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Oggetto : MARR: The Board of Directors approves the
results as at 30 September 2024

Testo del comunicato

Vedi allegato



press release

MARR: the Board of Directors approves the interim management report as at 30 September 2024.

After the first nine months of 2024:

- **Total consolidated revenues of 1,610.5 million euro (1,626.5 million in the first nine months of 2023)**
- **EBITDA of 98.1 million euro (99.7 million in the same period of 2023)**
- **Net profits of 36.0 million euro (40.5 million in the same period of 2023).**

Sales accelerating in October compared to the third quarter and increasing in all client segments.

Rimini, 14 November 2024 – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the sale and distribution of food and non-food products to the foodservice, today approved the interim management report as at 30 September 2024.

Main consolidated results for the third quarter of 2024

The total consolidated revenues in the third quarter of 2024 amounted to 622.7 million euro, compared to 623.2 million in the third quarter of 2023, and were affected by a trend in sales to clients in the Commercial Catering segment (Street Market and Chains & Groups, more than 85 % of sales in the quarter) characterised by: i) a euro/kg value of the products sold which continued, as at the end of the first six months, to decrease especially for seafood products, the sales of which are more concentrated in the summer period; (ii) volumes (by quantity) slightly increasing, albeit with a weak demand for "hotels, meals and away from home consumption" in Italy (-0.8% by quantity in the third quarter of 2024 compared to the same period in 2023 - Confcommercio, November 2024).

The reduction of the euro/kg value recorded in the first part of the quarter and then tending to recover, with an increase in volume, has penalised the dilution of the logistical costs (especially transportation and handling of goods), with a consequent impact - albeit mitigated by the confirmed focus on the gross margin - on the operating profitability, which in the third quarter of 2024 showed a consolidated EBITDA of 42.5 million euro (46.3 million in 2023) and a consolidated EBIT of 31.5 million euro (35.9 million in 2023).

The net consolidated profits in the third quarter of 2024 amounted to 18.5 million euro (21.9 million in 2023).

Main consolidated results for the first nine months of 2024

The total consolidated revenues in the first nine months of 2024 amounted to 1,610.5 million euro, compared to 1,626.5 million in the same period of 2023, and, in addition to the euro/kg trend affecting the summer season mentioned above, were affected in early 2024 by the policies regarding the Canteens clients segment in particular which were implemented for the management of the food inflation that had affected all of 2023.



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After the first nine months of 2024, the consolidated EBITDA amounted to 98.1 million euro (99.7 million in 2023) while the EBIT amounted to 66.9 million (70.6 million in 2023).

The net consolidated profits for the first nine months of 2024 amounted to 36.0 million euro, compared to 40.5 million euro in the same period of 2023 and, especially in the first half of 2024, were affected by increased net financial charges linked to trends in the cost of funding.

The Net Trade Working Capital as at 30 September 2024 amounted to 129.3 million euro, compared to 183.7 million as at 30 June 2024 and 155.2 million euro as at 30 September 2023.

The net financial debt as at 30 September 2024 amounted to 201.7 million euro (201.9 million after the first nine months of 2023), while net of the effects of the application of accounting standard IFRS 16, it amounted to 127.0 million euro, substantially in line with 125.3 million as at 30 September 2023, after the distribution in May 2024 of dividends of 39.0 million euro and net investments in the first nine months of 2024 amounting to 14.6 million euro.

The consolidated net equity as at 30 September 2024 amounted to 341.1 million euro (352.2 million after the first nine months of 2023).

Results by segment of activity as at 30 September 2024

Sales of the MARR Group in the first nine months of 2024 amounted to 1,580.9 million euro (1,601.8 million in the same period of 2023), with 612.1 million in the third quarter of 2024 (615.7 million in 2023).

Sales to customers in the Street Market segment in the first nine months of 2024 amounted to 1,063.7 million euro (1,074.0 million in 2023); while those in the third quarter amounted to 440.4 million euro (446.4 million in 2023) and were affected mainly by a reduction in the euro/kg value of the products sold, as a result of the deflationary trends which affected seafood products in particular.

