Interim Report
as at 30 September 2023

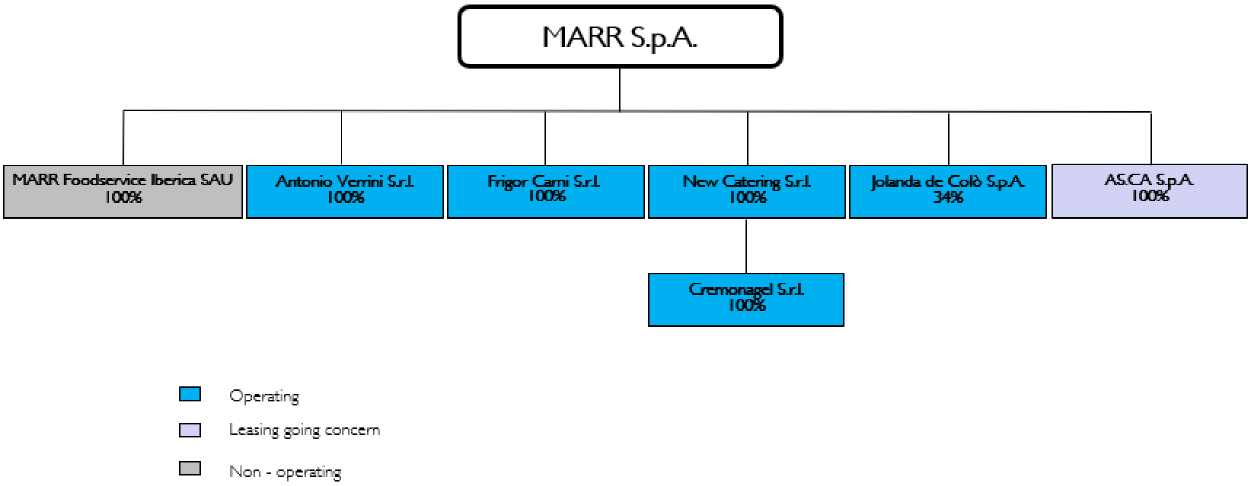
14 November 2023

MARR S.p.A.
Street Spagna, 20 – 47921 Rimini (Italia)
Capital stock € 33.262.560 fully paid Tax code and Trade Register of Romagna-Forlì-Cesena and Rimini 01836980365
Subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)
Company subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)

TABLE OF CONTENTS

MARR GROUP ORGANISATION

as at 30 September 2023



The structure of the Group as at 30 September 2023 differs from the situation as at 31 December 2022 due to the incorporation on 29 May 2023 of the company Cremonagel S.r.l., wholly owned by the subsidiary New Catering S.r.l.. Cremonagel S.r.l. operates in the wholesale and retail trade of ice cream and frozen foods in the sector of supplies to bars and fast-food restaurants and has stipulated on 30 June 2023, with effect from 1st July 2023 and expiring date on 31 March 2024, a rental contract for the going concern owned by Cremonagel s.a.s. by Alberto Vailati & co. based in Piacenza.

Compared to the structure of last 30 September 2022, it should be noted that, in addition to the above mentioned operation, on 30 December 2022 was completed the merger by incorporation into the Parent Company MARR S.p.A. of the wholly owned company Chef S.r.l. Unipersonale, with the aim of obtaining a rationalization of economic, financial and administrative management.

The MARR Group's activities are entirely dedicated to the foodservice distribution and are listed in the following table:

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.
Cremonagel S.r.l. Street Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of food products to bars and fast-food outlets.
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.

Company	Activity
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 for Foodservice operators, 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 1st February 2020 exercises a going concern lease to the Parent Company MARR S.p.A..

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

CORPORATE BODIES

BOARD OF DIRECTORS

Office	Name and Surname	Executive with strategic responsibilities	Executive	Non-executive	Member of Control and Risk Committee	*Independence*
Chairman	Andrea Foschi			✔		✔
Chief Executive Officer	Francesco Ospitali	✔				
Director	Giampiero Bergami			✔	✔	✔
Director	Claudia Cremonini			✔		
Director	Alessandro Nova			✔		✔
Director	Rossella Schiavini			✔	✔	✔
Director	Lucia Serra		✔			

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).

BOARD OF STATUTORY AUDITORS

Office	Name and Surname
Chairman	Massimo Gatto
Statutory Auditor	Simona Muratori
Statutory Auditor	Andrea Silingardi
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

DIRECTORS' REPORT

Group performance and analysis of the results for the third quarter of 2023 and as at 30 September 2023

The interim report as at 30 September 2023, not audited, has been prepared in accordance with the accounting policies 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 procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002, while for information and the purposes of this report, reference is made to article 154-ter of the Legislative Decree 58 dated 24 February 1998.

The MARR Group closed the first nine months of 2023 with total consolidated revenues amounted to 1,626.5 million Euro, an increase compared to the 1,495.0 million of the same period of 2022 and the 1,302.1 million (pre-pandemic) in 2019.
After the first nine months of 2023, the consolidated EBITDA amounted to 99.7 million Euro (67.5 million in 2022 and 103.6 million in 2019), while EBIT amounted to 70.6 million (40.3 million in 2022 and 81.3 million in 2019). The net consolidated result in the first nine months of 2023 amounted to 40.5 million Euro, an increase compared to 24.7 million Euro in the same period of 2022.

Total consolidated revenues in the third quarter of 2023, in a summer season in which the tourist flows in Italy, especially the domestic component, were below the expectations of the operators in the sector, amounted to 623.2 million Euro, and strengthened the growth in the same period in 2022, in which they amounted to 620.7 million Euro (509.1 million in 2019, pre-pandemic). It must be pointed out that the performance in the third quarter of 2022 was achieved in a market context characterised by marked inflationary trends - which have progressively reduced during the course of 2023 - and by a positive tourist season, in which the presences in receptive structures has substantially returned to the levels recorded in 2019 (ISTAT, December 2022), after a double-digit reduction in the preceding two years.

The improvement in the operating profitability also continued in the third quarter of 2023, with consolidated EBITDA amounting to 46.3 million Euro (32.4 million in 2022 and 47.3 million in 2019) and consolidated EBIT of 35.9 million Euro (21.9 million in 2022 and 39.4 million in 2019).

The net consolidated result for the third quarter of 2023 amounted to 21.9 million Euro compared to 14.2 million in 2022 and was affected by the increased financial costs as a result of the increase in the cost of borrowing starting in the second half of 2022.

The sales of the MARR Group in the first nine months of 2023 amounted to 1,601.8 million Euro, compared to 1,471.5 million in the same period of 2022, and were also affected by inflation dynamics in the foodservice sector, which was more accentuated as of the second quarter of 2022, and then progressively reduced as of the second quarter of 2023. The increase in sales prices during the course of the first nine months of 2023 was also mitigated by trading down phenomena which, albeit by different modalities, were seen in all client segments.

The third quarter of 2023, albeit with differences by territory and by consumer segments, was characterized by a subdued tourist season, especially in July and August, which were marked by a weak domestic demand, which according to the Federalberghi Observatory and ISTAT (November 2023) showed a decrease in hotel presences in the June-September 2023 period of 3.9% compared to 2019, while there had been an increase of 4.1%, compared to 2019, in the July-September 2022 period (Federalberghi Observatory, November 2022).

In this context, the sales of the MARR Group to clients in the Street Market and National Account segments in the third quarter of 2023 amounted to 572.9 million Euro, and strengthened the growth compared to 559.4 million in 2022 (445.2 million in 2019), which, in addition to benefitting from inflation dynamics, incorporated a volume component similar to pre-pandemic 2019 levels. The sales to Street Market and National Account clients in the first nine months of 2023 amounted to 1,456.4 million Euro, an increase of 12.6% compared to 1,293.5 million in the same period of 2022.
On the basis of the findings of the Confcommercio Studies Office (Survey no. 9, October 2023), consumption by quantity, and thus excluding the inflationary component, in "Hotels, meals and out-of-home consumption" in Italy increased by 17.4% in the first quarter of 2023 compared to the same period in 2022, and by 4.8% in the second quarter, while they reduced by 1.3% in the third quarter.
Sales to clients in the Wholesale segment (almost entirely frozen seafood products to wholesalers) after the first nine months of 2023 amounted to 145.5 million Euro and, compared to 177.9 million in the same period of 2022, were affected: in the first half of 2023 by a temporary unavailability of caught seafood products and in the third quarter by a supply policy implemented while awaiting a more clear evolution of the price trends and of a fishing campaign which compared to the same period in 2022 occurred at the end of the quarter, with effects that partially fell in the following month of October.

In the following table we show the reconciliation between the data indicated above and the revenues from sales and services of the Group as per the consolidated financial statements:

MARR Consolidated (€thousand)	3rd quarter 2023	3rd quarter 2022*	30.09.23 (9 months)	30.09.22* (9 months)
Revenues from sales and services by customer category				
Street market	450,892	438,794	1,085,346	989,693
National Account	122,058	120,597	371,032	303,844
Wholesale	42,730	51,853	145,477	177,946
Total revenues form sales in Foodservice	615,680	611,244	1,601,855	1,471,483
(1) Discount and final year bonus to the customers	(6,775)	(6,186)	(17,078)	(14,403)
(2) Other services	155	110	278	243
(3) Other	24	96	151	217
Revenues from sales and services	609,084	605,264	1,585,206	1,457,540

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 30 September 2022 have been restated in order to maintain comparability with the 2023 classification following the redefinition of the channels on some customers.

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 the first nine months and the third quarter of 2023 compared with the respective periods of the previous year, compared to the same period of the previous year.

