Interim Report

as at March 31, 2022

13 May 2022

MARR S.p.A.
Via Spagna, 20 – 47921 Rimini (Italy)
Share Capital € 33,262,560 fully paid-up
Tax Code and registration number in the Register of Enterprises of the Chamber of Commerce of Romagna – Forlì – Cesena and Rimini 01836980365
Company subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)

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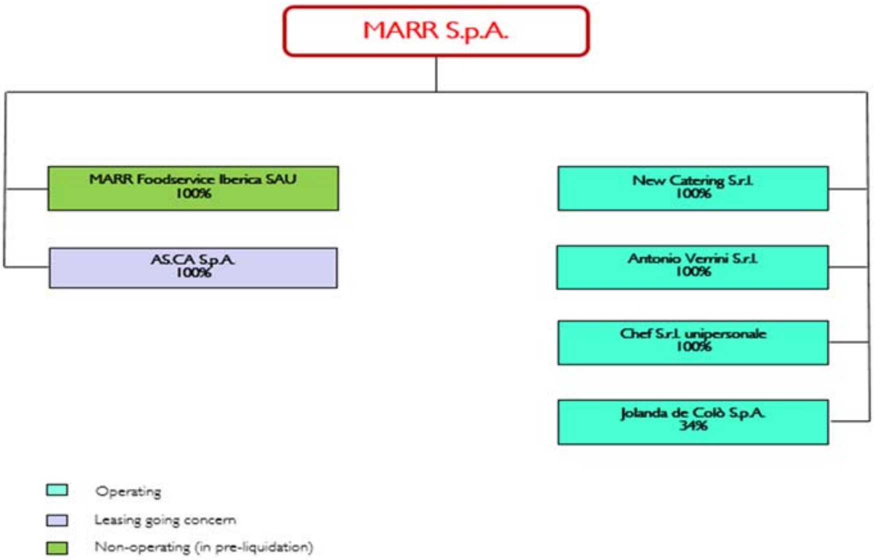
MARR GROUP ORGANISATION

as at March 31, 2022



The structure of the Group as at March 31, 2022 does not differ from that as at December 31, 2021. Compared to the previous 31 March 2021, the following changes are noted:

- the finalized purchase on 1st April 2021, by MARR S.p.A., of all the shares of Antonio Verrini S.r.l and Chef S.r.l. single-member;
- the completion on 27 September 2021 of the merger by incorporation into the company MARR S.p.A. of the wholly owned company SìFrutta S.r.l.

The activity of the MARR Group is entirely aimed at the marketing and distribution of food products to the Foodservice, as follows:

Company	Activity
MARR S.p.A. Via Spagna n. 20 – Rimini	Sale and distribution of perishable, non-perishable, frozen and deep-frozen food products for Foodservice operators.
AS.CA S.p.A. Via Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Company that from February 1, 2020 exercises a business lease to the parent company MARR S.p.A..
New Catering S.r.l. Via Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of food products to bars and fast food outlets.
MARR Foodservice Iberica S.A.U. Calle Lagasca n. 106 1° centro - Madrid (Spain)	Non-operating company.
Jolanda de Colò S.p.A. Via 1° Maggio n. 21 – Palmanova (UD)	Production, sale and distribution of food products in the premium segment (high-end).
Antonio Verrini S.r.l. Via 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.
Chef S.r.l. Unipersonale Via Pasquale Tosi n. 1300 - Santarcangelo di Romagna (RN)	Sale and distribution of fresh, frozen and deep-frozen fish products mainly in the Romagna Riviera.

All subsidiaries are fully consolidated.
Associated companies are valued at equity.

CORPORATE BODIES

BOARD OF DIRECTORS

Office	Name and Surname	Executive	Non-executive	Member of Control and Risk Committee	*Independence as provided by the Corporate Governance Code*	*Independence in accordance with art. 148 TUF*
Chairman	Ugo Ravanelli		✔			✔
Chief Executive Officer	Francesco Ospitali	✔				
Director	Claudia Cremonini		✔			
Director	Paolo Ferrari		✔			✔
Director (independent)	Marinella Monterumisi		✔	✔	✔	✔
Director (independent)	Alessandro Nova		✔		✔	✔
Director (independent)	Rossella Schiavini		✔	✔	✔	✔

The functions of the Remuneration Committee and the Appointments Committee are attributed to the entire Board of Directors under the coordination of the President, 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	Andrea Foschi
Statutory Auditor	Simona Muratori
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 first quarter of 2022

The interim report as at March 31, 2022, 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 Eurosspean Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the Eurosspean 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.

The first quarter of 2022, which began with January still being penalised by the trends in the number of infections, saw a constant and progressive recovery during February and March in out-of-home consumption, also as a result of the improvement in the health conditions.
In this context, thanks to its closeness to the Client and the continuous enhancement of its range of goods and services, MARR has taken advantage of the commercial opportunities in the out-of-home food consumption Market which, despite the restrictions of the pandemic, confirmed its resilience and reactivity, with growth levels in excess of those of the Market itself.
With an increase in the segment of "hotels, meals and out-of-home consumption" that the Confcommercio Studies Office has estimated in its "Survey 4-2022" document to have been 61% in quantity compared to the same period in 2021 (with a forecast neighbouring a value of 66%, taking into account the inflation rate for the period), the increase in MARR's total revenues has reached about 73%, also thanks to the contribution of the recent acquisitions.

The first quarter of 2022 closed with 325.8 million Euros in total consolidated revenues, a significant increase compared to 188.6 million Euros in the same period of 2021, which had been more affected by the spread of infections.

In particular, the revenues from sales in the first quarter of 2022 amounted to 321.7 million Euros, compared to 186.2 million in 2021 and 329.3 million in 2019.
The sales to clients in the "Street Market" category (restaurants and hotels not belonging to Groups) and "National Account" segment (operators in Chains and Groups, and Canteens) amounted to 268.1million Euros and, compared to 134.7 million Euros in 2021, benefitted from the approximately 12 million Euros contributed by the Verrini Group, consolidated as of 1 April 2021.
The sales to wholesalers ("Wholesale" category) amounted to 53.6 million Euros (51.5 million in 2021).

The foodservice market is significantly affected by the inflation that has generally been characterising most of the range of goods used and thus marketed by MARR.
This is in addition to the increase in energy costs (accentuated by the recent international tensions), the effects of which are mainly being felt in terms of the conservation and distribution of products.
MARR is very closely focused on both fronts, through the best possible management of the available supplies and continuous scouting in order to ensure that Clients have the Products of the best possible quality at always competitive prices and through operating methods capable of reducing any potential waste of energy resources. The current difficulties are thus enabling the fruition of the benefits deriving from activities already started and more recently enhanced.

In this context, the operating profitability in the first quarter of 2022 was obviously penalised, but in any event recorded an EBITDA of 5.1 million Euros (108 thousand Euros in 2021). The resulting EBIT amounted to -2.5 million (-7.0 million in 2021).
The net result for the period amounted to -2.9 million Euros, compared to -6.3 million for last year.

The following table shows the reconciliation between the above data and the revenues from sales and services of the Group as per the consolidated financial statements:

MARR Consolidated (€thousand)	31 March 2022	31 March 2021*
Revenues from sales and services by customer category		
Street market	192.531	89.420
National Account	75.569	45.267
	268.100	134.687
Wholesale	53.615	51.509
Total revenues form sales in Foodservice	321.715	186.196
(1) Discount and final year bonus to the customers	(3.276)	(1.966)
(2) Other services	51	68
(3) Other	52	29
Revenues from sales and services	318.542	184.327

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 31 March 2021 have been restated in order to maintain comparability with the 2022 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 quarter of 2022, compared to the same period of the previous year.

