December 2022 and 31 December 2021.

	31 December 2022	Cash flows	Other changes/ reclassifications	Non-financial changes Acquisition	Exchange rates variations	Fair value variation	31 December 2021
Current payables to bank	15,884	(30,103)	0	0	0	0	45,987
Current portion of non current debt	99,838	(46,163)	93,774	0	0	0	52,227
Current financial payables for bond private placement in Euros	678	(697)	698	0	0	1	676
Current financial payables for purchase of shares of Frigor Carni S.r.l.	1,700	(4,048)	0	5,748	0	0	0
Current financial payables for purchase of shares of Antonio Verrini S.r.l.	2,000	(1,000)	0	0	0	0	3,000
Current financial payables for IFRS 16 lease contracts	10,813	(10,495)	8,395	2,839	0	0	10,074
Current financial payables for dividends approved and not distributed	148	(32,316)	31,266	0	0	0	1,198
Total current financial payables	131,061	(124,822)	134,133	8,587	0	1	113,162
Current payables/(receivables) for hedging financial instruments	0	0	0	0	0	0	0
Total current financial instruments	0	0	0	0	0	0	0
Non-current payables to bank	119,769	94,305	(94,025)	0	0	0	119,489
Non-current financial payables for bond private placement in Euros	99,874	0	0	0	0	32	99,842
Non-current financial payables fot IFRS 16 lease contracts	68,436	0	3,718	0	0	0	64,718
Non-current financial payables for purchase of quotas or shares	500	0	0	500	0	0	0
Total non-current financial payables	288,579	94,305	(90,307)	500	0	32	284,049
Non-current payables/(receivables) for hedging financial instruments	0	0	0	0	0	0	0
Total non-current financial instruments	0	0	0	0	0	0	0
Total liabilities arising from financial activities	419,640	(30,517)	43,826	9,087	0	33	397,211

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(25,469)
Cash flows for payment of residual debt for the acquisition of share in Antonio Verrini S.r.l.	(1,000)
Other changes/ reclassifications, included the acquisition	43,826
Exchange rates variations	0
Fair value variation	33
Total detailed variations in the table	17,390
Other changes in financial liabilities	(35,209)
Net change in financial payables (IFRS16)	4,457
New non-current loans received	102,000
Net change in derivative/financial instruments	0
Non current loans repayment	(53,858)
Total changes shown between financing activities in the Cash Flows Statement	17,390

	31 December 2021	Cash flows	Other changes/ reclassifications	Non-financial changes Acquisition	Exchange rates variations	Fair value variation	31 December 2020
Current payables to bank	45,987	(20,697)	0	0	0	0	66,684
Current portion of non current debt	52,227	(170,488)	122,590	0	0	0	100,125
Current financial payables for bond private placement in US dollars	0	(28,860)	27,387	0	876	0	597
Current financial payables for bond private placement in Euros	676	0	676	0	0	0	0
Other current financial payables	0	0	0	0	0	0	0
Current financial payables for IFRS 16 lease contracts	10,074	(9,183)	5,101	5,628	0	0	8,528
Current financial payables for leasing contracts	0	(56)	0	0	0	0	56
Current financial payables for purchase of quotas or shares	3,000	(4,930)	0	7,930	0	0	0
Current financial payables for dividends approved and not distributed	1,198	0	1,198	0	0	0	0
Total current financial payables	113,162	(234,214)	156,952	13,558	876	0	175,990
Current payables/(receivables) for hedging financial instruments	0	(6)	0	0	0	0	6
Total current financial instruments	0	(6)	0	0	0	0	6
Non-current payables to bank	119,489	37,581	(122,346)	0	0	0	204,254
Non-current financial payables for bond private placement in US dollars	0	0	(26,812)	0	0	0	26,812
Non-current financial payables for bond private placement in Euros	99,842	100,000	(158)	0	0	0	0
Non-current financial payables fot IFRS 16 lease contracts	64,718	0	19,784	0	0	0	44,934
Non-current financial payables for leasing contracts	0	0	0	0	0	0	0
Non-current financial payables for purchase of quotas or shares	0	0	0	0	0	0	0
Total non-current financial payables	284,049	137,581	(129,532)	0	0	0	276,000
Non-current payables/(receivables) for hedging financial instruments	0	(49)	0	0	0	0	49
Total non-current financial instruments	0	(49)	0	0	0	0	49
Total liabilities arising from financial activities	397,211	(96,688)	27,420	13,558	876	0	452,045

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(91,758)
Other changes/ reclassifications, included the acquisition	27,420
Exchange rates variations	876
Fair value variation	0
Total detailed variations in the table	(63,462)
Other changes in financial liabilities	(26,523)
Net change in financial payables (IFRS16)	21,330
New non-current loans received	230,000
Net change in derivative/financial instruments	(55)
Non current loans repayment	(288,214)
Total changes shown between financing activities in the Cash Flows Statement	(63,462)

Appendix 11 - Detail of land and buildings owned by the Group at 31 December 2022.*

(Values in thousand Euros)

	Original Cost	Prov. For Am.	Net Book Value
Building in Spezzano Albanese (CS) - St.Prov.le 19	1,898	973	925
Land in Spezzano Albanese close to the building	125	0	125
Building in Pistoia (PT) - St F.Toni loc.Bottegone	5,339	2,525	2,814
Land of Building in Pistoia	1,000	0	1,000
Building in Santarcangelo of Romagna (RN) - St. P.Tosi 1300	14,204	816	13,388
Building in Santarcangelo of Romagna (RN)- St. dell'Acero 2-4	5,319	2,986	2,333
Land of Building St. dell'Acero 2-4	2,464	0	2,464
Building in Opera (MI) - St. Cesare Pavese, 10	4,459	2,745	1,714
Land of Building Opera	2,800	0	2,800
Building in San Michele al Tagl.to (VE) - St. Plerote, 6	4,229	2,413	1,816
Land of Building San Michele	1,100	0	1,100
Building in Uta (CA) - Zona ind.le Macchiareddu	4,078	2,176	1,902
Land of Building Uta	1,531	0	1,531
Building in Portoferraio (LI) - Località Antiche Saline	1,512	927	586
Land of Building Portoferraio	990	0	990
Surface ownership Building in Bologna - St. Fantoni, 31	11,857	4,627	7,230
Land in Rimini loc. San Vito - St. Emilia Vecchia, 75	7,078	0	7,078
Land in Bottanuco (BG)	1,491	0	1,491
Building in Villanova di Castenaso (BO) - St. Trattati di Roma, 64	3,427	2,001	1,426
Land of Building in Villanova of Castenaso	2,292	0	2,292
TOTAL	77,193	22,189	55,004

* The value indicated in the table is only representative of buildings and land owned and does not consider the values of improvements on leased properties and light constructions, both classified under the item "Land and buildings".

Certification of the consolidated financial statements
Pursuant to art. 154-bis of Legislative Decree 58/98

1. The undersigned Francesco Ospitali in the quality of Chief Executive Officer, and Pierpaolo Rossi, in the quality of Manager responsible for the drafting of the corporate accounting documents of MARR S.p.A., hereby certify, also taking into account that provided by art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998:

   - the adequacy in relation to the characteristics of the company and
   - the actual application,

   of the management and accounting procedures for the drafting of the consolidated financial statements during the year 2022.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the consolidated financial statement as at 31 December 2022 was based on a process defined by MARR S.p.A. in coherence with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is an internationally accepted general reference framework.

3. It is also certified that:

   3.1 The consolidated financial statements:

   a) are drawn up in compliance with the internationally applicable accounting standards recognised in the European Community pursuant to regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;

   b) correspond to the findings in the accounts books and documents;

   c) are suited to providing a truthful and correct representation of the equity, economic and financial situation of the author and the group of companies included in the scope of consolidation.

   3.2 The management report includes a reliable analysis of the management performance and result, as well as the situation of the issuer and of the group of companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Rimini, 14 March 2023

Francesco Ospitali	Pierpaolo Rossi
Chief Executive Officer	Manager responsible for the drafting of corporate accounts documents

Independent auditor's report

in accordance with article 14 of Legislative Decree n° 39 of 27 January 2010 and article 10 of Regulation (EU) n° 537/2014

To the Shareholders of
MARR SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MARR Group which comprise the statement of consolidated financial position as of 31 December 2022, the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in the consolidated shareholders' equity, consolidated cash flows statement for the year then ended, and explanatory notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the MARR Group as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of MARR SpA (hereinafter, also the "Company") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Recoverability of Goodwill	
Section 'Accounting policies', paragraph 'Goodwill and other intangible assets' e 'Losses in value of non-financial assets', section 'Main estimates adopted by management and discretional assessments' and note 3 'Goodwill' of the explanatory notes to the consolidated financial statements.	
The value of Goodwill in the consolidate financial statements of the MARR Group is equal to Euro 167,010 thousand, accounting for 14.4% of total assets. In accordance with IAS 36 – "Impairment of assets", management tests the value of goodwill for impairment at least annually, by comparing the carrying amount of each cash generating unit (CGU) to which goodwill is allocated with the respective recoverable amount, i.e., the higher of value in use and fair value less costs of disposal. As of 31 December 2022, the recoverable amounts were determined on the basis of value in use, by discounting to present value the estimate cashflows of the period 2023-2025, plus terminal value. The basis of the calculation of cash flows is the 2023 budget, approved by the Company's Board of Directors on 24 February 2023, and the management projections for years 2024 and 2025. We considered the recoverability goodwill a key audit matter in consideration of the materiality of the amounts and of the elements of uncertainty and estimation intrinsic to the Directors' assessment of their recoverability. The key elements of uncertainty and estimation are related to the correct definition and identification of the CGUs and to the estimation of the future cashflows and the definition of the discount rates to be applied to those cashflows.	Our audit approach consisted, preliminarily, in understanding and evaluating the methods and procedures defined by the Company to determine the recoverable amounts of goodwill approved by the Company's Board of Directors. We analysed, also with the support of business valuation experts from the PwC network, the methods adopted by management to determine the recoverable amounts of the CGU's, we verified the reasonableness of the key assumptions reflected in the valuation models, including the discount rates, we verified the mathematical accuracy of the models used and we compared the value in use with the carrying amount of each CGU. We analysed the reasonableness of management's considerations about the identification of the CGUs and the process of allocation of goodwill, verifying their consistency with the organisation structure of the MARR Group. We analysed the forecasts used to assess the recoverability of goodwill, verifying their consistency with 2023 budget approved by the Company's Board of Directors on 24 February 2023, making a critical assessment of the reasonableness of the estimated cashflows for the period 2023-2025, also in light of the historical results of the Company. Finally, our procedures included analysing the notes to the consolidated financial statements and the overall adequacy and completeness of the related disclosures.

Recoverability of trade receivables

Section 'Accounting policies', paragraph 'Receivables and other financial assets', section 'Main estimates adopted by management and discretional assessments', note 11 'Current trade receivables' and note 32 'Losses due to impairment of financial assets' of the explanatory notes to the consolidated financial statements.

The value of trade receivables in the consolidated financial statements of the MARR Group as of 31 December 2022 is equal to Euro 348,718 thousand.

We considered the recoverability of trade receivables a key audit matter in consideration of the materiality of the amounts and of the elements of uncertainty and estimation intrinsic to the Directors' assessment of their recoverability, specifically the assumptions applied in the calculation models used to determine the estimated future cash flows from collection of those receivables.

Our audit approach consisted, preliminarily, in understanding and evaluating the methods and procedures defined by the MARR Group to determine the recoverable amounts of trade receivables.

We planned the test of details on the recoverability of trade receivable taking into consideration the understanding of internal controls mentioned above.

We obtained the trade receivable ageing, validated the related data base to identify any significant overdue debtor positions, which have been analysed and discussed with management to obtain evidence supporting the estimates of coverage of insolvency risk.

We also sent confirmation requests to the law firms that manage procedures relating to accounts in litigation, verifying the consistency of the evaluations made by the external professionals with the measurement of the debtor positions in the financial statements.

We carried out a retrospective analysis, comparing the estimates made in previous years with the actual collection figures, to validate management's ability in determining the estimated future cash flows from collection of trade receivables.

Finally, our procedures included analysing the notes to the consolidated financial statements and the overall adequacy and completeness of the related disclosures.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the Directors use the going concern basis of accounting unless they either intend to liquidate MARR SpA or to cease operations or have no realistic alternative but to do so.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, the MARR Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- We concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to

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continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the MARR Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the MARR Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) n° 537/2014

On 28 April 2016, the shareholders of MARR SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2016 to 31 December 2024.
We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) n° 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the Board of Statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) n° 2019/815

The Directors of MARR SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) n° 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2022, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) n° 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2022 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Due to certain technical limitations, some information included in the explanatory notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010 and Article 123-bis, paragraph 4, of Legislative Decree n° 58/1998

The Directors of MARR SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the MARR Group as of 31 December 2022, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) n° 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree n° 58/1998, with the consolidated financial statements of the MARR Group as of 31 December 2022 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the consolidated financial statements of the MARR Group as of 31 December 2022 and are prepared in compliance with the law.
With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Statement in accordance with article 4 of Consob's Regulation implementing Legislative Decree n° 254 of 30 December 2016

The Directors of MARR SpA are responsible for the preparation of the non-financial statement pursuant to Legislative Decree n° 254 of 30 December 2016.
We have verified that the directors approved the non-financial statement.

Pursuant to article 3, paragraph 10, of Legislative Decree n° 254 of 30 December 2016, the non-financial statement is the subject of a separate statement of compliance issued by ourselves.

Bologna, 29 March 2023

PricewaterhouseCoopers SpA

Signed by

Giuseppe Ermocida
(Partner)

As disclosed by the Directors on page 17, the accompanying consolidated financial statements of MARR Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) n° 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

MARR S.p.A.

Financial Statements as at December 31, 2022

STATEMENT OF FINANCIAL POSITION

(€)	Notes	31.12.22	relating to related parties	%	31.12.21*	relating to related parties	%
ASSETS							
Non-current assets							
Tangible assets	1	78,622,728			74,485,667		
Right of use	2	67,680,019			66,275,640		
Goodwill	3	138,544,446			138,232,466		
Other intangible assets	4	3,272,398			2,476,320		
Investments in subsidiaries and associated companies	5	37,337,861			31,444,664		
Investments in other companies	6	173,411			170,711		
Non-current financial receivables	7	23,398			750,443		
Non-current derivative/financial instruments	8	1,014,820			0		
Deferred tax assets	9	0			160,450		
Other non-current assets	10	21,444,036			29,626,166		
Total non-current Assets		348,113,117			343,622,527		
Current assets							
Inventories	11	203,848,840			192,656,980		
Financial receivables	12	20,311,941	*20,311,941*	*100.0%*	11,696,701	*11,696,701*	*100.0%*
Current derivative/financial instruments	8	7,346			0		
Trade receivables	13	332,145,638	*26,101,897*	*7.9%*	300,960,622	*13,609,922*	*4.5%*
Tax assets	14	6,998,647	*3,923,946*	*56.1%*	6,207,972	*11,175*	*0.2%*
Cash and cash equivalents	15	182,566,222			242,376,654		
Other current assets	16	40,228,609	*430,254*	*1.1%*	28,913,362	*85,441*	*0.3%*
Total current Assets		786,107,243			782,812,291		
TOTAL ASSETS		*1,134,220,360*			*1,126,434,818*		
LIABILITIES							
Shareholders' Equity	17	326,875,202			336,245,736		
Share capital		*33,262,560*			*33,262,560*		
Reserves		*269,854,899*			*272,695,990*		
Profit for the period		*23,757,743*			*30,287,186*		
Total Shareholders' Equity		326,875,202			336,245,736		
Non-current liabilities							
Non-current financial payables	18	220,142,950			219,330,462		
Non-current lease liabilities (IFRS16)	19	61,795,133	*2,374,051*	*3.8%*	60,102,131	*2,963,981*	*4.9%*
Employee benefits	20	5,686,575			6,485,082		
Provisions for risks and charges	21	5,614,582			5,494,380		
Deferred tax liabilities	9	1,232,961			0		
Other non-current liabilities	22	3,735,893			2,524,889		
Total non-current Liabilities		298,208,094			293,936,944		
Current liabilities							
Current financial payables	23	135,608,895	*15,362,975*	*11.3%*	117,377,155	*14,290,323*	*12.2%*
Current lease liabilities (IFRS16)	24	9,588,806	*589,930*	*6.2%*	8,855,186	*572,748*	*6.5%*
Current tax liabilities	25	1,859,495	*0*	*0.0%*	13,739,419	*11,396,894*	*83.0%*
Current trade liabilities	26	350,704,108	*29,403,822*	*8.4%*	345,929,463	*35,009,997*	*10.1%*
Other current liabilities	27	11,375,760	*671,996*	*5.9%*	10,350,915	*436,704*	*4.2%*
Total current Liabilities		509,137,064			496,252,138		
TOTAL LIABILITIES		*1,134,220,360*			*1,126,434,818*		

* For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other current assets" as a reduction of the item "Current trade liabilities".

STATEMENT OF PROFIT OR LOSS

(€)	Notes	31.12.2022	relating to related parties	%	31.12.2021*	relating to related parties	%
Revenues	28	1,773,380,452	*88,950,077*	*5.0%*	1,346,316,298	*43,556,293*	*3.2%*
Other revenues	29	7,904,941	*57,412*	*0.7%*	4,215,349	*20,432*	*0.5%*
Changes in inventories	11	9,918,414			59,658,882		
Purchase of goods for resale and consumables	30	(1,436,092,124)	*(196,737,549)*	*13.7%*	(1,117,508,874)	*(126,453,340)*	*11.3%*
Personnel costs	31	(37,893,374)			(30,846,441)		
Amortizations, depreciations and provisions	32	(18,411,253)			(16,690,700)		
Losses due to impairment of financial assets	33	(15,150,000)			(13,964,783)		
Other operating costs	34	(244,188,528)	*(5,873,854)*	*2.4%*	(178,329,595)	*(5,736,157)*	*3.2%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*326,276*			*254,929*		
Financial income and charges	35	(8,084,137)	*(183,829)*	*2.3%*	(7,767,856)	*(133,426)*	*1.7%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*2,087,149*			*763,142*		
Income (charge) from associated companies	36	3,124,721			(9,137)		
Result before taxes		*34,509,112*			*45,073,143*		
Taxes	37	(9,108,221)			(13,142,809)		
Result for the period		*25,400,891*			*31,930,334*		

(€)	Notes	31.12.22	31.12.21
EPS base (euros)	38	0.38	0.48
EPS diluted (euros)	38	0.38	0.48

* For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other revenues" as a reduction of the item "Purchase of goods and consumables".

STATEMENT OF OTHER COMPREHENSIVE INCOME

(€)	*Notes*	*31.12.2022*	*31.12.2021*
Profits/(Losses) for the period (A)		*25.400.891*	*31.930.334*
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		776.846	(133.941)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		406.544	(175.789)
Total Other Profits/(Losses), net of taxes (B)	39	*1.183.389*	*(309.730)*
Comprehensive Income/(Losses) (A + B)		*26.584.280*	*31.620.604*

STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY
(Note no. 17)

(€thousand)

Description	Share Capital	Other Reserves												Profits	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Reserve IAS 19	Total reserves	carried over	
Balance at 1st January 2021	33.263	63.348	6.652	13	36.496	170.460	1.475	7.516	134	1.451	9.555	(771)	296.329	(1.643)	327.948
Distribution dividends MARR S.p.A.						(23.283)							(23.283)		(23.283)
Merger of SIFrutta S.r.l. in MARR S.p.A.											(33)		(33)		(33)
Other minor variations										(7)			(8)		(7)
- Profit for the period														31.930	31.930
- Other Profits/Losses, net of taxes									(134)			(175)	(309)		(309)
Consolidated comprehensive income 2021															31.621
Balance at 31 December 2021	33.263	63.348	6.652	13	36.496	147.177	1.475	7.516		1.444	9.522	(946)	272.696	30.287	336.246

(€thousand)

Description	Share Capital	Other Reserves													Profits carried over	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve for treasury shares	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Reserve IAS 19	Total reserves		
Balance at 1st January 2022	33,263	63,348	6,652	13	36,496	147,177	1,475	7,516			1,444	9,522	(946)	272,696	30,287	336,246
Allocation of 2021 profit						663								664	(664)	
Distribution dividends MARR S.p.A.															(31,266)	(31,266)
Effect of the trading of own shares										(4,682)				(4,682)		(4,682)
Other minor variations											(6)			(6)		(7)
- Result for the period															25,401	25,401
- Other Profits/Losses, net of taxes									777				406	1,183		1,183
Consolidated comprehensive income 2022																26,584
Balance at 31 December 2022	33,263	63,348	6,652	13	36,496	147,840	1,475	7,516	777	(4,682)	1,438	9,522	(540)	269,855	23,758	326,875

CASH FLOWS STATEMENT (INDIRECT METHOD)

MARR S.p.A.