Analysis of the re-classified income statement[1]

MARR Consolidated (€thousand)	3rd quarter 2023	%	3rd quarter 2022	%	% Change	30.09.23 (9 months)	%	30.09.22 (9 months)	%	% Change
Revenues from sales and services	609,084	97.7%	605,264	97.5%	0.6	1,585,206	97.5%	1,457,540	97.5%	8.8
Other earnings and proceeds	14,146	2.3%	15,466	2.5%	(8.5)	41,273	2.5%	37,487	2.5%	10.1
Total revenues	**623,230**	**100.0%**	**620,730**	**100.0%**	**0.4**	**1,626,479**	**100.0%**	**1,495,027**	**100.0%**	**8.8**
Cost of raw and secondary materials, consumables and goods	(439,131)	-70.5%	(437,968)	-70.6%	0.3	(1,289,011)	-79.3%	(1,209,110)	-80.9%	6.6
Change in inventories	(50,303)	-8.1%	(57,688)	-9.3%	(12.8)	(479)	0.0%	13,544	0.9%	(103.5)
Services	(75,142)	-12.1%	(80,970)	-13.0%	(7.2)	(199,849)	-12.3%	(196,855)	-13.2%	1.5
Leases and rentals	(270)	0.0%	(157)	0.0%	72.0	(652)	0.0%	(407)	0.0%	60.2
Other operating costs	(332)	0.0%	(348)	-0.1%	(4.6)	(1,278)	-0.1%	(1,292)	-0.1%	(1.1)
Value added	**58,052**	**9.3%**	**43,599**	**7.0%**	**33.1**	**135,210**	**8.3%**	**100,907**	**6.7%**	**34.0**
Personnel costs	(11,748)	-1.9%	(11,166)	-1.8%	5.2	(35,533)	-2.2%	(33,439)	-2.2%	6.3
Gross Operating result	**46,304**	**7.4%**	**32,433**	**5.2%**	**42.8**	**99,677**	**6.1%**	**67,468**	**4.5%**	**47.7**
Amortization and depreciation	(5,226)	-0.8%	(5,069)	-0.8%	3.1	(15,192)	-0.9%	(14,834)	-1.0%	2.4
Provisions and write-downs	(5,203)	-0.8%	(5,421)	-0.9%	(4.0)	(13,869)	-0.9%	(12,379)	-0.8%	12.0
Operating result	**35,875**	**5.8%**	**21,943**	**3.5%**	**63.5**	**70,616**	**4.3%**	**40,255**	**2.7%**	**75.4**
Financial income	464	0.1%	130	0.0%	256.9	1,002	0.1%	493	0.0%	103.2
Financial charges	(5,434)	-0.9%	(2,229)	-0.3%	143.8	(14,198)	-0.9%	(5,391)	-0.3%	163.4
Foreign exchange gains and losses	66	0.0%	(136)	0.0%	(148.5)	(171)	0.0%	(56)	0.0%	205.4
Value adjustments to financial assets	0	0.0%	(7)	0.0%	(100.0)	0	0.0%	(7)	0.0%	(100.0)
Result from recurrent activities	**30,971**	**5.0%**	**19,701**	**3.2%**	**57.2**	**57,249**	**3.5%**	**35,294**	**2.4%**	**62.2**
Non-recurring income	0	0.0%	0	0.0%	0.0	0	0.0%	0	0.0%	0.0
Non-recurring charges	0	0.0%	(400)	-0.1%	(100.0)	0	0.0%	(400)	-0.1%	(100.0)
Profit before taxes	**30,971**	**5.0%**	**19,301**	**3.1%**	**60.5**	**57,249**	**3.5%**	**34,894**	**2.3%**	**64.1**
Income taxes	(9,091)	-1.5%	(5,055)	-0.8%	79.8	(16,700)	-1.0%	(10,147)	-0.6%	64.6
Total net profit	**21,880**	**3.5%**	**14,246**	**2.3%**	**53.6**	**40,549**	**2.5%**	**24,747**	**1.7%**	**63.9**

The **Total consolidated revenues** for the first nine months of 2023 amounted to 1,626.5 million Euro and increased by +8.8% compared to the 1,495.0 million of 30 September 2022 and by +24.9% compared to the 1,302.1 million Euro as at 30 September 2019, before the pandemic.

In particular, **Revenues from sales** and services in the first nine months of 2023 amounted to 1,585.2 million Euro and compare with the 1,457.5 million Euro of the same period of financial year 2022 (+8.8%) and the 1,270.1 million on 30 September 2019 (+24.8%).
As at 30 September 2023, the item includes 1,174.9 million Euro of the amount of revenues from sales and services of the company Cremonagel S.r.l., incorporated on 29 May 2023 and 100% owned by the subsidiary New Catering S.r.l..

[1] 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's 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's 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's 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 noted 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 1st January 2009.
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".

Other revenues and income amount to 41.3 million Euro and include 35.3 million Euro (32.8 million Euro at 30 September 2022) the amount of contributions received from suppliers for promotional and marketing activities carried out by the MARR Group towards them and for 1.5 million Euro (2.2 million Euro as at 30 September 2022) the contributions connected to the electricity and gas tax credit accrued by the Group companies in relation to the first and second quarter 2023. The increase in contributions to suppliers for promotional and marketing activities is correlated to the increase in sales volumes.

As regards operating costs, the improvement in the incidence of operating costs on total revenues is reconfirmed with a consequent recovery of profitability, consolidating the trend that had already begun to emerge in the comparison between the results of the first half of 2023 compared to the same period of financial year 2022, which had been affected by both the inflationary dynamics which had manifested themselves in marked way starting from the second quarter of 2022 with an impact on the times for transferring the increase in prices to the market, and the increase in energy costs linked to conservation and distribution activities of the products.
It should also be remembered that the increase in sales prices during the first nine months of 2023 was mitigated by trading down phenomena which, albeit in different ways, were highlighted in all customer segments.

The percentage impact of the first margin (Total revenues, less purchase cost of goods plus change in inventories) on total revenues shows a slight improvement over the nine months (+0.7%) compared to the same period of the previous financial year, with the **Cost of goods sold** which goes from an incidence on total revenues of 80% to an incidence of 79.3% as at 30 September 2023.

The **Operating costs** recorded an improvement in the percentage impact on total revenues, going from 13.2% on 30 September 2022 to 12.3% on 30 September 2023 (12.1% on the third quarter of 2023 versus 13.0% on the third quarter 2022), mainly due to the decrease in energy costs.

The **Added value** as at 30 September 2023 stood at 135.2 million Euro, an increase of +34% compared to the 100.9 million Euro of 30 September 2022 and also an increase of +2% compared to the 132.4 million of 30 September 2019 (before the pandemic).

The **Personnel costs** amount to 35.5 million Euro and record an increase of 2.1 million Euro compared to the 33.4 million Euro of 30 September 2022 due to the growth in the workforce which went from 963 units on 30 September 2022 to 1,022 units on 30 September 2023. In this regard, it should be noted that the new subsidiary Cremonagel S.r.l. employs 20 people and that the rest of the increase in staff is connected to new hires for the strengthening of some corporate and commercial functions of the parent company MARR S.p.A..

The **Gross Operating result** at 30 September 2023 stood at 99.7 million Euro and recorded an increase of 32.2 million Euro (+47.7%) compared to the 67.5 million Euro at 30 September 2022, approaching the pre-pandemic value as at 30 September 2019 which was equal to 103.6 million Euro.
In particular, it should be noted that in the third quarter of 2023 their operating result amounted to 46.3 million Euro compared to 32.4 million in the third quarter of 2022, with an increase of 13.9 million Euro.

Depreciation at 30 September 2023 amounted to 15.2 million Euro compared to 14.8 million Euro at 30 September 2022 (+2.4%) and refers to 8.9 million Euro (8.7 million Euro at 30 September 2022) to the amortization of the right of use of the lease contracts and for 6.3 million Euro (6.1 million Euro at 30 September 2022) to the amortization of assets owned by the Group companies.

The item **Provisions and write-downs** amounts to 13.9 million Euro (12.4 million Euro at 30 September 2022) and includes 12.8 million Euro of prudential allocation to the provision for bad debts (12.0 million at 30 September 2022) , 738 thousand Euro of provision to the supplementary indemnity fund for agents customers and a prudential provision of 300 thousand Euro to the fund for future risks and losses.

The **Operating result** as at 30 September 2023 amounted to 70.6 million Euro and recorded an increase of 30.3 million Euro (+75.4%) compared to the 40.3 million Euro of 30 September 2022.

The **Financial management result** is negative for 13.4 million Euro and records an increase of 8.4 million Euro compared to 30 September 2022 (5.0 million Euro) due to the growth of the component of financial charges linked to interest bank liabilities.
In this regard, it should be noted that as at 30 September 2023 the financial charges amounted to a total of 14.2 million Euro (5.4 million Euro at 30 September 2022) and are made up of 1.7 million Euro of the financial charges deriving from the application of IFRS 16 which remain in line with the value of the same period of the previous year and for the remaining part of 12.5 million Euro from interest payable to credit institutions. This last component in comparison with 30 September 2022 recorded an increase of 8.8 million Euro due to the increase in the cost of money.

The **Result before taxes** is positive for 57.3 million Euro, up by +64.1% compared to the 34.9 million Euro of 30 September 2022.

The balance of the **Tax components** is negative (expense) for a total of 16.7 million Euro. The negative balance is determined as a result of the following elements: IRES and other deferred taxes (negative for 13.2 million Euro) and IRAP (negative for 3.5 million Euro).

There was a tax rate of 29.2% in line with the same period of the previous year.

The **Net result of the group** for the third quarter of 2023 amounted to 21.9 million Euro, compared to 14.2 million Euro in the third quarter of 2022. At the end of the first nine months the Group's net result amounted to 40.5 million of Euro (24.7 million in the same period of 2022).