Analysis of the re-classified income statement [1]

MARR Consolidated (€thousand)	1st quarter 2022	%	1st quarter 2021	%	% Change
Revenues from sales and services	318.542	*97,8%*	184.327	*97,7%*	*72,8%*
Other earnings and proceeds	7.216	*2,2%*	4.299	*2,3%*	*67,9%*
Total revenues	**325.758**	***100,0%***	**188.626**	***100,0%***	***72,7%***
Cost of raw materials, consumables and goods for resale	(299.293)	*-91,9%*	(161.880)	*-85,8%*	*84,9%*
Change in inventories	35.554	*10,9%*	9.544	*5,1%*	*272,5%*
Services	(46.188)	*-14,2%*	(29.381)	*-15,6%*	*57,2%*
Leases and rentals	(113)	*0,0%*	(49)	*0,0%*	*130,6%*
Other operating costs	(420)	*-0,1%*	(348)	*-0,2%*	*20,7%*
Value added	**15.298**	***4,7%***	**6.512**	***3,5%***	***134,9%***
Personnel costs	(10.243)	*-3,1%*	(6.404)	*-3,4%*	*59,9%*
Gross Operating result	**5.055**	***1,6%***	**108**	***0,1%***	***4580,6%***
Amortization and depreciation	(4.827)	*-1,5%*	(4.003)	*-2,1%*	*20,6%*
Provisions and write-downs	(2.721)	*-0,8%*	(3.156)	*-1,7%*	*-13,8%*
Operating result	**(2.493)**	***-0,8%***	**(7.051)**	***-3,7%***	***-64,6%***
Financial income	131	*0,0%*	171	*0,1%*	*-23,4%*
Financial charges	(1.515)	*-0,5%*	(1.523)	*-0,8%*	*-0,5%*
Foreign exchange gains and losses	(173)	*-0,1%*	262	*0,0%*	*-166,0%*
Value adjustments to financial assets	(28)	*0,0%*	(156)	*-0,1%*	*-82,1%*
Result from recurrent activities	**(4.078)**	***-1,3%***	**(8.297)**	***-4,4%***	***-50,8%***
Non-recurring income	0	*0,0%*	0	*0,0%*	*0,0%*
Non-recurring charges	0	*0,0%*	0	*0,0%*	*0,0%*
Net result before taxes	**(4.078)**	***-1,3%***	**(8.297)**	***-4,4%***	***-50,8%***
Income taxes	1.177	*0,4%*	1.947	*1,1%*	*-39,5%*
Net result attributable to the MARR Group	**(2.901)**	***-0,9%***	**(6.350)**	***-3,4%***	***-54,3%***

The consolidated economic results for the first quarter of 2022 show total revenues for a total of 325.8 million Euros, with an increase of 72.7% compared to the same period of the previous year (188.6 million Euros as at March 31, 2021) which had been affected in greater extent of the restrictions on activities related to tourism and out-of-home food consumption implemented to contain the spread of infections.

The item "Other earnings and proceeds", mainly represented by the contributions from suppliers on purchases and by the logistical fees that MARR charges to suppliers, is related to the trend in costs for the purchase of goods and remains in line with the percentage recorded last period.

[1] It is specified that the reclassified income statement does not show the item "Other Profits/Losses net of the effect of taxation" reported in the "Comprehensive income statement", as required by IAS 1 revised applicable from 1st January 2009 onwards.

[1] The EBITDA (Gross Operating Margin) is an economic indicator not defined by the IFRS adopted by MARR for the financial statements from 31 December 2005. The EBITDA is a measure used by the company's management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group's performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital used and the relevant amortization policies. Today (following the subsequent detailing of the development of the accounting procedures) the EBITDA (Earnings before interests, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write-downs and financial income and charges and income tax.
L' 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 gross of financial income and charges, non-recurring components and income taxes.

It should be noted that the total revenues of the first quarter of 2022 benefit for 12.3 million Euros from the contribution of the companies Antonio Verrini S.r.l and Chef S.r.l. unipersonale, consolidated only starting from the second quarter of 2021.

With regard to operating costs, when comparing the values between the two periods in absolute terms, it must be considered that in the first quarter of 2022 they were affected by the inflation dynamics mentioned above, which affected most of the goods marketed by MARR, with an effect in the purchase cost of goods and the increase in energy costs associated with the conservation and distribution of products reflected in the service costs.

The Personnel cost recorded an increase of 3.8 million Euros linked to two combined effects: the lower use of social safety nets and the increase in the average staff of the Group. With regard to social safety nets, it should be noted that in the first quarter of 2021 the hours of social safety nets used amounted to 99,796 while in the first quarter of 2022 they were not used.
As regards the average number of employees, these went from 761.3 in the first quarter of 2021 to 944.3 in the first quarter of 2022. The increase in the average number of employees was primarily affected by the consolidation into the Group of the companies Antonio Verrini S.r.l and Chef S.r.l. unipersonale, which have 97 and 24 employees respectively as of March 31, 2022 and secondarily by the new hires made. Since the acquisition of the shares of the two companies was finalized only in April 2021, in the comparison in absolute terms of the Personnel costs with the same period of the previous year, it is necessary to consider that the first quarter of 2022 is affected by a higher cost for a total of 1.5 million of Euros and not present in the first quarter of 2021.

The EBITDA as at March 31, 2022 amounted to 5.1 million Euros against 108 thousand as at March 31, 2021, with a percentage incidence on total revenues that went from 0.1% to 1.6%.

The item "Amortizaion and depreciation", which also includes the share of depreciation linked to the right of use recognized in the financial statements for lease contracts as required by IFRS 16, records an overall increase of 643 thousand Euros, of which 283 thousand Euros related to the amortization of the right of use of lease contracts held by the companies Antonio Verrini S.r.l. and Chef S.r.l. unipersonale not present in the last period. The remaining increase of 542 thousand Euros is related to the increase of 360 thousand Euros in the amortization of the right of use for new lease contracts signed by MARR in the last months of last year and for the remaining 182 thousand Euros for new investments made in the Group's branches.

The item "Provisions and write-downs" amounts to 2.7 million Euros (3.2 million in the first quarter of 2021) with a percentage incidence on total revenues which goes from 1.7% in the first quarter of 2021 to 0.8% of 31 March 2022. Specifically, it includes 2.5 million Euros for the provision for bad debts, 0.2 million Euros for the provision for additional customer indemnities and other future risks and losses.

The EBIT at 31 March 2022 was negative for 2.5 million Euros compared to -7.0 million Euros in the same period last year.

Financial management recorded an improvement from an incidence on total revenues of 0.7% as of March 31, 2021 to 0.5% as of March 31, 2022.