(€thousand)	Ref.	*31.12.22*	*relating to related parties*	*%*	*31.12.21**	*relating to related parties*	*%*
Profit for the Period		25.401			31.930		
Adjustment:							
Amortization / Depreciation	32	7.786			7.183		
IFRS 16 depreciation	32	10.174			9.313		
Change in deffered tax	37	674			(896)		
Allocation of provison for bad debts	33	15.150			13.840		
Allocation of provision for investments in subsidiaries	33/36	4			134		
Allocation of provision for risks and losses		200			0		
Provision for supplementary clientele severance indemnity	32	258			200		
Capital profit/losses on disposal of assets	29/34	134			169		
Financial (income) charges net of foreign exchange gains and losses	35	7.918	*184*	*2,3%*	8.440	*133*	*1,6%*
Foreign exchange evaluated (gains)/losses	35	(131)			(193)		
Dividends Received	36	3.129			0		
Total		45.296			38.190		
Net change in Staff Severance Provision	20	(393)			(295)		
(Increase) decrease in trade receivables	13	(45.338)	*(12.492)*	*27,6%*	(33.058)	*(7.332)*	*22,2%*
(Increase) decrease in inventories	11	(9.919)			(59.659)		
Increase (decrease) in trade payables	26	3.352	*5.606*	*167,2%*	128.849	*25.007*	*19,4%*
(Increase) decrease in other assets	10/16	(2.874)	*(345)*	*12,0%*	10.816	*85*	*0,8%*
Increase (decrease) in other liabilities	22/27	1.566	*235*	*15,0%*	(462)	*(178)*	*38,5%*
Net change in tax assets / liabilities	9/14/25	11.917	*5.134*	*43,1%*	15.420	*11.397*	*73,9%*
Interest paid	35	(8.949)	*(356)*	*4,0%*	(9.378)	*(177)*	*1,9%*
Interest received	35	1.031	*172*	*16,7%*	938	*43*	*4,6%*
Foreign exchange evaluated gains	35	131			193		
Foreign exchange evaluated losses		0			0		
Income tax paid	14/25	(24.140)	*(20.444)*	*84,7%*	(1.545)	*0*	*0,0%*
Cash-flow from operating activities		(2.919)			121.939		
(Investments) in other intangible assets	4	(995)			(495)		
(Investments) in tangible assets	1	(11.500)			(10.613)		
Net disposal of tangible assets	1	122			2.300		
Net (investments) in equity investments (subsidiaries and associated)	5	(4)			(10)		
Net (investments) in equity investments in other companies	5	(3)			0		
Outgoing for acquisition of subsidiaries or going concerns during the year (net of cash acquired)	5	(3.686)			(5.086)		
Dividends Received	36	(3.129)	*(3.129)*	*100,0%*	0	*0*	*0,0%*
Cash-flow from investment activities		(19.195)			(13.904)		
Distribution of dividends	23	(31.118)			(22.086)		
Other changes, including those of third parties	17	(4.682)			(316)		
Net change in liabilities (IFRS 16)	19/24	(9.151)	*(573)*	*6,3%*	(8.210)	*(556)*	*6,8%*
Net change in financial payables (excluding the new non-current loans received)	18/23	(31.395)	*2.670*	*(8,5%)*	(20.721)	*2.447*	*(11,8%)*
New non-current loans received	18/23	102.000			230.000		
Repayment of other long - term debt	18/23	(53.858)			(288.214)		
Net change in current financial receivables	12	(10.220)	*(10.212)*	*99,9%*	(5.277)	*(5.903)*	*111,9%*
Net change in non-current financial receivables	7	(727)			2.138		
Cash-flow from financing activities		(37.697)			(112.685)		
Increase (decrease) in cash-flow		(59.811)			(4.650)		
Opening cash and equivalents	15	242.377			247.027		
Closing cash and equivalents		182.566			242.377		

For the reconciliation between the opening figures and the closing balances with the related changes in financial liabilities deriving from financing activities (as required by paragraph 44A of IAS 7), please refer to Attachment 9 of the following Explanatory Notes.

** For comparative purposes, the amounts as at 31 December 2021 have been restated to reflect the reclassification of the amount of promotional and marketing contributions from the item "Other current assets" as a reduction of the item "Current trade liabilities".*

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

Corporate information

The company (hereinafter "MARR S.p.A."), with the legal form of a joint-stock company, has its registered office in Via Spagna no. 20 – 47921 Rimini, Italy and operates mainly in Italy in the marketing and distribution of fresh, dried and frozen food products intended for catering operators.

The company is controlled by the company Cremonini S.p.A. (with the legal status of a joint-stock company) whose essential data are set out in Attachment 5 below.

The financial statements as at December 31, 2022 were authorized for publication by the Board of Directors on March 14, 2023.

Structure and contents of the financial statements

The financial statements of MARR S.p.A. as at 31 December 2022 was prepared in accordance with the evaluation and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure pursuant to art. 6 of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 as transposed by Legislative Decree 28 February 2005, no. 38 and subsequent amendments, communications and CONSOB resolutions.

The financial statements have been prepared on the basis of the historical cost principle, except for derivative financial instruments which are recorded at fair value and the right of use recorded in accordance with the provisions of IFRS16 and the related financial payables.

The section "Valuation criteria" indicates the reference international accounting standards adopted in preparing the financial statements of MARR S.p.A. as at 31 December 2022.
In particular, the same accounting standards adopted for drafting the financial statements as at 31 December 2021 were applied in preparing these financial statements, with the exception of the adoption of the new standards, amendments and interpretations in force as of 1 January 2022.

For the purposes of applying IFRS 8, it should be noted that the company operates in the sole sector of "Distribution of food products to the foodservice".
This sector is subject to seasonal dynamics mainly linked to the flows of the tourist season, which are more concentrated in the summer months during which the increase in activity and therefore in net working capital historically generates a cash absorption with a consequent increase in financial requirements.
For what concerns the performance in 2022, please refer to what is set out in the Directors' Report on management performance.

The accounting schedules of the financial statements of MARR S.p.A. as at 31 December 2022 present, for comparative purposes, the balances for the year ended 31 December 2021.

The following classifications were used:
- "Statement of financial position" by current/non-current items
- "Statement of profit or loss" by nature
- "Cash flows statement" (indirect method)

These classifications are deemed to provide information which is better suited to represent the economic and financial situation of the company.

The operating and accounting currency is the Euros.

As regards the statements contained in these financial statements, the statement of the statement of financial position, the statement of profit/loss for the year and the statement of other components of the comprehensive income statement are shown in units of Euros, while the statement of of Cash and the Statement of Changes in Shareholders' Equity are shown in thousands of Euros.
The tables are shown in thousands of Euros.

It should be noted that as at 31 December 2022, the company proceeded to reclassify the amount of contributions received from suppliers for promotional and marketing activities carried out with its suppliers (marketing contributions, fixed promotional contributions and variables, centralization of flows), in compliance with the provisions of international accounting

standards. In particular, the amount that until 31 December 2021 was classified at an economic level under the item "Other revenues" and at a balance sheet level under the item "Other current assets" was classified at an economic level as a reduction of the item "purchase for raw materials, ancillaries, consumables and goods" and at balance sheet level to reduce the item "Current trade liabilities". In order to allow comparability, the data as at 31 December 2021 has been restated in accordance with the new classification.
The restatement of the data relating to the 2021 financial year resulted in the economic reclassification of the amount of 30,653 thousand Euros from the item "Other revenues" as a reduction of the item "purchase for raw materials, ancillaries, consumables and goods" and to balance sheet level the reclassification of the amount of 20,915 thousand Euros from the item "Other current assets" to reduce the item "Current trade liabilities".
As regards the data relating to the 2022 financial year, the amount of the contributions from suppliers amounts to an economic level of 42,632 thousand Euros and in line with the new presentation is classified as a reduction of the item "purchase for raw materials, ancillaries, consumables and goods", while at the balance sheet level it amounts to 28,918 thousand Euros and is shown as a reduction of the item "Current trade liabilities".

Business continuity

In consideration of the aforementioned market performance, the solidity of its financial structure and the forecasts reflected in the 2023 Budget, the company considers the use of the going concern assumption to be appropriate and correct.

These financial statements have been prepared using the valuation principles and criteria illustrated below.

Accounting policies

The accounting standards and evaluation criteria adopted for drafting the financial statements of MARR S.p.A. as at 31 December 2022 are consistent with those used in preparing the consolidated financial statements, to which reference is made, with the exception of the principles set out below:

Holdings in subsidiary and associate companies

Equity investments in subsidiaries and affiliated companies are recorded at cost adjusted for impairment losses. The positive difference, emerging at the time of purchase, between the acquisition cost and the portion of shareholders' equity at current values of the investee pertaining to the company is, therefore, included in the carrying amount of the investment.
Impairment - An investment is impaired when its carrying amount exceeds its recoverable amount. The book values of the investments are subject to valuation whenever there are clear internal or external indicators of the company which indicate the possibility of a reduction in the value of the investment or of a group of them, as envisaged by the IAS.
Impairment of Assets.
In particular, among the indicators analyzed to assess whether an equity investment has suffered a loss in value, it must be considered whether the parent company has recognized a dividend obtained from the equity investment and there is evidence that:
• the carrying amount of the investment in the separate financial statements exceeds the carrying amounts in the consolidated financial statements of the subsidiary net assets, including the related goodwill;
or
• the dividend exceeds the total total profits of the subsidiary in the year to which the dividend refers.
The recoverable amount is the higher of the fair value less costs to sell and the value in use.
Fair value is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market operators at the transaction date.
Value in use is the present value of future cash flows expected to originate from an asset.
In determining the value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects the current market assessments of the cost of money and the specific risks of the asset.
If the recoverable amount of an asset is estimated to be lower than the related book value, the latter is reduced to the recoverable value by recognizing a loss in value in the income statement.
When a write-down no longer has reason to be maintained, the book value of the asset is increased to the new value deriving from the estimate of its recoverable value, but not beyond the original cost, recovering the write-back in the Income Statement.

Dividends

Revenues from dividends are recorded when the right of the shareholders to receive the payment arises, following the resolution of the shareholders' meeting of the investee company.
Dividends payable by the company are represented as a movement in equity in the year in which they are approved by the Shareholders' Meeting and are represented as a liability when the destination of this dividend is approved.

For the new accounting standards, amendments and interpretations applicable from 1 January 2022, as well as those applicable subsequently, please refer to the notes to the consolidated financial statements.

Main estimates adopted by management and discretional assessments

The drafting of the financial statements of the company requires the directors to make discretionary evaluations, estimates and assumptions that influence the values of revenues, costs, assets and liabilities, as well as the indication of potential liabilities at the balance sheet date. However, the uncertainty surrounding these assumptions and estimates could lead to outcomes that will require, in the future, a significant adjustment to the book value of these assets and/or liabilities.

Estimates and hypotheses used
The key assumptions regarding the future and other important sources of uncertainty in the estimates at the balance sheet date that could produce significant adjustments in the book values of assets and liabilities in the coming years are presented below. The results that will be achieved may differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of each change are immediately reflected in the income statement.

- Estimates adopted for the purpose of assessing the impairment of non-financial assets

For the purpose of verifying any loss in value of the goodwill recorded in the financial statements, the company has adopted the methodology already described in the paragraph "Impairment of non-financial assets".

The impairment test is performed by comparing the book value with the recoverable value of each group of CGUs. The recoverable value of a group of CGUs is determined with reference to the higher of the fair value less costs to sell and the value in use. In determining the value in use, future cash flows are discounted using a discount rate that reflects the current market valuation of the time value of money and the specific risks of the group of CGUs. Estimates and assumptions reflect the company state of knowledge regarding business developments and take into account prudent forecasts on future developments in the market in which the company and the Group operate.

- *Expected credit losses* (debt devaluation): the company pays great attention to the management of trade receivables by implementing methods calibrated to the situations and needs of each territory and market segment; the objective remains that of safeguarding the company assets by maintaining proximity to the customer which allows timely credit management and the strengthening of the relationship with the customer. In light of this, Management has made a prudential estimate of the Expected credit losses, which can be confirmed in the coming months on the basis of the collection activities undertaken to date.

- Economic and financial plans: the Company has revised the economic and financial and performance forecasts formalized in the 2023 Budget. Likewise, it has made forecasts reflected in the cash flows underlying the impairment test for the next three years. These forecasts could be further influenced in the coming months by developments linked to the evolution of the Foodservice market, expected to be positive with expectations of "consumption away from home" also supported by important tourist flows from abroad, despite the presence of an internal economic situation which could affect the final consumer spending capacity, inflationary dynamics and the trend in electricity tariffs.

- Estimates adopted in the actuarial calculation for the purpose of determining the defined benefit plans in the context of post-employment benefits:
  – the expected inflation rate is equal to 2.30%;
  – the discount rate used is equal to 3.63%;
  – the annual rate of increase of the TFR is expected to be equal to 3.2%;
  – an employee turnover equal to 6.5%

Based on these parameters, the valuation carried out at 31 December 2022 for the purposes of IAS 19 determines the following result:

Company (€)	Defines Benefit Obligation at 31.12.2022
MARR S.p.A.	5,626,683

The sensitivity analysis for each relevant actuarial assumption as at 31 December 2022 is shown below, showing the effects that would have arisen as a result of changes in the reasonably possible actuarial assumptions at that date.

Sensitivity analysis of the main evaluation parameters

Company (€)	Turnover +1%	Turnover -1%	Inflation rate +0.25%	Inflation rate -0.25%	Discounting rate +0.25%	Discounting rate -0.25%
MARR S.p.A.	5,639,882	5,612,552	5,672,019	5,581,865	5,556,571	5,698,452

- Estimates adopted in the actuarial calculation for the purpose of determining the additional customer indemnity provision:
  – the expected voluntary turnover rate is equal to 13% for MARR S.p.A.;
  – the expected corporate turnover rate is equal to 2% for MARR S.p.A.;
  – the discount rate used is 3.57%[VI].

- Estimates adopted in the determination of deferred taxes: a discretionary assessment is required of the directors to determine the amount of deferred tax assets that can be accounted for, since they must estimate the probable timing and the amount of future taxable profits.

Other elements of the financial statements which have been the subject of estimates and assumptions by Management are the inventory write-down fund, the determination of depreciation.
These estimates, while supported by well-defined corporate procedures, in any case require assumptions to be made regarding mainly the future realizability of the value of inventories, the probability of collection of receivables and the solvency of creditors as well as the residual useful life of the assets which can be influenced both from market trends and from the information available to Management.

As regards climate change, reference is made to the Directors' Report. This aspect is constantly monitored in order to assess the possible impact on the estimates of the economic and financial forecasts. It should be noted that at the date of this report, there are no significant risks linked to climate change which could lead to an adjustment of the carrying values of assets and liabilities or uncertainties which influence the assumptions used to prepare the economic and financial estimates.

[VI] Average yield curve resulting from the index IBOXX Eurozone Corporates AA (5-7 years).

Capital management policy

With regard to capital management, it is a priority for the company to maintain an appropriate level of equity in relation to debt ("Net debt/Equity" or "gearing" ratio), so as to guarantee capital solidity that is adequate for the management of financial flows.

Taking into account that, due to the characteristics of the business managed by the company, the financial requirement is identified with the exposure in terms of trade net working capital, the main indicator for cash flow management is synthetically represented by the trend in the ratio trade net working capital and revenues ("Trade NWC on Total revenues"). Furthermore, always in relation to the seasonal factor that characterizes the business, the company monitors the performance of the individual components of the trade net working capital (trade receivables and payables and inventories) both in absolute value and in terms of days of outstanding.
Capital management is then also measured with recourse to the main indicators of financial practice, such as: ROS, ROCE, ROE, Net Debt/Equity and Net Debt/EBITDA.

Financial risks Management

The financial risks to which the company is exposed in carrying out its business are as follows:
- market risk (including exchange rate risk, interest rate risk, price risk);
- credit risk;
- liquidity risk.

The company uses derivative financial instruments for the sole purpose of hedging, on the one hand, certain non-functional currency exposures and, on the other hand, part of the floating rate financial exposure.

Market risk

(i) Exchange risk: exchange risk arises when recognized assets and liabilities are expressed in a currency other than the functional currency of the company (the Euros). The company operates internationally and is therefore exposed to exchange rate risk especially with regard to commercial transactions denominated in US dollars. The company method of managing this risk consists, on the one hand, of entering into forward contracts for the purchase/sale of foreign currency specifically intended to hedge individual commercial transactions, if the forward exchange rate is favorable compared to that of the transaction date.

As at 31 December 2022, a 5% appreciation of the Euros against the US dollar and other currencies, all other variables being equal, would have resulted in a lower pre-tax profit of 263 thousand Euros (-227 thousand Euros in 2021), attributable to exchange gains (losses) on payables, trade receivables and cash and cash equivalents denominated in foreign currencies, primarily US dollars (due to the change in the fair value of current assets and current liabilities).
The other equity items would have recorded a decrease of approximately 37 thousand Euros attributable to the change in the cash flow hedge reserve (due to the change in the fair value of existing hedging contracts). As at 31 December 2021 there were no hedging contracts and related cash flow hedge reserve.
On the other hand, on the same date, a 5% weakening of the Euros against the US dollar and other currencies, all other variables being equal, would have resulted in a higher profit before taxes of 100 thousand Euros (+203 thousands of Euros in 2021).
The other equity items would have recorded an increase of 14 thousand Euros, attributable to the change in the cash flow hedge reserve due to the change in the fair value of the existing hedging contracts. As at 31 December 2021 there were no hedging contracts and related cash flow hedge reserve.

(ii) Interest rate risk: the risks relating to changes in interest rates refer to loans. Long-term loans from banks are mostly at variable rates and expose the company to the risk of changes in cash flows due to interest. Against this risk, the Parent company has historically entered into Interest Rate Swap contracts specifically related to the partial or total hedging of certain loans. Fixed-rate loans expose the company to the risk of changes in the fair value of the loans themselves.

In 2022, a hypothetical increase or decrease of 10% in the interest rate, all other variables being equal, would have respectively produced a higher or lower pre-tax charge (and therefore a corresponding change in shareholders' equity) of around 182 thousand of Euros on an annual basis (141 thousand Euros as at 31 December 2021).

As regards the use of other short-term credit lines, management attention is aimed at safeguarding and consolidating relations with credit institutions in order to stabilize the spread applied to the Euribor as much as possible.

(iii) Price risk: the company carries out purchases and sales worldwide and is therefore exposed to the normal risk of fluctuations in prices typical of the sector.

Credit risk

The company has adopted a Credit Procedure and Credit Management Guidelines which define the rules and operating mechanisms which guarantee monitoring of the customer solvency and the profitability of the relationship with the same.

The company deals only with known and reliable clients. It is company policy that clients requesting deferred payment terms are subject to verification procedures of their class of merit. Furthermore, the balance of receivables is monitored during the year so that the amount of non-performing positions is not significant.

The customer monitoring activity is mainly divided into two phases. A preliminary one, in which personal and fiscal data is collected and the information is verified - obtained both from the Sales Force and by reading the commercial information - with the aim of assigning conditions consistent with the potential and reliability of each individual new client. The activation of the new customer is subject to the completeness and regularity of the data mentioned above and to the approval of several corporate entities according to the criteria indicated in the current policy. Each new customer is assigned a credit line on the basis of their potential and reliability, taking into account various information including the type of activity carried out, the number of years of activity, reputation with other suppliers, seasonality, expected turnover and agreed terms of payment.
Once the above phase has been successfully completed, the so-called commercial relationship monitoring phase is entered. In order to ensure risk containment and reduction of payment days, all orders received from clients are analyzed in terms of exceeding the assigned credit line and/or the presence of overdue exposure; this control involves the inclusion of blocks on master data with different levels of severity as specified in the current policy.

