

GRUPPO MARR
MARR
dove c'è ristorazione



1Q 2021 Results

Conference call – May 14, 2021



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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.

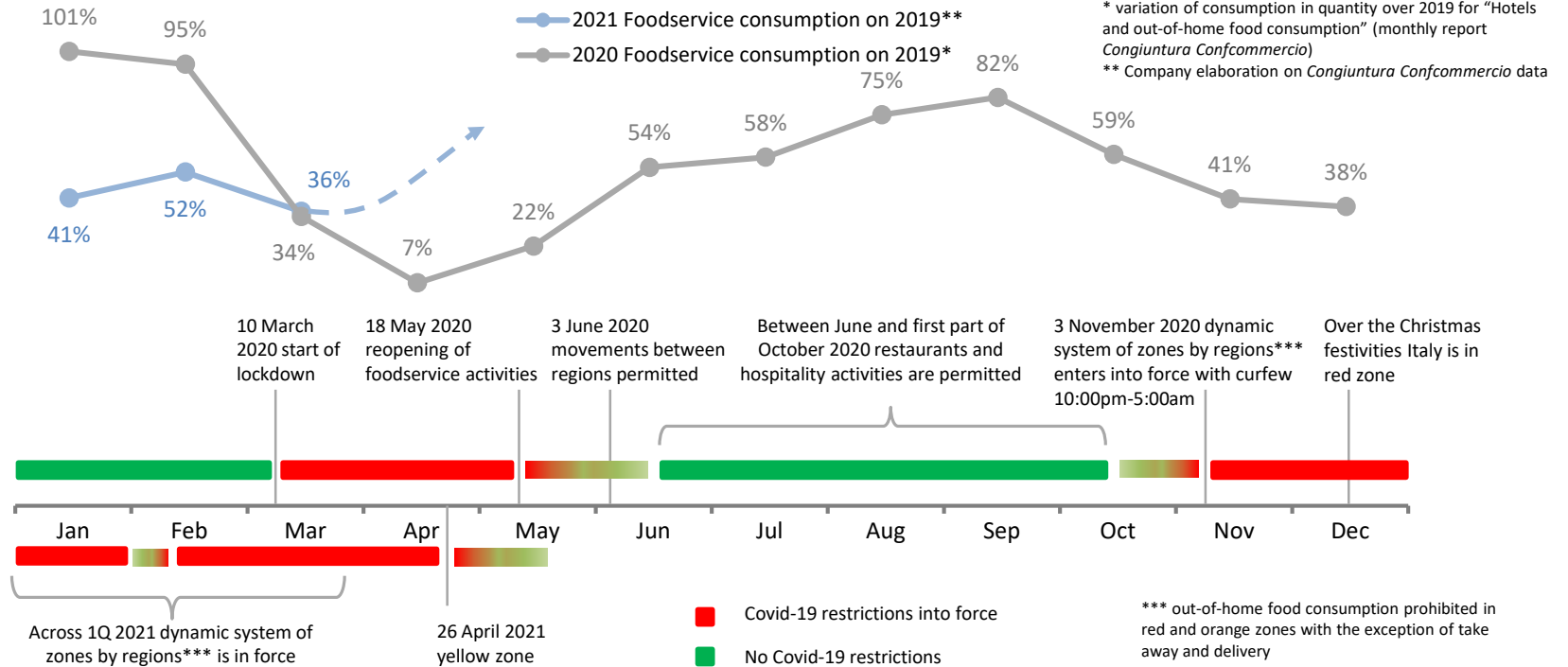


Business highlights

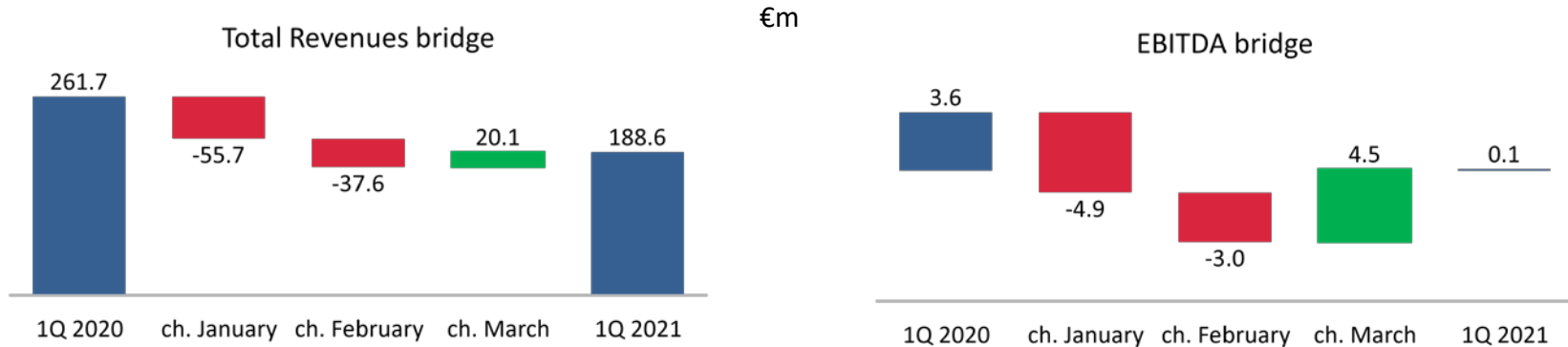
- Results of 1Q 2021 were approved in a Market context showing tangible signs of recovery
- The 1Q still suffers from the consequences of the pandemic but the trend, also confirmed in April, is positive both in terms of revenues and profitability
- The proven ability to react and the continuity of the new strategies in favor of the Customer, implemented for about a year now, allow MARR to perform better than the Market