Sales to clients in the National Account segment (Chains & Groups in Structured Commercial Catering and Canteens) in the first nine months of 2024 amounted to 376.5 million euro and, compared to 380.7 million in 2023, were affected in the sub-segment of Canteens, and in particular in early 2024, by activities implemented for the management of food inflation, which had affected all of 2023. At the end of the first nine months of 2024, sales to clients in Canteens amounted to 175.1 million euro (186.5 million in 2023), while those in the third quarter of 2024 amounted to 44.9 million (43.5 million in the same period of 2023).

Sales in the National Account segment in the third quarter of 2024 amounted to 130.1 million euro and their increase compared to 126.0 million in the same period of 2023 is due mainly to that in sales to Chains & Groups, amounting to 85.2 million euro (82.6 million in the third quarter of 2023). At the end of the first nine months of 2024, sales to Chains & Groups in Structured Commercial Catering amounted to 201.4 million euro (194.2 million in 2023).

In overall terms, sales in the first nine months of 2024 to clients in Commercial Catering - both Independent (Street Market segment) and structured (Chains & Groups, in the National Account segment) - amounted to 1,265.1 million euro (1,268.2 million in 2023), while those in the third quarter amounted to 525.6 million euro (529.0 million in 2023).

As regards the market context of out-of-home food consumption, as already mentioned previously, according to the Confcommercio Studies Office (Survey no. 10, November 2024), consumption by quantity in the sub-segment "Hotels, meals and away from home consumption" in Italy showed a reduction of 0.8% compared to the same period last year; according to TradeLab (AFH Consumer



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Tracking, October 2024), the number of visits to "Away From Home" (AFH) catering structures in the third quarter of 2024 showed a reduction of 1.7%.

Sales to clients in the Wholesale segment (almost entirely frozen seafood products to wholesalers) in the first nine months of 2024 amounted to 140.7 million euro (147.1 million in 2023) and were affected by the reduction in euro/kg value of seafood products already mentioned, while those in the third quarter of 2024 amounted to 41.6 million euro, compared to 43.2 million in the same period of 2023, and were affected in particular by the timing of a fishing campaign, the effects of which in terms of sales last year had fallen entirely within the third quarter, while they have also partly affected the current fourth quarter in 2024.

Outlook

In October, sales of the MARR Group are accelerating compared to the third quarter and show, compared to the same period last year, an increase in all of the client segments, also thanks to the improvement in the euro/kg value of the products sold. This trend has also been confirmed in these first days of November.

In this context of the foodservice market in Italy, which remains significant, MARR is implementing a strategy aimed at increasing the presence on the Client and improving profitability.

The first pillar of this strategy is represented by a commercial proposal aimed at increasing Client satisfaction and loyalty through a consultancy approach of the sales force and a range of products segmented by type of client, consumption times and positioning range. Targeted initiatives, with a specific proposal for "Hospitality" and "Quick Service Restaurants and Street Food" fall within this context.

The second pillar is based on increasing management effectiveness, aimed at containing the relative costs, guaranteeing a distinctive service level for the Client. This type of intervention includes the progressive roll-out of tools and processes for the planning and optimisation of deliveries and the recent start of the transfer of operating activities from the historic MARR Milano distribution centre to the more modern MARR Lombardy structure, which began last April. Increasing operating efficiency also includes the maintenance of a high level of attention regarding the absorption of the working capital.

The third pillar is represented by the ongoing path of Digital Transformation, aimed at optimising the processes through interventions which involve both the expansion of Client services and the internal and support activities.

The progress of the Investment Plan is consistent with this strategy, in respect of which the works for the realisation of the Central-Southern logistic platform (in Castelnuovo di Porto in Lazio) are proceeding according to schedule, with the start of activities confirmed in early 2025.

Activities for the implementation of the project for the Central-Northern logistic platform (in Ospedaletto Lodigiano in Lombardy) are also proceeding.

Works have also started for the new distribution centre in Puglia which, as indicated during the update of the Investment Plan in November last year, will be leased by MARR and will replace the current MARR Puglia unit with a more efficient structure and operating capacity suited to grasp the development opportunities of a highly touristic area.



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

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

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

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

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

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

It should be noted that Interim report as at 30 September 2024, approved today by the MARR S.p.A. Board of Directors, will be made available by the end of today on the Investor Relations Section of the company website www.marr.it/investor-relations/bilanci-relazioni, at the company headquarters and on the authorized storage system www.emarketstorage.com.