The daily activity of order fulfillment control on clients with past due and/or out of credit situations is of fundamental importance in order to promptly and preventively implement all the measures necessary to bring the customer back within the company parameters, reduce the risk and regularly follow up on the continuity of the commercial relationship.

At the balance sheet date, the maximum exposure to credit risk is equal to the value of each category of receivables indicated below:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Current trade receivables	332,146	300,961
Other non-current receivables	21,444	29,626
Other current receivables	40,229	28,913
Total	393,819	359,500

For comments on categories, see note 10 for "Other non-current assets", note 13 for "Trade receivables" and note 16 "Other current assets". The value of Trade receivables, Other non-current assets and Other current assets can be classified as "Level 3" financial assets, i.e. those in which the inputs are not based on observable market data.
The fair value of the above categories is not disclosed as the book value represents a reasonable approximation.

At 31 December 2022, overdue trade receivables, net of the bad debt provision, amounted to 67,762 thousand Euros (down compared to 69,259 thousand Euros in 2021). The breakdown by maturity is as follows:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Overdue:		
Less than 30 days	29,407	28,511
betweeen 31 and 60 days	11,822	10,454
betweeen 61 and 90 days	7,354	7,161
Over 90 days	61,844	64,904
	110,427	111,030
- Provision for write-down of receivables from customers	(42,665)	(41,771)
Total overdue trade receivables	67,762	69,259

Liquidity risk

The company manages liquidity risk with a view to maintaining an adequate level of liquidity for operational management. The company manages the liquidity risk mainly through the constant monitoring of the centralized treasury of the collection and payment flows of all the companies. This allows in particular to monitor the flows of resources generated and absorbed by the normal operating activity.
Given the dynamic nature of the sector, in order to cope with ordinary management and the seasonality of the business, obtaining liquidity through the use of adequate credit lines is privileged.

As far as the management of the resources absorbed by investment activities is concerned, the retrieval of sources through specific long-term loans is generally preferred.

The table below analyzes the financial liabilities and the derivative financial liabilities on the basis of the contractual maturity at the balance sheet date. It should be noted that the amounts indicated do not reflect the book values as they consider the expected future cash flows. Given the high volatility of reference rates, the cash flows of floating-rate loans were estimated in line with what was done in previous years using a six-year rate determined by the IRS increased by the average spread applied to our medium-term loans. long term.

(€thousand)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 december 2022				
Borrowings	147,041	56,921	104,569	97,519
Financial payables for leases (IFRS 16)	11,529	11,208	28,621	29,982
Derivative financial instruments	0	0	0	0
Trade and other payables	350,704	0	0	0
	509,274	68,129	133,190	127,501
At 31 december 2021				
Borrowings	117,224	95,062	27,771	102,049
Payables for the purchase of quotas or shares	10,739	10,023	25,693	33,028
Derivative financial instruments	0	0	0	0
Trade and other payables	366,844	0	0	0
	494,807	105,085	53,464	135,077

Classes of financial instruments

The following items are accounted for in accordance with financial instrument accounting standards:

(€thousands)	31 December 2022			
Assets as per balance sheet	**Amortized Cost**	**Fair value through other comprehensive income (FVOCI)**	**Fair value through profit or loss (FVTPL)**	**Total**
Non-current derivative/financial instruments	0	1,015	0	1,015
Non-current financial receivables	23	0	0	23
Other non-current assets	21,444	0	0	21,444
Current financial receivables	20,312	0	0	20,312
Current derivative/financial instruments	0	7	0	7
Current trade receivables	332,146	0	0	332,146
Cash and cash equivalents	182,566	0	0	182,566
Other current receivables	40,229	0	0	40,229
Total	596,720	1,022	0	597,742
Liabilities as per balance sheet	**Amortized Cost**	**Fair value through other comprehensive income (FVOCI)**	**Fair value through profit or loss (FVTPL)**	**Total**
Non-current financial payables	220,143	0	0	220,143
Non-current lease liabilities (IFRS16)	61,795	0	0	61,795
Non-current derivative/financial instruments	0	0	0	0
Current financial payables	135,609	0	0	135,609
Current lease liabilities (IFRS16)	9,589	0	0	9,589
Current derivative financial instruments	0	0	0	0
Total	427,136	0	0	427,136

(€thousands)	31 December 2021			
Assets as per balance sheet	**Amortized Cost**	**Fair value through other comprehensive income (FVOCI)**	**Fair value through profit or loss (FVTPL)**	**Total**
Non-current derivative/financial instruments	0	0	0	0
Non-current financial receivables	750	0	0	750
Other non-current assets	29,626	0	0	29,626
Current financial receivables	11,697	0	0	11,697
Current derivative/financial instruments	0	0	0	0
Current trade receivables	300,961	0	0	300,961
Cash and cash equivalents	242,377	0	0	242,377
Other current receivables	28,913	0	0	28,913
Total	614,324	0	0	614,324
Liabilities as per balance sheet	**Amortized Cost**	**Fair value through other comprehensive income (FVOCI)**	**Fair value through profit or loss (FVTPL)**	**Total**
Non-current financial payables	219,330	0	0	219,330
Non-current lease liabilities (IFRS16)	60,102	0	0	60,102
Non-current derivative/financial instruments	0	0	0	0
Current financial payables	117,377	0	0	117,377
Current lease liabilities (IFRS16)	8,855	0	0	8,855
Current derivative financial instruments	0	0	0	0
Total	405,664	0	0	405,664

In accordance with the requirements of IFRS 13, we indicate that derivative financial instruments, consisting of exchange rate and interest rate hedging contracts, can be classified as "Level 2" financial assets, since the inputs that have a significant effect on the fair value recorded are directly observable market data (exchange and interest rate market) XVI. Similarly, as regards non-current financial payables, whose exposure to fair value is indicated in paragraph 18 of these explanatory notes, they can also be classified as "Level 2" financial assets, since the inputs that influence the fair value are directly observable market data.
As regards Other non-current and current assets, please refer to the indications in paragraphs 10 and 16 of these explanatory notes.

The company identifies as "Level 1" financial assets/liabilities those in which the inputs that have a significant effect on the recorded fair value are represented by prices quoted in an active market for similar assets or liabilities and which "Level 1" financial assets/liabilities 3" those in which the inputs are not based on observable market data.

Comments on the main items of the consolidated statement of financial position MARR S.p.A.

ASSETS

Non-current assets

1. Tangible assets

Movements in this item in 2022 and in the previous year are as follows:

(€thousand)	Balance at 31.12.21	Purchases / other movements	Net decreases for disinvestments	Depreciation	Variation for merger	Balance at 31.12.20
Land and buildings	56,142	16,164	0	(2,785)	0	42,763
Improvements on leased facilities	2,281	518	0	(367)	0	2,130
Plant and machinery	7,692	3,460	0	(2,090)	42	6,280
Industrial and business equipment	1,291	369	0	(228)	0	1,150
Other assets	4,270	2,885	(69)	(1,278)	57	2,675
Fixed assets under development and advances	2,810	(12,782)	0	0	0	15,592
Total tangible assets	74,486	10,614	(69)	(6,748)	99	70,590
Land and buildings	0	0	(2,400)	0	0	2,400
Total assets held for sale	0	0	(2,400)	0	0	2,400
Total	**74,486**	**10,614**	**(2,469)**	**(6,748)**	**99**	**72,990**

(€thousand)	Balance at 31.12.22	Purchases / other movements	Net decreases for disinvestments	Depreciation	Variation for merger	Balance at 31.12.21
Land and buildings	53,150	(240)	(12)	(2,740)	0	56,142
Improvements on leased facilities	2,556	732	(51)	(406)	0	2,281
Plant and machinery	8,902	3,574	(110)	(2,285)	31	7,692
Industrial and business equipment	2,157	1,211	(3)	(402)	60	1,291
Other assets	4,181	1,357	(80)	(1,373)	7	4,270
Fixed assets under development and advances	7,677	4,867	0	0	0	2,810
Total	**78,623**	**11,501**	**(256)**	**(7,206)**	**98**	**74,486**

The movement shown in the column "admission due to merger" shows the net book value of the tangible fixed assets merged into MARR due to the merger by incorporation of the wholly owned company Chef S.r.l. Unipersonale.

The increases relating to the items "Plant and machinery", "Industrial and commercial equipment", "Other assets", mainly refer for 1,387 thousand Euros to investments for the completion of the Piacenza distribution platform, for 1,579 thousand Euros to the fish department of MARR Adriatico and for the remainder mainly to the revimping of the branches of MARR Dolomiti (414 thousand Euros), MARR Torino (93 thousand Euros), MARR Arco (228 thousand Euros), MARR Battistini (258 thousand of Euros).

The increase in the item "Assets under construction and advances" is determined for 5,815 thousand Euros by the progress of the works for the construction of the new Bottanuco distribution platform, and for 1,010 thousand Euros by the progress of the works to complete the third floor of the Santarcangelo di Romagna headquarters. The remainder pertains to investments not yet operational as at 31 December 2022.

For details relating to changes in tangible fixed assets and assets held for sale, please refer to the information provided in Attachment 3.

Please refer to Annex 10 for details of the Land and Buildings owned by the company as at 31 December 2022.

2. Right of use

This item represents the discounted value of future lease installments relating to multi-year operating lease contracts outstanding as at 31 December 2022, as required by IFRS 16 in force from 1 January 2019.

Movements in this item in 2022 and in the previous year are as follows:

(€thousand)	Balance at 31.12.21	Purchases	Net decreases for divestments	Depreciation	Variation for merger	Balance at 31.12.20
Land and buildings - Rights of use	65,755	24,906	(10)	(8,607)	65	49,401
Other assets - Rights of use	521	43	(7)	(706)	0	1,191
Total Rights of use	66,276	24,949	(17)	(9,313)	65	50,592

(€thousand)	Balance at 31.12.22	Purchases	Net decreases for divestments	Depreciation	Variation for merger	Balance at 31.12.21
Land and buildings - Rights of use	67,343	12,178	(792)	(9,847)	49	65,755
Other assets - Rights of use	337	140	(19)	(327)	22	521
Total Rights of use	67,680	12,318	(811)	(10,174)	71	66,276

The above value is represented by no. 40 lease contracts: no. 30 relating to the industrial buildings in which some branches of the company are located and no. 10 contracts relating to other assets, mainly motor vehicles and internal means of transport.

The increase in the right of use on the MARR buildings is related to the extension of some lease contracts in which some branches operate.

For details relating to the movement of the right of use, please refer to the information set out in Annex 4.

For a better understanding of the impacts, we also report below the changes in the related financial liability overall generated by the application of IFRS16 (please refer to paragraphs 19 and 25 for further details on the matter).

Lease liabilities for right of use *(€thousand)*	Balance at 31.12.22	Payments	Other movements	Variation for merger	Balance at 31.12.21
Land and buildings	71,051	(8,731)	11,364	49	68,369
Other assets	333	(398)	121	22	588
Total	71,384	(9,129)	11,485	71	68,957

3. Goodwill

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Goodwill	138,544	138,232
Total Goodwill	138,544	138,232

The increase in the item compared to 31 December 2021 is the result of the merger by incorporation of Chef S.r.l. Unipersonale, which led to the recognition of a deficit of 312 thousand Euros attributed to goodwill.

Impairment test

At the end of each financial year, the company carries out a check on the recoverability of intangible assets with an indefinite life.

The recoverable value of the CGU, to which the individual assets have been attributed, is verified by determining the value in use.

It should also be recalled, as already highlighted in the notes to the financial statements of previous years, that management deems it correct to consider the individual subsidiaries as the smallest aggregate that generates independent cash flows ('*Cash Generating Unit*').

In line with what was done last year, as at 31 December 2022, the Management evaluates the return on the investment and therefore the recoverability of the goodwill at the level of aggregation consisting of MARR S.p.A and the subsidiary AS.CA

S.p.A., based on the fact that from 1 February 2020 the subsidiary AS.CA S.p.A. has leased its company to the parent company MARR and therefore the activities have been integrated into those of the MARR Bologna and MARR Romagna branches.

The estimate of the value in use of the group of CGUs for the purposes of the impairment test was based on the discounting of the cash flows of the group of CGUs, determined on the basis of the hypotheses indicated below.

For the 2023 financial year, the 2023 budget of the individual companies was used as the basis for the calculation. The projections of the 2023 Budget approved by the Board of Directors on 24 February 2023, were made assuming an expected positive foodservice market scenario with expectations of "out-of-home" consumption also supported by important tourist flows from abroad, albeit in the presence of an internal economic situation that could affect the final consumer spending power. As regards the inflationary dynamics, a forecast of an increase in the prices of the products marketed by MARR of around an overall 5% per year was considered, while as regards energy costs, a reduction in the cost of energy tariffs electricity compared to the year 2022.

For the years 2024 and 2025, from a prudential point of view, the assumption of a minimum growth in turnover of 1.5% was assumed for all the operating companies. Revenue growth forecast formulated from a prudential point of view for the sole purpose of calculating the impairment. As far as margins are concerned, prudential growth levels have been envisaged, for the sole purpose of the specific calculation of the Impairment, which take into account the positive expectations of market performance and a reduction in the incidence of operating costs due both to a forecast reduction of energy tariffs and an efficiency of transport and handling costs.

Expected future cash flows, represented by the expected result of ordinary operations, to which depreciation and expected investments are added, include a normalized value ("terminal value") used to estimate future results over the period of time explicitly considered relative to the period 2023-2025. The terminal value was determined using a long-term growth rate ("g rate") of 1.5%. The investments were made with reference to the indications of Management which, in planning the investments up to 2025, envisaged a total disbursement for the years from 2023 to 2025 of 193 million Euros, without considering the disbursements for the emergence of new business combinations. Investments deriving from the renewal of any expiring lease agreements were also considered.

Expected future cash flows were discounted at a weighted average cost of capital ("WACC") rate of 8.43% (6.43% in the previous year) which reflects the current market assessment of the time value of money for the period considered and the specific risks of the country that makes up the individual CGU, in methodological consistency with what was done last year. The main assumptions underlying the calculation of the WACC are reported below:

- the risk-free rate adopted refers to the average yield of the last quarter of 10-year government bonds relating to the country in which the CGU operates;
- the beta coefficient was considered taking as reference the one proposed by Aswath Damodaran, officially recognized by the "best practice" for the analysis of data and financial ratios;
- the tax rate used corresponds to the "regular" tax rate of the country that makes up the individual CGU;
- was finally considered a risk premium.

In addition, it should be noted that IFRS 16 had an impact both on the book value of net invested capital which includes the net book value of the rights of use at the balance sheet date and on the estimate of the 2023-2025 flows and in the terminal value, mainly due the higher operating cash inflows resulting from the positive effect on the Ebitda value and higher cash outflows for investments which also include the flows deriving from the renewal of lease contracts.

Although the assumptions on the macroeconomic context, the developments in the sector in which the company operates, and the estimates of future cash flows are deemed adequate and prudent, a sensitivity analysis was carried out both on the WACC and on the expected economic results, which assesses the changes to the basic assumptions for each CGU, in order to determine any recoverable value.

In consideration of the above and on the basis of the impairment test carried out according to the principles and assumptions analytically set out above and in the section "Main estimates adopted by management and discretionary assessments", the total value of goodwill of 138,544 thousand Euros is fully recoverable.
It should also be noted that management believes that, given the prudence used in defining the key hypotheses used, a change in them cannot reasonably occur such as to be able to produce a recoverable value of the units lower than their book value.

Cash Generating Unit	Carrying amount 31.12.22	Net Present Value Free Cash Flow	Change: Net Present Value Free Cash Flow[1] - Carrying Value (absolute value and % incidence on Carrying Value)
		WACC 8.43%	
MARR S.p.A.	527,573	781,304	253,731

[1] The Net Present Value Free Cash Flow is right of use calculated actualizing the expeted cash flows deriving from the Cash Generating Unit.

Business combinations closed during the year

On 1 April 2022 MARR S.p.A. finalized the purchase of all the shares of the newly established company Frigor Carni S.r.l., to which the activities of Frigor Carni S.a.s., a company based in Montepaone Lido (Catanzaro) and operating in the marketing and distribution of food products to the Foodservice, with a significant specialization in the offer of fish products, aimed mainly at independent catering clients.
The price paid by MARR for this acquisition amounts to 4,098 thousand Euros, to which is added an incremental price ("earn-out") of 2.2 million Euros, which is expected to be paid later.

Business combinations closed after the end of the year

No business combinations have been finalized after the end of the year.

4. Other intangible assets

Movements in this item in 2022 and in the previous year are as follows:

(€thousand)	Balance at 31.12.21	Purchases/ other movements	Net decreases	Depreciation	Variation for merger	Balance at 31.12.20
Patents	1,431	707	0	(435)	1	1,158
Concessions, licenses, trademarks and similar rights	10	(1)	0	(1)	0	12
Intangible assets under development and advances	1,035	(211)	0	0	0	1,246
Other intangible assets	0	0	0	0	0	0
Total Other intangible assets	2,476	495	0	(436)	1	2,416

(€thousand)	Balance at 31.12.22	Purchases/ other movements	Net decreases	Depreciation	Variation for merger	Balance at 31.12.21
Patents	1,565	685	0	(556)	5	1,431
Concessions, licenses, trademarks and similar rights	410	0	0	(23)	423	10
Intangible assets under development and advances	1,297	262	0	0	0	1,035
Other intangible assets	0	0	0	0	0	0
Total Other intangible assets	3,272	947	0	(579)	428	2,476

The increases are mainly linked to new licenses, software and applications, partly which came into operation during the year, partly still in the implementation phase as at 31 December 2022 and therefore shown under the item "Intangible assets under construction and advances".

5. Equity investments evaluated using the Net Equity Method

(€thousand)		Balance at 31.12.22	Balance at 31.12.21
- Investment in subsidiaries			
Marr Foodservice Ibérica S.A.U.		403	401
As.ca S.p.A.		13,691	13,691
New Catering S.r.l.		7,439	7,439
Antonio Verrini S.r.l.		7,730	7,730
Chef S.r.l. Unipersonale		0	356
Frigor Carni S.r.l.		6,247	0
	Total	35,510	29,617
- Investment in associated companies			
Jolanda De Colò		1,828	1,828
	Total	1,828	1,828
Total Investments in subsidiaries and associated companies		37,338	31,445

With reference to the changes that occurred during the year in this item, it should be noted that:
- on 1 April 2022 the purchase of all the shares in Frigor Carni S.r.l. was finalised;
- on 30 December 2022 the merger by incorporation into the company MARR S.p.A. was completed. of the wholly owned company Chef S.r.l. Unipersonale, with legal effects starting from 30 December 2022 and accounting and tax effects backdated to 1 January 2022.

A special list has been prepared (Annex 6) indicating for each subsidiary and associated company, the information required by point 5 of art. 2427 of the Italian Civil Code. This statement also indicates the differences resulting between the values recorded in the financial statements and the corresponding fraction of shareholders' equity resulting from the latest financial statements or draft financial statements of the investee company. It should be noted that the positive differences are to be attributed to the future income prospects of the investees, as indicated below:

- 3,525 thousand Euros attributable to the subsidiary AS.CA S.p.A. as MARR with the purchase of this company has further strengthened its presence in the Bologna area; it is recalled that with effect from 1 February 2020 MARR S.p.A. leased the entire company branch of the parent company and integrated its activities with those of the MARR Bologna and MARR Romagna branches;

- 1,905 thousand Euros attributable to the subsidiary Antonio Verrini S.r.l.. The company operates in Liguria and Versilia through the 5 distribution centers it has and has the dual objective of further developing the contiguous territories and assisting the MARR Branches in increasing the level of service, on the product categories that characterize it, in favor of the clientele. This company, in addition to its expertise in terms of procurement, is also able to enhance purchases through its presence in the retail and wholesale channels, which are fundamental for product segmentation. Furthermore, its specialization in the Catering channel, which represents over half of Verrini's sales, can create important synergies in the offer within the MARR Group, aimed in particular at Street Market clients in the territories of Piedmont, Liguria and Tuscany;
- 1,739 thousand Euros attributable to the subsidiary Frigor Carni S.r.l. as MARR with the purchase of this company consolidates its operations in the sector within the Calabria region. The company based in Montepaone Lido (Catanzaro) operates in the marketing and distribution of food products to the Foodservice, with a significant specialization in the offer of fish products, aimed mainly at independent catering clients;
- 1,296 thousand Euros attributable to the associated company Jolanda de Colò S.p.A.. We recall that MARR purchased 34% of the shares of this company on 13 November 2019, thus entering into a partnership with one of the main operators at national level in the premium segment (top of the range). MARR has also signed with the company ABA S.r.l. of the Pessot - de Colò family, which holds 66% of Jolanda de Colò, an irrevocable agreement which assigns MARR - starting from 31 March 2022 - the option to purchase a majority stake in Jolanda de Colò by of a call option mechanism for MARR and a put option for ABA on the remaining 33% of the share capital of Jolanda de Colò.

