Interim Report as at 30 September 2024

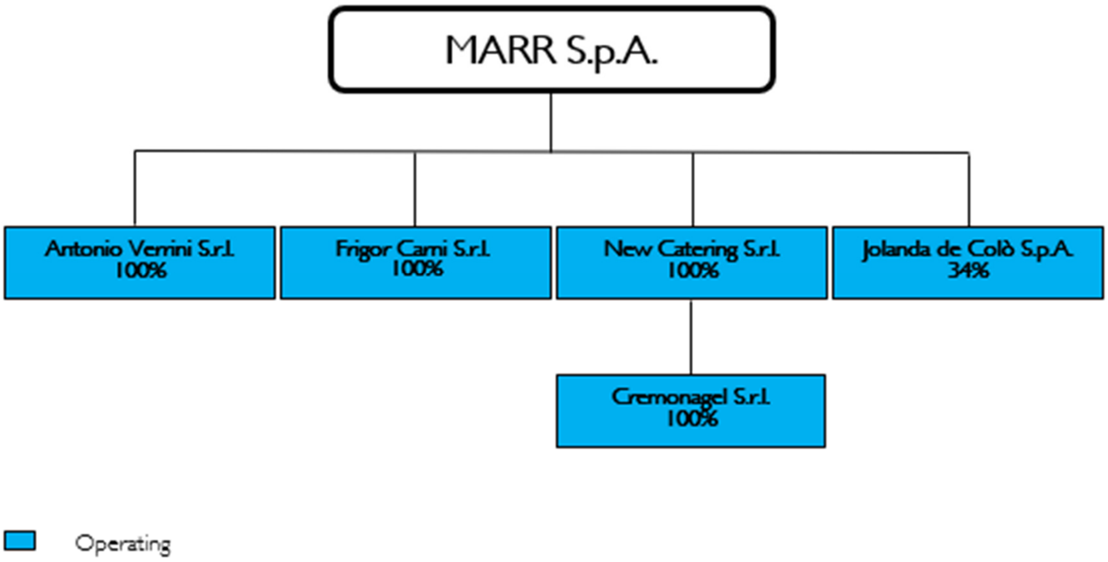
14 November 2024

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 2024



The Group structure as of 30 September 2024 differs from the situation as of 30 September 2023 and 31 December 2023 as a result of the following transactions:

- the dissolution and liquidation of the subsidiary MARR Foodservice Iberica S.A., completed on 31 January 2024;
- the merger by incorporation of the wholly-owned subsidiary AS.CA S.p.A. into the parent company MARR S.p.A., with legal effects starting from 1st June 2024 and accounting and tax effects backdated to 1st January 2024.

In this regard, it should be noted that the company AS.CA S.p.A. had been leasing the business to the parent company MARR S.p.A. since 1st February 2020 and the merger operation is determined by choices of efficiency and cost rationalization.

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.
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.

Company	Activity
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).

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 2024 and as at 30 September 2024

The interim report as at 30 September 2024, 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.

Total consolidated revenues for 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 were affected by the reduction in the euro/kg value that affected the summer season and, in the first months of 2024, by policies that especially affected the Canteens clients customer segment and were implemented to manage the food inflation that had affected the whole of 2023.

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 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).

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 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.

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 2024*	*3rd quarter 2023**	*30.09.24 (9 months)*	*30.09.23* (9 months)*
Revenues from sales and services by customer category				
Street market	440,382	446,426	1,063,725	1,074,015
National Account	130,130	126,047	376,476	380,708
Wholesale	41,572	43,207	140,747	147,132
Total revenues form sales in Foodservice	612,084	615,680	1,580,948	1,601,855
(1) Discount and final year bonus to the customers	(6,445)	(6,775)	(17,016)	(17,078)
(2) Other services	180	155	396	278
(3) Other	75	24	153	151
Revenues from sales and services	605,894	609,084	1,564,481	1,585,206

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 2023 have been restated in order to maintain comparability with the 2024 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 2024 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 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)

Total consolidated revenues for the first nine months of 2024 amount to 1,610.5 million euro and are slightly down (-1.0%) compared to 1,626.5 million euro at 30 September 2023 and +23.7% compared to 1,302.1 million euro reported at 30 September 2019, before the pandemic.

In particular, Revenues from sales and services for the first nine months of 2024 amount to 1,564.5 million euro and compare with 1,585.2 million euro for the same period of the 2023 financial year (-1.3%) and 1,270.1 million euro as of 30 September 2019 (+23.2%).

Other revenues and income amount to 46.0 million euro and include 38.5 million euro (35.3 million euro at 30 September 2023) of the amount of contributions received from suppliers for promotional and marketing activities carried out by the MARR Group towards them and 2.9 million euro of the additional amount relating to the insurance compensation connected to the fire that affected the MARR Sanremo branch on 13 November 2022, for which compensation procedures are underway. The increase in contributions towards suppliers for promotional and marketing activities is related to the increase in sales volumes.

[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".

The Purchase of goods, which includes the purchase cost of goods and the change in inventory, went from 1,289.5 thousand euro on 30 September 2023 to 1,266.2 thousand euro on 30 September 2024, with a reduction in the percentage incidence on total revenues which went from 79.3% in the first nine months of 2023 to 78.6% in the first nine months of 2024.

The Cost of services amounts to 205.7 million euro (199.8 million euro at 30 September 2023), with an incidence that increases from 12.3% at 30 September 2023 to 12.7% at 30 September 2024, correlated to an increase in the costs of sales, handling and distribution of products.

The Added value at 30 September 2024 stands at 136.6 million euro, an increase (+1.0%) compared to the 135.2 million euro of 30 September 2023 and also an increase of +3.2% compared to the 132.4 million of 30 September 2019 (before the pandemic).

The Personnel cost amounts to 38.5 million euro and records an increase of 3 million euro compared to the 35.5 million euro of 30 September 2023.
The increase compared to the first nine months of 2023 is related to the renewal on 22 March 2024, effective 1st April 2024, of the National Collective Labor Agreement for the Commercial Sector which expired on 31 July 2019, and to the increase in the workforce which goes from 1,022 units on 30 September 2023 to 1,082 units on 30 September 2024. The increase in the workforce is the sum of new hires made by the parent company MARR S.p.A. for the start of operations of the MARR Lombardia branch, from the consolidation starting from 1st July 2023 of the subsidiary Cremonagel S.r.l. (which has 16 employees as of 30 September 2024) and new personnel hired in order to strengthen the branches of the parent company MARR S.p.A. and the headquarters functions.

The Gross operating result (EBITDA) at 30 September 2024 stood at 98.1 million euro, down (-1.5%) compared to 99.7 million euro at 30 September 2023. It should be noted in particular that in the third quarter of 2024 the gross operating result was equal to 42.5 million euro compared to 46.3 million in the third quarter of 2023, with a decrease of 3.8 million euro.