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

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

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This press release contains forecast elements and elements which reflect the current opinions of the management team (forward-looking statements), especially as regards the future outlook, the realisation of investments, the performance of cash flows and the evolution of the financial structure. The forward-looking statements by nature include a component of risk and uncertainty because they depend upon the occurrence of future events. The effective results may differ even significantly from those announced because of a multitude of factors including, merely for example: the performance of the market of out of home food consumption



press release

(“foodservice”) and the flow of tourists into Italy; the evolution of the price of raw materials on the food sector; general macroeconomic conditions; geopolitical factors and developments in the regulatory framework.

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ALTERNATIVE PERFORMANCE MEASURES

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

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

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

Re-classified Income Statement¹

MARR Consolidated (€thousand)	3rd quarter 2024	%	3rd quarter 2023	%	% Change	30.09.24 (9 months)	%	30.09.23 (9 months)	%	% Change
Revenues from sales and services	605,894	97.3%	609,084	97.7%	(0.5)	1,564,481	97.1%	1,585,206	97.5%	(1.3)
Other earnings and proceeds	16,826	2.7%	14,146	2.3%	18.9	45,987	2.9%	41,273	2.5%	11.4
Total revenues	622,720	100.0%	623,230	100.0%	(0.1)	1,610,468	100.0%	1,626,479	100.0%	(1.0)
Cost of raw and secondary materials, consumables and goods	(451,416)	-72.5%	(439,131)	-70.5%	2.8	(1,276,588)	-79.3%	(1,289,011)	-79.3%	(1.0)
Change in inventories	(35,776)	-5.7%	(50,303)	-8.1%	(28.9)	10,350	0.6%	(479)	0.0%	(2,260.8)
Services	(79,491)	-12.8%	(75,142)	-12.1%	5.8	(205,693)	-12.7%	(199,849)	-12.3%	2.9
Leases and rentals	(175)	0.0%	(270)	0.0%	(35.2)	(585)	0.0%	(652)	0.0%	(10.3)
Other operating costs	(451)	-0.1%	(332)	0.0%	35.8	(1,339)	-0.1%	(1,278)	-0.1%	4.8
Value added	55,411	8.9%	58,052	9.3%	(4.5)	136,613	8.5%	135,210	8.3%	1.0
Personnel costs	(12,920)	-2.1%	(11,748)	-1.9%	10.0	(38,474)	-2.4%	(35,533)	-2.2%	8.3
Gross Operating result	42,491	6.8%	46,304	7.4%	(8.2)	98,139	6.1%	99,677	6.1%	(1.5)
Amortization and depreciation	(5,703)	-0.9%	(5,226)	-0.8%	9.1	(16,500)	-1.0%	(15,192)	-0.9%	8.6
Provisions and write-downs	(5,283)	-0.8%	(5,203)	-0.8%	1.5	(14,781)	-0.9%	(13,869)	-0.9%	6.6
Operating result	31,505	5.1%	35,875	5.8%	(12.2)	66,858	4.2%	70,616	4.3%	(5.3)
Financial income and charges	(4,924)	-0.8%	(4,970)	-0.8%	(0.9)	(14,973)	-0.9%	(13,196)	-0.8%	13.5
Foreign exchange gains and losses	177	0.0%	66	0.0%	168.2	474	0.0%	(171)	0.0%	(377.2)
Value adjustments to financial assets	0	0.0%	0	0.0%	0.0	0	0.0%	0	0.0%	0.0
Result from recurrent activities	26,758	4.3%	30,971	5.0%	(13.6)	52,359	3.3%	57,249	3.5%	(8.5)
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%	0	0.0%	0.0	0	0.0%	0	0.0%	0.0
Profit before taxes	26,758	4.3%	30,971	5.0%	(13.6)	52,359	3.3%	57,249	3.5%	(8.5)
Income taxes	(8,241)	-1.3%	(9,091)	-1.5%	(9.3)	(16,380)	-1.1%	(16,700)	-1.0%	(1.9)
Total net profit	18,517	3.0%	21,880	3.5%	(15.4)	35,979	2.2%	40,549	2.5%	(11.3)