The net result for the period settled at a loss of 2.9 million Euros against a loss of 6.3 million in the previous year.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	31.03.22	31.12.21	31.03.21
Net intangible assets	163.399	163.391	153.502
Net tangible assets	79.739	79.601	77.195
Right of use assets	69.427	72.015	56.279
Equity investments evaluated using the Net Equity method	1.800	1.828	1.797
Equity investments in other companies	175	175	175
Other fixed assets	23.298	22.850	34.175
Total fixed assets (A)	337.838	339.860	323.123
Net trade receivables from customers	308.730	321.280	279.193
Inventories	235.407	199.852	144.125
Suppliers	(327.743)	(380.958)	(190.936)
Trade net working capital (B)	216.394	140.174	232.382
Other current assets	39.722	56.977	40.589
Other current liabilities	(29.973)	(27.852)	(14.401)
Total current assets/liabilities (C)	9.749	29.125	26.188
Non-current assets held for sale (D)	0	0	2.400
Net working capital (E) = (B+C+D)	226.143	169.299	260.970
Other non current liabilities (F)	(2.338)	(2.529)	(1.913)
Staff Severance Provision (G)	(8.515)	(8.556)	(7.125)
Provisions for risks and charges (H)	(6.820)	(7.137)	(7.526)
Net invested capital (I) = (A+E+F+G+H)	546.308	490.937	567.529
Shareholders' equity attributable to the Group	(346.597)	(349.507)	(331.751)
Consolidated shareholders' equity (J)	(346.597)	(349.507)	(331.751)
(Net short-term financial debt)/Cash	48.922	152.693	109.473
(Net medium/long-term financial debt)	(176.247)	(219.331)	(287.672)
Net financial debt - before IFRS16 (K)	(127.325)	(66.638)	(178.199)
Current lease liabilities (IFRS16)	(10.385)	(10.074)	(8.824)
Non-current lease liabilities (IFRS16)	(62.001)	(64.718)	(48.755)
IFRS16 effect on Net financial debt (L)	(72.386)	(74.792)	(57.579)
Net financial debt (M) = (K+L)	(199.711)	(141.430)	(235.778)
Net equity and net financial debt (N) = (J+M)	(546.308)	(490.937)	(567.529)

Analysis of the net financial position[3]

Below is the breakdown of the composition of net financial debt in accordance with the guidelines ESMA 32-382- 1138 dated 4 March 2021:

MARR Consolidated (€thousand)	31.03.22	31.12.21	31.03.21
A. Cash	6.459	6.505	1.998
Bank accounts	141.889	243.467	255.994
Postal accounts	21	22	18
B. Cash equivalent	141.910	243.489	256.012
C. Liquidity (A) + (B)	148.369	249.994	258.010
Current financial receivable due to Parent company	3.838	5.787	9.099
Current financial receivable due to related companies	0	0	0
Others financial receivable	0	0	1.262
D. Current financial receivable	3.838	5.787	10.361
E. Current eceivables /(payables) for derivative financial instruments	(11)	0	0
F. Current Bank debt	(15.766)	(45.987)	(48.989)
G. Current portion of non current debt	(84.824)	(52.227)	(109.659)
Financial debt due to Parent Company	0	0	0
Financial debt due to Related Companies	0	0	0
Other financial debt	(2.683)	(4.874)	(250)
H. Other current financial debt	(2.683)	(4.874)	(250)
I. Current lease liabilities (IFRS16)	(10.385)	(10.074)	(8.824)
J. Current financial debt (F) + (G) + (H) + (I)	(113.658)	(113.162)	(167.722)
K. Net current financial indebtedness (C) + (D) + (E) + (J)	38.538	142.619	100.649
L. Non current bank loans	(76.400)	(119.489)	(262.598)
M. Non-current derivative/financial instruments	0	0	3.052
N. Other non current loans	(99.847)	(99.842)	(28.126)
O. Non-current lease liabilities (IFRS16)	(62.002)	(64.718)	(48.755)
P. Non current financial indebtedness (L) + (M) + (N) + (O)	(238.249)	(284.049)	(336.427)
Q. Net financial indebtedness (K) + (P)	(199.711)	(141.430)	(235.778)

Net financial debt as at March 31, 2022 amounted to 199.7 million Euros, with a significant reduction compared to the 235.8 million as at March 31, 2021, but shows an increase compared to 31 December 2021 due to the seasonality of the business and with the operating activitie which involved, in this quarter, an absorption of liquidity in relation to the important procurement policies implemented in anticipation of the next summer season.

Current financial debt of 113.7 million Euros remains in line with last December 31, 2021, when it amounted to 113.2 million Euros. Non-current financial debt records a decrease of 45.8 million Euros due to the repayment of bank debts for approximately 40.7 million Euros and the decrease in financial debt for leases for 2.7 million Euros.

During the first quarter of 2022, no new financing transactions were carried out.

[3] 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.

The net financial position as at March 31, 2022 remains in line with the Company's objectives.

Analysis of the trade net working capital

MARR Consolidated (€thousand)	*31.03.22*	*31.12.21*	*31.03.21*
Net trade receivables from customers	308.730	321.280	279.193
Inventories	235.407	199.852	144.125
Suppliers	(327.743)	(380.958)	(190.936)
Trade net working capital	216.394	140.174	232.382

At March 31, 2022, the commercial net working capital was equal to 216.4 million Euros, with an improvement compared to the 232.4 million at the end of the first quarter of 2021.

In relation to the discontinuity of the periods in terms of comparison due to both the different degree to which the restrictions to contain the pandemic have affected out-of-home food consumption and the seasonality to which the business is subject, it should observed that the incidence of trade receivables with respect to trade net working capital improves compared to 31 December 2021 thanks to the constant attention of the entire organization to credit management.

The value of inventories shows an increase reffered to specific procurement policies implemented in view of the summer season and in the presence of the above mentioned inflation dynamics. Furthermore, in the comparison between the value at March 31, 2022 and the values of the previous periods, it must be considered that this quarter also includes the inventories of Antonio Verrini S.r.l and Chef S.r.l. unipersonale, companies purchased on 1st April 2021.

Trade payables decreased of 53.2 million Euros compared to 31 December 2021.

Trade working capital remains aligned with the company's objectives.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	*31.03.22*	*31.03.21*
Net profit before minority interests	(2.901)	(6.350)
Amortization and depreciation	4.833	4.003
Change in Staff Severance Provision	(41)	(150)
Operating cash-flow	1.891	(2.497)
(Increase) decrease in receivables from customers	12.550	19.657
(Increase) decrease in inventories	(35.555)	(9.544)
Increase (decrease) in payables to suppliers	(53.215)	(43.643)
(Increase) decrease in other items of the working capital	18.131	2.701
Change in working capital	(58.089)	(30.829)
Net (investments) in intangible assets	(145)	(117)
Net (investments) in tangible assets	(1.938)	(3.328)
Flows relating to acquisitions of subsidiaries and going concerns	0	0
Investments in other fixed assets and other change in non current items	(2.083)	(3.445)
Free - cash flow before dividends	(58.281)	(36.771)
Distribution of dividends	0	0
Capital increase	0	0
Other changes, including those of minority interests	0	(11)
Cash-flow from (for) change in shareholders' equity	0	(11)
FREE - CASH FLOW	(58.281)	(36.782)
Opening net financial debt	(141.430)	(192.316)
Effect for change in liability for IFRS16	(2.406)	(6.680)
Cash-flow for the period	(55.875)	(36.782)
Closing net financial debt	(199.711)	(235.778)

Investments

Investments in the first quarter are related to the modernization and completion of the Group's branches, and mainly concerne the new Piacenza distribution unit which came into operation in January 2022, the branches of MARR Adriatico, MARR Arco and MARR Dolomiti.