6. Equity investments in other companies

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
- Other companies		
Centro Agro-Al. Riminese S.p.A.	166	163
Conai - Cons. Naz. Imball. - Roma	1	1
Idroenergia Scrl	1	1
Banca Malatestiana Cr.Coop.vo	2	2
Consorzio Assindustria Energia	1	1
Caf dell'Industria dell'Em. Romagna S.p.A.	2	2
Total Other companies	173	171

7. Non-current financial receivables

As at 31 December 2022, this item amounted to 23 thousand Euros (750 thousand Euros as at 31 December 2021) and includes the portion beyond one year of interest-bearing financial receivables from commercial partner companies.

8. Financial instruments / derivatives

The amount of 1,015 thousand Euros as at 31 December 2022 represented the positive fair value of the two Interest Rate Swap (IRS) derivative contracts stipulated to hedge the risk of changes in the interest rate on 70% of the value of the medium-term loan -long term of 60 million Euros subscribed by MARR S.p.A. on 01.07.2022 with Banca Nazionale del Lavoro S.p.A. (BNL) and Cooperatieve Rabobank U.A. (Rabobank).

9. Tax Assets / Liabilities for deferred taxes payable

At 31 December 2022 this item amounted to a net negative value of 1,232 thousand Euros (net positive value of 161thousands Euros as at 31 December 2021) classified under non-current liabilities under the item "Deferred tax liabilities".

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
On taxed provisions	11.434	12.138
On costs deductible in cash	131	242
On costs deductible in subsequent years	1.595	1.332
On other changes	0	0
Deferred tax assets	13.161	13.713
On goodwill amortisation reversal	(9.873)	(9.482)
On funds subject to suspended taxation	(403)	(404)
On leasing recalculation as per IAS 17	(449)	(449)
On actuarial calc. of severance provision fund	136	208
On fair value revaluation of land and buildings	(3.285)	(3.230)
Others	(521)	(196)
Deferred tax liabilities	(14.394)	(13.552)
Deferred tax assets/(liabilities)	(1.232)	161

10. Other non-current assets

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Non-current trade receivables	5,092	7,666
Accrued income and prepaid expenses	2,482	3,463
Other non-current receivables	13,870	18,497
Total Other non-current assets	21,444	29,626

"Non-current trade receivables", amounting to 5,092 thousand Euros, mostly relate to agreements and deferred payments defined with clients. Their decrease is linked to the repayments made during the year.
Prepaid expenses are mainly linked to promotional contributions with long-term clients (the portion due beyond 5 years is estimated at approximately 98 thousand Euros). The item "Other non-current receivables" includes, in addition to tax receivables for VAT on customer losses for 4,388 thousand Euros, guarantee deposits for 461 thousand Euros and trade receivables for 9,021 thousand Euros (12,948 thousand Euros at the 31 December 2021).

Current assets

11. Inventories

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Finished goods and goods for resale		
Foodstuffs	61,587	41,929
Meat	20,746	11,187
Fish products	109,510	118,125
Fruit and vegetable products	124	120
Hotel equipment	3,158	2,801
	195,125	174,162
provision for write-down of inventories: to be deducted	(1,368)	(1,368)
Goods in transit	5,761	16,796
Packing	4,331	3,067
Total Inventories	203,849	192,657

The inventories are not encumbered by bonds or other restrictions of the right of ownership.
As also highlighted in the management report, the value of inventories shows an increase of 11.2 million Euros compared to 31 December 2022 due to specific procurement policies.
Movements for the year are shown below:

(€thousand)	Balance at 31.12.22	Change of the year	Balance at 31.12.21
Finished goods and goods for resale	195,125	20,963	174,162
Goods in transit	5,761	(11,035)	16,796
Packing	4,331	1,264	3,067
	205,217	11,192	194,025
Provision for write-down of inventories	(1,368)	0	(1,368)
Total Inventories	203,849	11,192	192,657

12. Current financial receivables

The item "Current financial receivables" is made up of:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial receivables from Parent companies	9,404	5,788
Financial receivables from Subsidiaries	10,908	5,909
Total Current financial receivables	20,312	11,697

As regards the details of the financial receivables vs. controlled and vs. parent companies (all interest-bearing, with interest rates in line with market values) please refer to Attachment 8 of these Explanatory Notes.

13. Current trade receivables

This item is made up of:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Trade receivables from customers	372,893	339,871
Trade receivables from Parent companies	450	428
Trade receivables from Subsidiaries	1,466	2,433
Trade receivables from Associated companies	2	0
Total Current trade receivables	374,811	342,732
Provision for write-down of receivables from customers	(42,665)	(41,771)
Total current net receivables	332,146	300,961

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Trade receivables from customers	348,709	329,122
Receivables from Associated companies consolidated by the Cremonini Group	24,184	10,749
Receivables from Associated companies not consolidated by the Cremonini Group	0	0
Total current trade receivables from customers	372,893	339,871

Receivables from clients, due within one year, deriving in part from normal sales operations and in part from the provision of services, have been valued on the basis of what was previously indicated. Receivables are shown net of a bad debt provision of 42,665 thousand Euros, as shown in the subsequent movement.

Receivables "from subsidiaries" (450 thousand Euros), "from parent companies" (1,466 thousand Euros) and "from associated companies consolidated by the Cremonini Group" (24,184 thousand Euros) are analytically shown, together with the corresponding debt, in Attachment 8 below. These credits are all of a commercial nature.

The item Receivables from clients is net of a credit transfer program on an ongoing and without recourse basis following a Contract initially signed in May 2014 and subsequently renewed in December 2018 for a further 5-year period.
As at 31 December 2022, the outstanding sold amounted to 81,846 thousand Euros (59,998 thousand Euros as at 31 December 2021), an increase compared to the previous year due to the increase in turnover.

Receivables in foreign currencies have been adjusted to the exchange rate at 31 December 2022.

At each balance sheet date, trade receivables are analyzed to verify the existence of indicators of a possible reduction in value. In order to carry out this analysis, the company evaluates whether there are expected losses on receivables from clients over the entire duration of these receivables and takes into consideration the historical experience gained by the same regarding the losses on receivables, grouped into homogeneous classes, and adjusted on the basis of factors specific to the nature of the company receivables and the economic environment. Receivables from clients are written down when there is no rational expectation of being collected and any write-down is recognized in the income statement under the item "depreciation and write-downs".

The bad debt provision during 2022 changed as follows and the determination of the provision for the period reflects the exposure of the receivables - net of the bad debt provision - at their presumed realizable value.

(€thousand)	Balance at 31.12.22	Increases	Decreases	Other movements	Variation for merger	Balance at 31.12.21
- Tax-deductible provision	2,035	2,035	(1,864)	80	5	1,779
- Taxed provision	40,626	12,215	(11,526)	(85)	34	39,988
- Provision for default interest	4	0	0	0	0	4
Total Provision for write-down of Receivables from customers	42,665	14,250	(13,390)	(5)	39	41,771

14. Tax Receivables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Ires/Irap tax advances /withholdings on interest	12	31
VAT carried forward	150	859
Tax credit	2,007	3,644
Irpeg litigation	25	25
Ires transferred to the Parent Company	3,924	11
Receivable for Ires	105	105
Receivable for Irap	457	0
Other	319	1,533
Total Tax assets	6,999	6,208

As regards the item "Tax credits" as at 31 December 2021, it consisted of 3,141 thousand Euros of residual tax credits ("holiday bonuses") which during 2021 had been transferred to MARR S.p.A. by its clients against the payment of its trade receivables. It should be noted that the measure of the "holiday bonus" was not extended to 2022 as well.
The balance as at 31 December 2022 of the item "Tax credits" totaling 2,007 thousand Euros, refers for approximately 646 thousand Euros to tax credits accrued by the company on investments in capital goods pursuant to Law 160/2019 and Law 178 /2020, and recognized in the income statement on the basis of the useful life of the assets and for the remaining part of 1,300 thousand Euros to electricity and gas tax credits relating to the fourth quarter of 2022 not yet used. For further details, see paragraph 30. Other revenues.
The balance of the item "IRES benefit transferred to the parent company" refers to the higher IRES advances paid during the year. In this regard, it should be remembered that the company adheres to the tax consolidation of the Cremonini Group.
The amount of 457 thousand Euros relating to the item "IRAP credit" relates to the higher IRAP advances paid during the year.

15. Cash and cash equivalents

The balance represents the cash and cash equivalents at the closing date of the period.

For the evolution of cash and cash equivalents, please refer to the cash flow statement for 2022.

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Cash and Cheques	14,696	6,291
Bank and postal accounts	167,870	236,086
Total Cash and cash equivalents	182,566	242,377

16. Other current assets

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Accrued income and prepaid expenses	1.357	642
Other receivables	38.872	28.271
Total Other current assets	40.229	28.913

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Prepaid expenses		
Leases on buildings and other assets	2	2
Maintenance fees	387	244
Commercial and advertising costs	24	1
Insurance costs/Administration services	45	10
Other prepaid expenses	899	385
Total Current accrued income and prepaid expenses	1,357	642

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Guarantee deposits	118	116
Other sundry receivables	4.398	3.609
Other sundry receivables from Associated Company	7	0
Provision for write-down of receivables from others	(3.108)	(5.592)
Receivables from social security institutions	268	510
Receivables from agents	2.028	2.023
Receivables from employees	83	41
Receivables from insurance companies	1.713	537
Advances and deposits	353	370
Advances to suppliers and supplier credit balances	32.592	26.578
Advances to suppliers and supplier credit balances from Associates	420	79
Total Other current receivables	38.872	28.271

Receivables from foreign suppliers in foreign currencies, where necessary, have been adjusted to the exchange rate of 31 December 2022.

It should be noted that as at 31 December 2022, both the part of the receivable from suppliers relating to year-end bonuses to be received for 7,248 thousand Euros and that for promotional and marketing contributions for the amount of 28,918 thousand Euros.

The provision for bad debts towards others refers to receivables from commercial technicians and receivables from suppliers. During the year, the provision showed the following movements:

(€thousand)	Balance at 31.12.22	Increases	Decreases	Other movements	Variation for merger	Balance at 31.12.21
- Provision for Receivables from Others	3,108	900	(3,384)	0	0	5,592
Total Provision for write-down of Receivables from others	3,108	900	(3,384)	0	0	5,592

Breakdown of receivables by geographical area

The breakdown of receivables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial receivables	23	0	0	23
Non current derivative/ financial instruments	1,015	0	0	1,015
Deferred tax assets	0	0	0	0
Other non-current assets	12,423	0	9,021	21,444
Financial receivables	20,312	0	0	20,312
Current derivative/ financial instruments	7	0	0	7
Trade receivables	316,161	10,917	5,068	332,146
Tax assets	6,650	349	0	6,999
Other current assets	11,972	4,719	23,538	40,229
Total receivables by geographical area	368,563	15,985	37,627	422,175

LIABILITIES

17. Shareholders’ Equity

As regards the changes within the Shareholders' Equity, please refer to the related statement of changes.

Share capital
The Share Capital as at 31 December 2022, equal to 33,263 thousand Euros, is unchanged compared to the previous year and is represented by no. 66,525,120 MARR S.p.A. ordinary shares, fully subscribed and paid up, with regular entitlement, with a nominal value of 0.50 Euros each.

Share premium reserve
This reserve amounted to 63,348 thousand Euros as at 31 December 2022 and was unchanged compared to 31 December 2021. It should be noted that part of this reserve, for a value of 4,682 thousand Euros, is to be considered unavailable ex. art. 2357-ter of the Civil Code against the purchase of treasury shares. This amount is shown in the table of movements in shareholders' equity under the item "Purchase of treasury shares".

Legal reserve
This reserve amounts to 6,652 thousand Euros and is unchanged compared to 31 December 2021.

Capital account shareholder payment
This reserve has not changed in 2022 and amounts to 36,496 thousand Euros.

IAS/IFRS transition reserve
This is the reserve (equal to 7,290 thousand Euros) established following the first-time adoption of the international accounting standards and did not undergo any changes during the year.

Extraordinary reserve
The increase in the Extraordinary reserve as at 31 December 2022, equal to 663 thousand Euros, is attributable to the allocation of the result for the year 2021.

Cash flow hedge reserve
This item amounted to a positive value of 777 thousand Euros as at 31 December 2022 and is linked to the stipulation of two contracts to hedge the risk of changes in the interest rate on medium/long-term loan agreements.

Stock option reserve
This reserve did not undergo any changes during the year as the repayment plan ended in April 2007 and amounts to 1,475 thousand Euros.

IAS19 reserve
This reserve amounted to a positive value of 540 thousand Euros as at 31 December 2022 and includes the value, net of the theoretical tax effect, of the actuarial losses and gains relating to the valuation of the severance indemnity as established by the amendments made to IAS 19 "Benefits for employees’’, applicable to financial years starting from 1 January 2013. These profits/losses have been accounted for, in accordance with the provisions of the IFRS, in equity and their change in the financial year has been highlighted (as required by IAS 1 revised, applicable from 1 January 2009) in the statement of comprehensive income.

The related deferred tax liabilities were recorded on the reserves in suspension of taxation (reserve pursuant to Article 55 of Presidential Decrees 917/86 and 597/73), which at 31 December 2022 amounted to 1,438 thousand Euros.

To complete the comment on the items that make up the shareholders' equity, the following is specified:

(€thousands)	*at 31 December 2022*	Possible utilization	Available quota
Share Capital	33,263		
Reserves:			
Share premium reserve	58,666	A,B,C	58,860
Legal reserve	6,652	B	
Revaluation reserve	13	A,B,C	13
Shareholders contributions or capital account	36,496	A,B,C	36,496
Extraordinary reserve	147,840	A,B,C	147,840
Reserve for exercised stock options	1,475	-	
Cash-flow hedge reserve	777	-	
Reserve for transition to the Ias/Ifrs	7,516	-	
Reserve ex art. 55 (DPR 597-917)	1,438	A,B,C	1,438
Surplus for mergers	9,522	A,B,C	9,522
Reserve IAS19	(540)	-	
Total Reserves	269,855		
Profits carried over	23,758	A,B,C	

The "Share premium reserve" item is net of the cost of treasury shares equal to 4,682 thousand Euro

Notes:
A: for increase of share capital
B: for covering losses
C: for distribution to shareholders

Non-current liabilities

18. Non-current financial payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to banks - non-current portion	119,769	119,488
Payables to other financial institutions - non-current portion	99,874	99,842
Payables for the purchase of quotas / shares / going concerne	500	0
Total non-current financial payables	220,143	219,330

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to banks (1-5 years)	111,753	119,488
Payables to banks (over 5 years)	8,016	0
Total payables to banks - Non-current portion	119,769	119,488

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Payables to other financial institutions (1-5 years)	19,913	(94)
Payables to other financisl institutions (over 5 years)	79,961	99,936
Total payables to other financial institutions - Non-current portion	99,874	99,842

The balance of non-current financial payables totaling 220,143 thousand Euros, consists of 119,769 thousand Euros of the portion beyond 12 months of payables to banks, 99,874 thousand Euros of the residual debt relating to the bond loan with PRICOA with expiry 29 July 2031 and for the remaining 500 thousand Euros to the portion of Earn out linked to the purchase of shares in the company Frigor Carni S.r.l.

The change in long-term bank payables is the result of the combined effect of the repayments linked to the ordinary progress of the amortization plans of the medium/long-term loans in place and of the increases linked to the new loans taken out during the year.
During the year, the parent company MARR S.p.A. repaid installments of medium-long term mortgages for a total of 53.9 million Euros and carried out the following operations to raise new loans:
- on 28 June 2022, a medium/long-term loan agreement of 15 million Euros with a duration of 72 months was signed with Crédit Agricole Italia, with disbursement on the same date;
- on 1 July 2022, a medium/long-term loan agreement was signed with BNL and Rabobank for 60 million Euros with a duration of 72 months (with 18 months grace period), disbursed on 28 July 2022;
- on 10 August 2022, a medium/long-term syndicated loan agreement of 20 million Euros was signed, with disbursement on the same date, with Iccrea Banca (lead bank and lender) and 5 other CBs (lender banks) with a term 36 months of which the first 12 months in grace period;
- on 11 August 2022, a medium/long-term loan agreement of 7 million Euros was signed with La Cassa di Ravenna with a duration of 60 months, with disbursement on the same date.

Below is the breakdown of the medium and long-term portion of payables to banks with an indication of the interest rates applied:

Credit institutes	Interest rate	Expiry	Portion from 2 to 5 years	Portion beyond 5 years	Balance at 31.12.22
Credito Valtellinese	Euribor 6m +0,75%	05/01/2024	1,261	0	1,261
Crédit Agricole	Euribor 6m +0,90%	09/04/2026	4,246	0	4,246
Rivierabanca	Fisso 0,65%	21/09/2024	5,015	0	5,015
Cassa Centale Banca in pool	Euribor 3m +0,55%	05/10/2024	10,141	0	10,141
Banca Popolare dell'Emilia Romagna	Euribor 6m +1,15%	25/10/2025	5,035	0	5,035
Crédit Agricole	Euribor 3m +1,25%	28/06/2028	10,030	1,353	11,383
BNL-Rabobank	Euribor 6m +1,5%	30/06/2028	53,160	6,663	59,823
ICCREA	Euribor 3m +1,15%	10/08/2025	17,521	0	17,521
Cassa di Risparmio di Ravenna	Euribor 3m +1,5%	11/08/2027	5,344	0	5,344
			111,753	8,016	119,769

It should be noted that as of 31 December 2022 there are no mortgage guarantees on the company properties.

The table below provides a detailed description of the financial covenants in place at the end of the year and the related loans.

			Covenants			Reference Date	
Credit institutes	Due date	Residual value	NFP/ Net Equity	NFP/ EBITDA	EBITDA/ Net financial charges	30 June	31 December
BNL	30/09/2023	29,992	=< 2.0	=< 3.0	>= 4.0	✔	✔
Credito Valtellinese	05/01/2024	3,773	=< 2.0	=< 3.5			✔
Intesa - Tranche A	24/02/2023	3,999	=< 2.0	=< 3.5	>= 4.0		✔
Intesa - Tranche B	24/02/2023	29,999	=< 2.0	=< 3.5	>= 4.0		✔
Crédit Agricole	09/04/2026	5,857	=< 2.0	=< 4.0			✔
Ubi Banca	20/05/2023	5,032	=< 2.0	=< 3.0			✔
Popolare dell'Emilia Romagna	25/10/2025	7,526	=< 2.0	=< 4.0			✔
Crédit Agricole	28/06/2028	13,717	=< 2.0	=< 3.5			✔
BNL-Rabobank	01/07/2028	59,754	=< 1.5	=< 3.5	>= 4.0		✔
		159,649					
PRICOA Private Placement bond	29/07/2031	99,853	=< 1.5	=< 3.5	>= 4.0	✔	✔
		99,853					

19. Non-current lease liabilities (IFRS16)

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial payables for leases - Right of use (2-5 years)	34,755	30,570
Financial payables for leases - Right of use (over 5 years)	27,040	29,532
Total payables for leases - Right of use - Non-current portion	61,795	60,102

This item includes the financial payable mainly related to the long-term lease contracts of the buildings where some MARR branches are located.
The liability was recognized in accordance with the provisions of the new IFRS 16 which became effective on 1 January 2019 and is determined as the present value of future lease payments, discounted at a marginal interest rate which, based on the contractual term envisaged for each single contract, was identified in a range between 1% and 3%.