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	*30.09.23*	*31.12.22*	*30.09.22*
Net intangible assets	170,404	170,377	170,149
Net tangible assets	98,376	83,899	81,107
Right of use assets	72,802	75,368	77,723
Equity investments evaluated using the Net Equity method	1,828	1,828	1,821
Equity investments in other companies	178	178	175
Other fixed assets	28,943	16,492	18,558
Total fixed assets (A)	372,531	348,142	349,533
Net trade receivables from customers	413,334	353,810	414,833
Inventories	209,434	209,913	213,397
Suppliers	(467,532)	(394,611)	(478,151)
Trade net working capital (B)	155,236	169,112	150,079
Other current assets	80,592	77,760	68,887
Other current liabilities	(35,334)	(16,828)	(22,517)
Total current assets/liabilities (C)	45,258	60,932	46,370
Network ing capital (D) = (B+C)	200,494	230,044	196,449
Other non current liabilities (E)	(4,621)	(3,751)	(3,177)
Staff Severance Provision (F)	(6,852)	(7,207)	(8,139)
Provisions for risks and charges (G)	(7,467)	(8,221)	(7,402)
Net invested capital (H) = (A+D+E+F+G)	554,085	559,007	527,264
Shareholders' equity attributable to the Group	(352,187)	(341,457)	(339,605)
Consolidated shareholders' equity (I)	(352,187)	(341,457)	(339,605)
(Net short-term financial debt)/Cash	128,725	80,827	123,436
(Net medium/long-term financial debt)	(254,077)	(219,128)	(230,147)
Net financial debt - before IFRS16 (J)	(125,352)	(138,301)	(106,711)
Current lease liabilities (IFRS16)	(11,514)	(10,813)	(10,807)
Non-current lease liabilities (IFRS16)	(65,032)	(68,436)	(70,141)
IFRS16 effect on Net financial debt (K)	(76,546)	(79,249)	(80,948)
Net financial debt (L) = (J+K)	(201,898)	(217,550)	(187,659)
Net equity and net financial debt (M) = (I+L)	(554,085)	(559,007)	(527,264)

Consolidated shareholders' equity at 30 September 2023 amounted to 352.2 million Euro (339.6 million at the end of the first nine months of 2022) and includes a trading on share reserve of 9.5 million Euro relating to the purchase, starting from the end of May 2022, of 753,260 own shares at an average price of 12.54 Euro and equal to 1.13% of the Share Capital.

Analysis of the net financial position

The following represents the trend in net financial position[2].

MARR Consolidated (€thousand)		*30.09.23*	*30.06.23*	*31.12.22*	*30.09.22*
A.	Cash	17,624	10,479	15,257	7,535
	Bank accounts	200,180	184,792	176,406	240,063
	Postal accounts	0	0	0	0
B.	Cash equivalent	200,180	184,792	176,406	240,063
C.	Liquidity (A) + (B)	217,804	195,271	191,663	247,598
	Current financial receivable due to Parent Company	9,552	9,204	9,404	472
	Current financial receivable due to Related Companies	0	0	0	0
	Others financial receivable	0	0	0	0
D.	Current financial receivable	9,552	9,204	9,404	472
E.	Receivables for derivative/financial instruments	0	0	7	0
F.	Current Bank debt	(44,201)	(60,173)	(15,884)	(17,968)
G.	Current portion of non current debt	(52,427)	(74,184)	(99,838)	(103,971)
	Financial debt due to Parent company	0	0	0	0
	Financial debt due to Related Companies	0	0	0	0
	Other financial debt	(2,003)	(2,879)	(4,526)	(2,695)
H.	Other current financial debt	(2,003)	(2,879)	(4,526)	(2,695)
I.	Current lease liabilities (IFRS16)	(11,514)	(11,454)	(10,813)	(10,807)
J.	Current financial debt (F) + (G) + (H) + (I)	(110,145)	(148,690)	(131,061)	(135,441)
K.	Net current financial indebtedness (C) + (D) + (E) + (J)	117,211	55,785	70,013	112,629
L.	Non current bank loans	(154,777)	(140,453)	(119,768)	(128,079)
M.	Non-current derivative/financial instruments	1,098	1,165	1,015	0
N.	Other non current loans	(100,398)	(100,394)	(100,374)	(102,068)
O.	Non-current lease liabilities (IFRS16)	(65,032)	(66,200)	(68,436)	(70,141)
P.	Non current financial indebtedness (L) + (M) + (N) + (O	(319,109)	(305,882)	(287,563)	(300,288)
Q.	Net financial indebtedness (K) + (P)	(201,898)	(250,097)	(217,550)	(187,659)

Historically, the financial indebtedness of the MARR Group reaches its highest level in the first half of the year and then decreases at the end of the financial year, being influenced by the seasonality of the business which records a high requirement for working capital during the summer period.

Compared to 30 June 2023, overall net financial debt recorded a decrease of 48.2 million Euro thanks to the cash flow generated by ordinary operational management.

As regards the changes in the structure of the components of the financial debt, it should be noted that during the 9 months the Parent Company MARR S.p.A. repaid instalments of medium-long term loans for a total of 92.3 million Euro and on 29 June 2023 signed a medium-term financing contract with UniCredit with disbursement on 3 July 2023, for the amount of 30 million Euro at 36 months in amortizing with half-yearly instalments and a 6-month pre-amortization period.

[2] 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 contract provides for financial covenants in line with those envisaged in contracts stipulated in the past and in the repayment phase.

In addition to the cash flows linked to ordinary operations during the nine months, treasury shares were purchased for 4.8 million Euro, dividends paid for 25.1 million Euro, taxes paid for 1.5 million Euro, 2 million Euro paid in relation to the earn-out envisaged by the agreement for the purchase of the assets of Antonio Verrini & Figli and investment disbursements of approximately 16.4 million Euro were incurred, for details of which please refer to the "Investments" paragraph.

Net of the effects of the application of the IFRS 16 accounting standard, the Net Financial Position (NFP) amounts to 125.4 million Euro and compares with the 172.4 million of 30 June 2023 and the 106.7 million of 30 September 2022.

It should be noted that at the date of this report all the financial covenants have been respected.

The net financial position as at 30 September 2023 remains in line with the Company's objectives.

Analysis of the trade net working capital

MARR Consolidated (€thousand)	*30.09.23*	*30.06.23*	*31.12.22*	*30.09.22*
Net trade receivables from customers	413,334	420,711	353,810	414,833
Inventories	209,434	259,737	209,913	213,397
Payables to suppliers	(467,532)	(481,824)	(394,611)	(478,151)
Trade net working capital	155,236	198,624	169,112	150,079

Commercial net working capital at 30 September 2023 amounted to 155.2 million Euro, down by 43.4 million Euro compared to 30 June 2023 and close to the values of 30 September 2022 (150.1 million Euro).

In particular, in the comparison with the data as at 30 September 2022, there is a decrease in the "Net trade receivables from customers" component which goes from 414.8 million Euro to 413.3 million Euro, against an increase in revenues of sales which went from 1,457.5 million Euro at 30 September 2022 to 1,585.2 million Euro at 30 September 2023, confirming the maintenance of continuous attention to the management of trade credits by implementing methods calibrated to the situations and needs of each territory and market segment. The objective remains that of safeguarding the company's assets while maintaining closeness to the customer which allows on the one hand timely credit management and on the other a strengthening of the relationship with the customer.

"Inventories" show a decrease of 4.0 million Euro compared to 30 September 2022 and of 479 thousand compared to 31 December 2022. The decrease compared to 30 June 2023 derives from the procurement policies which are normally implemented in view of the summer season.

Attention remains high in order to optimize the rotation of warehouse stocks and contain the exposure of receivables to customers in order to reduce financial needs and mitigate the impact of the increase in interest rates.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	30.09.23	30.09.22
Net result before minority interests	40,549	24,747
Amortization and depreciation	15,192	14,833
Change in Staff Severance Provision	(355)	(417)
Operating cash-flow	**55,386**	**39,163**
(Increase) decrease in receivables from customers	(59,524)	(93,553)
(Increase) decrease in inventories	479	(13,545)
Increase (decrease) in payables to suppliers	72,921	97,193
(Increase) decrease in other items of the working capital	843	(6,792)
Change in working capital	**14,719**	**(16,697)**
(Investments) in intangible assets	(548)	(7,198)
(Investments) in tangible assets	(15,833)	(7,276)
Disinvestments in tangible assets	50	48
Flows relating to acquisitions of subsidiaries and going concerns	(2,010)	(4,038)
Investments in other fixed assets and other change in non current items	**(18,341)**	**(18,464)**
Free - cash flow before dividends	**51,764**	**4,002**
Distribution of dividends	(25,062)	(32,034)
Trading of own shares and other changes	(4,781)	(3,383)
Cash-flow from (for) change in shareholders' equity	**(29,843)**	**(35,417)**
FREE - CASH FLOW	**21,921**	**(31,415)**
Opening net financial debt	(217,550)	(141,430)
Effect for change in liability for IFRS16	(6,339)	(14,384)
Cash-flow for the period	21,921	(31,415)
Change in derivatives/financial instruments	76	0
Dividends approved and not distributed	(6)	(430)
Closing net financial debt	**(201,898)**	**(187,659)**

Investments

Below is a summary of the investments made in the third quarter and in the first nine months of 2023.

(€thousand)	*3rd quarter 2023*	*30.09.23*
Intangible assets		
Patents and intellectual property rights	132	417
Fixed assets under development and advances	16	132
Total intangible assets	148	549
Tangible assets		
Land and buildings	1,508	2,173
Plant and machinery	711	2,159
Industrial and business equipment	269	390
Other assets	1,017	1,673
Intangible assets in progress and advances	3,033	13,852
Total tangible assets	6,538	20,247
Total	6,686	20,796

Investments in intangible assets in the third quarter amounted to 148 thousand Euro and concern the purchase of new licenses, software and applications, partly entered into operation and partly still in the implementation phase as at 30 September 2023 and therefore exposed under the item "Intangible assets in progress and advances".

Investments in tangible assets in the third quarter amounted to 6.5 million Euro and mainly concerned the item "Fixed assets in progress and advances" due to the progress of construction works on the new distribution centre in Bottanuco (Bergamo), which is expected to become operational by the first quarter of 2024. As at 30 September 2023, the investments completed in relation to the new unit amounted to a total of 21.0 million Euro, of which 13.5 million Euro made during the first nine months of 2023 and classified for 13.2 million Euro within the item "Fixed assets in progress and advances" and for the remaining 300 thousand Euro within the item "Land and Buildings". This investment is aimed at increasing local presence, the level of customer service and distribution efficiency in what is the most important region in terms of non-domestic food consumption in Italy.