Depreciation at 30 September 2024 amounted to 16.5 million euro compared to 15.2 million euro at 30 September 2023 (+8.6%) and refers for 9.3 million euro (8.9 million euro at 30 September 2023) to the amortization of the right of use of rental contracts, for 6.6 million euro (5.8 million euro at 30 September 2023) to the amortization of assets owned by Group companies and for the remaining 561 thousand euro (521 at 30 September 2023) to the amortization of intangible assets.

The item Provisions and write-downs amounts to 14.8 million euro (13.9 million euro at 30 September 2023) and includes the provision for doubtful accounts for 13.7 million euro (12.8 million at 30 September 2023), the provision for supplementary customer indemnity for 682 thousand euro (738 thousand euro at 30 September 2023) and the provision for other risks and future losses for 410 thousand euro (300 thousand euro at 30 September 2023). The incidence on total revenues is equal to 0.9% at 30 September 2024, as at 30 September 2023.

The Operating Result (EBIT) as of 30 September 2024 amounts to 66.9 million euro and records a decrease (-5.3%) compared to the 70.6 million euro of 30 September 2023.

The result of Financial Management is affected by the dynamics of the cost of money. In particular, financial charges went from 14.2 million euro at 30 September 2023 to 17.6 million euro at 30 September 2024. The item of financial charges includes 1,744 thousand euro of interest expense deriving from the application of IFRS 16 (1,720 thousand euro at 30 September 2023).

The Result before taxes is positive for 52.4 million euro (57.2 million euro at 30 September 2023).

Current, prepaid and deferred income taxes are negative for 16,380 thousand euro (16,700 thousand euro as of 30 September 2023). The tax rate goes from 29.17% to 31.28% and the increase is associated with the fact that from 1st January 2024 the repeal of the Aid to Economic Growth (ACE) was ordered, which made it impossible to operate the deduction linked to the notional return on equity capital.

The Group's net result for the third quarter of 2024 was equal to 18.5 million euro, compared to 21.9 million euro in the third quarter of 2023. At the end of the first nine months, the Group's net result amounted to 36.0 million euro (40.5 million in the same period of 2023).

Analysis of the re-classified statement of financial position

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 IFRS16 (J)	(126,959)	(141,812)	(125,352)
Current lease liabilities (IFRS16)	(12,209)	(11,826)	(11,514)
Non-current lease liabilities (IFRS16)	(62,502)	(69,816)	(65,032)
IFRS16 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)

Consolidated equity as of 30 September 2024 is equal to 341.1 million euro (352.2 million at the end of the first nine months of 2023) and includes a Reserve for the purchase of own shares for 23.0 million euro relating to the purchase, starting from the end of May 2022, of 1,924,060 own shares at an average price of 11.92 euro and equal to 2.89% of the Share Capital.

Analysis of the net financial position

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

	MARR Consolidated (€thousand)	30.09.24	30.06.24	31.12.23	30.09.23
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)**

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.

Net financial debt at the end of the first nine months stood at 201.7 million euro, in line with the 201.9 million euro of last 30 September 2023.

With regard to the movement in the structure of the financial debt components, it should be noted that during the semester the Parent Company MARR S.p.A. repaid instalments of medium-long term loans for a total of 43.6 million euro and took out the following medium-long term loans:

[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.

- on 19 January 2024, a medium-term financing agreement of 2 million euro at 36 months in amortizing with quarterly instalments was signed with Sanfelice 1893 Banca Popolare, with disbursement on the same date. The agreement does not include financial covenants.
- on 9 February 2024, a medium-term financing agreement of 20 million euro at 60 months in amortizing with quarterly instalments and a 12-month pre-amortization period was signed with Bper Banca, with disbursement on the same date. The agreement includes financial covenants.
- on 22 May 2024, a medium and long-term pool financing agreement of 15 million euro was signed with Cassa Centrale Banca, with 5 years in amortizing with quarterly instalments and a one-year pre-amortization period. Cassa Centrale Banca acts as lead bank and financing bank for 50% and Bcc Banca Malatestiana as financing bank for the remaining 50%. The contract does not include financial covenants.
- on 23 May 2024, a medium-term financing contract of 6 million euro was signed with Bcc RivieraBanca Banca for 4 years in amortizing with quarterly instalments. The contract does not include financial covenants.
- on 8 July 2024, a medium-term financing contract of 20 million euro was signed with Banco BPM Banca for 54 months in amortizing with quarterly instalments and a pre-amortization of 12 months. The contract includes financial covenants.
- on 6 August 2024, a medium-term financing agreement of 7.5 million euro was signed with Credito Emiliano, with a duration of 36 months in amortizing with quarterly instalments and a pre-amortization period of 12 months. The agreement does not include financial covenants.

In addition to cash flows related to the core business, during the first nine months of 2024, outlays for investments amounting to 14.6 million euro were incurred, for which details are provided in the paragraph "Investments", own shares were purchased for a total outlay of 11.0 million euro, the amount of 1.2 million euro was paid in relation to the earn-out provided for by the framework agreement for the purchase of the stake in the subsidiary Frigor Carni S.r.l. and dividends for 39.0 million euro were paid.

Net of the effects of the application of the IFRS16 accounting principle, the Net Financial Position (NFP) amounts to 127.0 million euro and compares with 163.6 million at 30 June 2024 and 125.3 million at 30 September 2023.

The net financial position as at 30 September 2024 remains in line with the Company's objectives.

Analysis of the trade net working capital

MARR Consolidated (€thousand)	*30.09.24*	*30.06.24*	*31.12.23*	*30.09.23*
Net trade receivables from customers	387,159	398,138	348,678	413,334
Inventories	213,720	249,496	203,370	209,434
Payables to suppliers	(471,580)	(463,963)	(381,396)	(467,532)
Trade net working capital	129,299	183,671	170,652	155,236

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.

In particular, in comparison with the figure of 30 September 2023, there is a decrease in the component "Net trade receivables from customers" which goes from 413.3 million euro to 387.2 million euro, also confirming the maintenance of a continuous attention to the management of trade receivables.

"Inventories" show a decrease compared to 30 June 2024 and a slight increase compared to 30 September 2023 due to the usual procurement policies.