20. Employee benefits

The item includes the payable for severance indemnities, for which the movement for the period is shown:

(€thousand)	
Opening balance at 31.12.21	*6,485*
initial change	22
variation for merger	132
payments of the period	(462)
provision for the period	290
other changes	(780)
Closing balance at 31.12.22	5,687

The employment contract applied is that of companies operating in the "Tertiary, Distribution and Services" sector.
With reference to the relevant actuarial assumptions (as indicated in the paragraph "Main estimates adopted by management and discretionary assessments").

21. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.22	Allocations	Other movements	Uses	Variation for merger	Balance at 31.12.21
Provision for supplementary clients severance indemnity	4,522	259	24	(335)	9	4,565
Provision for specific risks	1,093	200	0	(36)	0	929
charges	5,615	459	24	(371)	9	5,494

The provision for additional customer indemnity was set aside, in accordance with the provisions of IAS 37, on the basis of a reasonable estimate, taking into consideration the elements available, of the probable future liability.
The provision for specific risks was set aside mainly against probable liabilities associated with some pending legal disputes and its decrease is related to the settlement of some of the outstanding disputes.

In relation to the ongoing disputes with the Customs Agency (which arose in 2007 concerning the payment of preferential customs duties on certain imports of fish products and for which, despite the company appeals having been rejected, the judges of first instance have ascertained the absolute extraneousness of the same to the disputed irregularities, as attributable exclusively to their suppliers) with sentence no. 110/2020 issued by the Regional Tax Commission of Tuscany on 19 April 2021, the judges of merit expressed themselves in favor of the company, fully confirming the provisions of the Supreme Court of Cassation with order number 15358/19 of 04/16/2019.

Contingent liabilities
In relation to the disputes in court originating from the INPS inspection assessment reports notified in 2021 due to the bond of solidarity pursuant to article 29 of Legislative Decree 276/2003 relating to disputed omissions of contribution payments and/or undue compensation cargo to contractors for handling and porterage services that have ceased to operate for MARR, it is believed that no significant economic damage can arise and in any case not at the expense of MARR.
This assessment is supported by the trend of the appeal proceedings in progress, as evidenced by the results of the case and by the notes of the attorney consultants to the disputes.

22. Other non-current payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Accrued expensed and prepaid income	575	377
Others non current liabilities	3,161	2,149
Total other non-current payables	3,736	2,526

The item "Accrued expenses and deferred income" represents the portion beyond one year of deferred income on interest income from clients.
The item "other miscellaneous payables" instead is represented by guarantee deposits paid by the carriers.

Current liabilities

23. Current financial payables

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial payables to subsidiaries	15,363	14,290
Payables to banks	115,720	98,213
Payables to other financial institutions	826	1,874
Payables for the purchase of quotas / shares / going conceme	3,700	3,000
Total Current financial payables	135,609	117,377

Current portion due to banks:

(€thousand)		Balance at 31.12.22		Balance at 31.12.21
Current accounts		740		151
Loans/Advances		15,075		45,812
Loans:				
- Cassa di Risparmio di Ravenna	843		1,673	
- BNL	29,992		0	
- Credito Valtellinese	2,512		2,500	
- BNP Paribas	0		9,278	
- Riviera Banca	1,504		2,995	
- CaixaBank	0		0	
- Banca Intesa San Paolo Tranche A	3,999		7,989	
- Banca Intesa San Paolo Tranche B	29,999		0	
- Credito Emiliano	940		3,750	
- Crédit Agricole	1,611		1,649	
- Ubi Banca	5,032		10,012	
- Riviera Banca	4,980		0	
- Cassa Centrale Pool	9,902		9,930	
- Bper	2,491		2,474	
- Crédit Agricole	2,334		0	
- ICCREA	2,454		0	
- Cassa di Risparmio di Ravenna	1,312		0	
		99,905		52,250
		115,720		98,213

As regards changes in mortgages and loans, reference should be made to what has already been explained in paragraph 18 "Non-current financial payables".

As regards the details of financial payables to subsidiaries (which accrue interest at market rates), please refer to what is indicated in Attachment 8 of these Explanatory Notes.

24. Current lease liabilities (IFRS16)

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Financial payables for leases - Right of use	9,589	8,855
Total Payables for leases - Current portion	9,589	8,855

This item includes the financial debt due within one year mainly related to multi-year lease agreements on the buildings where the company branches are located.

As also reported in paragraph 19 with reference to the non-current portion of financial payables for leases, it should be recalled that the liability was recognized in accordance with the provisions of the new IFRS16 which became effective from 1 January 2019 and is determined as the present value of the "leases future payments", discounted at a marginal interest rate which, on the basis of the contractual duration envisaged for each individual contract, was identified in a range between 1% and 3%.

25. Current tax liabilities

The composition of the item is as follows:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Irap	0	1,132
Ires transferred to the Parent Company	0	11,397
Other taxes payable	271	211
Irpef for employees	1,201	729
Irpef for external assistants	387	271
Total Current taxes payable	1,859	13,740

This item refers to tax payables that are certain and determined in terms of amount.
The change compared to the previous year is mainly linked to the IRES payable for the year as well as payables for employee Irpef, the increase of which is a consequence of the lower use during the year of the social safety nets made available by the institutions.

Finally, evidence is given of the fact that for MARR S.p.A., due to the ordinary terms of assessment and except for the currently pending tax disputes, the years 2017 and following are still verifiable by the tax authorities.

26. Current trade liabilities

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Suppliers	321,300	310,920
Payables to Associated companies	0	0
Payables to Associated companies consolidated by the Cremonini Group	28,768	34,160
Payables to Subsidiaries	454	160
Payables to Correlated Companies	(22)	0
Trade payables to Parent Companies	204	689
Total Current trade liabilities	350,704	345,929

Payables mainly refer to balances deriving from commercial transactions and the payable to commercial agents. They also include "Payables to associated companies consolidated by the Cremonini Group" for 28,768 thousand Euros, "Payables to subsidiary companies" for 454 thousand Euros and "Payables to parent companies" for 204 thousand Euros. The analytical detail is set out in the following Attachment 8.

The item "Trade payables" is shown net of trade receivables for promotional and marketing contributions totaling 28,918 thousand Euros (20,915 thousand Euros as at 31 December 2021) and net of trade receivables relating to year-end bonuses for the amount of 7,248 thousand Euros.

27. Other current liabilities

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Current accrued expenses and deferred income	156	107
Other payables	11,220	10,244
Total Other current liabilities	11,376	10,351

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Deferred income for interests from clients	11	27
Other deferred income	145	80
Total Current accrued expenses and deferred income	156	107

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Inps/Inail and Other social security institutions	1,757	1,551
Enasarco/ FIRR	791	896
Payables to personnel for emoluments	5,012	4,569
Accruals for emoluments to employees/directors	1,048	991
Advances from customers, customers credit balances	1,314	1,247
Payables to Directors	472	431
Other sundry payables	826	559
Total Other payables	11,220	10,244

The item "Payables for personnel fees" and "Fees accruals to employees/administrators" include current salaries still to be paid as at 31 December 2022 and the provisions relating to accrued and untaken holidays and related charges.

It should be noted that as at 31 December 2022 trade payables for year-end premiums were classified as a reduction of commercial assets.

Breakdown of payables by geographical area

The breakdown of payables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial payables	220,143	0	0	220,143
Non-current lease liabilities (IFRS16)	61,795	0	0	61,795
Non current derivative financial instruments	0	0	0	0
Employee benefits	5,687	0	0	5,687
Provisions for risks and charges	5,615	0	0	5,615
Deferred tax liabilities	1,233	0	0	1,233
Other non-current liabilities	3,736	0	0	3,736
Current financial payables	135,186	275	148	135,609
Current lease liabilities (IFRS16)	9,589	0	0	9,589
Current derivative financial instruments	0	0	0	0
Current tax liabilities	1,859	0	0	1,859
Current trade liabilities	311,406	31,741	7,557	350,704
Other current liabilities	11,343	28	5	11,376
Total payables by geographical area	767,592	32,044	7,710	807,346

Guarantees, securities and commitments

Sureties (for a total of 19,217 thousand Euros)
They refer to:

- sureties given by MARR S.p.A. in favor of financial institutions in the interest of subsidiaries. As at 31 December 2022, this item amounted to 40 thousand Euros and refers to the credit lines granted to investee companies, as detailed below:

(€thousand)	Balance at 31.12.22	Balance at 31.12.21
Guarantees		
Antonio Verrini S.r.l.	40	40
Total Guarantees	40	40

Real guarantees given
As at 31 December 2022, there are no mortgage guarantees in place on the properties of Group companies.

Other risks and commitments
This item includes 11,063 thousand Euros relating to letters of credit issued by some credit institutions to guarantee obligations undertaken with our foreign suppliers.

Comments on the main items of the statement of profit or loss of MARR S.p.A.

28. Revenues

Revenue is made up of:

(€thousand)	31.12.2022	31.12.2021
- Net Revenues from sales of goods	1,772,575	1,345,549
- Revenues from services		
Advisory services to third parties	608	562
Manufacturing on behalf of third parties	24	23
Rent income (typical management)	38	32
Other services	135	150
Total	805	767
Total Revenues	1,773,380	1,346,316

Total revenues compared to the previous year were characterized by an increase of 427,064 thousand Euros (+31.72%) and were driven by the recovery of the foodservice market during the year 2022, which was characterized by a significant recovery of "away from home" consumption, supported by a recovery in foreign tourist flows. In this context, the Group recorded an increase in volumes and sales revenues to Street Market and National Account clients compared to 2021, the latter period penalized in the first part of the year (January-May) by lock down. The growth in revenues was also supported by the increase in average sales prices (Euro/kg) following the inflationary dynamics. The Wholesale channel, on the other hand, showed a decline in volumes and revenues, despite the presence of an increase in the average selling prices of frozen fish products, also following the performance of some fishing campaigns, and in particular the summer one in Morocco (octopus fishing canceled) and less product availability in Mexico.

For a more detailed analysis of the trend in revenues and the comparison with the same period of the previous year, please refer to what is set out in the Directors' Report on management performance.

The breakdown of revenues from the sale of goods and services by geographical area is as follows:

(€thousand)	31.12.2022	31.12.2021
Italy	1,690,556	1,260,680
European Union	54,103	53,856
Extra-EU countries	28,721	31,780
Total	1,773,380	1,346,316

The breakdown of revenues from the sale of goods is provided below by category of activity:

(€thousand)	31.12.2022	31.12.2021
Foodstuff	812,381	537,035
Meat	313,914	213,957
Seafood	584,859	547,628
Fruit and vegetables	70,623	51,232
Hotel equipment	8,102	6,924
Sias Division	0	304
Trade discounts / year-end bonuses	(17,304)	(11,531)
Total Revenues from sales of goods	1,772,575	1,345,549

The revenues were achieved throughout the national territory, including the islands. We list below the total net sales (in millions of Euros) achieved in 2022 by the Rimini office and by each individual peripheral unit (branches and divisions):

(million Euros)	31.12.2022	31.12.2021
Branch: Marr Napoli	50	34
Branch: Marr Milano	97	61
Branch: Marr Roma	79	60
Branch: Marr Venezia	80	55
Branch: Marr Supercash&carry - Rimini	20	15
Branch: Marr Sardegna	80	58
Branch: Marr Romagna - Rimini	80	61
Emiliani Division - Rimini	198	247
Carnemilia Division - Bologna	2	3
Branch: Marr Sicilia	34	25
Branch: Marr Sanremo	22	16
Branch: Marr Elba	9	6
Branch: Marr Genova	31	20
Branch: Marr Dolomiti	14	10
Branch: Marr Torino	60	41
Branch: Marr Calabria	64	49
Branch: Marr Sfera	59	48
Branch: Marr Toscana	64	43
Branch: Marr Urbe	75	43
Branch: Marr Arco	25	17
Branch: Marr Lago Maggiore	17	11
Branch: Marr Battistini e Polo ittico	42	39
Branch: Marr Hotel Division	7	6
Branch: Marr Catania	33	16
Branch: Marr Sifrutta	8	7
Branch: Marr FreshPoint	5	2
Branch: Marr Scapa Marzano	206	187
Branch: Marr Scapa Pomezia	82	0
Santarcangelo - Rimini	1	0
Branch: Marr Costermano	6	0
Branch: Marr Puglia	54	40
Branch: Marr Adriatico	88	65
Branch: Marr Bologna	98	73
Others (trade discounts / year-end bonuses)	(17)	(12)
Total Revenues from sales of goods	1,773	1,346

Finally, it should be noted that there are no clients that can generate a significant concentration of revenues (equal to 10% of total revenues).

29. Other revenues

Other revenues and income are made up as follows:

(€thousand)	31.12.2022	31.12.2021
Other sundry earnings	1,637	2,675
Revenues for accrued tax credits	3,077	68
Reimbursements for damages suffered	2,576	743
Reimbursement of expenses incurred	392	641
Recovery of legal fees	142	68
Capital gains on disposal of assets	81	20
Total Other revenues	7,905	4,215

The item Revenues from accrued tax credits includes 2,950 thousand Euros for extraordinary contributions granted in the form of tax credits during 2022 by the Italian Government in favor of companies with a high consumption of electricity and natural gas to mitigate the sudden increase and disproportionate price of energy raw materials.
For the MARR Group, consumption mainly refers to the electricity necessary for the functioning of the refrigeration and cooling systems and that the gas is used in a residual manner only for heating the buildings.
The companies of the MARR Group which, within the regulatory framework governing the requirements for access to the benefit, all qualify as "non-energy-intensive companies" and "non-gas-intensive companies" have benefited from a lower subsidy rate than the maximum envisaged for energy-intensive and gas-intensive companies and specifically in relation to electricity consumption: 15% tax credit for the second and third quarters and 30% tax credit for the fourth quarter. While in relation to gas consumption: 25% tax credit for the second and third quarters and 40% tax credit for the fourth quarter.
The residual amount of Euros 127 thousand, recorded in the item Revenues for accrued tax credits, relates to the portion pertaining to the year of tax credits on capital goods envisaged by law Law 178/2020.

The item Reimbursements for damages suffered includes 1,560 thousand Euros of the amount relating to the insurance compensation connected to the damages that emerged following the arsonable fire which on 13 November 2022 destroyed the MARR Sanremo branch. The event led to the opening of the related accident reports and from the checks carried out there are no uncertainties regarding the fact that the damages, relating in particular to goods and assets, will find adequate compensation.

30. Purchase of goods for resale and consumables

La voce è composta da:

(€thousand)	31.12.2022	31.12.2021
Purchases of goods	1,426,742	1,111,958
Purchases of packages and packing material	7,420	4,164
Purchase of stationery and printed paper	849	672
Purchase of promotional and sales materials, and catalogues	212	100
Purchase of various materials	541	393
Fuel for industrial motor vehicles and cars	328	222
Total Purchase of goods for resale and consumables	1,436,092	1,117,509

With regard to the trend in the cost for the purchase of goods intended for marketing, please refer to the Directors' Report and the related comment on the gross margin.
The item "Purchase of goods" is shown net of both the bonuses paid by suppliers upon reaching certain turnover targets and purchase volumes for an amount of 9,267 thousand Euros and the contributions received from suppliers for the promotional and marketing activities carried out by the Group to them for the amount of 42,632 thousand Euros (30,653 thousand Euros as at 31 December 2021).

31. Personnel costs

The item includes all expenses for employees, including holiday accruals and additional monthly salaries as well as the related social security charges, in addition to the provision for severance indemnities and other contractually envisaged costs.

(€thousand)	31.12.2022	31.12.2021
Salaries and wages	27,709	22,476
Social security contributions	8,172	6,560
Staff Severance Provision	1,988	1,750
Other Costs	24	59
Total Personnel Costs	37,893	30,845

Personnel costs recorded an increase of 7,048 thousand Euros (+22.8%) due to 2 main joint effects: the increase in the workforce and the absence of the use of social safety nets combined with greater use of seasonal work .
The number of employees went from 759 units as at 31 December 2021 to 803 units as at 31 December 2022.
With regard to social safety nets, it should be noted that in 2021 the total hours of social safety nets used by the company amounted to 161,984, while in 2022 they were not used and the number of seasonal workers employed increased.

The details of the Group workforce and the breakdown of employees by category are shown below:

	Workers	Employees	Managers	Total
Employees as of 31.12.21	178	573	8	759
Net increases and decreases	*(2)*	*46*	*0*	*44*
Employees as of 31.12.22	176	619	8	803
31.12.22	192.1	612.8	8.0	812.9

32. Amortizations, depreciation and provisions

(€thousand)	31.12.2022	31.12.2021
Depreciation of tangible assets	7,200	6,742
Amortization of intangible assets	579	436
Depreciation of right of use assets	10,174	9,313
Adjustment IAS to provision for supplementary clientele severance indemnity	258	200
Allocation of provision for risks and losses	200	0
Total Amortizations, depreciations and provisions	18,411	16,691

As far as depreciation is concerned, please refer to the changes shown in paragraphs 1, 2 and 4 relating to fixed assets.
The increase in the item Amortization of rights of use is mainly connected to the amortization quota of the right of use associated with the two lease contracts of the buildings of the new distribution platform in Piacenza, which having been signed at the end of 2021, weighed on the 2022 financial year for 1,173 thousand Euros against 131 thousand Euros last year.

33. Losses due to impairment of financial assets

(€thousand)	31.12.2022	31.12.2021
Allocation of taxed provision for bad debts	13,115	12,061
Allocation of non-taxed provision for bad debts	2,035	1,779
Depreciation of investments in other companies	0	125
Total Losses due to impairment of financial asset	15,150	13,965

The increase in the item is related to a greater prudential provision made at 31 December 2022 against the increase in trade receivables resulting from the increase in sales volumes for the year.

As regards the allocations to provisions, please refer to the changes shown in paragraph 13 "Current trade receivables" and to what is explained with regard to receivables in the paragraph "Credit risk".

34. Other operating costs

(€thousand)	31.12.2022	31.12.2021
Operating costs for services	239,426	174,042
Operating costs for leases and rentals	2,871	2,702
Operating costs for other operating charges	1,892	1,586
Total Other operating costs	244,189	178,330

(€thousand)	31.12.2022	31.12.2021
Sale expenses, distribution and logistic costs for our products	194,918	144,359
Energy consumption and utilities	25,873	13,345
Third-party production	3,452	2,991
Maintenance costs	5,575	4,650
Advertising, promotion, exhibitions, sales (sundry items)	799	348
Directors' fees	761	744
Statutory auditors' fees	75	75
Insurance costs	1,040	981
Reimbursement of expenses, travels and sundry costs for personnel	395	381
General and other services	6,538	6,168
Total Operating costs for services	239,426	174,042

Operating costs for services recorded an increase in absolute terms of 65,384 thousand Euros (+37.57%) mainly attributable to the increase in costs for the sale, handling and distribution of the products marketed by the company (+35.02%) and all cost increase associated with energy consumption and utilities (+93.88%).

As regards the item "Costs of sale, movement and distribution of our products" the increase is primarily related to the increase in the volume of sales which led to a consequent increase in transport, porterage and sales activities. With regard to transport activities, it should be noted that the year 2022 also saw an increase in logistics tariffs.

"Energy consumption and utilities" recorded an increase of 12,528 thousand Euros and are primarily associated with the increase recorded in 2022 in electricity and gas tariffs and secondarily with the increase compared to last year in the square meters of available surfaces relating to cold rooms and refrigerated rooms. For MARR, the consumption of electricity is in fact mainly associated with the operation of the refrigeration and cooling systems and the company, which qualifies as a "non-energy-intensive company" and a "non-gas-intensive company", benefited in relation to the second, third and fourth quarter of 2022 of the tax credits envisaged by the national legislator to mitigate the increase in expenses incurred for the purchase of electricity and gas for a total amount of 2,950 thousand Euros. The latter amount which was recorded under the item "Revenue for accrued tax credits" within the grouping of Other revenues. Net of the benefit of tax credits, the

increase in costs associated with energy and gas consumption is equal to 9,578 thousand Euros, with an increase of +71.77% compared to the previous year.
It should be noted that although the increase is mainly related to the increase in electricity tariffs, compared to the previous year, the surfaces relating to cold rooms and refrigerated rooms available to the company have also increased. In this regard, it should be noted that the new Piacenza platform, which became operational in February 2022, has 9,073 square meters of surfaces relating to cells and refrigerated rooms, of which 6,474 square meters relating to cells with temperatures at -18°C.