¹ Data unaudited

Re-classified Balance sheet¹

MARR Consolidated (€thousand)	30.09.24	31.12.23	30.09.23
Net intangible assets	170,357	170,392	170,404
Net tangible assets	109,002	101,879	98,376
Right of use assets	70,474	77,239	72,802
Equity investments evaluated using the Net Equity method	1,828	1,828	1,828
Equity investments in other companies	178	178	178
Other fixed assets	21,388	23,009	28,943
Total fixed assets (A)	373,227	374,525	372,531
Net trade receivables from customers	387,159	348,678	413,334
Inventories	213,720	203,370	209,434
Suppliers	(471,580)	(381,396)	(467,532)
Trade net working capital (B)	129,299	170,652	155,236
Other current assets	90,106	82,988	80,592
Other current liabilities	(27,425)	(29,808)	(35,334)
Total current assets/liabilities (C)	62,681	53,180	45,258
Network ing capital (D) = (B+C)	191,980	223,832	200,494
Other non current liabilities (E)	(5,550)	(5,093)	(4,621)
Staff Severance Provision (F)	(6,558)	(6,672)	(6,852)
Provisions for risks and charges (G)	(10,326)	(7,665)	(7,467)
Net invested capital (H) = (A+D+E+F+G)	542,773	578,927	554,085
Shareholders' equity attributable to the Group	(341,103)	(355,473)	(352,187)
Consolidated shareholders' equity (I)	(341,103)	(355,473)	(352,187)
(Net short-term financial debt)/Cash	156,432	115,566	128,725
(Net medium/long-term financial debt)	(283,391)	(257,378)	(254,077)
Net financial debt - before IFRS 16 (J)	(126,959)	(141,812)	(125,352)
Current lease liabilities (IFRS 16)	(12,209)	(11,826)	(11,514)
Non-current lease liabilities (IFRS 16)	(62,502)	(69,816)	(65,032)
IFRS 16 effect on Net financial debt (K)	(74,711)	(81,642)	(76,546)
Net financial debt (L) = (J+K)	(201,670)	(223,454)	(201,898)
Net equity and net financial debt (M) = (I+L)	(542,773)	(578,927)	(554,085)

¹ Data unaudited

Net financial position ¹

MARR Consolidated (€thousand)	<i>30.09.24</i>	<i>30.06.24</i>	<i>31.12.23</i>	<i>30.09.23</i>
A. Cash	11,904	18,630	17,479	17,624
Bank accounts	248,469	215,330	205,927	200,180
Postal accounts	0	0	0	0
B. Cash equivalent	248,469	215,330	205,927	200,180
C. Liquidity (A) + (B)	260,373	233,960	223,406	217,804
Current financial receivable due to Parent Company	1,086	4,049	9,818	9,552
Current financial receivable due to Related Companies	0	0	0	0
Others financial receivable	0	0	0	0
D. Current financial receivable	1,086	4,049	9,818	9,552
E. Receivables for derivative/financial instruments	0	0	2	0
F. Current Bank debt	(32,375)	(63,219)	(44,699)	(44,201)
G. Current portion of non current debt	(71,368)	(74,274)	(70,082)	(52,427)
Financial debt due to Parent company	0	0	0	0
Financial debt due to Related Companies	0	0	0	0
Other financial debt	(1,285)	(1,728)	(2,879)	(2,003)
H. Other current financial debt	(1,285)	(1,728)	(2,879)	(2,003)
I. Current lease liabilities (IFRS16)	(12,209)	(12,183)	(11,826)	(11,514)
J. Current financial debt (F) + (G) + (H) + (I)	(117,237)	(151,404)	(129,486)	(110,145)
K. Net current financial indebtedness (C) + (D) + (E) + (J)	144,222	86,605	103,740	117,211
L. Non current bank loans	(183,213)	(163,014)	(157,533)	(154,777)
M. Non-current derivative/financial instruments	0	580	126	1,098
N. Other non current loans	(100,177)	(99,921)	(99,971)	(100,398)
O. Non-current lease liabilities (IFRS16)	(62,502)	(65,065)	(69,816)	(65,032)
P. Non current financial indebtedness (L) + (M) + (N) + (O)	(345,892)	(327,420)	(327,194)	(319,109)
Q. Net financial indebtedness (K) + (P)	(201,670)	(240,815)	(223,454)	(201,898)

¹ Data unaudited

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