During the third quarter, the extension of the third floor of the headquarters in Santarcangelo di Romagna (RN) was completed and became available for use in July, in whose rooms the new company Academy was built. The overall investment was 2.7 million Euro, of which 2.3 million Euro for interventions relating to the building included in the item "Land and buildings", 178 thousand Euro for the purchase of furniture and furnishings and 193 thousand Euro for the purchase of electronic office machines, both shown under the item "Other assets".

Net of the above, the remaining increases relating to the items "Plant and machinery", "Industrial and business equipment", "Other assets", concern the modernization and revamping investments implemented on the various branches of the Parent Company MARR S.p.A..

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 during the first nine months recorded a decrease of a total of 2.6 million Euro attributable to the process of depreciation.

Other Information

At 30 September 2023, the Company does not own, and has never owned in the first 9 months of 2023, shares or quotas of parent companies, even through third parties and/or companies, therefore during the period it did not carry out any purchase and sale transactions on the aforementioned shares and/or quotas.

At 30 September 2023, MARR S.p.A. holds 753,260 own shares equal to approximately 1.13% of the share capital at an average price of 12.54 Euro.

During the first 9 months of 2023 the Group did not carry out any atypical or unusual transactions.

Significant events that occurred in the third quarter of 2023

No significant events occurred after the end of the quarter.

Outlook

The trend of sales of the MARR Group in the month of October, compared to the same period of last year, showed that in the Street Market and National Account segments, there was an accelerating growth dynamic compared to the third quarter, also thanks to weather conditions encouraging out-of-home consumption.
The performance in Large Cities and Art Cities was especially positive, and continued to benefit from a trend of tourism from abroad which was better than that of the domestic component.
Thanks to the increase in sales and margins in October, the fourth quarter started positively, albeit in the presence of a market showing some signs of weakness of consumption, which due to their seasonal nature, tend to peak in December.
In this context, the activities undertaken by the MARR Group aimed at recovering the operating profitability are continuing, with the aim of enhancing the improvement seen in the first ten months, which is in line with the growth targets for the year.
The organization remains also highly focused on the levels and control of absorption of the trade working capital.

The investment Plan of the Company, aimed at supporting and reinforcing the medium and long term organic growth and at increasing the efficiency of the logistical network is continuing with the construction of the new distribution centre of Bottanuco (Bergamo), which is destined for the increase of the presence in the Lombardy region, which is the first in Italy in terms of the value of out-of-home food consumption.
The new unit, a modern structure covering more than 14 thousand square metres, is expected to begin distribution activities in the first half of 2024 and the total investment is expected to be in the order of 28 million Euros, of which 21 million have already been made as at 30 September 2023.
For the increase in efficiency and enhancement of the logistics network, the Plan provides for the construction, starting in 2024, of a new structure covering about 40 thousand square metres also in Lombardy at Ospedaletto Lodigiano (Lodi), which is expected to be completed in 2026. This unit will function as a primary stocking and distribution platform for the distribution centers and also as a distribution centre dedicated to National Account clients (operators in Chains and Groups and Canteens) and sees the introduction of an innovative and highly automated system for the stocking and handling of frozen products.
As a further step towards increasing efficiency, MARR is expected to lease a new platform in Lazio covering more than 30 thousand square metres, through which it will remodel and enhance the logistics activities in Lazio, where MARR is already present with three units (one logistics platform and two distribution centres).
The works for the construction of this new platform started in recent weeks and are expected to end in 2024, with operations beginning in the first part of 2025. In the context of the interventions aimed at renewing and enhancing the distribution centres, the construction of a new distribution centre in Puglia, at Monopoli (Bari), is expected to be completed in 2024, and operations are expected to begin in the first part of 2025. This new unit, covering about 9 thousand square metres, will be leased by MARR as a replacement of the existing centre and will have an operating capacity suited to making the most of the development opportunities in an area with a strong tourist vocation
The investment plan released in October 2021 and which envisaged for the period 2021-2024 a total CapEx, including the maintenance component, of 170 million Euros, of which 43.6 million already made from the 2021 business year to 30 September 2023, envisages investments amounting to about 185 million Euros for its completion, redetermined on the basis of: i) the new project for the logistics platform of Ospedaletto Lodigiano, which represents just over half of the total amount of the Plan and includes a greater investment of about 40 million Euros, regarding the adoption of a high level of automation which is expected to lead to a significant recovery in terms of efficiency; ii) the widening of the Lazio platform project, which will also lead to logistical redesigning in the region; iii) an adjustment of the operating capacity in Puglia on the basis of the

opportunities for growth in the region; iv) the optimisation of the project for the distribution centre in Bottanuco in order to benefit from the synergies in the redesigning of distribution activities.

From this investment plan, which will go towards supporting the medium and long term organic growth, it is expected that the following benefits will be derived in terms of:

a) reinforcement of the organic growth thanks to:
i) an increase of the level of service to Chains and Groups clients;
ii) an increase of the commercial proposal in terms of greater products segmentation;
iii) an increase of the market share in Lombardy, which is the area with the highest concentration of out-of-home consumption in Italy;
iv) an acceleration of the organic growth in target areas such as Lazio and Puglia;

b) logistical-distribution efficiency through:
i) the redesign of logistics activities at stocking, handling and picking levels;
ii) the reduction of use of third party storage facilities for the stocking of goods;
iii) the increase in efficiency of transportation activities.

All of these benefits, associated to the ongoing recovery of the gross margin, are expected to enable the mitigation of the structural increase in logistics costs occurred in recent years, in order to return to an operating profitability to pre-pandemic levels, once all of the interventions have been implemented.

Going concern

In consideration of the performance of the aforementioned market and the solidity of its financial structure, the Company considers the use of the business continuity assumption to be appropriate and correct.

Interim Consolidated Financial Statements
MARR Group

Interim Report
as at 30 September 2023

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	30.09.23	*relating to related parties*	%	31.12.22	*relating to related parties*	%	30.09.22	*relating to related parties*	%
ASSETS									
Non-current assets									
Tangible assets	98,376			83,899			81,107		
Right of use	72,802			75,368			77,723		
Goodwill	167,010			167,010			167,010		
Other intangible assets	3,394			3,367			3,139		
Investments at equity value	1,828			1,828			1,821		
Investments in other companies	178			178			175		
Non-current financial receivables	13			22			130		
Non-current derivative/financial instruments	1,098			1,015			0		
Deferred tax assets	0			0			10		
Other non-current assets	35,485			21,561			23,954		
Total non-current assets	380,184			354,248			355,069		
Current assets									
Inventories	209,434			209,913			213,397		
Financial receivables	9,552	*9,552*	*100.0%*	9,404	*9,404*	*100.0%*	472	*472*	*100.0%*
Current derivative/financial instruments	0			7			0		
Trade receivables	406,779	*21,248*	*5.2%*	348,718	*25,738*	*7.4%*	409,297	*22,632*	*5.5%*
Tax assets	8,267	*12*	*0.1%*	7,284	*4,043*	*55.5%*	3,608	*12*	*0.3%*
Cash and cash equivalents	217,804			191,664			247,598		
Other current assets	47,334	*227*	*0.5%*	41,224	*440*	*1.1%*	40,975	*208*	*0.5%*
Total current assets	899,170			808,214			915,347		
TOTAL ASSETS	*1,279,354*			*1,162,462*			*1,270,416*		
LIABILITIES									
Shareholders' Equity	352,187			341,457			339,605		
Share capital	*33,263*			*33,263*			*33,128*		
Reserves	*255,746*			*260,163*			*260,249*		
Profit for the period	*63,178*			*48,031*			*46,228*		
Total Shareholders' Equity	352,187			341,457			339,605		
Non-current liabilities									
Non-current financial payables	255,175			220,143			230,147		
Non-current lease liabilities (IFRS16)	65,032	*6,132*	*9.4%*	68,436	*6,888*	*10.1%*	70,141	*7,136*	*10.2%*
Non-current derivative/financial instruments	0			0			0		
Employee benefits	6,852			7,207			8,139		
Provisions for risks and costs	6,829			6,566			7,402		
Deferred tax liabilities	638			1,655			0		
Other non-current liabilities	4,621			3,751			3,177		
Total non-current liabilities	339,147			307,758			319,006		
Current liabilities									
Current financial payables	98,600			120,248			124,633		
Current lease liabilities (IFRS16)	11,514	*1,004*	*8.7%*	10,813	*982*	*9.1%*	10,807	*975*	*9.0%*
Current derivative/financial instruments	31			0			0		
Current tax liabilities	13,706	*9,468*	*69.1%*	2,475	*0*	*0.0%*	6,421	*3,631*	*56.5%*
Current trade liabilities	442,541	*16,923*	*3.8%*	365,359	*29,484*	*8.1%*	453,847	*36,211*	*8.0%*
Other current liabilities	21,628	*414*	*1.9%*	14,352	*713*	*5.0%*	16,097	*343*	*2.1%*
Total current liabilities	588,020			513,247			611,805		
TOTAL LIABILITIES	*1,279,354*			*1,162,462*			*1,270,416*		