(€thousand)	31.12.2022	31.12.2021
Lease of industrial buildings	143	31
Lease of processors and other personal property	82	51
Lease of industrial vehicles	5	0
Lease of going concern	2,500	2,500
Lease of cars	11	10
Lease of plant, machinery and equipment	10	0
Rentals and other charges paid on other personal property	120	110
Total Operating costs for leases and rentals	2,871	2,702

Costs for the use of third-party assets amount to a total of 2,871 thousand Euros (2,702 thousand Euros as at 31 December 2021) and refer for 2,500 thousand to the company rental fee paid to the subsidiary Asca S.p.A. and for the remaining part they refer to the cost relating to lease contracts with a duration of less than one year that do not fall within the scope of application of IFRS16.
Lastly, as regards the lease payments for buildings, please refer to the paragraph "Organisation and logistics" of the Directors' Report on Management performance, with the clarification that the related existing contracts are subject to Law 392/78 Chapter II (Lease contracts for use other than residential use).

(€thousand)	31.12.2022	31.12.2021
Other indirect taxes, duties and similar charges	736	635
Expenses for collection of debts	222	204
Other sundry charges	338	183
Capital losses on disposal of assets	215	189
IMU	308	293
Contributions and membership fees	73	82
Total Operating costs for other operating charges	1,892	1,586

"Other indirect taxes, duties and similar charges" mainly include: stamp duties and registration duties, municipal duties and taxes and car and vehicle property taxes.

35. Financial income and charges

(€thousand)	31.12.2022	31.12.2021
Financial charges	8,949	9,378
Financial income	(1,031)	(938)
Foreign exchange (gains)/losses	166	(672)
Total Financial income and charges	8,084	7,768

The net effect of exchange balances mainly reflects the trend of the Euros against the US Dollar, the reference currency for non-EU imports.

The breakdown of financial income and expenses is shown below:

(€thousand)	31.12.2022	31.12.2021
Interest payable on other loans, bills discount, hot money, import	3,681	2,984
Interest payable on loans	0	2,909
Interest payable on discounted bills, advances, export	226	212
Interest payable - Right of use	2,092	1,696
Other financial interest and charges	2,745	1,514
Interest and Other financial charges for Parent Companies	16	5
Interest and Other financial charges for Subsidiaries	189	58
Total Financial charges	8,949	9,378

On 31 December 2021, the item "Interest expense on mortgages" recognized the amount of approximately 2,909 thousand Euros referring to the make whole clause following the early repayment on 23 July 2021 of the last tranche of the residual debt of 33 million dollars relating to the USPP bond subscribed in July 2013 and with original maturity in July 2023.
The increase in the item "Other interest and financial charges" is connected to the increase in the cost of money compared to the previous year.

(€thousand)	31.12.2022	31.12.2021
Other sundry financial income (interest from customers, etc)	813	776
Income interest from bank accounts	45	119
Other sundry financial income for Parent Companies	19	22
Other sundry financial income for Subsidiaries	154	21
Total Financial income	1,031	938

Other financial income is related to interest income from clients and suppliers for deferred payments.

36. Income/(loss) from holdings

This item can be detailed as follows:

(€thousand)	31.12.2022	31.12.2021
Dividends by Subsidiaries	3,129	0
Write off investments in subsidiaries	(4)	(9)
Total Income (charge) from associated companies	3,125	(9)

The amount of 3,129 thousand Euros refers to the dividends distributed during the year by the subsidiaries New Catering S.r.l., Antonio Verrini S.r.l. and Asca S.p.A, in relation to the 2021 profit.

37. Taxes

(€thousand)	31.12.2022	31.12.2021
Ires charge transferred to the Parent Company	6,189	11,397
Irap	2,286	2,679
Net Provision for deferred tax asset and liabilities	673	(896)
Previous years tax	(40)	(37)
Total taxes	9,108	13,143

The reconciliation between the theoretical tax burden and the effective tax burden is shown below.

(€thousand)			31.12.2022
Result before taxation			34.509
Theoretical tax rate			24,0%
Theoretical tax burden			**8.282**
Items in reconciliation	Taxable amounts		
IRAP			2.286
Car expenses deductible	333	24,0%	80
Various expenses and fines	362	24,0%	87
Non deductible taxes	324	24,0%	78
Fiscal benefits on super-depreciation	(458)	24,0%	(110)
10% deduction IRAP on IRES	(348)	24,0%	(84)
ACE	(1.754)	24,0%	(421)
Distributed dividends	(2.972)	24,0%	(713)
Other	(1.567)	24,0%	(376)
Total current and deferred taxes			**9.108**
Effective tax rate			**26,4%**

38. Earnings per share

The calculation of basic and diluted earnings/(losses) per share looks like this:

(€)	2022	2021
EPS base	0.38	0.48
EPS diluted	0.38	0.48

It should be noted that the calculation is based on the following data:

Result of the year:

(€thousand)	31.12.2022	31.12.2021
Profit for the period	25,401	31,930
Profit used to determine basic and diluted earnings per share	**25,401**	**31,930**

Number of shares:

(number of shares)	31.12.2022	31.12.2021
Weighted average number of ordinary shares used to determine basic earning per share	66,388,000	66,525,120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	**66,388,000**	**66,525,120**

39. Other profits/losses

The value of other profits/losses contained in the comprehensive income statement is made up of the effects generated and reversed in the period with reference to the following items:
- effective part of the hedging transactions put in place against the risk of changes in the interest rate on medium/long-term loan agreements, for 777 thousand Euros;
- actuarial gains relating to the valuation of the severance indemnity as established by the amendments made to IAS 19 "Employee benefits" for the amount of 577 thousand Euros.

These gains/losses were accounted for, in accordance with the provisions of the IFRS, in equity and highlighted (as required by IAS 1 revised, applicable from 1 January 2009) in the statement of comprehensive income.

Net financial position [xx]

As regards the comments on the components of the net financial position and the indication of the debit and credit positions with related parties, please refer to what is set out in the directors' report on management performance.

	(€thousand)	Note	*31.12.22*	*31.12.21*
A.	Cash		14.696	6.291
	Bank accounts		167.870	236.064
	Postal accounts		0	21
B.	Cash equivalent		167.870	236.085
C.	Liquidity (A) + (B)	15	182.566	242.376
	Current financial receivable due to Subsidiaries		10.907	5.909
	Current financial receivable due to Parent Company		9.404	5.787
D.	Current financial receivable	12	20.311	11.696
E.	Current derivative/financial instruments	8	7	0
F.	Current Bank debt		(15.882)	(45.986)
G.	Current portion of non current debt		(99.838)	(52.227)
	Financial debt due to Subsidiaries		(15.363)	(14.290)
	Other financial debt		(4.525)	(4.873)
H.	Other current financial debt		(19.888)	(19.163)
I.	Current lease liabilities (IFRS16)	25	(9.589)	(8.855)
J.	Current financial debt (F) + (G) + (H) + (I)	24/25/26	(145.197)	(126.231)
K.	Net current financial indebtedness (C) + (D) + (E) + (J)		57.687	127.841
L.	Non current bank loans	18/20	(119.768)	(119.489)
M.	Non-current derivative/financial instruments	8	1.015	0
N.	Other non current loans	18/20	(100.374)	(99.842)
O.	Non-current lease liabilities (IFRS16)	19	(61.795)	(60.102)
P.	Non current financial indebtedness (L) + (M) + (N) + (O)	18/19/20	(280.922)	(279.433)
Q.	Net financial indebtedness (K) + (P)		(223.235)	(151.592)

[xx] The "Note" column indicates the reference to the item of MARR statement of financial position for the purpose of a punctual reconciliation with the same.

Events after the closing of the year

No events occurred after the end of the financial year.

Outlook

The trend in sales to clients in the Street Market and National Account segments in the first two months of 2023 is consistent with the growth objectives expected for the year, also confirming a progressive and gradual recovery in margins.
These results have been achieved in the context of an expected increase in out-of-home food consumption (TradeLab, February 2023), also thanks to the positive trends in tourism, and especially the number of foreigners visiting Italy (+39.9% compared to 2021 in the first nine months of 2022, ISTAT December 2022), which in the latter months of 2022 and this beginning of 2023 have also contributed to the return of tourism in the Large Cities and Art Cities in particular.

As regards the sale of frozen seafood products to Wholesale clients, which have been affected by the unavailability of seafood products in the second half of 2022 and also in this first quarter of 2023, it is expected that the ongoing fishing campaigns and those foreseeable may lead to a recovery in the coming months.

As regards inflation, the prices of food products are expected to stabilise, while the recovery of energy costs ongoing in these winter months is attenuating the distorting effects affecting the operating costs linked to the cost of energy.

In this context, MARR is continuing to strengthen its competitive position, with a strong focus on making the most of the opportunities provided by a growing foodservice market, which rewards a proposal of innovative products and services, which the company is still focusing its efforts on.
The process of adjusting the sales prices of the food products sold is also continuing, an operation that is still more effective in the Street Market segment and, in the framework of the National Account segment, in the sub-segment of Chains & Groups (Groups and Chains of hotels and restaurants), while in that of Canteens (Canteens and direct supplies to Public Administrations), when contractually possible, interventions are becoming increasingly selective on the management of price lists with a view to the sustainability of supply relationships.

The entire organization is also involved in policies aimed at the recovery of operating profitability, along a path which, in light of expected market conditions, management of the gross margin and cost control, is expected to allow to return towards pre-pandemic levels of operating profits already in the current year.
In addition to this, the organization is also very focused on controlling the level of absorption of the working capital, in order to attenuate the cost of its financing.

Proposal for the allocation of the result for the year 2022 and distribution of the dividend

In submitting the 2022 financial statements to the shareholders for approval, the Board of Directors proposes to:

a) allocate the profit for the year of 25,400,891 Euros as follows:

- dividend of 0.38 Euros for each ordinary share having the right,

- allocation to the Extraordinary reserve of the residual amount, the amount of which will be determined on the basis of the treasury shares in the portfolio at the date of distribution of the coupon.

b) pay the dividend on May 24, 2023 with ex coupon (no. 18) on May 22, 2023 (record date May 23, 2023), as regulated by Borsa Italiana.

° ° °

Rimini, 14 March 2023

For the Board of Directors

The Chairman

Ugo Ravanelli

Appendices

These appendices contain additional information compared to that reported in the Notes, of which they constitute an integral part.

- Appendix 1 – List of the main equity investments in subsidiary, associate and other companies as at 31 December 2022, indicating the criterion adopted for accounting.
- Appendix 2 – Table showing variations in Intangible Assets for the year ending 31 December 2022.
- Appendix 3 – Table showing variations in Tangible Assets for the year ending 31 December 2022.
- Appendix 4 – Table showing changes in the Right of use for the year ending 31 December 2022.
- Appendix 5 – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2021. - company that directly or mediate the activity of management and coordination.
- Appendix 6 – List of equity investments in subsidiary and associate companies as at 31 December 2022 (art. 2427, sub. 5 of the Civil Code).
- Appendix 7 – Information as per art. 149-duodecies of the Consob Issuers Regulation.
- Appendix 8 – Table summarising the relations with parent companies, subsidiaries, associates and other related parties.
- Appendix 9 – Reconciliation of liabilities deriving from financing activities as at 31 December 2022 and at 31 December 2021.
- Appendix 10 – Details of lands and buildings owned by the company as at 31 December 2022.

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Appendix I

MARR GROUP
LIST OF EQUITY INVESTMENTS INCLUDING THOSE FALLING WITHIN
THE SCOPE OF CONSOLIDATION AT 31 DECEMBER 2022

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control	
				Company	Share held
COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS					
- Parent Company:					
MARR S.p.A.	Rimini	33,263			
- Subsidiaries:					
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (Spagna)	600	100.0%		
New Catering S.r.l.	Santarcangelo di R. (RN)	34	100.0%		
Antonio Verrini S.r.l.	Santarcangelo di R. (RN)	250	100.0%		
Frigor Carni S.r.l.	Santarcangelo di R. (RN)	100	100.0%		
INVESTMENTS EVALUATED USING THE NET EQUITY METHOD					
Jolanda De Colò S.p.A.	Palmanova (UD)	846	34.0%		
INVESTMENTS VALUED AT FAIR VALUE:					
- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	9,697	1.69%		

Appendix 2 - Table showing variations in Intangible Assets for the year ending 31 December 2022.

Intangible fixed assets (in thousand of Euros)	Opening Balance			Changes during the year						Closing Balance		
	Original Cost	Provision for amortization	Balance 01/01/2022	Merger		Purchases/ reclassification	Other changes	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2022
				Original cost	Prov. for am.							
Cost of industrial patents and rights for the use of intellectual property	7,873	(6,442)	1,431	28	(23)	685			(556)	7,194	(5,629)	1,565
Concessions, licences, brand names, and similar rights	171	(161)	10	446	(23)				(23)	611	(201)	410
Goodwill	138,232		138,232	312						138,544		138,544
Intangible fixed assets under development and advances	1,035		1,035			262				1,297		1,297
Other intangible fixed assets	70	(70)								68	(68)	
Total	147,381	(6,673)	140,708	786	(46)	947			(579)	147,714	(5,898)	141,816

Appendix 3 - Table showing variations in Tangible Assets for the year ending 31 December 2022.

Tangible fixed assets (in thousand of Euros)	Opening balance			Changes during the year						Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2022	Merger		Purchases/ reclassification	Decreases Original cost	Decreases Prov. for am.	Amortization	Original Cost	Provision for amortization	Balance 31/12/2022
				Original cost	Prov. for am.							
Land and buildings	86,986	(30,844)	56,142			(240)	(199)	187	(2,740)	86,547	(33,397)	53,150
Improvements on leased facities	2,971	(690)	2,281			732	(85)	34	(406)	3,618	(1,062)	2,556
Plant and machinery	45,208	(37,516)	7,692	37	(6)	3,574	(1,217)	1,107	(2,285)	47,602	(38,700)	8,902
Industrial and commercial equipment	4,903	(3,612)	1,291	81	(21)	1,211	(60)	57	(402)	6,135	(3,978)	2,157
Other tangible assets	17,911	(13,641)	4,270	13	(6)	1,357	(647)	567	(1,373)	18,634	(14,453)	4,181
Tangible fixed assets under development and advances	2,810		2,810			4,867				7,677		7,677
Total	160,789	(86,303)	74,486	131	(33)	11,501	(2,208)	1,952	(7,206)	170,213	(91,590)	78,623

Appendix 4 - Table showing changes in the Right of use for the year ending 31 December 2022.

Tangible fixed assets (in thousand of Euros)	Opening balance			Changes during the year						Closing balance		
				Merger		Purchases/	Decreases	Decreases	Amortization			
	Original Cost	Provision for amortization	Balance 01/01/2022	Original cost	Prov. for am.	reclassification	Original cost	Prov. for am.		Original Cost	Provision for amortization	Balance 31/12/2022
Right of use - Land and buildings	89,394	(23,639)	65,755	86	(37)	12,178	(1,915)	1,123	(9,847)	99,743	(32,400)	67,343
Right of use - Other assets	1,678	(1,157)	521	34	(12)	140	(1,201)	1,182	(327)	651	(314)	337
Total	91,072	(24,796)	66,276	120	(49)	12,318	(3,116)	2,305	(10,174)	100,394	(32,714)	67,680

Appendix 5 - Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2021. - Company that directly or mediate the activity of management and coordination.

Main figures' Statement of the last Cremonini S.p.A. financial statements and consolidated financial statements - MARR S.p.A. parent company -

Financial Statements as of December 31, 2021

Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
81,395		Tangible assets		1,224,932
0		Right of use assets		321,939
10		Goodwill and other intangible assets		240,997
263,250		Investments		31,055
118		Non-current assets		106,849
344,773		*Total non-current assets*		*1,925,772*
0		Inventories		552,287
52,443		Receivables and other current assets		729,304
23,157		Cash and cash equivalents		343,491
75,600		*Total current assets*		*1,625,082*
420,373		**Total assets**		**3,550,854**
		LIABILITIES		
321,587		Shareholders' equity:		*1,004,454*
	67,074	Share capital	67,074	
	226,435	Reserves	531,280	
	28,078	Net profit (loss)	23,412	
	0	Minority interest	382,688	
36,870		Non-current financial payables		1,038,875
317		Employee benefits		24,550
102		Provisions for risks and charges		18,107
3,851		Other non-current liabilities		37,596
41,140		*Total non-current liabilities*		*1,119,128*
39,321		Current financial payables		504,695
18,325		Current liabilities		922,577
57,646		*Total current liabilities*		*1,427,272*
420,373		**Total Liabilities**		**3,550,854**
		INCOME STATEMENT		
7,264		Revenues		3,981,291
884		Other revenues		95,766
0		Changes in inventories		(26,139)
0		Internal works performed		7,446
(63)		Purchase of goods		(2,772,056)
(4,338)		Other operating costs		(571,500)
(4,033)		Personnel costs		(399,363)
(3,085)		Amortization		(155,200)
0		Depreciation and Allocations		(28,918)
31,363		Income from investments		556
(369)		Financial income and charges		(33,575)
0		Profit from business aggregations		0
27,623		*Profit before taxes*		*98,308*
455		Taxes		(32,750)
28,078		Net profit (loss) before consolidation		65,558
0		Minority interest's profit (loss)		(42,146)
28,078		**Consolidated Net profit (loss)**		**23,412**

The essential data of the parent company Cremonini S.p.A. shown in the summary table required by article 2497-bis of the Civil Code have been extracted from the related financial statements for the year ended 31 December 2021. For an adequate and complete understanding of the equity and financial situation of Cremonini S.p.A. as at 31 December 2021, as well as the economic result achieved by the company in the financial year ended on that date, please refer to the reading of the financial statements which, accompanied by the report of the independent auditors, are available in the forms and methods required by law.

Appendix 6 - List of equity investments in subsidiary and associate companies as at 31 December 2022 (art. 2427, sub. 5 of the Civil Code).

List of stockholdings in subsidiaries and associated companies as at December 31, 2022 (art. 2427 n.5 c.c.)
(€/thousands)

Company	Corporate Domicile	Capital Stock	Shareholder's equity		Net Profit (loss)		Percentage Held	Carrying Value (B)	Difference (B) - (A)	Last Financial Statements approved/ preliminary financial statements approved	Shareholders' equity pro-rata amount in accordance with art. 2426 n. 3 cc (C)	Difference (B) - (C)
			Total Amount	Pro-rata Amount (A)	Total Amount	Pro-rata Amount						
- In subsidiares:												
Marr Foodservice Iberica S.A.U.	Madrid (Spagna)	600	403	403	(4)	(4)	100.00%	403	0	31/12/2022	403	0
AS.CA. S.p.A.	Santarcangelo di R.(RN)	518	10,166	10,166	1,908	1,908	100.00%	13,691	3,525 *	31/12/2022	20,344	(6,653)
New Catering S.r.l.	Santarcangelo di R.(RN)	34	10,854	10,854	1,261	1,261	100.00%	7,439	(3,415)	31/12/2022	15,282	(7,843)
Antonio Verrini S.r.l.	Santarcangelo di R.(RN)	250	5,825	5,825	39	39	100.00%	7,730	1,905 *	31/12/2022	8,409	(679)
Frigor Carni S.r.l.	Santarcangelo di R.(RN)	100	4,508	4,508	450	450	100.00%	6,247	1,739 *	31/12/2022	6,889	(642)
Jolanda De Colò S.p.A.	Palmanova (UD)	846	1,564	532	125	43	34.00%	1,828	1,296 *	31/12/2022	532	1,296

* See comment in the note to the financial statements

Appendix 7 - Information as per art. 149-duodecies of the Consob Issuers Regulation.