Market landscape

Covid-19 restrictions to the Foodservice in Italy



1Q 2021 – Financial highlights



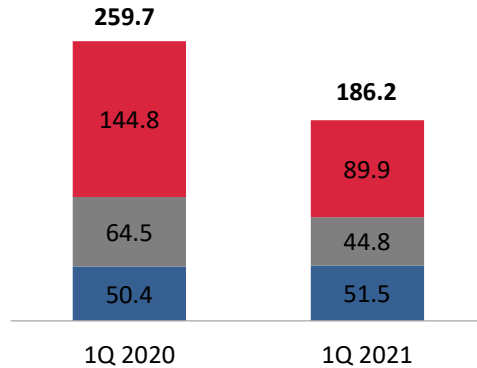
- The 1Q 2021 was penalized by restrictions, but showed a trend of improvement month by month with March increasing Total Revenues by +20.1€m vs March 2020 and EBITDA by +4.5€m
- This trend is confirmed in April with an increase in Revenues of +48€m, of which ca 4€m deriving from the recent acquisitions of Verrini
- Trade NWC and Net Debt as at 31 March 2021 decreased respectively by about 49€m and 39€m compared to the end of 1Q 2020. Liquidity was further strengthened amounting to 258€m as 31 March 2021 compared to 251€m as at 31 December 2021



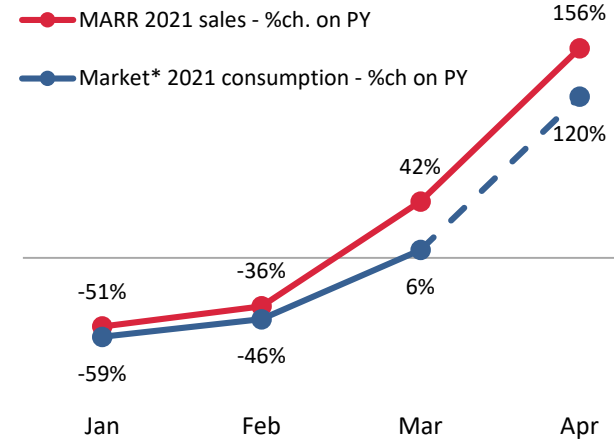
1Q 2021 – Sales

€m

- Street Market
- National Account
- Wholesale



Starting from 2021 some reclassifications were made between client segments, in particular some structured customers were reclassified from the Street Market to the National Account, consequently the 2020 data of sales by client segments were revised for comparison with 2021



* Consumption in quantity for “Hotels and out-of-home food consumption” (Ufficio Studi Confcommercio, April 2021 and Company estimates)

- Sales to clients of the “Street Market” and “National Account” segments were affected by the restrictions of zones throughout the entire period, while in 1Q 2020 the lockdown only started from 10 March 2020
- Sales to wholesalers and retailers (“Wholesale”) instead were less affected by these restrictions
- Sales performance of MARR continues to be better than that of the Market and strengthens its presence



1Q 2021 – Income statement

1Q 2020	%	€m	1Q 2021	%
261.7	100.0%	Total Revenues	188.6	100.0%
(213.9)	-81.7%	COG's	(152.3)	-80.8%
(35.7)	-13.7%	Services costs	(29.4)	-15.6%
(0.5)	-0.2%	Other operating costs	(0.4)	-0.2%
(8.0)	-3.0%	Personnel costs	(6.4)	-3.4%
3.6	1.4%	EBITDA	0.1	0.1%
(4.0)	-1.5%	D&A	(4.0)	-2.1%
(3.8)	-1.5%	Provisions	(3.2)	-1.7%
(4.2)	-1.6%	EBIT	(7.0)	-3.7%
(1.2)	-0.5%	Net interest	(1.2)	-0.7%
(5.4)	-2.1%	Profit before tax	(8.3)	-4.4%
1.4	0.6%	Taxes	1.9	1.0%
(4.0)	-1.5%	Net Result	(6.3)	-1.5%