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

Re-classified cash-flow statement

MARR Consolidated (€thousand)	30.09.24	30.09.23
Net result before minority interests	35,979	40,549
Amortization and depreciation	16,503	15,192
Change in Staff Severance Provision	(114)	(355)
Sub-total operating activity	52,368	55,386
(Increase) decrease in receivables from customers	(38,481)	(59,524)
(Increase) decrease in inventories	(10,350)	479
Increase (decrease) in payables to suppliers	90,184	72,921
(Increase) decrease in other items of the working capital	(3,562)	919
Change in trade net working capital and other assets and liabilities	37,791	14,795
Net (Investments) in intangible assets	(526)	(548)
Net (Investments) in tangible assets	(13,739)	(15,783)
Flows relating to acquisitions of subsidiaries and going concerns	(1,200)	(2,010)
Investments in other fixed assets	(15,465)	(18,341)
Free - cash flow before dividends and other changes in shareholders' equity	74,694	51,840
Distribution of dividends	(39,057)	(25,062)
Trading of own shares and other changes	(11,020)	(4,781)
Other changes, including those of minority interests	(250)	0
Cash-flow from (for) change in shareholders' equity	(50,327)	(29,843)
FREE - CASH FLOW	24,367	21,997
Opening net financial debt	(223,454)	(217,550)
Effect for change in liability for IFRS16	(2,562)	(6,339)
Cash-flow for the period	24,367	21,997
Dividends approved and not distributed	(21)	(6)
Closing net financial debt	(201,670)	(201,898)

Investments

Below is a summary of the investments made in the third quarter and in the first nine months of 2024.

(€thousand)	*3rd quarter 2024*	*30.09.24*	*of witch MARR Lombardia*
Intangible assets			
Patents and intellectual property rights	182	490	13
Intangible assets in progress and advances	(15)	59	0
Total intangible assets	167	549	13
Tangible assets			
Land and buildings	1,327	6,074	4,951
Plant and machinery	664	1,916	273
Industrial and business equipment	99	507	33
Other assets	431	1,438	256
Fixed assets under development and advances	3,286	4,080	185
Total tangible assets	5,807	14,015	5,698
Total	5,974	14,564	5,711

Investments in intangible assets at 30 September 2024 amounted to 549 thousand euro and concern the purchase of new licenses, software and applications, some of which have entered into operation and some are still in the implementation phase as of 30 September 2024 and therefore shown under the item "Intangible assets in progress and advances".

Investments in tangible fixed assets in the first 9 months of 2024 amount to a total of 14,015 thousand euro, of which 5,698 thousand euro incurred in relation to the completion of the MARR Lombardia branch, a new 14 thousand square meter structure located in Bottanuco (Bergamo), whose operating activities began on 15 April 2024.
As of 30 September 2024, the total investment for the construction of the branch amounts to 29.8 million euro.
Net of investments relating to the completion of the MARR Lombardia branch, the remaining increases relating to the items "Plant and machinery", "Industrial and commercial equipment", "Other assets", concern modernization and revamping investments made mainly on the various branches of the parent company MARR S.p.A..

As of 30 September 2024, the item "Fixed assets under development and advances" mainly includes investments made in relation to the start of the construction of the new distribution platform in Castelnuovo di Porto (Lazio) amounting to 3.6 million euro.

It should be noted that the values of the investments indicated do not take into account the amounts capitalized as right of use in light of the application of IFRS16.

Other Information

The Company does not own as of 30 September 2024, and has never owned in the first nine months of 2024, shares or quotas of parent companies, including through third parties and/or companies, therefore during the period it has not carried out any purchase and sale transactions on the aforementioned shares and/or quotas.

As of 30 September 2024, MARR S.p.A. holds 1,924,060 treasury shares equal to approximately 2.89% of the Share Capital at an average price of 11.92 euro.

During the first nine months of 2024, the Group did not carry out any atypical or unusual transactions.

Significant events that occurred during the third quarter of 2024 and after the end of the quarter

No significant events occurred during the quarter or after its closure.

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.

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 2024

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	30.09.24	*relating to related parties*	%	31.12.23	*relating to related parties*	%	30.09.23	*relating to related parties*	%
ASSETS									
Non-current assets									
Tangible assets	109,002			101,879			98,376		
Right of use	70,474			77,239			72,802		
Goodwill	167,010			167,010			167,010		
Other intangible assets	3,347			3,382			3,394		
Investments at equity value	1,828			1,828			1,828		
Investments in other companies	178			178			178		
Non-current financial receivables	0			9			13		
Non-current derivative/financial instruments	0			126			1,098		
Deferred tax assets	0			0			0		
Other non-current assets	26,186			26,586			35,485		
Total non-current assets	378,025			378,237			380,184		
Current assets									
Inventories	213,720			203,370			209,434		
Financial receivables	1,086	*1,086*	*100.0%*	9,818	*9,818*	*100.0%*	9,552	*9,552*	*100.0%*
Current derivative/financial instruments	0			2			0		
Trade receivables	382,361	*18,693*	*4.9%*	345,093	*20,923*	*6.1%*	406,779	*21,248*	*5.2%*
Tax assets	14,332	*12*	*0.1%*	13,913	*12*	*0.1%*	8,267	*12*	*0.1%*
Cash and cash equivalents	260,373			223,406			217,804		
Other current assets	47,638	*252*	*0.5%*	37,901	*132*	*0.3%*	47,334	*227*	*0.5%*
Total current assets	919,510			833,503			899,170		
TOTAL ASSETS	*1,297,535*			*1,211,740*			*1,279,354*		
LIABILITIES									
Shareholders' Equity	341,103			355,473			352,187		
Share capital	*33,263*			*33,263*			*33,263*		
Reserves	*247,027*			*252,455*			*255,746*		
Profit for the period	*60,813*			*69,755*			*63,178*		
Total Shareholders' Equity	341,103			355,473			352,187		
Non-current liabilities									
Non-current financial payables	283,128			257,436			255,175		
Non-current lease liabilities (IFRS16)	62,502	*5,098*	*8.2%*	69,816	*5,877*	*8.4%*	65,032	*6,132*	*9.4%*
Non-current derivative/financial instruments	262			68			0		
Employee benefits	6,559			6,672			6,852		
Provisions for risks and costs	7,323			6,555			6,829		
Deferred tax liabilities	3,003			1,110			638		
Other non-current liabilities	5,550			5,093			4,621		
Total non-current liabilities	368,327			346,750			339,147		
Current liabilities									
Current financial payables	105,028			117,660			98,600		
Current lease liabilities (IFRS16)	12,209	*1,035*	*8.5%*	11,826	*1,011*	*8.5%*	11,514	*1,004*	*8.7%*
Current derivative/financial instruments	0			0			31		
Current tax liabilities	8,174	*4,345*	*53.2%*	12,410	*8,233*	*66.3%*	13,706	*9,468*	*69.1%*
Current trade liabilities	443,444	*14,923*	*3.4%*	350,223	*15,552*	*4.4%*	442,541	*16,923*	*3.8%*
Other current liabilities	19,250	*351*	*1.8%*	17,398	*288*	*1.7%*	21,628	*414*	*1.9%*
Total current liabilities	588,105			509,517			588,020		
TOTAL LIABILITIES	*1,297,535*			*1,211,740*			*1,279,354*		