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(€thousand)	Note	*3rd quarter 2023*	*%*	*3rd quarter 2022*	*%*	*30 September 2023 (9 months)*	*%*	*30 September 2022 (9 months)*	*%*
Revenues	1	609,084		605,264		1,585,206		1,457,540	
relating to related parties		*27,311*	*4.5%*	*26,801*	*4.4%*	*79,434*	*5.0%*	*59,495*	*4.1%*
Other revenues	2	1,286		3,226		5,944		4,627	
relating to related parties		*4*	*0.3%*	*32*	*1.0%*	*37*	*0.6%*	*108*	*2.3%*
Changes in inventories		(50,303)		(57,688)		(479)		13,544	
Purchase of goods for resale and consumables	3	(426,272)		(425,728)		(1,253,682)		(1,176,250)	
relating to related parties		*(55,864)*	*13.1%*	*(59,245)*	*13.9%*	*(156,064)*	*12.4%*	*(150,935)*	*12.8%*
Personnel costs	4	(11,748)		(11,166)		(35,533)		(33,439)	
Amortizations, depreciations and provisions	5	(5,479)		(5,668)		(16,230)		(15,605)	
Losses due to impairment of financial assets	6	(4,949)		(5,222)		(12,830)		(12,008)	
Other operating costs	7	(75,744)		(81,475)		(201,779)		(198,554)	
relating to related parties		*(817)*	*1.1%*	*(690)*	*0.8%*	*(2,570)*	*1.3%*	*(2,407)*	*1.2%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(97)*		*(33)*		*(270)*		*(137)*	
Financial income and charges	8	(4,903)		(2,235)		(13,367)		(4,954)	
relating to related parties		*(38)*	*0.8%*	*(123)*	*5.5%*	*(115)*	*0.9%*	*(223)*	*4.5%*
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(1,167)*		*(521)*		*(3,606)*		*(1,174)*	
Income (charge) from associated companies		0		(7)		0		(7)	
Result before taxes		***30,972***		***19,301***		***57,250***		***34,894***	
Taxes	9	(9,092)		(5,055)		(16,701)		(10,147)	
Result for the period		***21,880***		***14,246***		***40,549***		***24,747***	
Attributable to:									
Shareholders of the Parent Company		21,880		14,246		40,549		24,747	
Minority interests		0		0		0		0	
		21,880		***14,246***		***40,549***		***24,747***	

Basic Shares numbers		65,868,641	66,475,970	66,208,682	66,452,670
basic Earnings per Share (euro)	10	0.33	0.21	0.61	0.37
Diluted Shares numbers		65,868,641	66,475,970	66,208,682	66,452,670
diluted Earnings per Share (euro)	10	0.33	0.21	0.61	0.37

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	Note	*3rd quarter 2023*	*3rd quarter 2022*	*30 September 2023 (9 months)*	*30 September 2022 (9 months)*
Result for the period (A)		*21,880*	*14,246*	*40,549*	*24,747*
Items to be reclassified to profit or loss in subsequent periods:					
Efficacious part of profits/(losses) on cash flow hedge instruments		(75)	0	44	0
Taxation effect on the effective portion of profits/(losses) on cash flow hedge instruments		13	0	(10)	0
Items not to be reclassified to profit or loss in subsequent periods:					
Actuarial (losses)/gains concerning defined benefit		0	0	0	0
Taxation effect in the actuarial (losses)/gains onceming defined benefit plans		0	0	0	0
Total Other Profits/Losses, net of taxes	11	*(62)*	*0*	*34*	*0*
Comprehensive Result (A) + (B)		*21,818*	*14,246*	*40,583*	*24,747*
Attributable to:					
Shareholders of the Parent Company		21,818	14,246	40,583	24,747
Minority interests		0	0	0	0
		21,818	*14,246*	*40,583*	*24,747*

CONSOLIDATED STATEMENT OF CHANGES IN THE CONSOLIDATED SHAREHOLDERS' EQUITY

(Euro thousands)

Description	Share Capital	Other reserves												Retained earnings	Total Group net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital	Extraordinary reserve	Reserve for exercised stock options	Reserve for transition to Ias/Ifrs	Cash-flow hedge reserve	Trading on share reserve	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 of MARR S.p.A. dividends														(31,266)	(31,266)
Effect of the trading of own shares										(3,379)			(3,379)		(3,379)
Other minor variations								2			(5)		(4)		(4)
- Profit for the period														24,747	24,747
- Other Profits/Losses, net of taxes															
Consolidated comprehensive income (1/1-30/09/2022)															24,747
Balance at 30 September 2022	33,263	63,348	6,652	13	36,496	147,840	1,475	7,292		(3,379)	1,439	(1,064)	260,114	46,228	339,605
Effect of the trading of own shares										(1,303)			(1,303)		(1,303)
Other minor variations								(2)			(1)		(2)		(2)
- Profit for the period														1,803	1,803
- Other Profits/Losses, net of taxes									777			577	1,354		1,354
Consolidated comprehensive income (1/10-31/12/2022)															3,157
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
Allocation of 2022 profit						333							333	(333)	
Distribution of MARR S.p.A. 2022 dividends														(25,068)	(25,068)
Effect of the trading of own shares										(4,781)			(4,781)		(4,781)
Other minor variations											(4)		(3)	(1)	(4)
- Profit for the period														40,549	40,549
- Other Profits/Losses, net of taxes									34				34		34
Consolidated comprehensive result (1/1-30/09/2023)															40,583
Balance at 30 September 2023	33,263	63,348	6,652	13	36,496	148,173	1,475	7,290	811	(9,463)	1,434	(487)	255,746	63,178	352,187

CONSOLIDATED CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	30.09.23	relating to related parties	%	30.09.22	relating to related parties	%
Result for the Period	40,549			24,747		
Adjustment:						
Amortization/Depreciation	6,287			6,161		
IFRS 16 depreciation	8,905			8,676		
Change in deferred tax	(1,211)			(525)		
Allocation of provison for bad debts	12,830			12,008		
Provision for risk and loss fund	300			400		
Provison for supplementary clientele severance indemnity	738			371		
Write-downs of investments non consolidater on a line-by-line basis	0			7		
Capital profit/losses on disposal of assets	0			(77)		
Financial (income) charges net of foreign exchange gains and losses	13,196	*115*	*0.9%*	4,899	*223*	*4.6%*
Foreign exchange evaluated (gains)/losses	88			(260)		
Total	41,133			31,660		
Net change in Staff Severance Provision	(355)			(903)		
(Increase) decrease in trade receivables	(70,891)	*4,490*	*(6.3%)*	(107,690)	*(9,320)*	*8.7%*
(Increase) decrease in inventories	479			(13,545)		
Increase (decrease) in trade payables	81,646	*(12,561)*	*(15.4%)*	94,033	*1,208*	*1.3%*
(Increase) decrease in other assets	(20,030)	*213*	*(1.1%)*	(4,798)	*(30)*	*0.6%*
Increase (decrease) in other liabilities	453	*(299)*	*(66.0%)*	3,023	*(94)*	*(3.1%)*
Net change in tax assets / liabilities	11,848	*13,934*	*117.6%*	12,440	*6,917*	*55.6%*
Interest paid	(14,198)	*(190)*	*1.3%*	(5,391)	*(234)*	*4.3%*
Interest received	1,002	*75*	*7.5%*	492	*12*	*2.4%*
Foreign exchange evaluated (gains)/losses	(88)			260		
Income tax paid	(1,451)	*(435)*	*30.0%*	(17,785)	*(14,775)*	*83.1%*
Cash-flow form operating activities	70,097			16,543		
(Investments) in other intangible assets	(548)			(552)		
(Investments) in tangible assets	(15,833)			(6,931)		
Net disposal of tangible assets	50			125		
Outgoing for acquisition of subsiaries or going concerns during the year (net of liquidity purchased)	(2,010)			(4,048)		
Liquidity acquired from business combinations	0			10		
Cash-flow from investment activities	(18,341)			(11,396)		
Distribution of dividends	(25,062)			(32,034)		
Other changes, including those of third parties	(4,781)			(3,379)		
Net change in liabilities (IFRS 16)	(9,043)	*(734)*	*8.1%*	(5,388)	*2,175*	*(40.4%)*
Net change in financial payables (excluding the new non-current loans received)	25,695			(33,310)		
New non-current loans received	80,000			102,000		
Repayment of other long-term debt	(92,286)			(41,367)		
Net change in current financial receivables	(148)	*(148)*	*100.0%*	5,315	*5,315*	*100.0%*
Net change in non-current financial receivables	9			620		
Cash-flow from financing activities	(25,616)			(7,543)		
Increase (decrease) in cash-flow	26,140			(2,396)		
Opening cash and equivalents	191,664			249,994		
Closing cash and equivalents	217,804			247,598		

For the reconciliation between the opening figures and closing figures with the relevant movements of the financial liabilities deriving from financing activities (as required by paragraph 44A of IAS 7), see Appendix 1 to the following explanatory notes.

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate information

MARR S.p.A. (the "Parent Company") and its subsidiaries ("MARR Group") operate entirely in the marketing and distribution of food products to the Foodservice.

In particular, the Parent Company, with headquarters in Via Spagna n. 20, Rimini, operates 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. which holds a percentage equal to 50.42% of the share capital.

The publication of the interim management report as at 30 September 2023 was authorized by the Board of Directors on 14 November 2023.

Structure and contents of the consolidated financial statements

The interim management report as at 30 September 2023 was drawn up 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 set out in 'art. 6 of Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002.
IFRS also means all international accounting standards ("IAS/IFRS") and all interpretations of the IFRS Interpretations Committee ("IFRIC"), previously called "Standing Interpretations Committee" (SIC).

In this case, this interim management report has been drawn up in summary form, within the framework of the options provided for by IAS 34 ("Interim financial statements"). This abbreviated interim financial statement therefore does not include all the information required by the annual financial statement and must be read together with the annual financial statement prepared for the financial year ended 31 December 2022.

In particular, the same accounting principles adopted in the preparation of the consolidated financial statements as at 31 December 2022 were applied in the preparation of these financial statements, with the exception of the adoption of the new standards, amendments and interpretations in force from 1st January 2023, described below.

The interim management report as at 30 September 2023 was drawn up on the assumption of business continuity, based on the assessments carried out by the Directors and illustrated in the following paragraph "Business continuity".

Furthermore, it is specified that the Group has applied the provisions of CONSOB Resolution no. 15519 of 27 July 2006, from CONSOB Communication n. 6064293 of 28 July 2006 and ESMA recommendations 2013/319.

For the purposes of applying IFRS 8, it is noted that the Group operates in the sole sector of "Distribution of food products to non-domestic catering"; this sector is subject to seasonal dynamics mainly linked to the flows of the tourist season, which are more concentrated in the summer months and during which the increase in activity and therefore in net working capital historically generates cash absorption with a consequent increase in financial needs.

As regards the performance of the first nine months of 2023, please refer to what is set out in the Directors' Report on management performance.

In compliance with the provisions of Consob, the Income Statement data are provided with regard to both the nine months (period between the start of the financial year and the closing date of the report, progressive data) and the third quarter of the reference period; they are compared with the data relating to the similar periods of the previous financial year. The balance sheet data, relating to the closing date of the first nine months, are compared with the closing data of the last financial year and the nine months of the previous financial year. Therefore, the commentary on the income statement items is carried out with a comparison with the same periods of the previous year (30 September and third quarter 2022).