- Management of the GM, that in 1Q 20 was penalized by the start of the lockdown in March, in 1Q 21 took place in more homogeneous operating conditions going from 18.3% in 1Q 20 to 19.2% in 1Q 21
- Services costs were contained in function with reduced activity while maintaining an attentive level of service for the Clients
- Recourse to the available labour law initiatives (implemented from March 2020) were confirmed in 1Q 21 and contributed to contain the Personnel cost
- Provisions for Bad Debts – already increased by 1€m in 1Q 20 – maintained a cautious incidence on Total Revenues: 1.7% in 1Q 21 vs 1.5%



1Q 2021 – Trade NWC and Net Debt

Trade NWC

31.03.20	€m	31.03.21
329.0	Accounts Receivable	279.2
179.1	Inventory	144.1
(226.3)	Accounts Payable	(190.9)
281.8	Trade NWC	232.4

2020 Accounts Receivable and Payable have been restated respectively net of Payable for rebates to clients and Receivable for premiums to suppliers previously accounted for in Others Payable and Receivable

Net Debt

31.03.20	€m	31.03.21
127.9	Liquidity	258.0
(157.9)	Net Short-term debt	(157.4)
(245.3)	Long-term debt	(336.4)
(275.4)	Net Debt	(235.8)

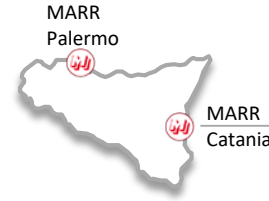
- Trade NWC, that in March 2020 was severely affected by the start of the lockdown, as at 31 March 2021 improved compared to 31 March 2020 and despite Accounts receivable being affected by a lower implementation of the securitization for -26€m compared to the end of 1Q 2020
- Inventory decreased by 35.0€m even if, compared to 31 December 2020, is 9.5€m higher, but this is related to the expected recovery of consumption for the summer
- Reduction of Net Debt is related to dynamics of Trade NWC and includes a further strengthening of Liquidity (258€m at the end of 1Q 21)
- Increase of long term debt is also related to the closing at the end of 2020 of the Loan BNL-CDP for 80€m



Strategic guidelines implementation

MARR promptly implemented clear strategic guidelines aimed on one hand at adequating the organization preserving the service to the clients and on the other at maintaining capacity for a quick restart; some achievements and progress on this approach:

- **Market consolidation** Recent acquisitions of Verrini and Chef strengthen the offer of Seafood (particularly fresh) and create synergies with MARR's distribution centers in the territories of Piedmont, Liguria and Tuscany
- **Strengthening presence in the territory and level of service** In April operations started in the new distribution center of MARR Catania, a new facility of ca 6,000 sqm with 90 direct and indirect collaborators and over 4,000 SKU's increasing service in Sicily, a region with strong touristic and cultural vocation and important development perspectives. MARR Catania covers eastern Sicily and MARR Palermo the western side
- **Sustainability and Digital** According to a sustainable approach, the line of territorial products called "*Della Nostra Terra*" was recently launched, including Italian delicacies with IGT and DOP certifications or in the PAT list. In this context, the "MARR Easy Menu" project is also included which drastically reduces potential waste and is an addition to the delivery and take away lines, even under non-emergency conditions. In the perspective of "phygital marketing" with a balance between physical (sales organization and truck drivers) and digital, the new "myMARR" app represents an important digital tool. Through this app the customer will be able to remain in constant contact with MARR on commercial initiatives, access to the online catalogue, manage its account and made directly and easily electronic payments



Current trading

- The reactivity of consumption and the ability to recover of the Market are confirmed. In Italian regions in yellow zones* the number of clients served by MARR in Street Market and National Account client segments in week 18 of 2021 was over 75% compared to the same week of 2019. Also according to available market sources (such as Coldiretti) foodservice facilities currently re-opened are deemed to be in the range of 60%-70%

* 14 regions out of 20 in week 18 and 17 in week 19



- The evolution of foodservice consumption is related to exogenous factors, but the trend of the last weeks, easing of restrictions and progress of vaccination campaign support assumptions for a positive summer season that last year started only in late June
- For 2021 it is therefore reasonable to expect, given the current and expected market developments, a clear improvement compared to the 2020 results with an increasingly concrete approach to the reference values, and therefore those achieved in 2019, which are now even more realistically within reach by 2023



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