



3Q-9M 2019 Results

Conference call – November, 14 2019

dove c'è ristorazione

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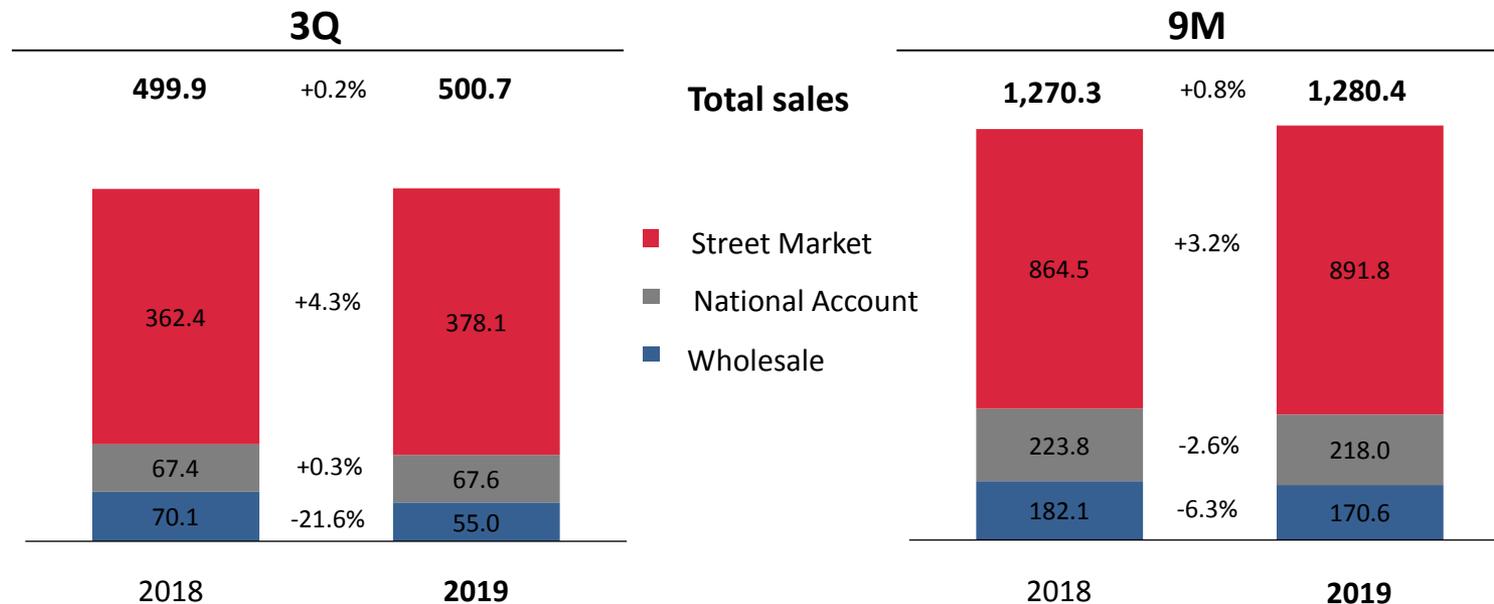
The Group's business is also correlated to tourism flows. Q1 and Q4 represent the low point of the business year, whereby Q2 and Q3 the peak of the seasonality. Therefore quarterly sales, operating results, trade net working capital and net financial indebtedness are impacted by the seasonality and may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