Below is a summary of the net investments made in the first quarter of 2022:

(€thousand)	*31.03.22*
Intangible assets	
Patents and intellectual property rights	92
Fixed assets under development and advances	53
Total intangible assets	145
Tangible assets	
Land and buildings	78
Plant and machinery	663
Industrial and business equipment	236
Other assets	615
Fixed assets under development and advances	346
Total tangible assets	1.938
Total	2.083

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

Other information

The Company does not own, and has never owned, shares or quotas of parent companies, even through third parties and/or companies, therefore, during the first quarter of 2022, it did not carry out any purchase or sale transactions on the above mentioned shares and/or quotas.

As of March 31, 2022, the company does not hold treasury shares in portfolio.

During the quarter, the Group did not carry out atypical or unusual transactions.

Significant events during the first quarter 2022

No significant events took place during the first quarter.

Subsequent events after the closing of the quarter

On 1 April 2022, the closing was finalised for the purchase of all of the holdings in the newly incorporated company Frigor Carni S.r.l., into which all of the activities of Frigor Carni S.a.s were contributed. The company is based in Montepaone Lido (Catanzaro) and operates in the marketing and distribution of products to the foodservice, with a significant specialisation in seafood products, aimed mainly at independent foodservice clients.
The acquisition of Frigor Carni confirms MARR's role of market aggregator, which continues to strengthen its leadership through both an organic growth path and targeted acquisitions aimed at increasing service specialization.

The Shareholders' Meeting of 28 April 2022 approved the distribution of a gross dividend of 0.47 Euros per share (with a consolidated EPS of 0.53 Euros) with ex-coupon (no. 17) on 23 May, record date on 24 May and payment on 25 May. The profits not distributed will be allocated to the Reserves.

The Shareholders' Meeting also approved the authorization for the purchase, sale and disposal of treasury shares.

Sales trend in April

The sales performance of MARR in April confirms the expectations, in view of the next summer season, of a strong recovery in food consumption outside home.

The month of April in fact closes with total consolidated revenues of over 150 million Euros, with an increase also compared to the same period of 2019, and further confirms the positive trend of the month of March.

The realignment process to pre-pandemic levels still shows differences in customer categories, with hospitality as a whole still lagging behind catering, and in territory, but the Easter period and the long weekend of 25 April have provided positive signals, in particular the recovery of tourist flows in the cities of art and also the foreign component.

Business continuity

In consideration of the market trend and the strength of its financial structure, the Company considers the assumption of business continuity to be appropriate and correct.

Interim Consolidated Financial Statements

MARR Group

Interim Report

as at March 31, 2022

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	31.03.22		31.12.21		31.03.21	
ASSETS						
Non-current assets						
Tangible assets	79.739		79.601		77.195	
Right of use assets	69.427		72.015		56.279	
Goodwill	160.382		160.382		151.068	
Other intangible assets	3.017		3.009		2.434	
Investments valued at equity	1.800		1.828		1.797	
Investments in other companies	175		175		175	
Non-current financial receivables	508		750		1.787	
Financial instruments/derivatives	0		0		3.052	
Deferred tax assets	2.011		0		2.123	
Other non-current assets	27.922		29.766		43.824	
Total non-current assets	344.981		347.526		339.734	
Current assets						
Inventories	235.407		199.852		144.125	
Financial receivables	3.838		5.787		10.361	
relating to related parties	*3.838*	*100,0%*	*5.787*	*100,0%*	*9.099*	*87,8%*
Financial instruments / derivative	0		0		0	
Trade receivables	301.588		313.615		265.634	
relating to related parties	*12.439*	*4,1%*	*13.312*	*4,2%*	*3.965*	*1,5%*
Tax assets	2.400		6.234		6.734	
relating to related parties	*12*	*0,5%*	*12*	*0,2%*	*12*	*0,2%*
Cash and cash equivalents	148.369		249.994		258.010	
Other current assets	37.323		50.743		33.855	
relating to related parties	*304*	*0,8%*	*786*	*1,5%*	*192*	*0,6%*
Total current assets	728.925		826.225		718.719	
Non-current assets held for sale	0		0		2.400	
TOTAL ASSETS	*1.073.906*		*1.173.751*		*1.060.853*	
LIABILITIES						
Shareholders' Equity						
Shareholders' Equity attributable to the Group	346.597		349.507		331.751	
Share capital	*33.263*		*33.263*		*33.263*	
Reserves	*262.825*		*262.833*		*286.498*	
Net result of the period attributable to the Group	*50.511*		*53.411*		*11.990*	
Total Shareholders' Equity	346.597		349.507		331.751	
Non-current liabilities						
Non-current financial payables	176.247		219.330		290.674	
Non-current lease liabilities (IFRS16)	62.002		64.718		48.755	
relating to related parties	*4.988*	*8,0%*	*5.181*	*8,0%*	*3.394*	*7,0%*
Financial instruments/derivatives	0		0		50	
Employee benefits	8.515		8.556		7.125	
Provisions for risks and costs	6.820		6.994		7.526	
Deferred tax liabilities	0		143		0	
Other non-current liabilities	2.338		2.530		1.913	
Total non-current liabilities	255.922		302.271		356.043	
Current liabilities						
Current financial payables	103.273		103.088		158.898	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*	*0*	*0,0%*
Current lease liabilities (IFRS16)	10.385		10.074		8.824	
relating to related parties	*761*	*7,3%*	*755*	*7,5%*	*560*	*6,3%*
Financial instruments/derivatives	11		0		0	
Current tax liabilities	15.051		14.764		2.278	
relating to related parties	*11.639*	*77,3%*	*11.489*	*77,8%*	*920*	*40,4%*
Current trade liabilities	327.743		380.959		190.936	
relating to related parties	*28.186*	*8,6%*	*35.612*	*9,3%*	*14.872*	*7,8%*
Other current liabilities	14.924		13.088		12.123	
relating to related parties	*98*	*0,7%*	*437*	*3,3%*	*312*	*2,6%*
Total current liabilities	471.387		521.973		373.059	
TOTAL LIABILITIES	*1.073.906*		*1.173.751*		*1.060.853*	

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(€thousand)	*Notes*	*1st quarter 2022*		*1st quarter 2021*	
Revenues	1	318.542		184.327	
relating to related parties		*13.577*	*4,3%*	*4.008*	*2,2%*
Other revenues	2	7.216		4.299	
relating to related parties		*552*	*7,6%*	*147*	*3,4%*
Changes in inventories		35.554		9.544	
Purchase of goods for resale and consumables	3	(299.293)		(161.880)	
relating to related parties		*(34.579)*	*11,6%*	*(14.572)*	*9,0%*
Personnel costs	4	(10.243)		(6.404)	
Amortizations, depreciations and provisions	5	(5.034)		(4.430)	
Losses due to impairment of financial assets	6	(2.514)		(2.854)	
Other operating costs	7	(46.721)		(29.778)	
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(28)*		*(11)*	
relating to related parties		*(795)*	*1,7%*	*(749)*	*2,5%*
Financial income and charges	8	(1.557)		(1.090)	
of which profits and losses deriving from the accounting elimination of financial assets valued at amortized cost		*(300)*		*(119)*	
relating to related parties		*(40)*	*2,6%*	*(27)*	*2,5%*
Income (charge) from associated companies	9	(28)	*100,0%*	(31)	*100,0%*
Net result before taxes		***(4.078)***		***(8.297)***	
Taxes	10	1.177		1.947	
Net result of the period		***(2.901)***		***(6.350)***	
Attributable to:					
Shareholders of the parent company		(2.901)		(6.350)	
Minority interests		0		0	
		(2.901)		*(6.350)*	
EPS base (euros)	11	(0,04)		(0,10)	
EPS diluted (euros)	11	(0,04)		(0,10)	