The following classifications were used:

– "Statement of the financial position" for current/non-current items;

– “Profit/loss statement for the period” by nature;
– “Cash flow statement” (indirect method).

These classifications are believed to provide information that better represents the equity, economic and financial situation of the Group.

The functional and presentation currency is the Euro.
The statements and tables contained in this quarterly situation are shown in thousands of Euro.
The interim management report is not subject to audit.
This report was prepared using the principles and evaluation criteria illustrated below.

Consolidation principles

Consolidation is carried out using the global integration method which consists of incorporating all asset and liability items in their entirety. The main consolidation criteria adopted for the application of this method are set out below.

- Subsidiary companies are consolidated starting from the date on which control was actually transferred to the Group, and cease to be consolidated on the date on which control is transferred outside the Group.
- The assets and liabilities, expenses and income of companies consolidated using the global integration method are included in the consolidated financial statements in full; the book value of the investments is eliminated against the corresponding fraction of the net equity of the investee companies, attributing to the individual elements of the assets and liabilities their current value at the date of acquisition of control (purchase method as defined by IFRS 3 "Business Combination"). Any residual difference, if positive, is recorded under the asset item "Goodwill"; if negative, to the income statement.
- Reciprocal debt and credit, cost and revenue relationships between consolidated companies and the effects of all transactions of significant importance between them are eliminated.
- The shares of shareholders' equity and the results for the period of the minority shareholders are shown separately in the consolidated shareholders' equity and income statement: this interest is determined on the basis of the percentage held by them in the *fair value* of the assets and liabilities recorded at the date of original acquisition and in changes in equity after that date.
- Subsequently the profits and losses are attributed to the minority shareholders based on the percentage held by them and the losses are attributed to the minorities even if this implies that the minority shares have a negative balance.
- Changes in the parent company's ownership interest in a subsidiary that do not lead to the loss of control are accounted for as capital transactions.
- If the parent company loses control of a subsidiary, it:
  - eliminates the assets (including any goodwill) and liabilities of the subsidiary,
  - eliminates the book values of any minority stake in the former subsidiary,
  - eliminates cumulative exchange differences recognized in shareholders' equity,
  - recognizes the *fair value* of the consideration received,
  - recognizes the *fair value* of any shareholding retained in the former subsidiary,
  - recognizes any profit or loss in the income statement,
  - reclassifies the parent's share of the components previously recognized in the statement of comprehensive income to the income statement or to retained earnings, as appropriate.

Scope of consolidation

The interim report as at 30 September 2023 includes the financial statements of the Parent Company MARR S.p.A. and that of the companies in which it holds, directly or indirectly, control.

The complete list of investments included in the consolidation area as at 30 September 2023, with an indication of the consolidation method, is reported in the Group Structure.
The consolidated financial statements were drawn up on the basis of the accounting situations as at 30 September 2023 prepared by the companies included in the consolidation area and adjusted, where necessary, in order to align them with the accounting principles and classification criteria of the group compliant with IFRS.

The consolidation area at 30 September 2023 differs both from the situation at 31 December 2022 and from that at 30 September 2022, due to the incorporation on 29 May 2023 of the company Cremonagel S.r.l., wholly owned by the subsidiary New Catering S.r.l. and for the merger by incorporation into the Parent Company MARR S.p.A. of the wholly owned company Chef S.r.l. Unipersonale created on 30 December 2022.

Accounting principles

The accounting principles and criteria adopted for the preparation of the interim report as at 30 September 2023 comply with those used for the preparation of the financial report as at 31 December 2022 to which reference should be made for further information.

Below are the amendments and interpretations to the accounting principles and criteria in force from 1st January 2023:

- On 18 May 2017, the IASB published the standard IFRS 17 – Insurance Contracts which is intended to replace the standard IFRS 4 – Insurance Contracts. The objective of the new standard is to ensure that an entity provides relevant information that faithfully represents the rights and obligations arising from the insurance contracts issued. The IASB developed the standard to eliminate inconsistencies and weaknesses in existing accounting policies, providing a single principle-based framework for accounting for all types of insurance contracts, including reinsurance contracts that an insurer holds. The new standard also provides for presentation and disclosure requirements to improve comparability between entities belonging to this sector. The new standard measures an insurance contract based on a General Model or a simplified version of this, called Premium Allocation Approach ("PAA").

  The main characteristics of the General Model are:
  - the estimates and hypotheses of future cash flows are always current ones;
  - measurement reflects the time value of money;
  - the estimates involve extensive use of information observable on the market;
  - there is a current and explicit measurement of risk;
  - the expected profit is deferred and aggregated into groups of insurance contracts at the time of initial recognition; and,
  - the expected profit is recognized in the period of contractual coverage taking into account the adjustments resulting from changes in the hypotheses relating to the financial flows relating to each group of contracts.

  The PAA approach involves measuring the liability for the residual coverage of a group of insurance contracts provided that, at the time of initial recognition, the entity expects that this liability reasonably represents an approximation of the General Model. Contracts with a coverage period of one year or less are automatically eligible for the PAA approach. The simplifications resulting from the application of the PAA method do not apply to the measurement of liabilities for outstanding claims, which are measured with the General Model. However, it is not necessary to discount those cash flows if it is expected that the balance to be paid or collected will occur within one year from the date on which the claim occurred. The entity must apply the new standard to insurance contracts issued, including reinsurance contracts issued, to reinsurance contracts held and also to investment contracts with a discretionary participation feature (DPF). Furthermore, on 9 December 2021, the IASB published an amendment called "Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information". The amendment is a transition option relating to comparative information on financial assets presented on the date of initial application of IFRS 17. The amendment was applied starting from 1st January 2023, together with the application of IFRS 17, to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, and to improve the usefulness of comparative information for financial statement readers. The adoption of this standard and the related amendment did not have any effects on the consolidated financial statements of the MARR Group.

- On 7 May 2021, the IASB published an amendment called "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document clarifies how deferred taxes must be accounted for on some operations that can generate assets and liabilities of the same amount, such as leasing and dismantling obligations. The amendments were applied starting from 1st January 2023. The adoption of this amendment did not have any effects on the consolidated financial statements of the MARR Group.

- On 7 May 2021, the IASB published an amendment called "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document clarifies how deferred taxes must be accounted for on some operations that can generate assets and liabilities of the same amount, such as leasing and dismantling obligations. The amendments were applied starting from 1st January 2023. The adoption of this amendment did not have any effects on the consolidated financial statements of the MARR Group.

The adoption of these amendments did not have any effects on the consolidated financial statements of the MARR Group.

Accounting standards issued but not yet in force

At the reference date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

- On 23 January 2020, the IASB published an amendment called "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31 October 2022 it published an amendment called "Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants". The documents aim to clarify how to classify debts and other short- or long-term liabilities. The changes come into force from 1st January 2024; However, early application is permitted. The Directors do not expect a significant effect on the consolidated financial statements of the MARR Group from the adoption of this amendment.
- On 22 September 2022, the IASB published an amendment called "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback". The document requires the seller-lessee to evaluate the lease liability arising from a sale & leaseback transaction so as not to recognize an income or loss that relates to the retained right of use. The changes will apply from 1st January 2024, but early application is permitted. The Directors do not expect a significant effect on the consolidated financial statements of the MARR Group from the adoption of this amendment.
- On 23 May 2023 the IASB published an amendment called "Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules". The document introduces a temporary exception to the recognition and disclosure obligations of deferred tax assets and liabilities relating to the Pillar Two Model Rules and provides specific disclosure obligations for entities affected by the relevant International Tax Reform. The document provides for the immediate application of the temporary exception, while the disclosure obligations will be applicable only to annual financial statements starting on 1st January 2023 (or on a subsequent date) but not to interim financial statements having a closing date prior to 31 December 2023. The Directors do not expect a significant effect on the consolidated financial statements of the MARR Group from the adoption of this amendment.
- On 25 May 2023, the IASB published an amendment called "Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements". The document requires an entity to provide additional information on reverse factoring arrangements that allows users of financial statements to assess how financial arrangements with suppliers may influence the entity's liabilities and cash flows and to understand the effect of such agreements on the entity's exposure to liquidity risk. The changes will apply from 1st January 2024, but early application is permitted. The Directors do not expect a significant effect on the consolidated financial statements of the MARR Group from the adoption of this amendment.
- On 30 January 2014, the IASB published the standard IFRS 14 – Regulatory Deferral Accounts which allows only those who adopt IFRS for the first time to continue to recognize the amounts relating to activities subject to regulated tariffs ("Rate Regulation Activities") according to the previous accounting standards adopted. Since the MARR Group is not a first-time adopter, this principle is not applicable.

Main estimates adopted by Management and discretional assessments

As part of the preparation of this interim report, the Directors of the Company have carried out discretionary assessments, estimates and hypotheses which influence the values of revenues, costs, assets and liabilities, and the indication of potential liabilities at the balance sheet date. However, the uncertainty regarding these hypotheses and estimates could lead to outcomes that will require, in the future, a significant adjustment to the book value of such assets and/or liabilities.

The critical evaluation processes and key assumptions used by management in the process of applying accounting principles regarding the future and which may have significant effects on the values recorded in the interim management report of the MARR Group or for which the risk exists are summarized below. that significant value adjustments may emerge to the book value of the assets and liabilities in the financial year following the reference year of the interim report.