CONSOLIDATED STATEMENT OF PROFIT/(LOSS)

(€thousand)	Note	3rd quarter 2024	relating to related parties	%	3rd quarter 2023	relating to related parties	%	30 September 2024 (9 months)	relating to related parties	%	30 September 2023 (9 months)	relating to related parties	%
Revenues	1	605,894	25,170	4.2%	609,084	27,311	4.5%	1,564,481	75,206	4.8%	1,585,206	79,434	5.0%
Other revenues	2	2,010	7	0.3%	1,286	4	0.3%	7,530	25	0.3%	5,944	37	0.6%
Changes in inventories		(35,776)			(50,303)			10,350			(479)		
Purchase of goods for resale and consumables	3	(436,600)	(43,426)	9.9%	(426,272)	(55,864)	13.1%	(1,238,131)	(133,433)	10.8%	(1,253,682)	(156,064)	12.4%
Personnel costs	4	(12,919)			(11,748)			(38,474)			(35,533)		
Amortizations, depreciations and provisions	5	(6,023)			(5,479)			(17,592)			(16,230)		
Losses due to impairment of financial assets	6	(4,963)			(4,949)			(13,689)			(12,830)		
Other operating costs	7	(80,117)	(1,060)	1.3%	(75,744)	(817)	1.1%	(207,617)	(3,098)	1.5%	(201,779)	(2,570)	1.3%
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(50)*			*(97)*			*(271)*			*(270)*		
Financial income and charges	8	(4,747)	43	(0.9%)	(4,903)	(38)	0.8%	(14,499)	(11)	0.1%	(13,367)	(115)	0.9%
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(1,249)*			*(1,167)*			*(3,605)*			*(3,606)*		
Income (charge) from associated companies		0			0			0			0		
Result before taxes		*26,759*			*30,972*			*52,359*			*57,250*		
Taxes	9	(8,242)			(9,092)			(16,380)			(16,701)		
Result for the period		*18,517*			*21,880*			*35,979*			*40,549*		
Attributable to:													
Shareholders of the Parent Company		18,517			21,880			35,979			40,549		
Minority interests		0			0			0			0		
		18,517			*21,880*			*35,979*			*40,549*		
Basic Shares numbers		64,737,896			65,868,641			65,051,458			66,208,682		
basic Earnings per Share (euro)	10	0.29			0.33			0.55			0.61		
Diluted Shares numbers		64,737,896			65,868,641			65,051,458			66,208,682		
diluted Earnings per Share (euro)	10	0.29			0.33			0.55			0.61		

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	Note	*3rd quarter 2024*	*3rd quarter 2023*	*30 September 2024 (9 months)*	*30 September 2023 (9 months)*
Result for the period (A)		*18,517*	*21,880*	*35,979*	*40,549*
Items to be reclassified to profit or loss in subsequent periods:					
Efficacious part of profits/(losses) on cash flow hedge instruments		(842)	(75)	(323)	44
Taxation effect on the effective portion of profits/(losses) on cash flow hedge instruments		202	13	78	(10)
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 oncerning defined benefit plans		0	0	0	0
Total Other Profits/Losses, net of taxes (B)	11	*(640)*	*(62)*	*(245)*	*34*
Comprehensive Result (A) + (B)		*17,877*	*21,818*	*35,734*	*40,583*
Attributable to:					
Shareholders of the Parent Company		17,877	21,818	35,734	40,583
Minority interests		0	0	0	0
		17,877	*21,818*	*35,734*	*40,583*

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 2023	33,263	63,348	6,652	13	36,496	147,841	1,475	7,293	777	(4,682)	1,437	(487)	260,163	48,031	341,457
Allocation of 2022 profit						333							333	(333)	
Distribution of MARR S.p.A. 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 income (1/1-30/09/2023)															40,583
Balance at 30 September 2023	33,263	63,348	6,652	13	36,496	148,174	1,475	7,293	811	(9,463)	1,433	(487)	255,746	63,178	352,187
Effect of the trading of own shares										(2,491)			(2,491)		(2,491)
Other minor variations											(1)		(2)	(8)	(10)
- Profit for the period														6,585	6,585
- Other Profits/Losses, net of taxes									(765)			(33)	(798)		(798)
Consolidated comprehensive income (1/10-31/12/2023)															5,787
Balance at 31 December 2023	33,263	63,348	6,652	13	36,496	148,174	1,475	7,293	46	(11,954)	1,432	(520)	252,455	69,755	355,473
Allocation of 2023 profit						5,834							5,834	(5,834)	
Distribution of MARR S.p.A. 2023 dividends														(39,079)	(39,079)
Effect of the trading of own shares										(11,021)			(11,021)		(11,021)
Other minor variations								8			(4)		4	(8)	(4)
- Profit for the period														35,979	35,979
- Other Profits/Losses, net of taxes									(245)				(245)		(245)
Consolidated comprehensive result (1/1-30/09/2024)															35,734
Balance at 30 September 2024	33,263	63,348	6,652	13	36,496	154,008	1,475	7,301	(199)	(22,975)	1,428	(520)	247,027	60,813	341,103