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	*Notes*	1st quarter 2022	1st quarter 2021
Net result of the period (A)		*(2.901)*	*(6.350)*
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		8	(11)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		0	0
Total Other Profits/(Losses), net of taxes (B)	*12*	*8*	*(11)*
Comprehensive Result (A + B)		*(2.893)*	*(6.361)*
Attributable to:			
Shareholders of the parent company		(2.893)	(6.361)
Minority interests		0	0
		(2.893)	*(6.361)*

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDER'S EQUITY

Description	Share Capital	Other reserves											Profits carried over from consolidated	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	Reserve ex art. 55 (dpr 597-917)	Reserve IAS 19	Total Reserves		
Balance at 31 December 2020	33.263	63.348	6.652	13	36.496	170.460	1.475	7.290	134	1.453	(811)	286.510	18.339	338.112
Other minor variations										(1)		(1)	1	
Consolidated comprehensive income (1/1 -31/03/21):														
- Net result of the period													(6.350)	(6.350)
- Other Profits/Losses, net of taxes									(11)			(11)		(11)
Balance at 31 March 2021	33.263	63.348	6.652	13	36.496	170.460	1.475	7.290	123	1.452	(811)	286.498	11.990	331.751
Distribution of MARR S.p.A. dividends						(23.283)						(23.283)		(23.283)
Other minor variations										(8)		(8)		(8)
Consolidated comprehensive income (1/04-31/12/21):														
- Net result of the period													41.421	41.421
- Other Profits/Losses, net of taxes									(123)		(253)	(376)		(376)
Balance at 31 December 2021	33.263	63.348	6.652	13	36.496	147.177	1.475	7.290		1.444	(1.064)	262.835	53.411	349.507
Other minor variations										(2)		(2)		(2)
Consolidated comprehensive income (1/1 -31/03/2022):														
- Net result of the period													(2.901)	(2.901)
- Other Profits/Losses, net of taxes									(8)			(8)		(8)
Balance at 31 March 2022	33.263	63.348	6.652	13	36.496	147.177	1.475	7.290	(8)	1.442	(1.064)	262.825	50.510	346.597

CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	31.03.22		31.03.21	
Net result of the Period	(2.901)		(6.350)	
Adjustment:				
Amortization / Depreciation	1.934		1.755	
IFRS 16 depreciation	2.893		2.250	
Change in deferred tax	(1.177)		(2.121)	
Allocation of provison for bad debts	2.514		2.729	
Provision for supplementary clientele severance indemnity	207		181	
Write-downs of investments non consolidated on a line – by – line basis	28		156	
Capital profit/losses on disposal of assets	(9)		25	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
Financial (income) charges net of foreign exchange gains and losses	1.385		1.352	
relating to related parties	*40*	*2,9%*	*26*	*1,9%*
Foreign exchange evaluated (gains)/losses	147		(78)	
Total	**7.922**		**6.249**	
Net change in Staff Severance Provision	(41)		(150)	
(Increase) decrease in trade receivables	14.541		14.787	
relating to related parties	*873*	*6,0%*	*2.077*	*14,0%*
(Increase) decrease in inventories	(35.555)		(9.544)	
Increase (decrease) in trade payables	(53.216)		(43.643)	
relating to related parties	*(7.425)*	*14,0%*	*5.360*	*(12,3%)*
(Increase) decrease in other assets	15.264		6.823	
relating to related parties	*482*	*3,2%*	*292*	*4,3%*
Increase (decrease) in other liabilities	1.644		494	
relating to related parties	*(239)*	*(14,5%)*	*54*	*10,9%*
Net change in tax assets / liabilities	(2.850)		49	
relating to related parties	*150*	*(5,3%)*	*150*	*306,1%*
Interest paid	(1.515)		(1.523)	
relating to related parties	*(40)*	*2,6%*	*(29)*	*1,9%*
Interest received	131		171	
relating to related parties	*4*	*3,1%*	*3*	*1,8%*
Foreign exchange gains	(7)		78	
Income tax paid	154		(23)	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
Cash-flow from operating activities	**(56.429)**		**(32.582)**	
(Investments) in other intangible assets	(145)		(117)	
(Investments) in tangible assets	(1.938)		(3.365)	
Net disposal of tangible assets	0		11	
Cash-flow from investment activities	**(2.083)**		**(3.471)**	
Dividends payment	(777)		0	
Other changes, including those of third parties	0		(12)	
Net change lease liabilities (IFRS16)	(2.406)		(2.563)	
relating to related parties	*187*	*(7,8%)*	*(139)*	*5,4%*
Net change in financial receivebles/payables for derivates	11		(1.239)	
Net change in financial payables (excluding the new non-current loans received)	(31.541)		(16.950)	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
New non-current loans received	0		80.000	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
Repayment of other long - term debt	(10.580)		(12.006)	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
Net change in current financial receivables	1.949		(3.941)	
relating to related parties	*1.949*	*100,0%*	*(3.305)*	*83,9%*
Net change in non-current financial receivables	242		(717)	
relating to related parties	*0*	*0,0%*	*0*	*0,0%*
Cash-flow from financing activities	**(43.113)**		**42.572**	
Increase (decrease) in cash-flow	**(101.625)**		**6.519**	
Opening cash and equivalents	249.994		251.491	
Closing cash and equivalents	**148.369**		**258.010**	

For the reconciliation between the opening data and the closing balances with the relative movements of financial liabilities deriving from financing activities (as required by paragraph 44A of IAS 7), please refer to Annex 1 of the subsequent Notes.

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Structure and contents of the interim condensed consolidated financial statements

The interim report as at March 31, 2022 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 Eurosspean Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the Eurosspean 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.

In the "Accounting policies" section, the international accounting principles adopted in the drawing up of the quarterly report as at March 31, 2022 do not differ from those used in the drawing up of the consolidated financial statements as at December 31, 2021, excepted for the amendments and interpretations effective from the 1st January 2022.

For the purposes of the application of IFRS 8 it is noted that the Group operates in the "Distribution of food products to non-domestic catering" sector only; as regards performance levels in the first quarter of 2022, see that described in the Directors' Report on management performance.

The consolidated financial statements as at March 31, 2022 shows, for comparison purposes, the statement of profit or loss the figures of the first quarter of 2021 and for the statement of financial position the figures reffered to 31 December 2021 and 31 March 2021.

The following classifications have been used:

- "Statement of financial position" by current/non-current items,
- "Statement of profit or loss" by nature,
- "Cash flows statement" (indirect method).

It is believed that these classifications provide information which better represent the economic and financial situation of the Group.

The figures are expressed in Euros.

The statements and tables contained in this quarterly report are shown in thousands Euros.

The interim report is not subject to auditing.

This report has been prepared using the principles and accounting policies illustrated below:

Consolidation method

Consolidation is made by using the line-by-line method, which consists in recognizing all the items in the assets and liabilities in their entirety. The main consolidation criteria adopted to apply this method are the following.