- At the end of the first nine months top line growth was confirmed

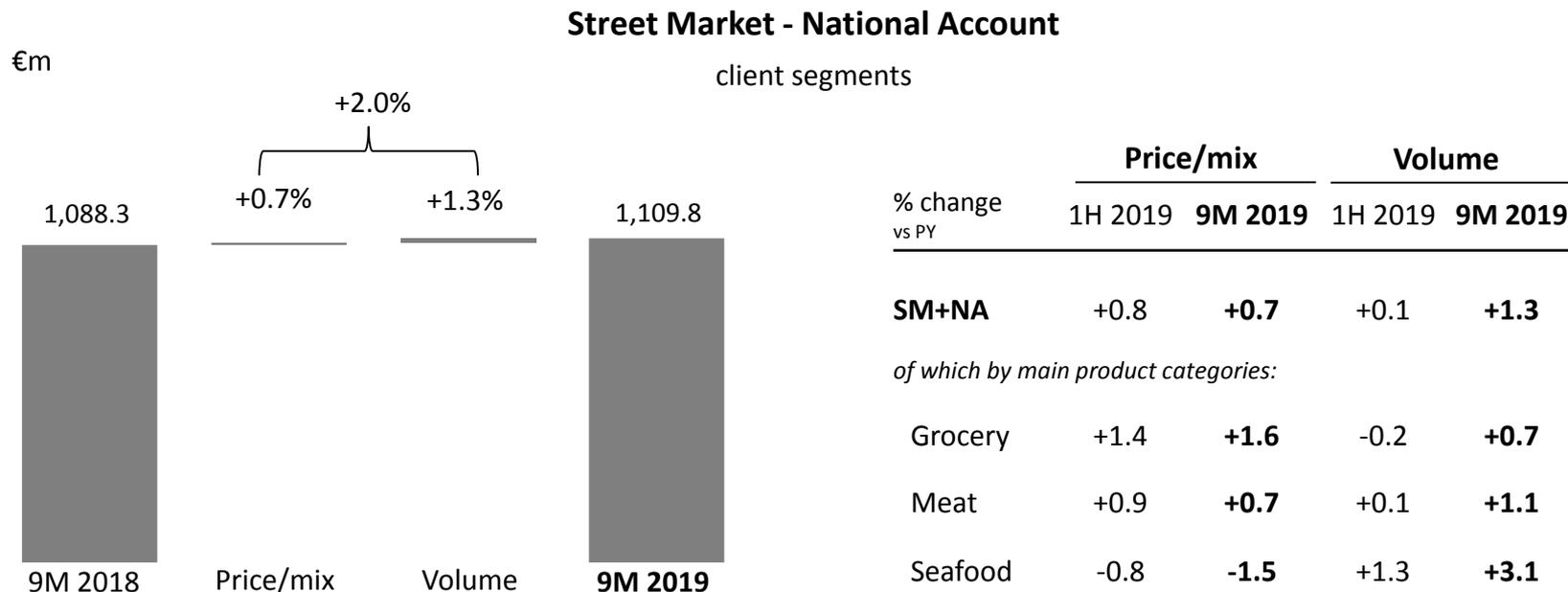
€m	Third quarter		Nine months	
	2018	2019	2018	2019
Total Revenues	507.2	509.1	1,289.8	1,302.1
EBITDA	44.9	47.3	97.6	103.6
EBIT	39.1	39.4	81.8	81.3
Net Income	27.7	27.3	56.3	55.1

2019 data have been reported in compliance with the first application of IFRS 16, the effects of which in the 9M-period were: +6.8€m on EBITDA; +0.6€m on EBIT; -0.5€m on Net Income

- Trade NWC as at 30 September 2019 was of 195.1€m, improving compared to 203.0€m at the end of 9M 2018
- Net Debt at the end of September 2019 was of 184.7€m (including 56.2€m of additional financial indebtedness resulting from the application of IFRS 16) compared to 147.3€m at the end of 9M 2018



- In the main client segment of the Street Market, sales in 3Q grew by 15.7€m (or +4.3%) bringing the growth at the end of the first nine months at +27€m (or +3.2%)
- In the 3Q the National Account segment showed a positive sign, after the implementation in the previous quarters of a rebalancing in the mix of the clients' portfolio
- In the Wholesale segment that was affected by deflationary dynamics and destocking in the frozen seafood sector, the performance in 3Q was also affected by the shift of certain fishing campaigns to 4Q



- The uncertainty relating to the price trends for seafood continued and as a result the price/mix of seafood further decreased during the Summer period. On the other hand opportunities to strengthen market presence were seized, as witnessed by volume growth in seafood

Income statement

as at 30 September 2019

reported		reported		net of		€m	reported		reported		net of	
3Q 18	%	(IFRS 16) 3Q 19	%	IFRS 16 3Q 19	%		9M 18	%	(IFRS 16) 9M 19	%	IFRS 16 9M 19	%
507.2	100.0%	509.1	100.0%	509.1	100.0%	Total revenues	1,289.8	100.0%	1,302.1	100.0%	1,302.1	100.0%
(396.1)	-78.1%	(395.1)	-77.6%	(395.1)	-77.6%	Cost of goods sold	(1,012.1)	-78.5%	(1,020.4)	-78.4%	(1,020.4)	-78.4%
(54.1)	-10.7%	(56.9)	-11.2%	(56.9)	-11.2%	Services	(143.3)	-11.1%	(147.8)	-11.3%	(147.8)	-11.3%
(2.9)	-0.6%	(0.5)	-0.1%	(2.8)	-0.6%	Other operating costs	(8.5)	-0.6%	(1.6)	-0.1%	(8.4)	-0.6%
(9.3)	-1.8%	(9.3)	-1.8%	(9.3)	-1.8%	Personnel costs	(28.3)	-2.2%	(28.8)	-2.2%	(28.8)	-2.2%
44.9	8.8%	47.3	9.3%	45.0	8.8%	EBITDA	97.6	7.6%	103.6	8.0%	96.8	7.4%
(1.8)	-0.3%	(3.9)	-0.8%	(1.8)	-0.4%	D&A	(5.2)	-0.4%	(11.5)	-0.9%	(5.2)	-0.4%
(4.0)	-0.8%	(4.0)	-0.8%	(4.0)	-0.8%	Provisions	(10.6)	-0.8%	(10.8)	-0.8%	(10.8)	-0.8%
39.1	7.7%	39.4	7.7%	39.2	7.7%	EBIT	81.8	6.3%	81.3	6.2%	80.8	6.2%
(0.7)	-0.1%	(1.2)	-0.2%	(0.8)	-0.2%	Net interest and ForEx	(3.1)	-0.2%	(4.1)	-0.3%	(2.9)	-0.2%
38.4	7.6%	38.2	7.5%	38.4	7.5%	Profit before taxes	78.7	6.1%	77.2	5.9%	77.9	6.0%
(10.8)	-2.1%	(10.9)	-2.1%	(10.9)	-2.1%	Taxes	(22.4)	-1.7%	(22.2)	-1.7%	(22.3)	-1.7%
27.7	5.5%	27.3	5.4%	27.5	5.4%	Net income	56.3	4.4%	55.1	4.2%	55.6	4.3%