CONSOLIDATED CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	30.09.24	*relating to related parties*	%	30.09.23	*relating to related parties*	%
Result for the Period	35,979			40,549		
Adjustment:						
Amortization/Depreciation	7,176			6,287		
IFRS 16 depreciation	9,327			8,905		
Change in deferred tax	1,963			(1,211)		
Allocation of provison for bad debts	13,689			12,830		
Provision for risk and loss fund	410			300		
Provison for supplementary clientele severance indemnity	683			738		
Write-downs of investments non consolidater on a line-by-line basis	0			0		
Capital profit/losses on disposal of assets	(23)			0		
Financial (income) charges net of foreign exchange gains and losses	14,973	*160*	*1.1%*	13,196	*115*	*0.9%*
Foreign exchange evaluated (gains)/losses	(273)			88		
Dividends Received	(151)	*(150)*	*99.3%*	0		
Subtotal operating activity	**47,774**			**41,133**		
Net change in Staff Severance Provision	(113)			(355)		
(Increase) decrease in trade receivables	(50,957)	*2,230*	*(4.4%)*	(70,891)	*4,490*	*(6.3%)*
(Increase) decrease in inventories	(10,350)			479		
Increase (decrease) in trade payables	93,221	*(629)*	*(0.7%)*	81,646	*(12,561)*	*(15.4%)*
(Increase) decrease in other assets	(9,337)	*(120)*	*1.3%*	(20,030)	*213*	*(1.1%)*
Increase (decrease) in other liabilities	3,182	*63*	*2.0%*	453	*(299)*	*(66.0%)*
Net change in tax assets/liabilities	12,969	*10,459*	*80.6%*	11,848	*13,934*	*117.6%*
Interest paid	(17,582)	*(228)*	*1.3%*	(14,198)	*(190)*	*1.3%*
Interest received	2,609	*68*	*2.6%*	1,002	*75*	*7.5%*
Foreign exchange evaluated (gains)/losses	273			(88)		
Income tax paid	(17,694)	*(14,347)*	*81.1%*	(1,451)	*(435)*	*30.0%*
Cash-flow form operating activities	**89,974**			**70,097**		
(Investments) in other intangible assets	(526)			(548)		
(Investments) in tangible assets	(14,035)			(15,833)		
Net disposal of tangible assets	321			50		
Outgoing for acquisition of subsiaries or going concerns during the year (net of liquidity purchased)	(1,200)			(2,010)		
Dividends Received	151	*150*	*99.3%*	0		
Cash-flow from investment activities	**(15,289)**			**(18,341)**		
Distribution of dividends	(39,078)			(25,062)		
Trading of own shares	(11,020)			(4,781)		
Other changes, including those of third parties	(250)			0		
Payment of lease debts	(9,493)	*(755)*	*8.0%*	(9,043)	*(734)*	*8.1%*
Net change in financial receivables/payables for derivatives	322			0		
Net change in financial payables (excluding the new non-current loans received)	(13,835)			25,695		
New non-current loans received	70,500			80,000		
Repayment of other long-term debt	(43,605)			(92,286)		
Net change in current financial receivables	8,732	*8,732*	*100.0%*	(148)	*(148)*	*100.0%*
Net change in non-current financial receivables	9			9		
Cash-flow from financing activities	**(37,718)**			**(25,616)**		
Increase (decrease) in cash-flow	**36,967**			**26,140**		
Opening cash and equivalents	223,406			191,664		
Closing cash and equivalents	**260,373**			**217,804**		

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 report as at 30 September 2024 was authorized by the Board of Directors on 14 November 2024.

Structure and contents of the consolidated financial statements

The interim report at 30 September 2024 has been prepared in accordance with the evaluation and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure 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 includes all international accounting principles ("IAS/IFRS") and all interpretations of the IFRS Interpretations Committee ("IFRIC"), previously called "Standing Interpretations Committee" (SIC).

In this case, this interim report has been prepared in summary form, within the framework of the options provided for by IAS 34 ("Interim financial reporting"). This abbreviated interim financial report therefore does not include all the information required by the annual financial statements and must be read together with the annual financial statements prepared for the year ended 31 December 2023.

In particular, the same accounting principles adopted in the preparation of the consolidated financial statements at 31 December 2023 have been applied, with the exception of the adoption of the new principles, amendments and interpretations in force from 1st January 2024, described below.

The interim report at 30 September 2024 has been prepared on a going concern basis, based on the assessments made by the Directors and illustrated in the following paragraph "Going Concern".

It should also be noted that the Group has applied the provisions of CONSOB Resolution no. 15519 of 27 July 2006, by CONSOB Communication no. 6064293 of 28 July 2006 and by 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 out-of-home 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 an absorption of cash with a consequent increase in financial requirements.

With regard to the trends of the first nine months of 2024, please refer to the Directors' Report.

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 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 of the nine months of the previous financial year. Therefore, the commentary on the Income Statement items is made with the comparison to the same periods of the previous year (September 30 and third quarter 2023).

The following classifications have been used:
- "Statement of financial position" for current/non-current items;
- "Statement of profit/loss for the period" by nature;
- "Statement of cash flows" (indirect method).

These classifications are considered to provide information that best represents the Group's financial, economic and equity situation.

The functional and presentation currency is the euro.
The statements and tables contained in this quarterly report are expressed in thousands of euro.
The interim report is not subject to audit.
This report has been prepared using the valuation principles and 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 of 30 September 2024 includes the financial statements of the parent company MARR S.p.A. and those of the companies in which it holds, directly or indirectly, control.

The complete list of investments included in the scope of consolidation as of 30 September 2024, with an indication of the consolidation method, is reported in the Group Organisation.
The consolidated financial statements have been drawn up on the basis of the accounting situations as of 30 September 2024 prepared by the companies included in the scope of consolidation and adjusted, where necessary, in order to align them with the accounting principles and classification criteria of the group compliant with IFRS.

The Group structure as of 30 September 2024 differs from the situation as of 30 September 2023 and 31 December 2023 as a result of the following transactions:
- the dissolution and liquidation of the subsidiary MARR Foodservice Iberica S.A., completed on 31 January 2024;
- the merger by incorporation of the wholly-owned subsidiary AS.CA S.p.A. into the parent company MARR S.p.A., with legal effects starting from 1st June 2024 and accounting and tax effects backdated to 1st January 2024.

Evaluation criteria

Accounting principles

The valuation criteria used for the purposes of preparing the interim report as of 30 September 2024 are consistent with those used for the preparation of the consolidated financial statements as of 31 December 2023, with the exception of the new accounting principles, amendments and interpretations applicable from 1st January 2024 set out below, which however, it should be noted, have had no impact on the Group's current financial, economic and equity situation.

IFRS accounting principles, amendments and interpretations applicable from 1st January 2024

- *Amendments to IAS 1 – Classification of Liabilities between Current and Non-Current* - In January 2020, the IASB published Amendments to IAS 1 – Classification of Liabilities between Current and Non-Current, which were further amended by Amendments – Non-Current Liabilities with Covenants which were published in October 2022. The Amendments require that an entity's right to defer the settlement of a liability for at least twelve months after the reporting period has substance and exists at the end of the reporting period. The classification of a liability is not affected by the probability that the entity will exercise the right to defer the settlement for at least twelve months after the reporting period. As a result of the COVID-19 pandemic, the Board has extended the effective date of the Amendments by one year to annual periods beginning on or after 1 January 2024.
- *Amendments to IAS 1* – Non-current Liabilities with Covenants - Following the publication of Amendments to IAS 1 - Classification of Liabilities between Current and Non-Current, the IASB further amended IAS 1 in October 2022. If an entity's right of deferral is conditional on the entity meeting certain conditions, those conditions affect whether that right exists at the end of the reporting period if the entity is required to meet the condition on or before the end of the reporting period, and not whether the entity is required to meet the conditions after the exercise.
- *Amendments to IFRS 16 - Liability in a Sale and Leaseback (amendments to IFRS 16 Leases)* - The International Accounting Standards Board (Board) published the Exposure Draft entitled Lease Liability in a Sale and Leaseback in 2020. This document specifies the method used by a seller-lessee to initially measure the right-of-use asset and lease liability arising from a sale and leaseback transaction and how the seller-lessor subsequently measures that liability. In 2021, the Board considered the feedback received on the Exposure Draft. At its September 2021 meeting, the Interpretations Committee discussed the draft and discussed the direction of the draft taking into account this feedback. In September 2022, the IASB amended IFRS 16. The amendments add paragraph 102A to IFRS 16. Under that paragraph, a seller-lessee is required to determine "lease payments" or "revised lease payments" so as not to recognise any amount of gain or loss relating to the right-of-use asset retained by the seller-lessee. The paragraph does not prescribe a particular method for achieving this result.
- *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)* - On 25 May 2023, the IASB issued Supplier Finance Arrangements amending IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (the Amendments). These Amendments were made following a request received from the IFRIC regarding the requirements for the presentation of liabilities and related cash flows arising from supplier finance arrangements (hereinafter "reverse factoring") and related disclosures. In December 2020, the IFRIC published an Agenda decision - Supply Chain Financing Arrangements—Reverse Factoring which responded to this request on the basis of the provisions of the IFRSs in force at the time. During this process, various stakeholders indicated limitations due to the requirements then in place to meet the important information needs of users to understand the effects of reverse factoring on an entity's financial statements and to compare one entity with another. In response to this feedback, the IASB adopted a limited amendment to the standards, resulting in the Amendments. The Amendments require entities to disclose certain specific information (qualitative and quantitative) about supplier finance arrangements. The Amendments also provide guidance on the characteristics of supplier finance arrangements.