- Subsidiaries have been consolidated as from the date when control was actually transferred to the Group, and are no longer consolidated as from the date when control was transferred outside the Group.
- Assets and liabilities, charges and income of the companies consolidated on a line-by-line basis, have been fully entered in the consolidated financial statements; the book value of equity investments has been written off against the corresponding portion of shareholders' equity of the related concerns, by assigning to each single item of the statement of financial position's assets and liabilities, the current value as at the date of acquisition of control (purchase method as defined by IFRS 3, "Business combinations"). Any residual difference, if positive, is entered under "Goodwill" in the assets; if negative, in the income statement.
- Mutual debt and credit, costs and revenues relationships, between consolidated companies, and the effects of all significant transactions between these companies, have been written off.
- The portions of shareholders' equity and of the results for the period of minority shareholders have been shown separately in the consolidated shareholders' equity and income statement: this holding is determined on the basis of the percentage held in the fair value of the assets and liabilities recorded at the date of original takeover and in the changes in shareholders' equity after this date.
- Subsequently, the profits and losses are attributed to the minority shareholders on the basis of the percentage they hold and the losses are attributed to minorities even if this implies that the minority holdings have a negative balance.

- Changes in the shareholding of the parent company in a subsidiary which do not imply loss of control are accounted as equity transactions.
- If the parent company loses control over a subsidiary, it:
  - derecognises the assets (including any goodwill) and liabilities of the subsidiary,
  - derecognises the carrying amount of any non-controlling interest,
  - derecognises the cumulative translation differences recorded in equity,
  - recognises the fair value of the consideration received,
  - recognises the fair value of any investment retained,
  - recognises any surplus or deficit in the profit and loss,
  - re-classifies the parent's share of components previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

Scope of consolidation

The consolidated financial statements as at March 31,2022 includes the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls.
Control is achieved when the Group is exposed or has the right to variable performance levels, deriving from its own relations with the entity involved in the investment and, simultaneously, has the capacity to affect these performance levels by exercising its power over the entity. Specifically, the Group controls a subsidiary if, and only if, the Group has:
- the power over the entity involved in the investment (or has valid rights conferring upon it the current capacity to manage the significant activities of the entity being invested in);
- exposure or the right to variable performance levels deriving from relations with the entity being invested in;
- the capacity to exercise its own power over the entity being invested in terms of affecting the amount deriving from its performance.

There is a general assumption that the majority of voting rights implies control. In support of this assumption and when the Group possesses less than the majority of the voting (or similar) rights, the Group considers all the significant facts and circumstances to establish whether it controls the entity being invested in, including:
- contractual agreements with other owners of voting rights;
- rights deriving from contractual agreements;
- voting rights and potential voting rights of the Group.

The Group reconsiders whether it has control over a subsidiary or not if the facts and circumstances indicate that there have been changes in one or more of the significant elements defining control.

The consolidated financial statements have been prepared on the basis of the financial statements as at 31 March 2022 prepared by the subsidiaries included in the scope of consolidation and adjusted, if necessary, in order to align them to the accounting Group policies and classification criteria, in accordance with IFRS.

The structure of the Group as at March 31,2022 does not differ from that as at December 31, 2021. Compared to the previous 31 March 2021, the following changes are noted:
- the finalized purchase on 1st April 2021, by MARR S.p.A., of all the shares of Antonio Verrini S.r.l and Chef S.r.l. single-member;
- the completion on 27 September 2021 of the merger by incorporation into the company MARR S.p.A. of the wholly owned company SìFrutta S.r.l.

No new business combinations were finalized in the first quarter of 2022.

Corporate aggregations realised after the first quarter

On 1 April 2022, the closing was finalised for the purchase of all of the holdings in the newly incorporated company Frigor Carni S.r.l., into which all of the activities of Frigor Carni S.a.s were contributed. The company is based in Montepaone Lido (Catanzaro) and operates in the marketing and distribution of products to the foodservice, with a significant specialisation in seafood products, aimed mainly at independent foodservice clients.

The transaction provides for a value of 4.8 million Euros (including tangible fixed assets) with partial deferred payment, as well as an earn-out subject to the achievement of specific objectives in 2023 and 2024. Furthermore, the management of Frigor Carni has been confirmed in the persons of Messrs Viscomi, who will be entrusted with the operational and commercial management of the newly established company.

The operation envisages a valuation of 4.8 million Euros (including tangible fixed assets) with a partly delayed payment, plus an earn out subject to the achievement of specific targets in 2023 and 2024. The management team of Frigor Carni has been confirmed in the persons of Mrs Viscomi who will be responsible for the operating and sales management of the new company.

Accounting policies

The valuation criteria used for the purposes of preparing the consolidated accounting statements for the quarter ended as at March 31, 2022 do not differ from those used for the preparation of the consolidated financial statements ended as at December 31, 2021, with the exception of the new accounting standards, amendments and interpretations applicable as of January Ist, 2022, detailed below, which however, it should be noted that they don't have had a significant impact on the present balance sheet, income statement and financial position of the Group.

- On 14 May 2020, the IASB issued the documents "Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020". - As regards the Reference to the Conceptual Framework Amendments to IFRS 3, in May 2020 the IASB issued amendments to IFRS 3, which update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. Early application of the change is permitted.
  The amendments to IAS 37 concerned the issue of costs to fulfill the contract in the context of onerous contracts. In particular, in May 2020, the IASB issued amendments to IAS 37 par. 68A, which specify the costs that a company must include in assessing whether a contract will be at a loss and is therefore recognized as an onerous contract.
  These changes should result in multiple contracts being recognized as onerous contracts because they increase the costs that are included in the valuation of the onerous contract. The amendments to IAS 16 concerned the issue of Proceeds before Intended Use. In particular, in May 2020, the IASB issued amendments to IAS 16, which prohibit a company from deducting from the cost of property, plant and equipment the amounts received from the sale of items produced while the company is preparing the asset for intended use. Conversely, a company will recognize such sales proceeds and any related costs in the income statement.
  With regard to the Annual Improvements of IFRS Standards 2018-2020, in May 2020, the IASB issued some amendments to IFRS 1 First-time adoption of International Financial Reporting Standards, IFRS 9 Financial instruments, IAS 41 Agriculture in addition to the illustrative examples accompanying the IFRS 16 Leasing.
  All amendments are effective from financial years starting on or after Ist January 2022.

The principles and interpretations which, at the date of preparation of this interim report, had already been issued but not yet in force are illustrated below.
These principles will be applicable from subsequent years and, from an initial examination, the Group believes that they will not have a significant impact on its consolidated equity, financial and economic situation.

- On January 23, 2020 and on July 15, 2020 the IASB issued the documents "Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current" and the document "Classification of Liabilities as Current or Non- current - Deferral of Effective Date "to define the requirements for the classification of liabilities as current or non-current. More specifically:
  - management's expectations regarding events after the balance sheet date, such as in the event of a violation of a covenant, are not material;
  - the amendments indicate that the conditions existing at the end of the reference period are those that must be used to determine whether there is a right to defer the settlement of a liability;
  - the amendments define more clearly the situations that are considered to be liquidation of a liability.

  Due to the spread of the Covid-19 pandemic, the IASB has proposed to postpone the effective date of the document to January 1st, 2023.

  On May 18, 2017, the IASB issued IFRS 17 "Insurance Contracts", subsequently amended with the document "Amendments to IFRS 17" issued on June 25, 2020. The standard governs the accounting treatment of insurance contracts issued and contracts of reinsurance held. The provisions of IFRS 17 are effective starting from financial years starting on or after January 1st, 2023.

