

<p>Informazione Regolamentata n. 0765-32-2023</p>	<p>Data/Ora Inizio Diffusione 04 Agosto 2023 15:18:44</p>	<p>Euronext Star Milan</p>
---	---	----------------------------

Societa' : MARR

Identificativo : 180113

Informazione
Regolamentata

Nome utilizzatore : MARRN01 - Tiso

Tipologia : 1.2

Data/Ora Ricezione : 04 Agosto 2023 15:18:36

Data/Ora Inizio
Diffusione : 04 Agosto 2023 15:18:44

Oggetto : MARR: The Board of Directors approves
the results of the first half of 2023

Testo del comunicato

Vedi allegato.



press release

MARR: The Board of Directors approves the half-yearly financial report as at 30 June 2023.

Total consolidated revenues in the first half of 2023 of over 1 billion Euros, amounting to 1,003.2 million, increasing compared to 874.3 million in the same period of 2022

Improvement in operating profitability confirmed with EBITDA of 53.4 million Euros in the first six months of 2023, compared to 35.0 million in 2022

Net profits in the first six months of 2023 of 18.7 million Euros (10.5 million in 2022)

The sales to Street Market and National Account clients in July is consistent with the growth objectives for 2023

Rimini, 4 August 2023 – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the sale and distribution to the foodservice of food and non-food products, today approved the half-year financial report as at 30 June 2023.

Main consolidated results for the first half of 2023

The first six months of 2023 closed with total consolidated revenues of over 1 billion Euros, amounting to 1,003.2 million Euros, increasing compared to 874.3 million Euros in the same period last year.

The improvement in operating profitability was confirmed, with EBITDA of 53.4 million Euros in the first six months of 2023, compared to 35.0 million in 2022 and 56.3 million pre-pandemic in 2019.

EBIT for the period amounted to 34.7 million Euros, compared to 18.3 million in the first half of 2022 (42.0 million Euros in the first half of 2019).

At the end of the first half of 2023, the Net Result, affected by the increased net financial costs as a result of the increase in the cost of borrowing as of the second half of 2022, amounted to 18.7 million Euros compared to 10.5 million in the first half of 2022.

The Net Trade Working Capital as at 30 June 2023 amounted to 198.6 million Euros, a decrease compared to 233.5 million as at 31 March 2023 and 211.5 million at the end of the first half of 2022.

The net financial debt as at 30 June 2023 amounted to 250.1 million Euros compared to 270.6 million as at 31 March 2023 and 228.7 million at the end of the first half of 2022. It can be seen that in the period from 1 July 2022 to 30 June 2023 investments were made amounting to 22.9 million Euros, of which 14.8 million regarding the construction of the new distribution center in Lombardy, which is expected to begin operations in the first half of 2024.



press release

Net of the effects of the application of accounting standard IFRS 16, the Net Financial Position (NFP) at the end of the first half of 2023 amounted to 172.4 million Euros compared to 192.3 million as at 31 March 2023 and 147.2 million after the first half of 2022.

The consolidated Net Equity as at 30 June 2023 amounted to 332.2 million Euros (327.0 million at the end of the first half of 2022) and includes a share premium reserve of 7.3 million Euros relating to the purchase started at the end of May 2022 of 609,210 treasury shares at an average price of 12.45 Euros and amounting to 0.92% of the Share Capital.

Results by segment of activity for the first half of 2023

Sales of the MARR Group in the first six months of 2023 amounted to 986.2 million Euros, compared to 860.2 million in the same period of 2022 and 779.7 million pre-pandemic in 2019.

The performance of sales in the first half of 2023 was also affected by the inflation dynamics in the foodservice sector, which was more acute as of the second quarter of 2022 and then progressively attenuated in the second quarter of 2023. The increase in sale prices during the course of the first six months of 2023 was also mitigated by trading down phenomena which arose in all client segments, albeit in different ways.

Sales to clients in the Street Market and National Account segments amounted to 883.4 million Euros in the first half of 2023 and compared to 734.1 million in 2022 (+20.3%) benefitted by approximately 7.5 million, of which 2.4 million in the first quarter of 2023, from the contribution of Frigor Carni S.r.l., consolidated as of 1 April 2022.

The increase in sales in the Street Market and National Account segments compared to the first half of 2022 is a further example of over-performance compared to the reference market.

On the basis of the findings of the Confcommercio Studies Office (Survey no. 7, July 2023), consumption by quantity, and thus excluding the inflation component, in "Hotels, meals and out-of-home consumption" in Italy increased compared to the same period in 2022 by 18.9% in the first three months of 2023 and +2.5% in the second quarter of 2023 respectively. It must be recalled that the different trend in the first and second quarters of 2023 is to be correlated to the fact that the first part of the first quarter of 2022 was affected by the pandemic.

