

GRUPPO MARR
MARR
dove c'è ristorazione

*50*anni
1972-2022



1H 2022 Results

Conference call – August 4, 2022



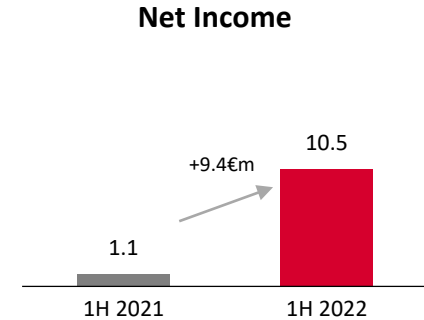
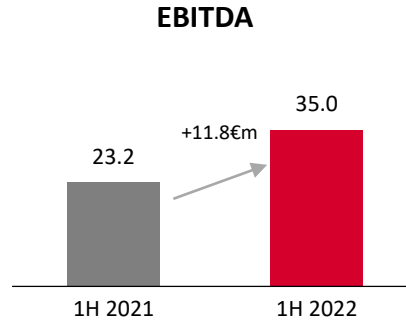
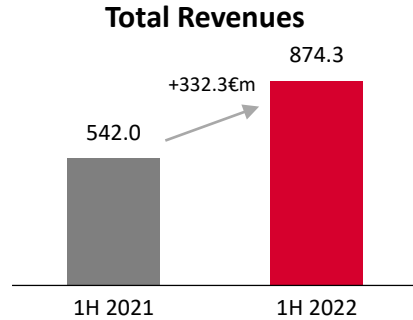
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The Group's business is also correlated to tourism flows. Q1 and Q4 represent the low point of the business year, whereby Q2 and Q3 the peak of the seasonality. Therefore quarterly sales, operating results, trade net working capital and net financial indebtedness are impacted by the seasonality and may not be directly compared or extrapolated to obtain forecasts of year-end results.

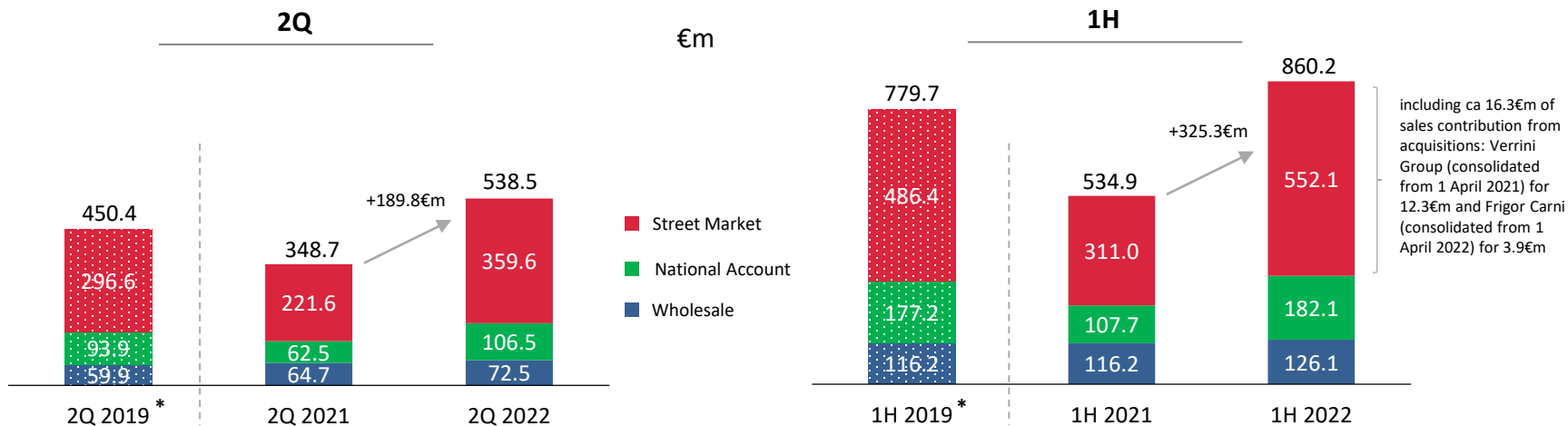


€m



1H 2022 ends with positive financial results increasing compared to 2021:

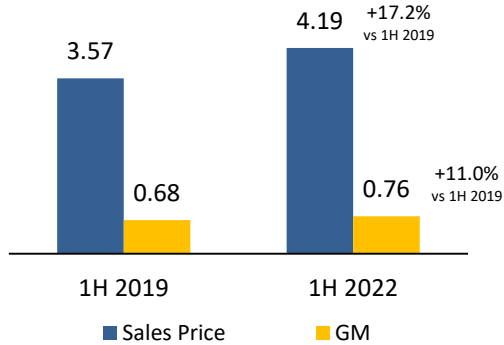
- Total Revenues at 874.3€m increasing by 332.3€m on 2021
- EBITDA at 35.0€m increasing by 11.8€m on 2021
- Net Income at 10.5€m increasing by 9.4€m on 2021



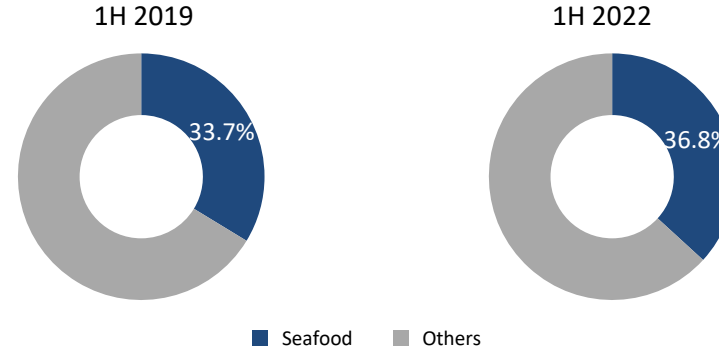
- 2Q and 1H 2022 sales increased respectively by 189.8€m and 325.3€m compared to 2021
- Sales grew in all client segments and also compared to 2019
- Sales growth was affected by inflationary dynamics in the Foodservice sector continuing to hit most of the product categories sold by MARR



€/kg – all client segments



Sales by product mix



- The generalized food inflation is affecting the pass-through process to the Market: in all 3 client segments and with a greater impact on that of National Account
- The reduction of % GM compared to the pre-pandemic 2019 is also due to the change in product mix: essentially more seafood having lower % GM but a higher €/kg with consequent increase of GM in terms of €/kg

1H 2022 – Income statement

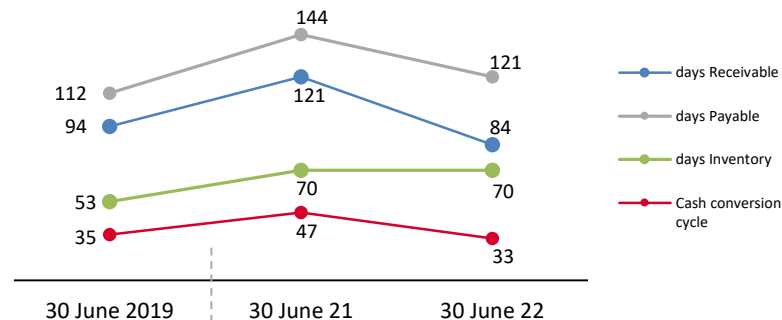
1H 2021	%	€m	1H 2022	%
542.0	100.0%	Total Revenues	874.3	100.0%
(427.9)	-79.0%	COG's	(699.9)	-80.0%
(73.4)	-13.6%	Service costs	(115.9)	-13.3%
(1.1)	-0.2%	Other operating costs	(1.2)	-0.1%
(16.2)	-3.0%	Personnel costs	(22.3)	-2.6%
23.2	4.3%	EBITDA	35.0	4.0%
(8.5)	-1.6%	D&A	(9.8)	-1.1%
(7.6)	-1.4%	Provisions	(7.0)	-0.8%
7.1	1.3%	EBIT	18.3	2.1%
(2.6)	-0.5%	Net interest	(2.7)	-0.3%
4.5	0.8%	Result from recurring activities	15.6	1.8%
(2.9)	-0.5%	Non-recurring items	-	-
1.6	0.3%	Result before tax	15.6	1.8%
(0.5)	-0.1%	Taxes	(5.1)	-0.6%
1.1	0.2%	Net Result	10.5	1.2%