- On February 12, 2021, the IASB issued the document "Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies". The aim of the amendments is to develop guidelines in order to facilitate entities to apply a materiality judgment in the disclosure on accounting principles. The amendments to IFRS Practice Statement 2 provide indications on how to apply the concept of materiality to disclosure on accounting principles. The amendments are effective for financial years starting on or after January 1st, 2023.
- On February 12, 2021, the IASB issued the document "Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". The amendments clarify how the company must distinguish changes in accounting policies from changes in accounting estimates, which is relevant because changes in accounting estimates are applied prospectively to future transactions and other future events, while changes in accounting policies are generally also applied in retrospectively to past transactions and other past events.
  The amendments are effective from financial years starting on or after January 1st, 2023.
- On May 7, 2021, the IASB issued the document "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document addresses the uncertainty in practice regarding the application of the exemption provided for by paragraphs 15 and 24 of IAS 12 to transactions that give rise to both an asset and a liability on initial recognition and may lead to temporary tax differences. of the same amount. On the basis of the proposed amendments, the exemption from initial recognition envisaged by IAS 12 would not apply to transactions which, at the time of the transaction, give rise to equal and offset amounts of taxable and deductible temporary differences. The amendments are effective for financial years starting on or after January 1st, 2023.

Main estimates adopted by management and discretional assessments

As part of the preparation of these condensed consolidated financial statements, the Directors of the Company have made discretionary assessments, estimates and assumptions that affect the values of revenues, costs, assets and liabilities, and the indication of potential liabilities at the balance sheet date. However, the uncertainty about these assumptions and estimates could lead to outcomes that will require, in the future, a significant adjustment on the book value of these assets and/or liabilities.

Estimates and hypotheses used

The key assumptions regarding the future and other important sources of uncertainty in the estimates at the closing date of the financial statements that could produce significant adjustments in the book values of assets and liabilities in the coming years are presented below. The results that will be realized could differ from these estimates. The estimates and assumptions are periodically reviewed and the effects of each change are immediately reflected in the income statement.

- Impairment test of goodwill: non-financial assets with an indefinite useful life are not amortized, but subjected to impairment tests annually or whenever there are indications of impairment. In this regard, it should be noted that the trends in the first quarter are in line with the forecasts that had been taken and as a reference on 31 December 2021 for the performance of the impairment test and there are no indicators of impairment.
- Expected credit losses (credit write-downs): the attention that the Company pays to the management of trade receivables remains high, implementing methods calibrated to the situations and needs of each territory and market segment; the goal remains to safeguard the company assets by maintaining proximity to the customer that allows for timely credit management and strengthening the relationship with the customer.
- Economic and financial plans: the Company has reviewed the economic and financial and performance forecasts formalized in the 2022 Budget. In the same way, it has made forecasts reflected in the financial flows underlying the impairment test for the next three years. These forecasts may be further influenced in the coming months by the developments related to the evolution of the pandemic waves and the containment measures that will be adopted as well as the trend of the next tourist flows and the future recovery of market consumption.
- Other elements of the financial statements that have been the subject of estimates and assumptions by the Management are the inventory write-down provision and the determination of depreciation.
  These estimates, although supported by well-defined company procedures, nevertheless require assumptions to be made concerning mainly the future realizable value of the 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 the Management.

Financial Risks Management

The financial risks to which the Group is exposed in carrying out its business activities:

- market risk (including the exchange rate risk, interest rate risk and price risk);
- credit risk;
- cash flow 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 rate risk: exchange rate risk arises when recognized assets and liabilities are expressed in a currency other than the functional one of the company (the Euross). The Group operates internationally and is therefore exposed to exchange rate risk, especially as regards commercial transactions denominated in US dollars. The Group's way of managing this risk consists on the one hand in carrying out forward contracts for the purchase / sale of 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: the risks relating to changes in interest rates refer to loans. 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. Against this risk, the Parent Company has historically stipulated specifically correlated Interest Rate Swap contracts for 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.
As for the use of other short-term credit lines, the attention of management is aimed at safeguarding and consolidating relations with credit institutions in order to stabilize the spread applied to the Euribor as much as possible.

(iii) Price risks: the Group makes purchases and sales worldwide and is therefore exposed to the normal risk of price oscillations typical of the sector.

Credit risk

The Group only deals with known and reliable customers. It is the Group's policy that customers requesting deferred payment conditions are subject to procedures for verifying their class of merit. In addition, the balance of receivables is monitored during the year so that the amount of non-performing positions is not significant.

The credit quality of unexpired financial assets that have not suffered impairment can be assessed by referring to the internal credit management procedure. The customer monitoring activity is mainly divided into a preliminary phase, in which data and information on new customers are collected and a phase subsequent to activation, in which a credit is recognized and the evolution of the credit position. The preliminary phase consists in finding the administrative / fiscal data essential to allow a complete and correct assessment of the risks that the new customer entails. Customer activation is subject to the completeness of the aforementioned data and approval, after any further investigation, by the Credit Department.
A credit line is recognized for each new customer: the concession is bound to further supplementary information (years of activity, payment conditions, customer name) which are essential for assessing the solvency level. Once the overall framework has been prepared, the documentation on the potential customer is submitted for approval by the various corporate bodies.

Starting from the beginning of 2020, the health emergency impacted our country and in 2021 it continued with the consequent adoption in some periods of the year of new restrictive measures that led to the blocking or in any case the reduction of our customers' activities with a consequent contraction in volumes and a restriction of the liquidity of the catering market, albeit to a much lower extent than in the previous year.
It is clear that in this context a targeted and adequate credit management becomes a fundamental priority that must be addressed to the reduction of credit risk in order to then be able to create the conditions to be able to serve and develop our Customer by addressing the our commercial activities. In this context, the skills, knowledge of the market and the territory by our Sales Technicians and Sales Management represent a fundamental value in the management and evaluation of Credit.
To this end, all MARR operating units have been given specific Guidelines for Credit Management with the aim in particular of:

- reviewing the payment conditions in place;
- favoring commercial development on customers currently served and whose credit reliability and commercial potential
- is already known;
- paying close attention to the activation of new customers by granting "short" payment conditions;
- managing requests for extension of previous exposure with monthly repayment plans (rescheduling the expired on the reference date on the basis of the extension) and reducing the payment conditions for current supplies;

- favoring and encouraging electronic payment methods.

As a corollary to all this, an "internal rating" assignment activity was started on the basis of specific criteria that take into account the reliability of the credit and the customer's commercial potential.

The Credit Procedure and Credit Management Guidelines make it possible to define those rules and operational mechanisms that guarantee to generate a flow of payments such as to guarantee the Group's solvency and the profitability of the relationship.

Liquidity risk

The Group manages liquidity risk with a view to maintaining a level of liquidity adequate for operational management. The Group manages the liquidity risk, mainly through the constant monitoring of the centralized treasury of the collection and payment flows of all the companies. In particular, this makes it possible to monitor the flows of resources generated and absorbed by normal operating activities.
Given the dynamic nature of the sector, in order to cope with the ordinary management and seasonality of the business, the finding of liquidity is favored through the use of adequate credit lines.

For the management of resources absorbed by investment activities, preference is generally given to funding through specific long-term loans.

Comments on the main items of the consolidated income statement

1. Revenues

(€thousand)	1st quarter 2022	1st quarter 2021
Net revenues from sales - Goods	318.435	184.229
Revenues from Services	27	25
Manufacturing on behalf of third parties	1	1
Rent income (typical management)	3	3
Other services	76	69
Total revenues	318.542	184.327

The first quarter of 2022 closes with revenues of 318.5 million Euros, with a significant increase compared to the 184.3 million Euros of the same period of 2021, recording a growth of 72.7%.
The first quarter of 2022, which began with January still being penalised by the trends in the number of infections, saw a constant and progressive recovery during February and March in out-of-home consumption, also as a result of the improvement in the health conditions.
In the comparison with the same period of the previous year, it is necessary to consider, in addition to a different market situation which saw a easening of the restrictive measures on out-of-home food consumption, the contribution for a total of 12.5 million Euros of the company Antonio Verrini S.r.l and Chef S.r.l. unipersonale companies which were only consolidated starting from the second quarter of 2021.