Accounting principles, amendments and interpretations of IFRS not yet approved by the European Union

As of 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 30 May 2024, the IASB published the document "Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7". The document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). In particular, the amendments aim to:
  - clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test;

- determine that the settlement date of liabilities through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before delivering liquidity on the settlement date in the presence of certain specific conditions.
With these amendments, the IASB has also introduced additional disclosure requirements, specifically regarding investments in equity instruments designated at FVOCI.
The amendments will apply for annual periods beginning on or after 1st January 2026.

- On 9 May 2024, the IASB published a new principle "IFRS 19 Subsidiaries without Public Accountability: Disclosures". The new principle introduces some simplifications with reference to the information required by other IAS-IFRS principles. This principle can be applied by an entity that meets the following main criteria:
  - it is a subsidiary;
  - it has not issued equity or debt instruments listed on a market and is not in the process of issuing them;
  - it has its own parent company that prepares consolidated financial statements in accordance with IFRS principles.
  The new principle will come into force from 1st January 2027, but early application is permitted.

- On 9 April 2024, the IASB published a new principle "IFRS 18 Presentation and Disclosure in Financial Statements" which will replace the principal IAS 1 Presentation of Financial Statements. The new principle aims to improve the presentation of the main financial statement formats and introduces important changes with reference to the income statement format. In particular, the new principle requires:
  - to classify revenues and costs into three new categories (operating section, investment section and financial section), in addition to the tax and discontinued operations categories already present in the income statement format;
  - to present two new sub-totals, the operating result and the result before interest and taxes (i.e. EBIT).
  The new principle also:
  - requires more information on the performance indicators defined by management;
  - introduces new criteria for the aggregation and disaggregation of information; and,
  - introduces some changes to the cash flow statement format, including the requirement to use operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of some options for the classification of some items currently existing (such as interest paid, interest received, dividends paid and dividends received).
  The new standard will come into force from 1st January 2027, but early application is permitted.

- On 15 August 2023, the IASB published an amendment called "Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability". The document requires an entity to apply a methodology to be applied consistently in order to verify whether a currency can be converted into another and, when this is not possible, how to determine the exchange rate to use and the information to be provided in the notes.
  The amendment will apply from 1 January 2025, but early application is permitted.

- On 30 January 2014, the IASB published the principle "IFRS 14 – Regulatory Deferral Accounts" which allows only those who adopt IFRS for the first time to continue to record the amounts relating to activities subject to regulated rates ("Rate Regulation Activities") according to the previous accounting principles adopted. Since the MARR Group is not a first-time adopter, this principle is not applicable.

No significant effects on the consolidated financial statements of the MARR Group are expected from the adoption of the amendments indicated above.

Main estimates adopted by management and discretional assessments

The preparation of the financial statements and related notes in accordance with IFRS requires management to make estimates and assumptions that affect the values of assets and liabilities in the financial statements and the disclosure of contingent assets and liabilities at the balance sheet date. The estimates and assumptions used are based on experience and other factors considered relevant. Estimates and assumptions are reviewed periodically and the effects of any changes made to them are reflected in the income statement in the period in which the estimate review occurs, if the review itself has effects only on that period, or also in subsequent periods, if the review has effects on both the current and future financial years.

The following summarises 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 MARR Group's financial statements or for which there is a risk that significant value adjustments may emerge to the book value of assets and liabilities in the financial year following the financial statement reference period.

- Recoverable amount of non-current assets (including goodwill): Non-current assets include property, plant and equipment, intangible assets (including goodwill), investments and other financial assets. Management periodically reviews the carrying amount of non-current assets held and used and assets 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 performed at least once a year and whenever facts and circumstances require it.
  The analysis of the recoverability of the carrying amount of non-current assets is generally performed using estimates of the expected cash flows from the use or sale of the asset and appropriate 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 records a write-down equal to the excess between the book value of the asset and its recoverable value through its use or sale, 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 half of 2024 and in the month of July are aligned with those forecast in the Business Plan for the years 2024 - 2026 approved by the Board of Directors on 14 December 2023 and used for the purposes of the impairment test at 31 December 2023.
  At the end of the first seven months, in a context of a downward trend in the euro/Kg of products sold, the trend in sales to Commercial Catering customers is consistent with the objectives of strengthening market presence and paying attention to the management of the first margin.

- Expected credit losses (Provision for bad debts): The provision for bad debts reflects the Management's estimate of the losses relating to the portfolio of receivables from 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 receivables, current and historical overdue, losses and collections, careful monitoring of credit quality and projections regarding economic and market conditions, also taking into account uncertainties linked to significant events (such as in the case of Covid-19) in a "forward looking" perspective.
  The Group remains highly attentive to the management of trade receivables by implementing methods calibrated to the situations and needs of each territory and market segment: the objective remains that of safeguarding the company's assets while maintaining proximity to the customer that allows timely management of credit and strengthening the relationship with the customer.

- Economic and financial plans: the Company has determined the economic forecasts in the Business Plan for the years 2024 - 2026 approved by the Board of Directors on 14 December 2023. Similarly, it has made forecasts reflected in the cash flows underlying the impairment test at 31 December 2023 for the next three years. The trends in the first half of the year and in the month of July confirm the forecasts.

