

GRUPPO MARR
MARR
dove c'è ristorazione

*50*anni
1972-2022



FY 2022 Results

Conference call – March 14, 2023



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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.

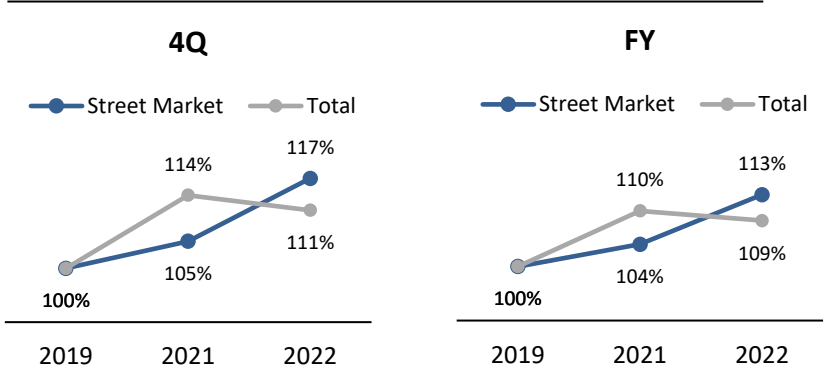


FY 2022 - Financial highlights

€m	FY 2020	FY 2021	FY 2022
Total Revenues	1,073.7	1,456.3	1,930.5
EBITDA	39.4	90.5	82.1
Net Income	-2.4	35.1	26.6

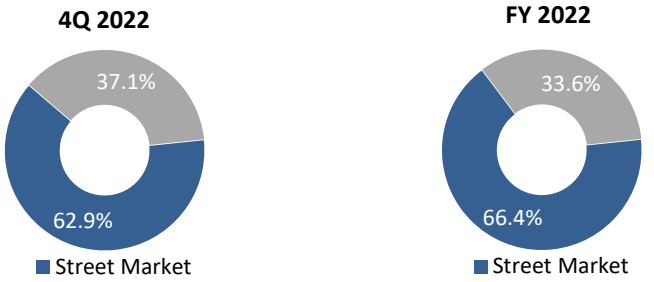
- Total consolidated Revenues of 1,930.5€m (+32.6% on 2021 FY)
- Inflation continued to penalize margins also in 4Q and EBITDA of FY 2022 amounted to 82.1€m
- Net income of FY 2022 was of 26.6€m and in 4Q was also affected by an increase of financial charges
- Trade Net Working Capital as at 31 December 2022 amounted to 169.1€m increasing on 140.2€m of the previous year mainly as a result of the increase in turnover
- Net debt at the end of 2022 was of 217.6€m (138.3€m net of the IFRS 16 effects)

€/kg Gross Margin trend - basis 100% on 2019



- In 2022 business year general food inflation affected Sales growth but also the Gross Margin, as a consequence of a pass-through process having different dynamics by segments
- In particular, the process in the Street Market segment progressed better, also in 4Q 2022, compared to the other segments. National Account was still penalized by the components of Canteens and direct supply to the Public Administration
- 4Q Gross Margin was also penalized by seasonal higher incidence of sales to the National Account clients and by the trend in Wholesale segment, notwithstanding the gradual recovery of margins in the core segment of the Street Market but that seasonally has a lower weight in 4Q

Incidence of Street Market on Total Sales



FY 2022 - Income statement

4Q 21	%	4Q 22	%	€m	FY 21	%	FY 22	%
379.4	100.0%	435.5	100.0%	Total revenues	1,456.3	100.0%	1,930.5	100.0%
(300.9)	-79.3%	(352.6)	-81.0%	Cost of goods sold	(1,142.9)	-78.5%	(1,548.2)	-80.2%
(48.8)	-12.9%	(55.9)	-12.8%	Services	(183.9)	-12.6%	(252.8)	-13.1%
(0.6)	-0.2%	(0.9)	-0.2%	Other operating costs	(2.2)	-0.1%	(2.6)	-0.1%
(10.0)	-2.6%	(11.4)	-2.6%	Personnel costs	(36.7)	-2.5%	(44.9)	-2.3%
19.1	5.0%	14.6	3.4%	EBITDA	90.5	6.2%	82.1	4.3%
(4.8)	-1.3%	(5.0)	-1.2%	D&A	(18.0)	-1.2%	(19.9)	-1.0%
(2.8)	-0.7%	(3.6)	-0.8%	Provisions	(14.9)	-1.0%	(16.0)	-0.8%
11.5	3.0%	6.0	1.4%	EBIT	57.6	4.0%	46.2	2.4%
(0.9)	-0.2%	(3.3)	-0.8%	Net interest and ForEx	(5.1)	-0.4%	(8.2)	-0.4%
10.6	2.8%	2.7	0.6%	Result from recurring activities	52.5	3.6%	38.0	2.0%
0.0	0.0%	0.0	0.0%	Non-recurring items	(2.9)	-0.2%	(0.4)	-0.1%
10.6	2.8%	2.7	0.6%	Result before taxes	49.6	3.4%	37.6	1.9%
(3.9)	-1.0%	(0.9)	-0.2%	Taxes	(14.5)	-1.0%	(11.0)	-0.5%
6.7	1.8%	1.8	0.4%	Net Result	35.1	2.4%	26.6	1.4%