- Recoverable amount of non-current assets (including goodwill): non-current assets include property, plant and equipment, intangible assets (including goodwill), equity investments and other financial assets. Management periodically reviews the book value of non-current assets held and used and assets that are to be disposed of, when facts and circumstances require such a review.
  For goodwill and intangible assets with an indefinite useful life, this analysis is carried out at least once a year and whenever facts and circumstances require it.
  The analysis of the recoverability of the book value of non-current assets is generally carried out using estimates of the cash flows expected from the use or sale of the asset and adequate discount rates for the calculation of the present value. When the book value of a non-current asset has suffered a loss in value, the MARR Group recognizes a write-down equal to the excess between the book value of the asset and its recoverable value through the use or sale of the same, determined with reference to the cash flows inherent in the most recent business plans.
  With regard to the recoverability of goodwill, it should be noted that the results achieved in the first 9 months of 2023 are aligned with those envisaged in the budget drawn up by the Board of Directors on 24 February 2023 used for the purposes of the impairment test at 31 December 2022 and confirmed as part of the business plan for the years 2023-2025 approved by the Board of Directors on 14 June 2023 and consequently there are no indicators of loss of value.

- Expected credit losses (Provision for bad debts): the provision for bad debts reflects Management's estimate of the losses relating to the portfolio of credits towards end customers. The estimate of the provision for bad debts is based on the losses expected by the MARR Group, determined on the basis of past experience for similar credits, current and historical overdues, losses and collections, careful monitoring of credit quality and projections regarding economic and market conditions, also taking into consideration uncertainties linked to significant events (as in the case of Covid-19) from a "forward looking" perspective.
  The attention that the Group reserves for the management of trade credits remains high, implementing methods calibrated to the situations and needs of each territory and market segment: the objective remains that of safeguarding the company's assets while maintaining closeness to the customer which allows for timely management of the credit and strengthening the relationship with the customer himself.

- Economic and financial plans: the Company has determined the economic and financial forecasts in the 2023 Budget and as part of the business plan for the years 2023-2025 approved by the Board of Directors on 14 June 2023. Likewise, it has made forecasts reflected in the flows financial statements underlying the impairment test for the next three years. The trends in the first 9 months of 2023 confirm the forecasts.

- Pension plans and other post-employment benefits: the funds for employee benefits, the related assets, costs and net financial charges are valued using an actuarial methodology which requires the use of estimates and assumptions to determine the value net of the obligation or asset. The actuarial methodology considers parameters of a financial nature such as, for example, the discount rate or the expected long-term return of the assets serving the plans and the growth rates of salaries, and considers the probability of occurrence of potential future events through the use of demographic parameters, such as rates relating to mortality and resignation or retirement of employees.
  In particular, the discount rates taken as reference are rates or rate curves of high-quality corporate bonds (Euro Composite AA rate curve) in the respective reference markets. Expected asset returns are determined based on various data provided by some experts about long-term expectations of capital market returns, inflation, current bond yields, and other variables. The variation of each of these parameters could have effects on future contributions to the funds.

- Other financial statement elements that have been the subject of estimates and assumptions by the Management are the inventory write-down provision and the determination of depreciation. These estimates, although supported by well-defined company procedures, still require assumptions to be made regarding mainly the future realizability of the value of the 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 the Management.

Management of financial risks

The financial risks to which the Group is exposed in carrying out its business are the following:

- 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, part of the variable rate financial exposure.

Market risk

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

(ii) Interest rate risk: risks relating to changes in interest rates relate to financing. 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. To address this risk, the Parent Company has historically stipulated Interest Rate Swap contracts specifically related to partial or total hedging of some loans. Fixed rate loans expose the Group to the risk of changes in the fair value of the loans themselves. As regards the uses of other short-term credit lines, management's attention is aimed at safeguarding and consolidating relationships with credit institutions in order to stabilize the spread applied to Euribor as much as possible.

(iii) Price risk: the Group makes purchases and sales worldwide and is therefore exposed to the normal risk of price fluctuations typical of the sector.

Credit risk

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

The Group deals only with known and reliable customers. It is Group policy that customers who request deferred payment terms are subject to procedures to verify their merit class. Furthermore, the credit balance 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 the personal and fiscal data is collected and the information is verified - obtained both from the Sales Force and through the reading of 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 above-mentioned data and the approval of multiple corporate bodies according to the criteria indicated in the current policy.
Each new customer is assigned a credit line based on their potential and reliability, taking into account various information including the type of activity carried out, the number of years of activity, the reputation with other suppliers, the seasonality, the expected turnover and the agreed payment terms.

Once the above phase has been successfully completed, we enter the so-called monitoring phase of the commercial relationship.
In order to ensure risk containment and reduction of payment days, all orders received from customers are analysed in terms of exceeding the assigned credit limit and/or the presence of expired exposure; this control involves the insertion of blocks on the records with different levels of severity as specified in the current policy.
The daily activity of order fulfilment control on customers who present situations of overdue and/or out of credit 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.

Liquidity risk

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

As regards the management of resources absorbed by investment activities, priority is generally given to finding sources through specific long-term financing.

Comments to the main items included in the consolidated statement of profit or loss

1. Revenues

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Net revenues from sales - Goods	608,895	605,084	1,584,776	1,457,105
Revenues from Services	98	72	171	141
Advisory services to third parties	25	60	128	168
Manufacturing on behalf of third parties	7	7	19	15
Rent income (typical management)	3	3	6	9
Other services	56	38	106	102
Total revenues	609,084	605,264	1,585,206	1,457,540

Total revenues, as 30 September 2023, amounted to 1,585.2 million Euro and recorded an increase of +8.8% compared to the 1,457.5 million Euro of the same period of the year 2022 and included the amount of 1,174.9 million Euro the revenues from the sales and services of the company Cremonagel S.r.l., incorporated on 29 May 2023 and 100% owned by the subsidiary New Catering S.r.l..
Revenues in the third quarter of 2023 amounted to 609.1 million Euro, compared to 605.3 million Euro in the same period of the previous year.

For the analysis of sales by business segment, please refer to what is reported in the Directors' Report.

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

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	30.09.23 (9 months)	30.09.22 (9 months)
Italy	588,436	581,459	1,514,698	1,379,876
European Union	15,507	18,139	56,967	50,342
Extra-EU countries	5,141	5,666	13,541	27,322
Total	609,084	605,264	1,585,206	1,457,540

It should be noted that there are no customers who can generate a significant concentration of revenues (equal to 10% of total revenues) and that the ongoing Russian-Ukrainian conflict has not generated in the past and does not generate direct effects on revenues.

2. Other revenues

The Other revenues are broken down as follows:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Other Sundry earnings and proceeds	339	2,873	3,091	3,414
Reimbursement for damages suffered	779	199	2,380	796
Reimbursement of expenses incurred	124	85	366	265
Recovery of legal taxes	36	14	44	66
Capital gains on disposal of assets	8	55	63	86
Total other revenues	1,286	3,226	5,944	4,627

The item "Other Sundry earnings and proceeds" includes 1,469 thousand Euro (2,231 thousand Euro as 30 September 2022) the contribution relating to the electricity and gas tax credit accrued by Group companies in relation to the second and third quarter of the year 2023 and the remaining part mainly includes revenues deriving from the sale of packaging made by the various companies of the Group and an income of approximately 400 thousand Euro accounted for by the subsidiary AS.CA S.p.A. and resulting from the closure of some disputes with agents.

The item "Reimbursement for damages suffered" amounting to a total of 2,380 thousand Euro is made up of 1,819 thousand Euro of proceeds deriving from insurance reimbursements and 561 thousand Euro of proceeds from reimbursements from third parties. The insurance reimbursements include the amount relating to the insurance compensation in favor of MARR S.p.A. for 330 thousand Euro, connected to the higher costs incurred for maintaining the activity of MARR Sanremo in operation, whose branch had been destroyed by the arson fire which occurred on 13 November 2022 and for 1,058 thousand Euro the insurance compensation in favor of New Catering S.r.l. for the damage suffered at the Forlì headquarters following the flood that affected the Emilia Romagna region in May 2023.

It should be noted that the item "Contributions from suppliers and others" which includes the amount of contributions received from suppliers for promotional and marketing activities (marketing contributions, fixed and variable promotional contributions, centralization of flows) is classified as a reduction of the item "Purchase of goods".

3. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Purchase of goods	423,869	422,829	1,246,944	1,168,429
Purchase of packages and packing material	1,721	2,236	4,686	5,776
Purchase of stationery and printed paper	284	172	786	728
Purchase of promotional and sales materials and catalogues	57	46	151	158
Purchase of various materials	87	155	389	452
Fuel for industrial motor vehicles and cars	254	290	726	707
Total purchase of goods for resale and consumables	426,272	425,728	1,253,682	1,176,250

Regarding the trend in the cost of purchasing goods intended for marketing, please refer to the Directors' Report.
At 30 September 2023, the item "Purchase of goods" is shown net of both the bonuses recognized by suppliers upon reaching certain turnover targets and purchase volumes for 8,450 thousand Euro (7,668 thousand at 30 September 2022), and the contributions received from suppliers for promotional and marketing activities carried out for them for 35,329 thousand Euro (32,860 thousand as at 30 September 2022). The increase compared to the same period of the previous year is related to the increase in sales volumes and the consequent increase in purchasing volume.

4. Personnel costs

The item at 30 September 2023 amounts to 35,533 thousand Euro (33,439 as at 30 September 2022) and includes all expenses for employee personnel, including accrued holidays and additional monthly payments as well as the related social security charges, in addition to the provision for severance pay and other contractually agreed costs.
As stated in the Directors' Report, the increase is connected to the increase in the workforce which went from 963 units on 30 September 2022 to 1,022 units on 30 September 2023. In particular, it should be noted that the new subsidiary Cremonagel S.r.l. are made up of 20 employees and that the rest of the increase in staff is connected to new hires for the strengthening of some corporate headquarters and commercial functions of the Parent Company MARR S.p.A..

5. Amortizations, depreciations and provisions

The table below provides details of the composition of the item.

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Depreciation of tangible assets	2,019	1,990	5,766	5,717
Amortization of intangible assets	190	158	521	440
Depreciation of right of use	3,018	2,920	8,905	8,676
Adjustment to provision for supplementary clientele severance indemnity	252	200	738	372
Provision for risk and loss fund	0	400	300	400
Total amortization, depreciation and provisions	5,479	5,668	16,230	15,605

6. Losses due to impairment of financial assets

This item is composed of:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Allocation of taxable provisions for bad debts	4,538	4,877	11,033	10,300
Allocation of non-taxable provisions for bad debts	411	345	1,797	1,708
Total Losses due to impairment of financial assets	4,949	5,222	12,830	12,008

The allocation for bad debts for a total of 12,830 thousand Euro reflects a prudential adjustment of the receivables to their presumed realizable value and the increase is consequent to the increase in sales volumes and associated trade receivables.