- Pension plans and other post-employment benefits: Employee benefit funds, related assets, costs and net financial charges are valued using an actuarial methodology that requires the use of estimates and assumptions to determine the net value of the obligation or asset. The actuarial methodology considers financial parameters such as, for example, the discount rate or the expected long-term return on plan assets and salary growth rates, and considers the probability of occurrence of potential future events through the use of demographic parameters, such as, for example, rates relating to mortality and employee resignations or retirements.
  In particular, the discount rates used as reference are rates or rate curves of high-quality corporate bonds (euro Composite AA rate curve) in the respective reference markets. The expected returns of the assets are determined on the basis of various data provided by some experts on the long-term expectations of the capital market return, inflation, the current yield of the bonds, and other variables. The variation of each of these parameters could have an effect on the future contributions to the funds.

- Other elements of the balance sheet that have been the subject of estimates and assumptions by Management are the inventory write-down fund and the determination of depreciation.
  These estimates, although supported by well-defined company procedures, still require that assumptions be made mainly regarding the future realizability of the value of inventories, as well as the residual useful life of the assets that can be influenced both by market trends and by the information available to 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 customer, whether newly activated or already served, is assigned a payment and credit condition based on the rating: the assignment of the rating is based on the reliability of the individual customer and on their commercial potential, taking into account various parameters and information such as the type of business carried out, the number of years of activity, seasonality, legal form, any existing guarantees, historical and potential turnover.

Once the above phase has been successfully completed, the so-called commercial relationship monitoring phase begins.
In order to guarantee risk containment and reduction of payment days, all orders received from customers are analyzed 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 controlling order fulfilment on customers who present situations of expired and/or over-credit is of fundamental importance in order to promptly and preventively implement all the necessary measures 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 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Net revenues from sales - Goods	605,673	608,895	1,563,973	1,584,776
Revenues from Services	114	98	188	171
Advisory services to third parties	28	25	77	128
Manufacturing on behalf of third parties	12	7	29	19
Rent income (typical management)	2	3	7	6
Other services	65	56	207	106
Total revenues	605,894	609,084	1,564,481	1,585,206

As of 30 September 2024, revenues amounted to 1,564.5 million euro, a decrease of -1.3% compared to 1,585.2 million euro in the same period of the 2023 financial year, while revenues in the third quarter of 2024 amounted to 606.0 million euro, compared to 609.1 million euro in the same period of the previous year.

For an analysis of sales by business segment, please refer to the Directors' Report.

The breakdown of revenues by geographical area is as follows:

(€thousand)	3rd quarter 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Italy	589,490	588,436	1,499,735	1,514,698
European Union	12,191	15,507	45,463	56,967
Extra-EU countries	4,213	5,141	19,283	13,541
Total	605,894	609,084	1,564,481	1,585,206

2. Other revenues

The Other revenues are broken down as follows:

(€thousand)	3rd quarter 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Other Sundry earnings and proceeds	504	339	2,251	3,091
Reimbursement for damages suffered	1,255	779	4,752	2,380
Reimbursement of expenses incurred	128	124	366	366
Recovery of legal taxes	110	36	132	44
Capital gains on disposal of assets	13	8	29	63
Total other revenues	2,010	1,286	7,530	5,944

The item "Reimbursements for damages suffered" totalling 4,752 thousand euro is composed of 3,655 thousand euro from proceeds deriving from insurance reimbursements and 1,097 thousand euro from proceeds for reimbursements from third parties. Insurance reimbursements include 2.9 million euro for the amount relating to the insurance compensation in favor of MARR S.p.A. connected to the fire that affected the MARR Sanremo branch on 13 November 2022 and 426 thousand euro for the insurance compensation in favour of New Catering S.r.l. for the damages suffered at the Forlì headquarters following the flood that affected the Emilia Romagna region in May 2023.

3. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	*3rd quarter 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Purchase of goods	451,119	440,002	1,277,241	1,290,810
Purchase of packages and packing material	1,975	1,721	4,894	4,686
Purchase of stationery and printed paper	332	284	739	786
Purchase of promotional and sales materials and catalogues	15	57	74	151
Purchase of various materials	100	87	336	389
Trade contributions and bonuses from suppliers	(17,198)	(16,133)	(45,950)	(43,866)
Fuel for industrial motor vehicles and cars	257	254	797	726
Total purchase of goods for resale and consumables	436,600	426,272	1,238,131	1,253,682

For information on the trend in the cost of purchases of goods, please refer to the Directors' Report.

The item "Trade contributions and commercial bonuses from suppliers" contains bonuses recognized by suppliers upon reaching certain turnover targets and purchase volumes for 7,445 thousand euro (8,450 thousand euro as of 30 September 2023) and contributions received for promotional and marketing activities carried out by the Group for them for 38,456 thousand euro (35,239 thousand euro as of 30 September 2023).

4. Personnel costs

The item as of 30 September 2024 amounts to 38,474 thousand euro (35,533 thousand as of 30 September 2023) and includes all expenses for employees, including accrued holidays and additional monthly payments as well as related social security costs, in addition to the provision for severance pay and other contractually established costs.
The increase compared to the first nine months of 2023 is related to the renewal on 22 March 2024, effective 1st April 2024, of the National Collective Labor Agreement for the Commercial Sector which expired on 31 July 2019, and to the increase in staff from 1,022 units as of 30 September 2023 to 1,082 units as of 30 September 2024. The increase in staff is the sum of new hires made by the parent company MARR S.p.A. for the start of operations of the MARR Lombardia branch and by the new personnel hired in order to strengthen the branches of the MARR parent company and the headquarter functions.

5. Amortizations, depreciations and provisions

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

(€thousand)	*3rd quarter 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Depreciation of tangible assets	2,373	2,019	6,612	5,766
Amortization of intangible assets	193	190	561	521
Depreciation of right of use	3,137	3,018	9,327	8,905
Adjustment to provision for supplementary clientele severance indemnity	220	252	682	738
Provision for risk and loss fund	100	0	410	300
Total amortization, depreciation and provisions	6,023	5,479	17,592	16,230

With regard to the increase in the item "Depreciation of tangible fixed assets", it should be noted that the start of operations of the MARR Lombardia branch on 15 April 2024 resulted in the recording of depreciation for the amount of 508 thousand euro over the nine months. The remaining part of the increase compared to the last period of the previous financial year is attributable to the start of depreciation of the various revamping interventions that affected the various branches of the parent company MARR S.p.A..