- GM is affected by food inflation
- Service costs are affected by volume increase, energy costs inflation and change in scope
- Provisioning for bad debts of 1H 2022 is the result of a confirmed process of normalization towards the pre-pandemic levels
- Net income amounts to 10.5€m compared to 1.1€m in 1H 2021

Trade NWC

30.06.19	30.06.21	€m	31.03.22	30.06.22
415.8	364.2	Accounts Receivable	308.7	409.3
94	121	<i>Days</i>	85	84
184.1	166.4	Inventory	235.4	271.1
53	70	<i>Days</i>	80	70
(390.3)	(341.7)	Accounts Payable	(327.7)	(469.0)
112	144	<i>Days</i>	112	121
209.6	188.9	Trade NWC	216.4	211.5
35	47	<i>Cash conversion cycle (Days)</i>	54	33

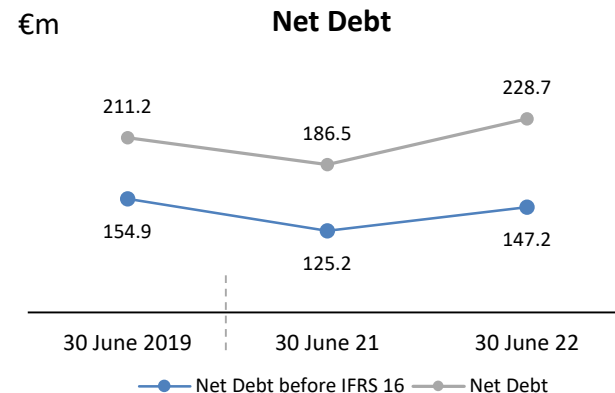
Cash conversion cycle - days



- Trade NWC as at 30 June 2022 compared to the same period of 2021 was affected by Inventory trend due to food inflation and procurement policies already implemented in 1Q 2022 in view of the expected summer peak of consumption during 3Q
- Cash conversion cycle improvement (-2 days on 30 June 2019 and -14 days on 30 June 2021) was driven by that of DSO (-10 days on 30 June 2019 and -37 days on 30 June 2021) confirming the level as at 31 March 2022

Net Debt

30.06.19	30.06.21	€m	31.03.22	30.06.22
206.1	296.5	Liquidity	148.4	159.1
(151.6)	(238.6)	Net Short-term debt	(99.4)	(125.3)
(209.4)	(183.0)	Long-term debt	(176.2)	(180.9)
(154.9)	(125.2)	Net Debt before IFRS 16	(127.3)	(147.2)
(56.3)	(61.2)	IFRS 16 effect	(72.4)	(81.5)
(211.2)	(186.5)	Net Debt	(199.7)	(228.7)



- Net debt before IFRS 16 as at 30 June 2022 increased on same period of 2021 by 22.0€m after the dividend distribution on 25 May 2022 of 31.3€m, while in 1H 2021 distribution was suspended
- Net debt before IFRS 16 as at 30 June 2022 amounted to 147.2€m, in line with pre-pandemic level of 2019
- Increase of IFRS 16 indebtedness is mainly related to the leases of the Verrini Group and the rent of MARR Catania distribution unit from April 2021 and the rent of MARR Piacenza stocking platform from January 2022



- MARR's sales performance in July confirms both the expectations of a positive summer season benefiting from important tourist flows, including foreign ones, and the recovery of out-of-home food consumption with gradual return to pre-pandemic levels
- July closes with total consolidated revenues of over 215€m growing compared to the same period of 2021 and also to the pre-pandemic 2019
- In this phase the efforts of the entire organization are concentrated in seizing the market opportunities and in guaranteeing the highest standard of service at the peak of the summer season
- Recent revamping of hamburgers offer and associated products through the new line “Burger taste” or dedicated offer of alternative products (in terms of cuts, origins and positioning: e.g. “Plus” and “Premium”) for the “barbecue” are examples of product proposals combining service and quality for the Client
- MARR continues to be focused in combining level of service to the Client with efficiency



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