Sales to customers in the Wholesale segment (almost entirely frozen seafood products to wholesalers) amounted to 102.7 million Euros in the first half of 2023 and compared to 126.1 million in the same period of 2022, were affected by the same temporary unavailability of caught seafood products that marked the second half of 2022 and the first half of 2023.

Outlook

The performance of sales to customers in the Street Market and National Account segments in July was consistent with the growth objectives for 2023, confirming the progressive recovery of margins that had already been highlighted in the first half of 2023.

The results in July were achieved in a context of out-of-home consumption that continued to benefit from the positive contribution of overseas tourism, especially in the major cities.

The entire organization remains focused on activities aimed at recovering operating profitability, which, also on the basis of the performance in the first seven months, are expected to enable the pre-pandemic EBITDA to be approached in terms of absolute value during the current year.

Focus on controlling the levels of absorption of the trade working capital also remains strong, in order to attenuate the cost of its financing.



press release

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

With an organisation comprising over 900 sales agents, the MARR Group serves about 55,000 customers (mainly restaurants, hotels, pizza restaurants, holiday resorts and canteens), with an offer that includes over 25,000 food products, including seafood, meat, various food products and fruit and vegetables and a significant offer of green, sustainable and Made in Italy products (<https://catalogo.marr.it/catalogo>).

MARR operates nationwide through a logistical-distribution network composed of more than 40 distribution units, some of which with cash&carry, and uses over 850 vehicles.

MARR achieved total consolidated revenues in 2022 of 1,930.5 million Euros (1,456.3 million in 2021) with a consolidated EBITDA of 82.1 million Euros (90.5 million in 2021) and net consolidated profits of 26.6 million Euros (35.1 million in 2021).

For more information about MARR visit the company's web site at www.marr.it

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

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

It should be noted that the half-yearly financial report as at 30 June 2023, approved today by the MARR S.p.A. Board of Directors, will be made available by the end of today, together with the Report by the Independent Audit Firm, on the Investor Relations Section of the company website www.marr.it/investors/financial-reports, at the company headquarters and on the authorized storage system. www.emarketstorage.com.

The results of the first six months of 2023 will be illustrated in a conference call with the financial community, to be held today at 17:30 (CET). This presentation will be available in the "Investor Relations – Presentations" section of the MARR website (www.marr.it) from 17:15 today.

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

Press contacts

Luca Macario
Imacario@marr.it
mob. +39 335 7478179

Investor Relator

Antonio Tiso
atiso@marr.it
tel. +39 0541 746803

This press release contains forecast elements and elements which reflect the current opinions of the management team (forward-looking statements), especially as regards the future outlook, the realisation of



press release

investments, the performance of cash flows and the evolution of the financial structure. The forward-looking statements by nature include a component of risk and uncertainty because they depend upon the occurrence of future events. The effective results may differ even significantly from those announced because of a multitude of factors including, merely for example: the performance of the market of out of home food consumption (“foodservice”) and the flow of tourists into Italy; the evolution of the price of raw materials on the food sector; general macroeconomic conditions; geopolitical factors and developments in the regulatory framework.

- § -

ALTERNATIVE PERFORMANCE MEASURES

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

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

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

Re-classified Income Statement¹

MARR Consolidated (€thousand)	30.06.23 <i>(6 months)</i>	%	30.06.22 <i>(6 months)</i>	%	% Change
Revenues from sales and services	976,122	97.3%	852,276	97.5%	14.5
Other earnings and proceeds	27,127	2.7%	22,021	2.5%	23.2
Total revenues	1,003,249	100.0%	874,297	100.0%	14.7
Cost of raw materials, consumables and goods for resale	(849,880)	-84.7%	(771,142)	-88.2%	10.2
Change in inventories	49,824	4.9%	71,232	8.2%	(30.1)
Services	(124,707)	-12.4%	(115,885)	-13.3%	7.6
Leases and rentals	(382)	0.0%	(250)	0.0%	52.8
Other operating costs	(946)	-0.1%	(944)	-0.1%	0.2
Value added	77,158	7.7%	57,308	6.6%	34.6
Personnel costs	(23,785)	-2.4%	(22,273)	-2.6%	6.8
Gross Operating result	53,373	5.3%	35,035	4.0%	52.3
Amortization and depreciation	(9,966)	-1.0%	(9,765)	-1.1%	2.1
Provisions and write-downs	(8,666)	-0.8%	(6,958)	-0.8%	24.5
Operating result	34,741	3.5%	18,312	2.1%	89.7
Financial income	538	0.0%	363	0.0%	48.2
Financial charges	(8,764)	-0.9%	(3,162)	-0.3%	177.2
Foreign exchange gains and losses	(237)	0.0%	80	0.0%	(396.3)
Value adjustments to financial assets	0	0.0%	0	0.0%	0.0
Result from recurrent activities	26,278	2.6%	15,593	1.8%	68.5
Non-recurring income	0	0.0%	0	0.0%	0.0
Non-recurring charges	0	0.0%	0	0.0%	0.0
Net result before taxes	26,278	2.6%	15,593	1.8%	68.5
Income taxes	(7,609)	-0.7%	(5,092)	-0.6%	49.4
Net result attributable to the MARR Group	18,669	1.9%	10,501	1.2%	77.8