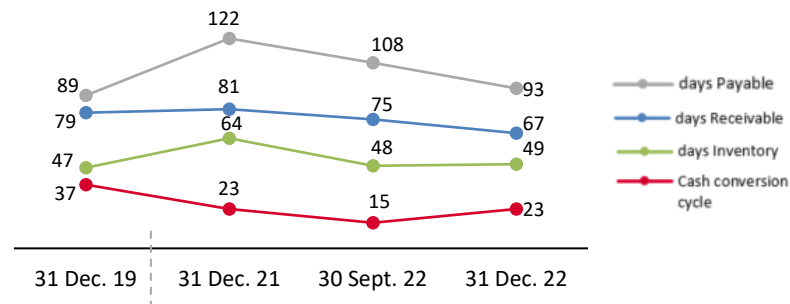
- Gross Margin in FY 2022 was affected by food inflation and different dynamics by segments
- Service costs in FY 2022 compared to 2021 were affected by: i) increase of energy costs with effects on conservation and transportation costs; ii) increase of costs for handling activities; iii) volume increase; iv) change in scope
- Particularly, incidence of utilities costs increased by 50 bps and of this increase the price component was about 90%
- Financial charges increase was affected by that of the cost of debt in the 2H 2022
- FY 2022 Net Result amounted to 26.6€m (35.1€m in 2021)



Trade NWC

€m	31.12.19	31.12.21	30.09.22	31.12.22
Accounts Receivable	368.6	321.3	414.8	353.8
Days	79	81	75	67
Inventory	170.4	199.9	213.4	209.9
Days	47	64	48	49
Accounts Payable	(324.5)	(381.0)	(478.2)	(394.6)
Days	89	122	108	93
Trade NWC	214.5	140.2	150.1	169.1
Cash conversion cycle (Days)	37	23	15	23

Cash conversion cycle - days

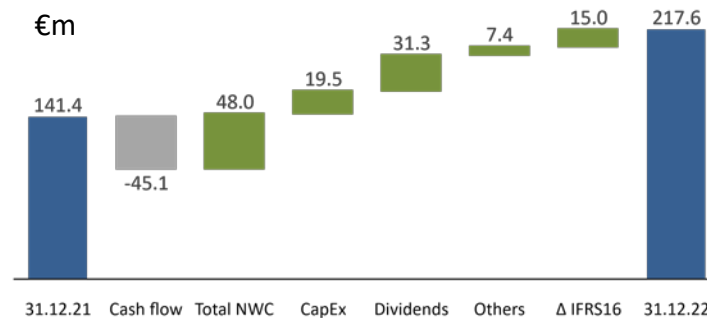
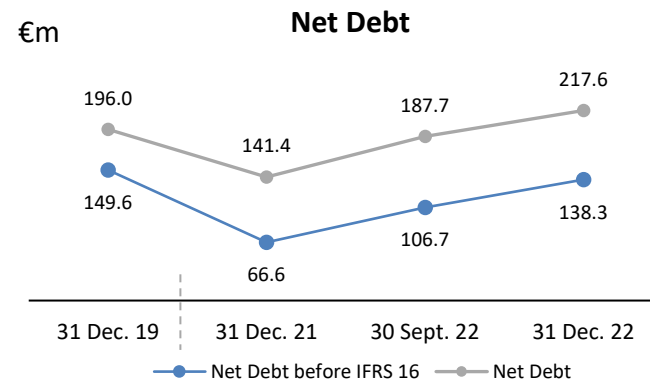