7. Other operating costs

Details of the main items of "Other operating costs" are shown below:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Operating costs for services	75,142	80,970	199,849	196,855
Operating costs for leases and rentals	270	156	652	406
Operating costs for other operating charges	332	349	1,278	1,293
Total other operating costs	75,744	81,475	201,779	198,554

At 30 September 2023, operating costs for services amounted to 199,849 thousand Euro and mainly include the following items: sale expenses, distribution and logistics costs for our products for 168,995 thousand Euro (159,990 thousand Euro in 2022), energy costs and utilities for 13,152 thousand Euro (22,327 thousand Euro in 2022), costs for third party production for 2,415 thousand Euro (2,713 thousand Euro in 2022) and maintenance costs for 5,049 thousand Euro (4,450 thousand Euro in 2022) general and administrative services for 7,700 thousand Euro (4,903 thousand Euro in 2022), insurance costs for 902 thousand Euro (773 thousand Euro in 2022), directors' and statutory auditors' fees for 799 thousand Euro (804 thousand Euro in 2022), advertising and promotion expenses of 422 thousand Euro (604 thousand Euro in 2022).

In the quarter the composition of the main operating cost items is as follows: sale expenses, distribution and logistics costs for our products for 64,055 thousand Euro (63,816 thousand Euro in 2022), energy and utility costs for 4,909 thousand Euro (12,069 thousand of Euro in 2022), costs for third-party production of 827 thousand Euro (1,144 thousand Euro in 2022) and maintenance costs of 1,808 thousand Euro (1,392 thousand Euro in 2022).

The item "Costs for the use of third-party assets" amounts to 652 thousand Euro in the nine months and 270 thousand Euro in the quarter and refers to rental contracts lasting less than one year not falling within the scope of application of IFRS16.

Operating costs for other management costs at 30 September 2023 amounted to 1,278 thousand Euro and mainly include the following items: "other indirect taxes, duties and similar charges" for 622 thousand Euro, "municipal taxes and duties" for 170 thousand Euro and "credit recovery expenses" of 169 thousand Euro.

8. Financial income and charges

This item is composed of:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Financial charges	5,434	2,207	14,198	5,369
Financial income	(464)	(107)	(1,002)	(470)
Foreign exchange (gains)/losses	(67)	135	171	55
Total financial (income) and charges	4,903	2,235	13,367	4,954

The item "Financial charges" at 30 September 2023 amounted to 14,198 thousand Euro and compares with the 5,369 thousand Euro at 30 September 2022.
At the composition level, it should be noted that the component of interest expense linked to rights of use remains almost constant at 1,720 thousand Euro compared to 1,712 thousand Euro at 30 September 2022, while the component of bank interest expenses is increasing sharply due to the increase in the cost of money. The latter goes from 5,391 thousand Euro at 30 September 2022 to 14,198 thousand Euro at 30 September 2023 with an increase in absolute terms of 8,807 thousand Euro.

The net effect of the exchange balances mainly reflects the performance of the Euro compared to the US Dollar, the reference currency for non-EU imports.

9. Taxes

The balance of the tax components at 30 September 2023 is negative for 16,701 thousand Euro and detailed as shown in the table below:

(€thousand)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Ires-Ires charge transferred to Parent Company	7,302	3,747	14,336	8,463
Irap	1,715	941	3,502	2,172
Previous years tax	14	37	14	37
Net provision for deferred tax liabilities	61	330	(1,151)	(525)
Total taxes	9,092	5,055	16,701	10,147

10. Earnings per share

The following table is the calculation of the basic and diluted Earnings:

(Euros)	*3rd quarter 2023*	*3rd quarter 2022*	*30.09.23 (9 months)*	*30.09.22 (9 months)*
Basic Earnings Per Share	0.33	0.21	0.61	0.37
Diluted Earnings Per Share	0.33	0.21	0.61	0.37

It should pointed out that the calculation is based on the following data:

Earnings:

(€thousand)	***3rd quarter 2023***	*3rd quarter 2022*	***30.09.23 (9 months)***	*30.09.22 (9 months)*
Profit/(Loss) for the period	21,880	14,246	40,549	24,747
Minority interests	0	0	0	0
Profit/(Loss) used to determine basic and diluted earnings per share	21,880	14,246	40,549	24,747

Number of shares:

(number of shares)	***3rd quarter 2023***	*3rd quarter 2022*	***30.09.23 (9 months)***	*30.09.22 (9 months)*
Weighted average number of ordinary shares used to determine basic earning per share	65,868,641	66,475,970	66,208,682	66,452,670
Adjustments for share options	0	0	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,868,641	66,475,970	66,208,682	66,452,670

11. Other profits/losses

As 30 September 2023, the value of other profits contained in the consolidated comprehensive income statement refers to the effective part of the operations implemented to hedge the risk of changes in the interest rate on medium-long term financing contracts.
These profits were accounted for, consistently with the provisions of the IFRS, in equity and highlighted (as required by IAS 1 revised, applicable from 1st January 2009) in the statement of overall consolidated economic result.

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Rimini, 14 November 2023

For the Board of Directors

President

Andrea Foschi

Appendices

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

- Appendix I - Reconciliation of liabilities deriving from financing activities as at 30 September 2023 and as at 30 September 2022.

Appendix 1

RECONCILIATION OF LIABILITIES DERIVING FROM FINANCING ACTIVITIES AS AT 30 SEPTEMBER 2023 AND AS AT 30 SEPTEMBER 2022

	30 September 2023	Cash flows	Non-financial changes: Other changes/ reclassifications	Purchases	Exchange rates variations	Fair value variation	31 December 2022
Current payables to bank	44,201	28,317	0	0	0	0	15,884
Current portion of non current debt	52,427	(79,500)	32,089	0	0	0	99,838
Current financial payables for bond private placement in EUR	266	(697)	284	0	0	1	678
Current payables for the purchase of shares in Frigor Carni	1,700	0	0	0	0	0	1,700
Current payables for the purchase of shares in Antonio Verrini Srl	0	(2,000)	0	0	0	0	2,000
Current financial payables for IFRS 16 lease contracts	11,514	(9,043)	9,744	0	0	0	10,813
Current financial payables for dividends approved and not distributed	6	(25,210)	25,068	0	0	0	148
Total current financial payables	110,114	(88,133)	67,185	0	0	1	131,061
Current payables/(receivables) for hedging financial instruments	31	0	0	0	0	31	0
Total current financial instruments	31	0	0	0	0	31	0
Non-current payables to bank	154,777	67,214	(32,206)	0	0	0	119,769
Non-current financial payables for bond private placement in EUR	99,898	0	0	0	0	24	99,874
Non-current financial payables for IFRS 16 lease contracts	65,032	0	(3,404)	0	0	0	68,436
Non-current financial payables for purchase of quotas or shares	500	0	0	0	0	0	500
Total non-current financial payables	320,207	67,214	(35,610)	0	0	24	288,579
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	430,352	(20,919)	31,575	0	0	56	419,640

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(18,919)
Cash flows for payment of residual debt for the acquisition of share in Antonio Verrini Srl	(2,000)
Other changes/reclassification	31,575
Exchange rates variations	0
Fair value variation	56
Total detailed variations in the table	10,712
Other changes in financial liabilities	25,670
Net change in financial liabilities for IFRS16	(2,703)
New non-current loans received	80,000
Net change in financial instrumets/derivates	31
Non-current loans repayment	(92,286)
Total changes shown between financing activities in the Cash Flows Statement	10,712

	30 September 2022	Cash flows	Non-financial changes Other changes/ reclassifications	Purchases	Exchange rates variations	Fair value variation	31 December 2021
Current payables to bank	17,968	(28,019)	0	0	0	0	45,987
Current portion of non current debt	103,971	(37,562)	89,306	0	0	0	52,227
Current financial payables for bond private placement in EUR	265	(697)	285	0	0	1	676
Other current financial payables	0	0	0	0	0	0	0
Current payables for the purchase of shares in Frigor Carni	0	(4,048)	0	4,048	0	0	0
Current payables for the purchase of shares in Antonio Verrini Srl	2,000	(1,000)	0	0	0	0	3,000
Current financial payables for IFRS 16 lease contracts	10,807	(8,205)	6,099	2,839	0	0	10,074
Current financial payables for dividends approved and not distributed	430	(32,034)	31,266	0	0	0	1,198
Total current financial payables	135,441	(111,565)	126,956	6,887	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	128,079	98,195	(89,605)	0	0	0	119,489
Non-current financial payables for bond private placement in EUR	99,868	0	0	0	0	26	99,842
Non-current financial payables for IFRS 16 lease contracts	70,141	0	5,423	0	0	0	64,718
Non-current financial payables for purchase of quotas or shares	2,200	0	0	2,200	0	0	0
Total non-current financial payables	300,288	98,195	(84,182)	2,200	0	26	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	435,729	(13,370)	42,774	9,087	0	27	397,211

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(8,322)
Cash flows for payment of residual debt for the acquisition of share in Antonio Verrini Srl	(1,000)
Other changes/ reclassification	42,774
Exchange rates variations	0
Fair value variation	27
Total detailed variations in the table	33,479
Other changes in financial liabilities	(33,310)
Net change in financial liabilities for IFRS16	6,156
New non-current loans received	102,000
Net change in financial instrumets/derivates	0
Non-current loans repayment	(41,367)
Total changes shown between financing activities in the Cash Flows Statement	33,479

STATEMENT BY THE RESPONSIBLE FOR THE DRAFTING OF CORPORATE ACCOUNTING DOCUMENTS PURSUANT TO ART. 154-BIS PARAGRAPH 2 OF LEGISLATIVE DECREE 58 DATED 24 FEBRUARY 1998

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

Rimini, 14 November 2023

Pierpaolo Rossi
Manager responsible for the drafting
of corporate accounting documents