The following table, drawn up pursuant to art. 149-duodecies of the Consob Issuers' Regulation, highlights the fees pertaining to the 2022 financial year for services rendered to the company by the Independent Auditors or by entities belonging to the network of Independent Auditors:

(€thousands)	Service Company	Client	Fees pertinent to business year 2022
Auditing	PricewaterhouseCoopers S.p.A.	MARR S.p.A.	180
Certification service			0
Other services			0
Total			180

Appendix 8 - Table summarising the relations with parent companies, subsidiaries, associates and other related parties.

COMPANY	FINANCIAL RELATIONS						ECONOMIC RELATIONS									
	RECEIVABLES			PAYABLES			REVENUES				COSTS					
	Trade	Other*	Financial	Trade	Other*	Financial	Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods (by production)	Purchase of goods (by logistic)	Services	Leases and rental	Other operating charges	Financial charges
From Parent Companies:																
Cremonini S.p.A. (*)	1,466	3,924	9,404	205			4			19			1,259			73
Total	1,466	3,924	9,404	205	0	0	4	0	0	19	0	0	1,259	0	0	73
From unconsolidated subsidiaries:																
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies:																
Jolanda De Colò	2						17									
Total	2	0	0	0	0	0	17	0	0	0	0	0	0	0	0	0
From Affiliated Companies(**)																
Cremonini Group																
C&P S.r.l.	405				2		1,357									
Castelfrigo S.r.l.				17							134					
Chef Express S.p.A.	7,979				178		27,950									
Fiorani & C. S.p.a.		2		3,136			21		5		28,885	5,890				
Ges.Car. S.r.l.																
Global Service S.r.l.		3		380									1,206			
Guardamiglio S.r.l.	7						31									
Inalca Food and Beverage S.r.l.	1,012	4		30	2		11,072	222			5		5		31	
Inalca S.p.a.	126	373		24,492			81		8		80,342	71,960	1			
Italia Alimentari S.p.a.		41		712			6				8,511					
Roadhouse Grill Roma S.r.l.	840				9		3,750		16							
Roadhouse S.p.A.	13,815				9		41,166	2					1			
From not Affiliated Companies																
Le Cupole S.r.l.						2,964										95
Time Vending S.r.l.				(22)							(22)					
Verrini Holding S.r.l.		7														
Total	24,184	430	0	28,745	200	2,964	85,434	224	29	0	117,855	77,850	1,213	0	31	95

(*) The items in the Other Receivables columns relate to the residual IRES receivables for requests of reimbursement regarding to the personel cost not deducted to Irap in the years 2007-2011, transferred to the Parent Company w ithin the scope of of the National Consolidated tax base; the amount in the the other payables is related to the IRES balance of the year 2020. Trade receivables and payables include the net amount of VAT transferred to Cremonini w ithin the scope of the Group VAT liquidation.

(**) The total amount of trade receivables and payables are reclassified under "Receivables from customer" and "Suppliers" respectively.

COMPANY	Receivables Trade	Receivables Other*	Receivables Financial	Payables Trade	Payables Other*	Payables Financial	Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods (by production)	Purchase of goods (by logistic)	Services	Leases and rental	Other operating charges	Financial charges
From Affiliated Companies																
Antonio Verrini S.r.l.	183		6,706	224			1,089	121	4	105	1,020		3			
Asca S.p.a.	8			59		8,706		20						2,500		111
Chef S.r.l.																
Frigor Carni S.r.l.	23		4,202				1,140	14		48	7					
Marr Foodservice Iberica S.a.U.				124		275										3
New Catering S.r.l.	236			47		6,382	637	250	24		6		109			74
Total	450	0	10,908	454	0	15,363	2,866	405	28	153	1,033	0	112	2,500	0	188
From Other Related Parties																
Members of top management team					472								759			
Total	0	0	0	0	472	0	0	0	0	0	0	0	759	0	0	0

Appendix 9 - Reconciliation of liabilities deriving from financing activities as at 31 December 2022 and at 31 December 2021.

	31 December 2022	Cash flows	Non-financial changes			Fair value variation	31 December 2021
			Other changes/ reclassifications	Acquisition and margers	Exchange rates variations		
Current payables to bank	15,882	(30,104)	0	0	0	0	45,986
Current portion of non current debt	99,838	(46,163)	93,774	0	0	0	52,227
Current financial payables vs subsidiaries	15,363	1,073	0	0	0	0	14,290
Current financial payables for bond private placement in Euros	687	(686)	697	0	0	1	675
Current financial payables for IFRS 16 lease contracts	9,589	(9,130)	9,800	64	0	0	8,855
Current financial payables for purchase of shares of Frigor Carni S.r.l.	1,700	(4,048)	0	5,748	0	0	0
Current financial payables for purchase of shares of Antonio Verrini S.r.l.	2,000	(1,000)	0	0	0	0	3,000
Current financial payables for dividends approved and not distributed	148	(32,317)	31,267	0	0	0	1,198
Total current financial payables	145,207	(122,375)	135,538	5,812	0	1	126,231
Current payables/(receivables) for hedging financial instruments	0	0	0	0	0	0	0
Total current financial instruments	0	0	0	0	0	0	0
Non-current payables to bank	119,768	94,305	(94,026)	0	0	0	119,489
Non-current financial payables for bond private placement in Euros	99,874	0	0	0	0	32	99,842
Non-current financial payables fot IFRS 16 lease contracts	61,795	0	1,686	7	0	0	60,102
Non-current financial payables for purchase of quotas or shares	500	0	0	500	0	0	0
Total non-current financial payables	281,937	94,305	(92,340)	507	0	32	279,433
Non-current payables/(receivables) for hedging financial instruments	0	0	0	0	0	0	0
Total non-current financial instruments	0	0	0	0	0	0	0
Total liabilities arising from financial activities	427,144	(28,070)	43,198	6,319	0	33	405,664

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(23,032)
Cash flows for payment of residual debt for the acquisition of share in Antonio Verrini S.r.l.	(1,000)
Other changes/ reclassifications, included the acquisition	43,198
Exchange rates variations	0
Fair value variation	33
Total detailed variations in the table	19,199
Other changes in financial liabilities	(31,370)
Net change in financial payables (IFRS16)	2,427
New non-current loans received	102,000
Net change in derivative/financial instruments	0
Non current loans repayment	(53,858)
Total changes shown between financing activities in the Cash Flows Statement	19,199

	31 December 2021	Cash flows	Non-financial changes: Other changes/ reclassifications	Non-financial changes: Acquisition and margers	Non-financial changes: Exchange rates variations	Fair value variation	31 December 2020
Current payables to bank	45,986	(20,697)	0	178	0	0	66,505
Current portion of non-current debt	52,227	(170,488)	122,590	0	0	0	100,125
Current financial payables vs subsidiaries	14,290	1,081	0	0	0	0	13,209
Current financial payables for bond private placement in US dollars	0	(28,860)	27,387	0	876	0	597
Current financial payables for bond private placement in Euros	675	0	675	0	0	0	0
Current financial payables fot IFRS 16 lease contracts	8,855	(8,209)	8,708	79	0	0	8,277
Current financial payables for leasing contracts	0	(56)	0	0	0	0	56
Current financial payables for purchase of quotas or shares	3,000	(4,930)	0	7,930	0	0	0
Total current financial payables	125,033	(232,159)	159,360	8,187	876	0	188,769
Current payables/(receivables) for hedging financial instruments	0	(6)	0	0	0	0	6
Total current financial instruments	0	(6)	0	0	0	0	6
Non-current payables to bank	119,489	37,581	(122,346)	0	0	0	204,254
Non-current financial payables for bond private placement in US dollars	0	0	(26,811)	0	0	0	26,811
Non-current financial payables for bond private placement in Euros	99,842	100,000	(158)	0	0	0	0
Non-current financial payables fot IFRS 16 lease contracts	60,102	0	16,223	0	0	0	43,879
Non-current financial payables for leasing contracts	0	0	0	0	0	0	0
Non-current financial payables for purchase of quotas or shares	0	0	0	0	0	0	0
Total non-current financial payables	279,433	137,581	(133,092)	0	0	0	274,944
Non-current payables/(receivables) for hedging financial instruments	0	(50)	0	0	0	0	50
Total non-current financial instruments	0	(50)	0	0	0	0	50
Total liabilities arising from financial activities	404,466	(94,634)	26,268	8,187	876	0	463,769

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(89,704)
Other changes/ reclassifications, included the acquisition	27,466
Exchange rates variations	876
Fair value variation	0
Total detailed variations in the table	(61,362)
Other changes in financial liabilities	(19,893)
Net change in financial payables (IFRS16)	16,801
New non-current loans received	230,000
Net change in derivative/financial instruments	(56)
Non current loans repayment	(288,214)
Total changes shown between financing activities in the Cash Flows Statement	(61,362)

Appendix 10 - Detail of lands and buildings owned by the Company as at 31 December 2022.*

(Values in thousands of Euros)

	Original Cost	Prov. For Am.	Net Book Value
Building in Spezzano Albanese (CS) - St.Prov.le 19	1,898	973	925
Land in Spezzano Albanese close to the building	125	0	125
Building in Pistoia (PT) - St F.Toni loc.Bottegone	5,339	2,525	2,814
Land of Building in Pistoia	1,000	0	1,000
Building in Santarcangelo of Romagna (RN) - St. P.Tosi 1300	14,204	816	13,388
Building in Santarcangelo of Romagna (RN)- St. dell'Acero 2-4	5,319	2,986	2,333
Land of Building St. dell'Acero 2-4	2,464	0	2,464
Building in Opera (MI) - St. Cesare Pavese, 10	4,459	2,745	1,714
Land of Building Opera	2,800	0	2,800
Building in San Michele al Tagl.to (VE) - St. Plerote, 6	4,229	2,413	1,816
Land of Building San Michele	1,100	0	1,100
Building in Uta (CA) - Zona ind.le Macchiareddu	4,078	2,176	1,902
Land of Building Uta	1,531	0	1,531
Building in Portoferraio (LI) - Località Antiche Saline	1,512	927	586
Land of Building Portoferraio	990	0	990
Surface ownership Building in Bologna - St. Fantoni, 31	11,857	4,627	7,230
Land in Rimini loc. San Vito - St. Emilia Vecchia, 75	7,078	0	7,078
Land in Bottanuco (BG)	1,491	0	1,491
TOTAL	71,475	20,188	51,287

* The value indicated in the table is representative only of owned buildings and land and does not consider the values of improvements to leased properties and light constructions, both classified under the item "Land and buildings".

Certification of the annual financial statements
Pursuant to art. 154-bis of Legislative Decree 58/98

1. The undersigned Francesco Ospitali in the quality of Chief Executive Officer, and Pierpaolo Rossi, in the quality of Manager responsible for the drafting of the corporate accounting documents of MARR S.p.A., hereby certify, also taking into account that provided by art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998:

   - the adequacy in relation to the characteristics of the company and
   - the effective application,

   of the management and accounting procedures for the drafting of the annual financial statements during the year 2022.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the annual financial statement as at 31 December 2022 was based on a process defined by MARR S.p.A. in coherence with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is an internationally accepted general reference framework.

3. It is also certified that:

   3.1 The annual financial statements:

   a) are drawn up in compliance with the internationally applicable accounting principles recognised in the European Community pursuant to regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;

   b) correspond to the findings in the accounts books and documents;

   c) are suited to providing a truthful and correct representation of the equity, economic and financial situation of the author.

   3.2 The Directors' report on management includes a reliable analysis of performance levels and the management result, and also on the situation of the issuer, together with a description of the main risks and uncertainties it is exposed to.

Rimini, 14 March 2023

Francesco Ospitali	Pierpaolo Rossi
Chief Executive Officer	Manager responsible for the drafting of corporate accounts documents

Independent auditor's report

in accordance with article 14 of Legislative Decree n° 39 of 27 January 2010 and article 10 of Regulation (EU) n° 537/2014

To the Shareholders of
MARR SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MARR SpA (hereinafter also the "Company"), which comprise the statement of financial position as of 31 December 2022, the statement of profit or loss, statement of other comprehensive income, statement of changes in shareholders' equity, cash flows statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of MARR SpA as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key Audit Matters	***Auditing procedures performed in response to key audit matters***
Recoverability of Goodwill *Section 'Accounting policies', paragraph 'Goodwill and other intangible assets' e 'Losses in value of non-financial assets' of the explanatory notes to the consolidated financial statements, as referred in section 'Accounting policies" of the explanatory notes to the financial statements, section 'Main estimates adopted by management and discretional assessments' and note 3 'Goodwill' of the explanatory notes to the financial statements.*	
The value of Goodwill in the financial statements of MARR SpA is equal to Euro 138,544 thousand, accounting for 12.2% of total assets. In accordance with IAS 36 – "Impairment of assets", management tests the value of goodwill for impairment at least annually, by comparing the carrying amount of each cash generating unit (CGU) to which goodwill is allocated with the respective recoverable amount, i.e., the higher of value in use and fair value less costs of disposal. As of 31 December 2022, the recoverable amounts were determined on the basis of value in use, by discounting to present value the estimate cashflows of the period 2023-2025, plus terminal value. The basis of the calculation of cash flows is the 2023 budget, approved by the Company's Board of Directors on 24 February 2023, and the management projections for years 2024 and 2025. We considered the recoverability goodwill a key audit matter in consideration of the materiality of the amounts and of the elements of uncertainty and estimation intrinsic to the Directors' assessment of their recoverability. The key elements of uncertainty and estimation are related to the correct definition and identification of the CGUs and to the estimation of the future cashflows and the definition of the discount rates to be applied to those cashflows.	Our audit approach consisted, preliminarily, in understanding and evaluating the methods and procedures defined by the Company to determine the recoverable amounts of goodwill approved by the Company's Board of Directors. We analysed, also with the support of business valuation experts from the PwC network, the methods adopted by management to determine the recoverable amounts of the CGU's, we verified the reasonableness of the key assumptions reflected in the valuation models, including the discount rates, we verified the mathematical accuracy of the models used and we compared the value in use with the carrying amount of each CGU. We analysed the reasonableness of management's considerations about the identification of the CGUs and the process of allocation of goodwill, verifying their consistency with the organisation structure of the Company. We analysed the forecasts used to assess the recoverability of goodwill, verifying their consistency with 2023 budget approved by the Company's Board of Directors on 24 February 2023, making a critical assessment of the reasonableness of the estimated cashflows for the period 2023-2025, also in light of the historical results of the Company. Finally, our procedures included analysing the notes to the financial statements and the overall adequacy and completeness of the related disclosures.

Recoverability of trade receivables

Section 'Accounting policies', paragraph 'Receivables and other financial assets' of the explanatory notes to the consolidated financial statements, as referred in section 'Accounting policies" of the explanatory notes to the financial statements, section 'Main estimates adopted by management and discretional assessments', note 13 'Current trade receivables' and note 33 'Losses due to impairment of financial assets' of the explanatory notes to the financial statements.

The value of trade receivables in the financial statements of MARR SpA as of 31 December 2022 is equal to Euro 332,146 thousand.

We considered the recoverability of trade receivables a key audit matter in consideration of the materiality of the amounts and of the elements of uncertainty and estimation intrinsic to the Directors' assessment of their recoverability, specifically the assumptions applied in the calculation models used to determine the estimated future cash flows from collection of those receivables.

Our audit approach consisted, preliminarily, in understanding and evaluating the methods and procedures defined by the Company to determine the recoverable amounts of trade receivables.

We planned the test of details on the recoverability of trade receivable taking into consideration the understanding of internal controls mentioned above.

We obtained the trade receivable ageing, validated the related data base to identify any significant overdue debtor positions, which have been analysed and discussed with management to obtain evidence supporting the estimates of coverage of insolvency risk.

We also sent confirmation requests to the law firms that manage procedures relating to accounts in litigation, verifying the consistency of the evaluations made by the external professionals with the measurement of the debtor positions in the financial statements.

We carried out a retrospective analysis, comparing the estimates made in previous years with the actual collection figures, to validate management's ability in determining the estimated future cash flows from collection of trade receivables.

Finally, our procedures included analysing the notes to the financial statements and the overall adequacy and completeness of the related disclosures.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the Directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- We concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- We evaluated the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) n° 537/2014

On 28 April 2016, the shareholders of MARR SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2016 to 31 December 2024.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) n° 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) n° 2019/815

The Directors of MARR SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) n° 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the financial statements as of 31 December 2022, to be included in the annual report.
We have performed the procedures specified in auditing standard (SA Italia) n° 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2022 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010 and Article 123-bis, paragraph 4, of Legislative Decree n° 58/1998

The Directors of MARR SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of MARR SpA as of 31 December 2022, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) n° 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree n° 58/1998, with the financial statements of MARR SpA as of 31 December 2022 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the financial statements of MARR SpA as of 31 December 2022 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Bologna, 29 March 2023

PricewaterhouseCoopers SpA

Signed by

Giuseppe Ermocida
(Partner)

As disclosed by the Directors on page 17, the accompanying financial statements of MARR SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) n° 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

MARR S.p.A.

"Report on the 2022 Financial Statements by the Board of Statutory Auditors to the Shareholders' Meeting of MARR S.p.A. pursuant to art. 153 of Legislative Decree 58/1998 (TUF) and art. 2429 of the Civil Code"

Dear Shareholders,

This Report focuses on the supervisory activities carried out by the Board of Statutory Auditors of MARR S.p.A. during the course of the 2022 business year, prepared pursuant to Legislative Decree 58/1998 ("*TUF*") as subsequently amended, art 2429 of the Civil Code, the Code of Conduct for the Boards of Statutory Auditors of listed companies issued by the National Board of Chartered Accountants and Auditors, consistently with the instructions given in Consob Communication no. DEM/1025564 of 6 April 2001 and subsequent integrations.

1. Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors in office was appointed by the Shareholders' Meeting on 28 April 2020 on the basis of the provision of the laws and the Company by-laws and its term of office will end in the Shareholders' Meeting for the approval of the financial statements for 2022.

2. Verification of the independence requirements of the Board of Statutory Auditors

In 2022 business year, the Board of Statutory Auditors of the Company successfully performed the annual verification of the possession by all of the members of the independence and professionalism requirements provided by article 148, paragraph 3 of Legislative Decree 58/1998 (TUF), TUF and also by recommendation no. 9 in art. 2 of the Code of Corporate Governance for Listed Companies, approved by the Corporate Governance Committee, promoted by Borsa Italiana S.p.A., the business associations (ABI, Ania, Assonime and Confindustria) and professional investors (Assogestioni) concerning the independence of the auditors of listed companies, also on the basis of the certifications and information provided by each auditor. For the 2023 business year, the Board of Statutory Auditors postpones the verification since its office expires with the approval of the 2022 financial statements. Lastly, today, the Board of Auditors, consistently with Regulation Q.1.1. of the "*Rules of conduct for the Boards of Statutory Auditors of listed companies*" of the National Board of Chartered Accountants and Auditors (April 2018 version), performed a self-evaluation of the Board and prepared a specific document which will be sent to the Company. The outcomes of said activities are kept in the records of the Board.

3. Supervisory activities carried out and information received

During the course of the year, the Board of Statutory Auditors carried out the supervisory activities reserved for it in respect of the aforementioned article 149 of Legislative Decree 58/1998 (TUF), the "*Code of Conduct for the Boards of Statutory Auditors of Listed Companies*" issued by the National Board of Chartered Accountants and Auditors concerning company audits and the activities of the Board of Statutory Auditors and the instructions given in the 2018 Code of Self-Governance in force since 2021.

Also in 2022 the Company guaranteed its compliance with all the measures in order to contrast and contain the spread of the SARS-CoV-2/COVID-19 virus in the workplace provided by the shared Protocol signed by the social partners and related updates of the same (the last of which signed on 30 June 2022).

Furthermore, the company has maintained all the prevention measures in closed environments shared by several workers or where it was not possible to guarantee interpersonal distancing.