- Increase of Trade NWC as at 31 December 2022 on 2021 was related to Sales increase, but the Cash conversion cycle of Trade NWC remained in line with that of 2021 and improved on pre-pandemic 2019
- Days of Accounts Receivable at the end of 2022 improved also compared to 2019 and to those as at 30 September 2022
- Increase of Inventory as at 31 December 2022 compared to 2021 is also due to inflationary dynamics and to change in scope. However Days of Inventory decreased compared to 2021 and remained in line with 2019 and 30 September 2022

Net Debt

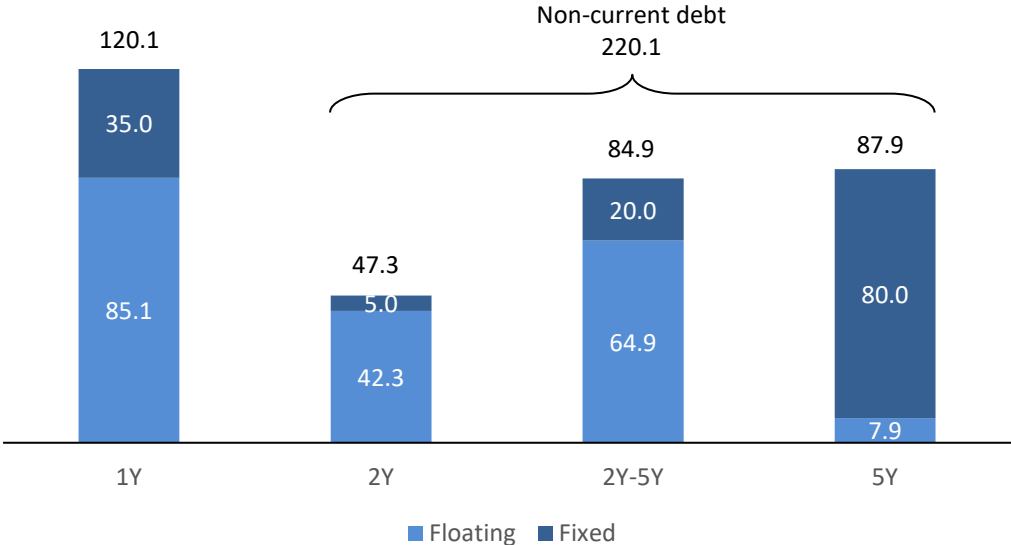
€m	31.12.19	31.12.21	30.09.22	31.12.22
Liquidity	192.5	250.0	247.6	191.7
Short-term Net debt	(175.2)	(97.3)	(124.2)	(110.8)
Long-term debt	(166.9)	(219.3)	(230.1)	(219.1)
Net Debt before IFRS 16	(149.6)	(66.6)	(106.7)	(138.3)
IFRS 16 effect	(46.4)	(74.8)	(80.9)	(79.2)
Net Debt	(196.0)	(141.4)	(187.7)	(217.6)

- Net debt before IFRS 16 as at 31 December 2022 (138.3€m) compared to the end of 2021 was also affected by the distribution in May 2022 of 31.3€m of dividends
- Net debt before IFRS 16 improved compared to the pre-pandemic level at the end of 2019
- Increase of IFRS 16 indebtedness component compared to 2019 is mainly related to the leases of both the Verrini Group and MARR Catania distribution unit from April 2021 and to the rent of the MARR Piacenza stocking platform from January 2022