6. Losses due to impairment of financial assets

This item is composed of:

(€thousand)	*3rd quarter 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Allocation of taxable provisions for bad debts	4,469	4,538	11,867	11,033
Allocation of non-taxable provisions for bad debts	494	411	1,822	1,797
Total Losses due to impairment of financial assets	4,963	4,949	13,689	12,830

The provision for doubtful debts for a total of 13,689 thousand euro reflects a prudential adjustment of the receivables to their presumed realisable value and the increase is a consequence of 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 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Operating costs for services	79,491	75,142	205,693	199,849
Operating costs for leases and rentals	175	270	585	652
Operating costs for other operating charges	451	332	1,339	1,278
Total other operating costs	80,117	75,744	207,617	201,779

As of 30 September 2024, operating costs for services amounted to 205,693 thousand euro and mainly include the following items: costs for the sale, handling and distribution of our products for 173,695 thousand euro (168,995 thousand euro in 2023), energy costs and utilities for 13,047 thousand euro (13,152 thousand euro in 2023), costs for third-party processing for 2,349 thousand euro (2,415 thousand euro in 2023) and maintenance costs for 5,244 thousand euro (5,049 thousand euro in 2023), general and administrative services for 7,787 thousand euro (7,700 thousand euro in 2023), insurance costs for 1,368 thousand euro (902 thousand euro in 2023), compensation for directors and auditors for 850 thousand euro (799 thousand euro in 2023), advertising and promotion expenses for 814 thousand euro (422 thousand euro in 2023).

In the quarter, the composition of the main items of Operating costs is as follows: sales, handling and distribution costs of our products for 67,728 thousand euro (64,055 thousand euro in 2023), energy and utility costs for 5,588 thousand euro (4,909 thousand euro in 2023), costs for third-party processing for 859 thousand euro (827 thousand euro in 2023) and maintenance costs for 1,539 thousand euro (1,808 thousand euro in 2023).

The item "Operating costs for leases and rentals" amounts to 585 thousand euro in the nine months and 175 thousand euro in the quarter and refers to rental contracts with a duration of less than one year that do not fall within the scope of IFRS16.

Operating costs for other management costs as of 30 September 2024 amount to 1,339 thousand euro and mainly include the following items: "Other indirect taxes, duties and similar charges" for 640 thousand euro, "Municipal taxes and duties" for 285 thousand euro and "Credit recovery expenses" for 208 thousand euro.

8. Financial income and charges

This item is composed of:

(€thousand)	3rd quarter 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Financial charges	5,972	5,434	17,582	14,198
Financial income	(1,048)	(464)	(2,458)	(1,002)
Dividends from affiliated companies and other company	0	0	(151)	0
Foreign exchange (gains)/losses	(177)	(67)	(474)	171
Total financial (income) and charges	4,747	4,903	14,499	13,367

The item "Financial charges" as of 30 September 2024 amounts to 17,582 thousand euro and compares with 14,198 thousand euro as of 30 September 2023.
In terms of composition, it should be noted that the component of passive interests linked to usage rights remains almost constant at 1,744 thousand euro compared to 1,720 thousand euro as of 30 September 2023, while the component of passive bank interests increases due to the increase in the cost of money.

The net effect of exchange rate balances mainly reflects the trend of the euro against the US Dollar, the reference currency for Extra-EU imports.

The item "Dividends from affiliated companies and other companies" includes the amount of 150 thousand euro of the dividend distributed by the associated company Jolanda De Colò.

9. Taxes

The balance of the tax components as of 30 September 2024 is negative for 16,380 thousand euro and detailed as reported in the table below:

(€thousand)	3rd quarter 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Ires-Ires charge transferred to Parent Company	6,901	7,302	10,635	14,336
Irap	1,924	1,715	3,814	3,502
Previous years tax	(31)	14	(32)	14
Net provision for deferred tax liabilities	(552)	61	1,963	(1,151)
Total taxes	8,242	9,092	16,380	16,701

The tax rate goes from 29.17% to 31.28%, the increase is associated with the fact that from 1st January 2024 the Aid to Economic Growth (ACE) was repealed, which made it impossible to operate the deduction linked to the notional return on equity capital. The effect will be expected to diminish at the end of the year.

10. Earnings per share

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

(Euros)	3rd quarter 2024	3rd quarter 2023	30.09.24 (9 months)	30.09.23 (9 months)
Basic Earnings Per Share	0.29	0.33	0.55	0.61
Diluted Earnings Per Share	0.29	0.33	0.55	0.61

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

Earnings:

(€thousand)	*3rd quarter 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Profit/(Loss) for the period	18,517	21,880	35,979	40,549
Minority interests	0	0	0	0
Profit/(Loss) used to determine basic and diluted earnings per share	18,517	21,880	35,979	40,549

Number of shares:

(number of shares)	*3rd quarter 2024*	*3rd quarter 2023*	*30.09.24 (9 months)*	*30.09.23 (9 months)*
Weighted average number of ordinary shares used to determine basic earning per share	64,737,896	65,868,641	65,051,458	66,208,682
Adjustments for share options	0	0	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	64,737,896	65,868,641	65,051,458	66,208,682

11. Other profits/losses

As 30 September 2024, 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.

° ° °

Rimini, 14 November 2024

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 2024 and as at 30 September 2023.

Appendix 1

RECONCILIATION OF LIABILITIES DERIVING FROM FINANCING ACTIVITIES AS AT 30 SEPTEMBER 2024 AND AS AT 30 SEPTEMBER 2023

				Non-financial changes			
	30 September 2024	Cash flows	Other changes/ reclassifications	Purchases	Exchange rates variations	Fair value variation	31 December 2023
Current payables to bank	32,375	(12,324)	0	0	0	0	44,699
Current portion of non current debt	71,368	(36,853)	38,139	0	0	0	70,082
Current financial payables for bond private placement in EUR	265	(697)	284	0	0	(1)	679
Current payables for the purchase of shares in Frigor Cami Srl	1,000	(1,200)	0	0	0	0	2,200
Current financial payables for IFRS 16 lease contracts	12,209	(9,484)	9,867	0	0	0	11,826
Current financial payables for dividends approved and not distributed	21	(39,059)	39,080	0	0	0	0
Total current financial payables	117,238	(99,617)	87,370	0	0	(1)	129,486
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	183,213	63,748	(38,068)	0	0	0	157,533
Non-current financial payables for bond private placement in EUR	99,915	0	0	0	0	12	99,903
Non-current financial payables for IFRS 16 lease contracts	62,502	0	(7,314)	0	0	0	69,816
Total non-current financial payables	345,630	63,748	(45,382)	0	0	12	327,252
Non-current payables/(receivables) for hedging financial instruments	262	(68)	0	0	0	262	68
Total non-current financial instruments	262	(68)	0	0	0	262	68
Total liabilities arising from financial activities	**463,130**	**(35,937)**	**41,988**	**0**	**0**	**273**	**456,806**

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(34,737)
Other changes/reclassification	41,988
Exchange rates variations	0
Fair value variation	273
Total detailed variations in the table	**7,524**
Other changes in financial liabilities	(12,634)
Net change in financial liabilities for IFRS16	(6,931)
New non-current loans received	70,500
Net change in financial instrumets/derivates	194
Non-current loans repayment	(43,605)
Total changes shown between financing activities in the Cash Flows Statement	**7,524**

	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

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 2024

Pierpaolo Rossi
Manager responsible for the drafting
of corporate accounting documents