¹ Data unaudited

Re-classified Balance sheet¹

MARR Consolidated (€thousand)	30.06.23	31.12.22	30.06.22
Net intangible assets	170,447	170,377	170,127
Net tangible assets	93,858	83,899	79,551
Right of use assets	73,571	75,368	77,993
Equity investments evaluated using the Net Equity method	1,828	1,828	1,828
Equity investments in other companies	188	178	175
Other fixed assets	21,306	16,492	20,231
Total fixed assets (A)	361,198	348,142	349,905
Net trade receivables from customers	420,711	353,810	409,347
Inventories	259,737	209,913	271,085
Suppliers	(481,824)	(394,611)	(468,965)
Trade net working capital (B)	198,624	169,112	211,467
Other current assets	64,597	77,760	49,336
Other current liabilities	(23,641)	(16,828)	(37,490)
Total current assets/liabilities (C)	40,956	60,932	11,846
Net working capital (D) = (B+C)	239,580	230,044	223,313
Other non current liabilities (E)	(4,169)	(3,751)	(2,604)
Staff Severance Provision (F)	(6,991)	(7,207)	(8,124)
Provisions for risks and charges (G)	(7,288)	(8,221)	(6,786)
Net invested capital (H) = (A+D+E+F+G)	582,330	559,007	555,704
Shareholders' equity attributable to the Group	(332,233)	(341,457)	(326,984)
Consolidated shareholders' equity (I)	(332,233)	(341,457)	(326,984)
(Net short-term financial debt)/Cash	67,238	80,827	33,716
(Net medium/long-term financial debt)	(239,681)	(219,128)	(180,941)
Net financial debt - before IFRS 16 (J)	(172,443)	(138,301)	(147,225)
Current lease liabilities (IFRS 16)	(11,454)	(10,813)	(10,802)
Non-current lease liabilities (IFRS 16)	(66,200)	(68,436)	(70,693)
IFRS 16 effect on Net financial debt (K)	(77,654)	(79,249)	(81,495)
Net financial debt (L) = (J+K)	(250,097)	(217,550)	(228,720)
Net equity and net financial debt (M) = (I+L)	(582,330)	(559,007)	(555,704)

¹ Data unaudited

Re-classified Cash-flow statement¹

MARR Consolidated	<i>30.06.23</i>	<i>30.06.22</i>
(€thousand)		
Net result before minority interests	18,669	10,501
Amortization and depreciation	9,966	9,766
Change in Staff Severance Provision	(216)	(432)
Operating cash-flow	28,419	19,835
(Increase) decrease in receivables from customers	(66,901)	(88,067)
(Increase) decrease in inventories	(49,824)	(71,233)
Increase (decrease) in payables to suppliers	87,215	88,007
(Increase) decrease in other items of the working capital	14,570	24,916
Change in working capital and other change in current items	(14,940)	(46,377)
Net (investments) in intangible assets	(401)	(7,018)
Net (investments) in tangible assets	(13,709)	(3,677)
Flows relating to acquisitions of subsidiaries and going concerns	(2,010)	(4,098)
Investments in other fixed assets	(16,120)	(14,793)
Free - cash flow before dividends and other changes in shareholders' equity	(2,641)	(41,335)
Distribution of dividends	(24,733)	(31,976)
Other changes, including those of minority interests	(2,918)	(1,757)
Cash-flow from (for) change in shareholders' equity	(27,651)	(33,733)
FREE - CASH FLOW	(30,292)	(75,068)
Opening net financial debt	(217,550)	(141,430)
Effect for change in liability for IFRS16	(4,090)	(11,734)
Dividends approved and not distributed	(335)	(488)
Effect of changes in other financial payables	2,010	0
Effect of changes in derivatives	160	0
Cash-flow for the period	(30,292)	(75,068)
Closing net financial debt	(250,097)	(228,720)

¹ Data unaudited

Fine Comunicato n.0765-32

Numero di Pagine: 9