As regards the activities carried out in the 2022 business year and early in 2023, the Board of Statutory Auditors:

a) met 9 times in 2022 and 4 times in 2023 until today, with the average duration of the meetings being 90 minutes;

b) participated in:

(i) 7 meetings of the Board of Directors in 2022 and 2 meetings in 2023, of which 2 in 2022 and 1 in 2023 partly in the role of the Remuneration Committee and of which 1 in 2022 partly in the role of Nomination Committee;

(ii) 4 meetings of the Control and Risk Committee in 2022 and 1 in 2023;

c) met 4 times with the referents of the Independent Auditing Firm during the course of 2022 and another 2 times in 2023;

d) supervised over the observance of the law and the company by-laws, and also acquired information on and supervised, for matters of its competence, over the adequacy of the organizational structure of the Company, respect of the principles of proper administration and adequacy of the instructions given by the Company to its subsidiaries, pursuant to art. 114, paragraph 2 of Legislative Decree 58/1998 (TUF);

e) obtained from the Chief Executive Officer, with the frequency provided by the laws in force and the company by-laws, the information due on the activities of the Company and its subsidiaries, general management performance and its outlook, and the operations of most relevance in economic, financial and equity terms deliberated and undertaken, which are described in the Directors' Report, which see for more details;

f) also acquired the information required for the performance of the activities of its competence through the collection of documents, data and information and through periodical meetings scheduled for the reciprocal exchange of relevant data and information with: *(i)* the Company management; *(ii)* the heads of the organizational departments of the Company; *(iii)* the Director responsible for preparing the company's accounts documents; *(iv)* the representatives of the independent auditing firm and *(v)* the control bodies of its subsidiaries;

g) in the capacity of "*committee for internal control and auditing*", pursuant to art. 19 of Legislative Decree 39/2010, supervised over: *(i)* the company disclosure process; *(ii)* the effectiveness of the internal control, internal auditing and risk management systems; *(iii)* the legal auditing of the annual and consolidated accounts; *(iv)* the independence of the independent auditing firm;

h) supervised over the adequacy of the Internal Auditing and Risk Management system and the Administration and Accounting System and also the reliability of the latter n correctly representing management events through the competent company departments.

The Board examined the evaluation given by the Board of Directors as regards the adequacy and effectiveness of the Internal Auditing and Risk Management System through:

- updating the Guidelines of the Internal Auditing and Risk Management System, within which the company has, through the ERM model logic, validated a new model for the integrated management of risks aimed at identifying, evaluating and monitoring the internal (operating), external and strategic business risks;
- the certification of 2022 Financial Statements and 2022 Consolidated Financial Statements by the Chief Executive Officer and the Director responsible for preparing the company's accounts documents, who provided the declarations provided by paragraph 5 of art. 154-bis of Legislative Decree 58/1998 (TUF), taking into account that provided paragraph 3 and 4 of the same article;
- the periodical meetings with the *Internal Audit Manager*, with regard to activities carried out;
- the examination of the corporate documents and results of the work of the independent auditing firm, for which see the relative Reports;
- relations with the control bodies of the subsidiaries, pursuant to art. 151, paragraphs 1 and 2 of Legislative Decree 58/1998 (TUF);

- participation in the works of the Control and Risk Committee and, when the items being discussed so required, holding joint meetings with the same Committee;

i) monitored the concrete methods of implementation of the rules of corporate governance provided by the Code of Self-Governance of listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., business associations (ABI, Ania, Assonime and Confindustria) and professional investor associations (Assogestioni);

l) in relation to the topic of corporate responsibility, monitored the observance of the dispositions in Legislative Decree 254/2016, verified the existence of adequate procedures for the collection, processing and representation of data concerning sustainability; this information is reported in the 2022 Sustainability Report - Consolidated Non-Financial Declaration, which is published separately from the 2022 Directors' Report and prepared according to the GRI Sustainability Reporting Standards defined in 2016 and subsequent updates;

m) not least, the Board notified that it had taken due notice of Consob recalls no. 6/20 of 9 April 2020, 1/21 of 16 February 2021 and 4/21 of 15 March 2021 which, in the light of the consequences of the COVID-19 pandemic, and specifically for that within the sphere of competence of the control body, has implied the necessity to:

(i) enhance the flows of information with the administration body responsible for preparing the draft financial statements;

(ii) promote an effective and timely communication mechanism with the independent auditors, for the reciprocal exchange of information useful in carrying out their respective duties, also pursuant to art. 150, paragraph 3 of the TUF;

(iii) ensure adequate focus on the existence of the presupposition of business continuity, also taking into account the publications by the IFRS Foundation regarding the dispositions to be applied during the emergency situation caused by COVID-19, and the adequacy of the internal auditing system.

Lastly, the Board hereby notifies that it has taken into due consideration that stated in the Consob calls to attention of 18 March 2022 and 19 May 2022 on the current and foreseeable direct and indirect effects of the Russia-Ukraine crisis, in compliance with the ESMA Public Statement of 14 March 2022 and 13 May 2022.

4. Consolidated Financial Statements and Draft 2022 Annual Financial Statements

The Board of Statutory Auditors received, within the terms of the Law, the Management Report drawn up by the Directors, together with the "*consolidated*" Financial Statements of the MARR S.p.A. Group and the draft annual financial statements as at 31 December 2022.

The Financial Statements were drawn up according to the *IFRS* emanated by the *IASB* and adopted by the European Commission according to the procedure in art. 6 of EC Regulation 1606/2002 of the European Parliament and Council of 19 July 2002 and pursuant to art. 9 of Legislative Decree 38/2005 and subsequent CONSOB amendments, communications and resolutions. The IFRS include the *IAS* and the interpretative documents in force issued by the *IFRS IC*.

The valuation criteria used for drafting the consolidated financial statements for the financial statements as at 31 December 2022 do not differ from those used for the consolidated financial statements for the year ended 31 December 2021, with the exception of the reclassification of contributions received from suppliers and new accounting standards, amendments and interpretations applicable from 1 January 2022 as set out below:

- Amendments to IFRS 4 Insurance Contracts - defferal of IFRS 19 (issued on 25 June 2020);
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform - Phase 2 (issued on August 27, 2020).

In compliance with the provisions of the ESEF Regulation, MARR has drawn up the annual financial report as at 31 December 2022 in XHTML format, supplemented by appropriate XBRL markings.

The independent auditing firm PricewaterhouseCoopers S.p.a., responsible for the legal auditing of the accounts, today released the reports pursuant to articles 14 of Legislative Decree 39/2010 and art. 10 of EU Regulation 537/2014 for the annual financial statements and consolidated financial statements of MARR S.p.A. as at 31 December 2022, expressing an opinion without comments, having nothing to report.

In particular, in these reports, the Independent Auditing Firm certifies that:

- the annual and consolidated financial statements provide a truthful and correct representation of the equity and financial situation of MARR S.p.A. and of the MARR S.p.A. Group respectively as at 31 December 2022, the economic result and the cash flows for the business year closed on said date, in compliance with the IFRS endorsed by the European Union and the procedures emanated in implementation of art. 9 of Legislative Decree 28/2005;
- The annual and consolidated financial statements of MARR S.p.A. have been prepared in the XHTML format, and was marked in all significant respects, in compliance with the dispositions of delegated EU Regulation 2019/815;
- the Management Report and some specific information in the Report on corporate governance and ownership structure indicated in art. 123-bis, paragraph 4 of Legislative Decree 58 of 24 February 1998, for which the Directors of MARR S.p.A. are responsible, are consistent with the Consolidated

financial statements of the MARR Group as at 31 December 2022 and are drawn up in compliance with the law.

5. **Operations of most relevance in economic, financial and equity terms – related party transactions**

The new Piacenza distribution platform has been operational since January 2022 and works began on the new Bottanuco distribution unit starting from the second half of the year.
On 1 April 2022, the closing was finalized for the purchase of all the shares of the newly incorporated company, Frigor Carni S.r.l., to which the activities of Frigor Carni S.a.s., a company based in Montepaone Lido (Catanzaro) and operating in the sale and distribution of food products to the Foodservice, with a significant specialization in the offer of seafood products, aimed mainly at independent catering customers.
The Ordinary Shareholders' Meeting of 28 April 2022 authorized the purchase, sale and disposal of treasury shares, pursuant to and by effect of article 2357 et seq. of the Civil Code and article 132 of Legislative Decree 24 February 1998, n. 58, appointing the Board of Directors for this purpose with the power to assign specific powers.
On May 13, 2022, the Board of Directors resolved to launch the treasury share buyback program (the "Buyback Program") by delegating the Chief Executive Officer Francesco Ospitali and the Director Claudia Cremonini, jointly, to execute the related operations. The deed of merger by incorporation into MARR S.p.A. was signed on 12 December 2022. of the wholly owned company Chef S.r.l. Unipersonale, with legal effect from 30 December 2022 and accounting and tax effects from 1 January 2022.
During the 2022 financial year, the Head of the Internal Audit function illustrated quarterly analytical reports on the verification of transactions with related parties at the meetings of the CRC (Control Risk Committee), to which the Board attended constantly.

The related party transactions are described in detail in the annual financial report by the directors, in which the nature of the relations and consequent economic and equity effects are described in compliance with the law. It must also be noted that all of the commercial transactions and supplies of services with related parties fall within the ordinary exercise of the operating activity and occurred at conditions equivalent to those of the market or standard in compliance with the provisions of the Procedure for the management of transactions with related parties.

As regards the above operations, no conflicts of interest were notified to us and none emerged, no blatantly imprudent or risky operations were carried out and nor were any not in compliance with the law and the articles of association or shareholders' meeting resolutions and internal procedures, or capable of causing prejudice to the economic, equity and financial situation of the Company and/or Group.

On the basis of the information available to the Board of Statutory Auditors, there were no atypical and/or unusual operations with third parties or associates.

The Board of Statutory Auditors continued to monitor the update of the "Procedure for regulating transactions with related parties", pursuant to article 2391 bis of the Civil Code and Consob resolution no. 17221 of 12 March 2010, as amended by Directive 2017/828/EU.

6. **Meeting with the Boards of Statutory Auditors of the subsidiaries, article 151, paragraphs 1 and 2 of Legislative Decree 58 of 24.2.1998**

No aspects and/or facts of relevance emerged from the meetings held with the Boards of Statutory Auditors of the subsidiaries. The adequacy of the instructions given by the parent company was confirmed.

7. **Observations on the adequacy of the organizational structure**

On the basis of its own competences, the Board of Statutory Auditors supervised over the adequacy of the organizational structure of the Company, confirming its adequacy with regard to the operational management and control requirements, organization that varies from year to year on the basis of the business development aligning with market requirements.

The Board of Statutory Auditors acknowledges that the organizational structure was subject to continuous updating, notified to the Board in compliance with the organizational changes made.

8. **Observations on the adequacy of the internal control and risk management system**

It is acknowledged that the Board of Statutory Auditors continued to monitor risk management, which from a methodological viewpoint, follows the logic of the ERM (Enterprise Risk Management) model.

In compliance with the provisions of art. 149 of the TUF, the Board of Statutory Auditors acknowledges that the supervisory activities carried out did not highlight any shortcomings or criticalities that may be considered as indicators of inadequacy of the internal auditing and risk management system (see paragraph 2).

The Board of Statutory Auditors acknowledges that on 25 February 2022 and on 13 May 2022, the Board of Directors approved the modifications of the Organizational Model ex Legislative Decree 231/01 in order to include the new crimes provided by the laws in force.

9. **<u>Observations on the adequacy of the administration and accounting system and its reliability in terms of properly representing management events</u>**

The Board of Statutory Auditors supervised the compliance with the legislation ruling the complex administrative and accounting process by virtue of which the Chief Executive Officer and the Manager in charge of drafting the accounting and corporate documents issued, on 14 March 2023, the certifications concerning the adequacy in relation to the characteristics of the company and the effective application of the administrative and accounting procedures for drafting the consolidated financial statements during the 2022 financial year, also taking into account the provisions of article 154-bis, paragraph 3 and 4, of Legislative Decree 24 February 1998, n.58.
The Board of Statutory Auditors has no observations to make on the adequacy of the administrative and accounting system and its reliability in terms of properly representing management events.

10. **<u>Observations on relevant aspects emerging during the course of the meetings held with the independent auditing firm pursuant to art. 150, paragraph 2 of Legislative Decree 58/1998 and art. 19, paragraph 1 of Legislative Decree 39/2010</u>**

During the course of the 2022 business year and also in 2023, the Board of Statutory Auditors periodically exchanged information with the independent auditing firm. The exchanges of information with the auditors pursuant to article 150 of Legislative Decree 58/98 and art. 19, paragraph 1 of Legislative Decree 39/2010 did not highlight any criticalities.
The independent auditing firm PricewaterhouseCoopers S.p.a. did not make any findings and/or disclosure recalls or related observations or limitations in the Reports issued on 29 March 2023, pursuant to article 14 of Legislative Decree 39/2010 and EU Regulation 537/2014, for the annual financial statements and the consolidated financial statements of MARR S.p.A. as at 31 December 2022.
In its additional Report to the Internal Auditing and Independent Auditing Committee, issued pursuant to article 11 of EU Regulation 537/2014 on 29 March 2023, the independent auditing firm PricewaterhouseCoopers S.p.a. stated that, on the basis of the probatory elements acquired, the presupposition of continuity is appropriate for the preparation of the annual and consolidated financial

statements as at as at 31 December 2022 and did not identify any significant uncertainty as to the business continuity of the Company and the Group. Specifically, the independent auditing firm assessed the completeness and consistency of the financial information with the assessments made by Management regarding the capacity of the Company and the Group to operate as a functioning entity.

In its Report for the purposes of which in art. 19 of Legislative Decree 39/2010, the independent auditing firm pointed out that no fundamental questions were raised during its audit and no significant shortcomings were found in the internal control system as regards the financial disclosure process.

11. Conferment of duties to the independent auditing firm

The Board also supervised over the legal auditing of the annual and consolidated accounts and the independence of the auditing firm, with specific focus on any non-auditing services rendered by the latter.

In appendix 8, after the part referring to the Consolidated Financial Statements, to the 2022 Annual Financial Report, the fees paid during the business year closed on 31 December 2022 for the auditing services provided to MARR S.p.A. and the subsidiary As.Ca S.p.A. by the independent auditing firm PricewaterhouseCoopers S.p.A. have been made public. These taxable fees are given below in Euros:

TYPE OF SERVICE	*SUBJECT PROVIDING THE SERVICE*	*BENEFICIARY*	*FEES*
Auditing of the Accounts	PricewaterhouseCoopers S.p.A..	MARR S.P.A.	180,000
Auditing of the Accounts	PricewaterhouseCoopers S.p.A.	AS.CA S.p.A.	11,000
TOTAL	**Euros**		**181,000**

The Board today received from the independent auditing firm PricewaterhouseCoopers S.p.A. the annual confirmation of independence pursuant to article 6, paragraph 2 of European Regulation no. 537/2014, and the requirements of paragraph 17, letter a) of the International Auditing Standard (ISA Italy) 260, on the basis of which from 1 January 2022 to today, the principles regarding ethics of which in articles 9 and 9 bis of Legislative Decree 38/2010 have been respected by them and no situations were encountered that compromised their independence pursuant to articles 10 and 17 of Legislative Decree 39/2010 and articles 4 and 5 of the above European Regulation.

Taking the above into account, the Board of Statutory Auditors believes that no critical aspects emerged regarding the independence of the auditing firm.

12. **Opinions given during the course of 2022 business year**

During the course of the year, the Board of Statutory Auditors gave the opinion of which in art. 2389, third paragraph of the Civil Code, and in relation to the update of the medium and long-term objectives for the three-year period 2020-2022 of the variable component of the remuneration due to the Chief Executive Officer..

Furthermore, the Board of Statutory Auditors issued a reasoned proposal for the integration of the fees relating to the statutory auditing of the accounts appointed to the statutory auditing firm PricewaterhouseCoopers S.p.A..

13. **Indication of adhesion by the company to the Code of Corporate Governance promoted by the Corporate Governance Committees of listed companies**

In observance of the dispositions of article 149, no. 1, sub. c) bis of Legislative Decree 58/98, we acknowledge that the company adheres to and complies with the Code of Corporate Governance, approvato dal Comitato di Corporate Governance approved by the Corporate Governance Committee promoted by Borsa Italiana S.p.A., the business associations (ABI, Ania, Assonime and Confindustria) and professional investors (Assogestioni), also in respect of the principle of prevalence of substance over form, applying its recommendations according on a "*comply or explain*" basis.

Adhesion to the regulations provided by the aforementioned Code of Corporate Governance is the subject of the "Report on Corporate Governance and the Ownership Structure" prepared by the Board of Directors and approved on 14 March 2023, which also takes into account the recommendations of the Code that the Board of Directors decided not to implement, giving its reasons and describing the alternative conduct implemented.

As provided by the Code of Corporate Governance, during the course of the year, the Board of Directors verified the effective independence of the independent directors and the Board of Statutory Auditors verified the correct application of the criteria and procedures applied. Consistently with the dispositions of recommendation no. 9 in art. 2 of the Code of Corporate Governance, the Board of Statutory Auditors also verified the permanence of its independence. The Board also acknowledged the preparation of the "Report on remuneration policy and payments made pursuant to article 123-ter of the TUF", approved by the Board of Directors on 14 March 2023, and had no observations to make in this regard.

The Board of Statutory Auditors was constantly updated as regards the evolution of the sector of business in which the company operates and the reference regulatory framework both during the periodical meetings of the Board and in the communications made pursuant to recommendation 12.d) in Art. 3 of the Code of Corporate Governance.

14. Non-financial declaration (Sustainability Report) ex Legislative Decree 254/2016

Having acknowledged art. 4 of Legislative Decree 254/2016 concerning the disclosure of non-financial information and the implementation regulation no. 20267 issued by Consob in resolution dated 18 January 2018, pursuant to article 3, paragraph 7 of Legislative Decree 254/2016 and the Consob call to attention no.1/21 of 16. February 2021, the Board of Statutory Auditors monitored the approval of the of the Sustainability Report - Consolidated Non-Financial Declaration 2022, pursuant to Legislative Decree 254/2016 of the MARR Group as at 31 December 2022 by the Board of Directors on 14 March 2023 and supervised the observance of the dispositions established by this decree and recommendations, which the independent auditing firm on 29 March 2023 certified the existence and compliance.

The Board met with the department responsible for its preparation and the representatives of the independent auditing firm and examined the documentation made available.

On 29 March 2023, the independent auditing firm issued a separate report on the Sustainability Report - Consolidated Non-Financial Declaration 2022, certifying that "*no elements have been brought to its attention that may lead it to believe that the NFD of the MARR Group for the business year closed on 31 December 2022 has not been drafted, in all of its significant aspects, in compliance with that required by articles 3 and 4 of Legislative Decree 254/2016 and with regard to the selection of the GRI standards*".

15. Final evaluations of the supervisory activities carried ut and any omissions, censurable conduct or irregularities encountered during the course of same

On the basis of the supervisory activities carried out by the Board of Statutory Auditors, as described above, no censurable conduct, omissions or irregularities emerged worthy of reporting to the competent supervisory and control bodies or mentioning in this Report and no reports were received ex art. 2408 of the Civil Code or filed.

The Board of Statutory Auditors is not aware of other facts or episodes worthy of mentioning to the Shareholders' Meeting.

16. **<u>Proposals to be made to the shareholders' meeting pursuant to art. 153, paragraph 2 of Legislative Decree 58/1998</u>**

The above holding firm, the Board of Statutory Auditors, on the basis of the annual financial statements closed on 31 December 2022, submitted by the Board of Directors on 14 March 2023, sees no reason to prevent their approval and gives its favourable opinion as regards the proposal to retain the business year losses submitted by the Board of Directors and asks you to deliberate on the matter.
With the approval of the financial statements as at 31 December 2022, the mandate of the Board of Statutory Auditors appointed by the MARR S.p.A. Shareholders' Meeting in the meeting of 28 April 2020 expires.
Finally, on 29 March 2023, the Board of Statutory Auditors proceeded in accordance with Rule Q.1.1. of the "Rules of conduct of the board of statutory auditors of listed companies" of the National Council of Chartered Accountants and Accounting Experts (April 2020 edition), to the self-assessment of the board by drafting a specific report on the activities carried out during 2022-2023 period and the has filed to the Company. The results of this activity are kept in the records of the Board of Statutory Auditors.
Lastly, the Board of Statutory Auditors would like to thank the Shareholders of MARR S.p.A. for the trust granted, as well as the Board of Directors of the Company and its management for the fruitful collaboration that occurred during the three-year period.
Rimini, 29 March 2023

For the Board of Statutory Auditors of MARR S.p.A.

The Chairman

(Signed)

(Mr. Massimo Gatto)