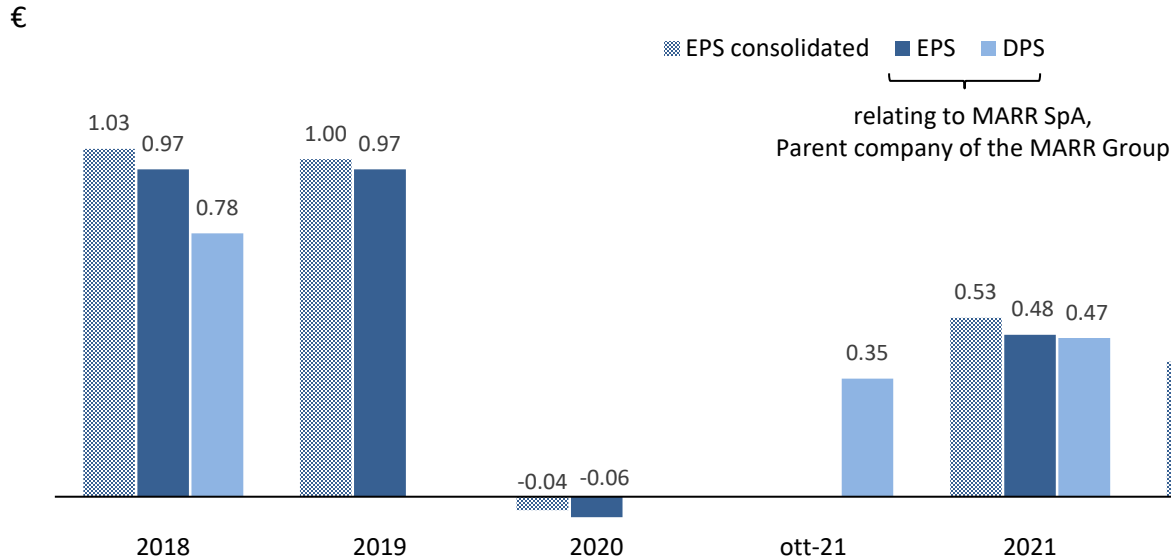
€m

Gross Debt (net of IFRS 16)



- Fixed component represented 48% of non-current Gross Debt as at 31 December 2022 and 41% of Total Gross Debt (current portion included)





- The BoD proposes for the approval of the Shareholders' Meeting of next 28th April a gross DPS of 0.38€
- The undistributed profit, the amount of which will be determined on the basis of the treasury shares in the portfolio upon coupon distribution, will be set aside in the Reserves

- The Board of Directors of MARR S.p.A. examined and approved the Sustainability Report - Consolidated Non-Financial Statement 2022 pursuant to Legislative Decree 254/2016 that will be made public on the Company's website within the terms of the law
- MARR, for the purposes of drafting the Statement, has implemented an analysis process conducted according to the guidelines for sustainability reporting of the GRI (Global Reporting Initiative) Standard aimed at identifying the issues that could affect the ability to create value and which are most relevant to the Company and its stakeholders
- MARR's Sustainability Report provides an organic illustration of objectives, commitments and activities for sustainability, with a particular focus - in relation to the activity carried out by the Group in the Foodservice sector - on those relating to the Supply Chain. In this sense, it must be considered that a sustainable supply chain in the Foodservice cannot ignore the awareness of the interconnection between all the actors involved in the Supply Chain. The product, which is sold and distributed to the Customer by the Supplier through MARR, is thus the result of an articulate selection, verification and management activity carried out by MARR according to a sustainable approach
- Activities and initiatives of MARR for Sustainability are comprehensively shown in the dedicated section and related subsections on Company website (www.marr.it/sustainability)
- In February last the rating "A" for MARR was confirmed by MSCI



- Trend in sales to Street Market and National Account clients in the first two months of 2023 is consistent with the growth objectives expected for the year, also confirming the progressive and gradual recovery of margins
- These results occurred in a context of Out-of-Home food consumption expected to grow (TradeLab, February 2023), also thanks to the positive trend of tourism and linked to the presence of foreigners in Italy (+39.9% compared to 2021 in 9M 2022, ISTAT December 2022), with positive effects for tourism in the Large Cities and in particular in the Cities of Art
- Sales of frozen seafood to Wholesale customers, affected by the unavailability of seafood products in 2H 2022 and also in this 1Q 2023, on the basis of the fishing campaigns in progress and those currently foreseeable are expected to recover in the coming months
- As far as inflation is concerned, the prices of food products are expected to enter in a stabilization phase, while the ongoing reduction in energy costs in these winter months is mitigating the distorting effects suffered by operating costs linked to energy prices
- In this context, MARR continues to strengthen its competitive positioning, with a strong focus on seizing the opportunities of a growing Foodservice market, which rewards a proposal of innovative products and services in which the Company continues to invest its energies



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- The process of adjusting the sales prices continues, an operation that is still more effective in the Street Market segment and, within the National Account, in the Chains&Groups sub-segment (Groups and Chains of Hotels and Restaurants), while in that of the Canteens and direct supplies to the Public Administration where contractually possible, actions are taken in an increasingly selective way on the management of price lists with a view to the sustainability of the supply relationships
- The entire organization is involved in policies aimed at recovering operating profitability, along a path which - in light of expected market conditions, gross margin management and cost control - is expected to allow to return towards the pre-pandemic operating profitability levels already in the current year
- In addition to this, there is a strong focus of the organization on controlling the levels of absorption of working capital in order to mitigate the cost for its financing
- All of the above will be carried out in the context of ever improving digitalization processes and optimization of the green footprint



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