2019 figures are shown under application (from 1st January 2019) of IFRS 16 accounting principle, according to which leases under certain conditions are restated as fixed assets. The lines of Income statement affected by IFRS 16 were: < other operating costs (including leases); > depreciations; > financial interests

30.06.18	30.06.19	change	€m	30.09.18	30.09.19	change
424.3	415.8	(8.5)	Accounts Receivable	435.1	427.8	(7.3)
98	94	(4)	Days	91	89	(2)
183.0	184.1	1.1	Inventory	150.3	148.1	(2.2)
53	53	0	Days	40	39	(1)
(396.4)	(390.3)	6.1	Accounts Payable	(382.4)	(380.8)	1.6
116	112	(4)	Days	102	101	(1)
210.9	209.6	(1.3)	Trade NWC	203.0	195.1	(7.9)
35	35	0	Cash conversion cycle (Days)	30	28	(2)

€m	30.09.18	30.09.19	change	net of IFRS 16		
				30.09.18	30.09.19	change
Short-term Net debt	80.6	42.0	(38.6)	80.6	49.8	(30.7)
Long-term debt	(227.9)	(226.7)	1.2	(227.9)	(178.3)	49.6
Net Debt	(147.3)	(184.7)	(37.4)	(147.3)	(128.5)	18.8

- Trade NWC as at 30 September 2019 was of 195.1€m improving compared to 203.0€m at the end of the 9M 2018
- At the end of the 9M period the DSO improved by 2 days and, due also to the recovery of the days of Inventory, the Cash conversion cycle decreased by 2 days
- Net Debt as at 30 September 2019 amounted to 184.7€m, net of IFRS 16 effect it would have been 128.5€m decreasing by 18.8€m compared to 147.3€m at the end of the 9M 2018

- On 13th November MARR S.p.A acquired 34% of the shares of Jolanda de Colò S.p.A from Intrapresa S.r.l. and simultaneously signed with the company ABA S.r.l. of the Pessot – de Colò family, which holds 66% of Jolanda de Colò, an irrevocable agreement that assigns MARR - starting from March 31, 2022 - the option to purchase a majority stake in Jolanda de Colò.

This agreement also includes an option to purchase a further 33% stake in Jolanda de Colò.

- Through this transaction MARR enters into a partnership with the Pessot – de Colò family - confirmed at the head of Jolanda de Colò - in the development of the premium segment of food supplies to the Foodservice sector.

In fact, Jolanda de Colò is one of the main operators at national level in the premium segment with over 21€m in sales in the 2018 financial year and about 5,000 customers served with over 2,000 products of culinary excellence.



- Jolanda de Colò founded in 1976 by the Pessot – de Colò family and initially operating in the meat production over the years has extended its activity in the distribution of food specialties. In particular, the sale of not processed products has grown progressively to represent over 70% of sales, which for about 90% are concentrated in the Ho.re.ca. segment and about 93% in Italy.
- Jolanda de Colò operates through a distribution and production center with a covered area of over 6,000 square meters located in Palmanova (Udine).
- The purchase price of 34% of the shares of Jolanda de Colò amounted to 2€m and was paid in full on their transfer.

- In the main client segment of the Street Market, the trend of the first nine months (+3.2%) was in line with the year-end objectives in terms of growth and of strengthening of market share. Sales of October further confirmed this trend. The reference market related to clients of the Street Market segment, as per the indicator "Hotels stays and out-of-home food consumption" (Confcommercio, October 2019), was positive and over the first 9 months growth in consumption (in quantity) was below 1%
- In the National Account segment sales in October confirmed the recovery trend shown in 3Q
- Wholesale segment remains affected by uncertainties of the sector of frozen seafood (caught). Certain fishing campaigns that last year occurred in 3Q, this year are expected in 4Q

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