For a more detailed analysis, please refer to what has already been set out in the Directors' Report on management performance.

The breakdown of revenues from the sale of goods and services by geographical area is as follows:

(€thousand)	1st quarter 2022	1st quarter 2021
Italy	298.507	165.947
European Union	12.209	13.501
Extra-EU countries	7.826	4.879
Total	318.542	184.327

2. Other revenues

Other revenues and income are made up as follows:

(€thousand)	1st quarter 2022	1st quarter 2021
Contributions from suppliers and others	6.659	3.745
Other Sundry earnings and proceeds	154	140
Reimbursement for damages suffered	288	338
Reimbursement of expenses incurred	81	68
Recovery of legal taxes	21	7
Capital gains on disposal of assets	13	1
Total other revenues	7.216	4.299

The item "contributions from suppliers and others" mainly includes contributions obtained in various capacities from suppliers for the commercial promotion of their products to our customers. The increase in the item compared to the same period of the previous year is directly related to the increase in purchases resulting from the growth in sales revenues.

For an analysis of the trend, please refer to what has already been set out in the Directors' Report on the management trend. Finally, it should be noted that part of the contribution from suppliers, relating to the contracts for the recognition of year-end bonuses, is exposed to a reduction in the cost of purchasing goods.

3. Purchase of goods for resale and consumables

The item consists of:

(€thousand)	1st quarter 2022	1st quarter 2021
Purchase of goods	299.277	162.164
Purchase of packages and packing material	1.201	511
Purchase of stationery and printed paper	181	94
Purchase of promotional and sales materials and catalogues	71	15
Purchase of various materials	146	49
Discounts and rebates from suppliers	(1.760)	(1.000)
Fuel for industrial motor vehicles and cars	177	47
Total purchase of goods for resale and consumables	299.293	161.880

With regard to the trend in the cost of purchasing goods intended for marketing, please refer to the Directors' Report and the related comment on the first margin.
As highlighted in the previous paragraph, the item "Purchases of goods" benefits, for 1,760 thousand Euros (1.000 thousand Euros in the first quarter of 2021), from the part of contributions from suppliers identifiable as the year-end bonus.

4. Personnel costs

The item "Personnel costs" amounted to 10.243 thousand Euros as at March 31, 2022 (6.404 thousand Euros as at March 31, 2021) and includes all costs for employees, including holiday accruals and additional months, as well as related charges social security, in addition to the provision for severance pay and other contractually provided costs.

The increase of 3.839 thousand Euros is the result of the combined effect of two factors: the lower use of social safety nets and the increase in the average staff of the Group. With regard to social safety nets, it should be noted that in the first quarter of 2021 the hours of social safety nets used amounted to 99,796 while in the first quarter of 2022 there was no recourse. As regards the average number of employees, these went from 761.3 in the first quarter of 2021 to 944.3 in the first quarter of 2022. The increase in the average number of employees was primarily affected by the entry into the Group of the companies Antonio Verrini S.r.l and Chef S.r.l. unipersonale, which have 97 and 24 employees respectively as of March 31, 2022 and secondarily by the new hires made. Since the acquisition of the shares of the two companies was finalized only in April 2021, in the comparison in absolute terms of the cost of labor with the same period of the previous year, it is necessary to consider that the first quarter of 2022 is affected by a higher cost for a total of 1.5 million of Euros not present in the first quarter of 2021.

5. Amortizations, depreciation and provisions

The item consists of:

(€thousand)	1st quarter 2022	1st quarter 2021
Depreciation of tangible assets	1.798	1.650
Depreciation of right of use	2.893	2.250
Amortization of intangible assets	136	103
Adjustment to provision for supplementary clientele severance indemnity	207	181
Allocation of provision for risks and losses	0	246
Total amortization, depreciation and provisions	5.034	4.430

The item "Amortization of the right of use" records an increase of 643 thousand of Euros, of which 283 thousand of Euros attributable to the amortization of the right of use of the lease contracts held by the company Antonio Verrini S.r.l. and Chef S.r.l. unipersonale not present in the previous period and the remaining 360 thousand Euros are connected to the new lease agreements signed by the Parent Company Marr compared to the previous year.
The increase of 149 thousand Euros in the item "Amortization of imm. materials "is connected to the new investments made in the Group's branches. In particular, it should be remembered that the new Logistic Platform Piacenza became operational at the beginning of January and the new fish department of the Elice branch became operational again from the beginning of January.

6. Losses due to impairment of financial assets

The item consists of:

(€thousand)	1st quarter 2022	1st quarter 2021
Allocation of taxable provisions for bad debts	2.446	2.308
Allocation of non-taxable provisions for bad debts	68	421
Depreciation of investments in other companies	0	125
Total Losses due to impairment of financial assets	2.514	2.854

As of March 31, 2022, the item fully includes the provision to the bad debt provision for adjustment to the presumed realizable value.

7. Other operating costs

Details of the main items of "Other operating costs" are shown below:

(€thousand)	1st quarter 2022	1st quarter 2021
Operating costs for services	46.188	29.381
Operating costs for leases and rentals	113	49
Operating costs for other operating charges	420	348
Total other operating costs	46.721	29.778

The item "Operating costs for services" mainly includes the following items: costs for the sale, handling and distribution of our products for 37,677 thousand Euros (23,151 thousand Euros in the first quarter of 2021), costs for utilities for 4,491 thousand Euros (2,039 thousands Euros in the first quarter of 2021), costs for third parties works for 655 thousand Euros (566 thousand Euros in the first quarter of 2021) and maintenance costs for 1,342 thousand Euros (1,032 thousand Euros in the first quarter of 2021). In particular, it should be noted that the increase in utility costs is closely related to the rise in energy costs (accentuated by recent international tensions) which makes its effects felt on the conservation and distribution of products.

The costs for the use of third party assets amounted to a total of 113 thousand Euros (49 thousand Euros in the same period of 2021) and refer to lease contracts with a duration of less than one year that do not fall within the scope of the new accounting standard.

Operating costs for other management charges mainly include the following items: "other indirect taxes, taxes and similar charges" for181 thousand Euros, "credit recovery costs" for 69 thousand Euros and "municipal taxes and duties" for 82 thousands Euros.

8. Financial income and charges

The details of the main items of "Financial income and charges" are shown below:

(€thousand)	Ist quarter 2022	Ist quarter 2021
Financial charges	1.515	1.523
Financial income	(131)	(171)
Foreign exchange (gains)/losses	173	(262)
Total financial (income) and charges	1.557	1.090

The net effect of the exchange balances mainly reflects the trend of the Euross against the US Dollar, the reference currency in non-EU imports.

9. Income/(loss) from holdings valued using the net equity method

The item amounts to a total of -28 thousand Euros and represents the valuation at equity of the investment in the associated company Jolanda de Colò S.p.A.

10. Taxes

(€thousand)	Ist quarter 2022	Ist quarter 2021
Ires/Ires charge transferred to Parent Company	150	150
Irap	27	24
Net provision for deferred taxes	(1.354)	(2.121)
Total taxes	(1.177)	(1.947)

Deferred taxes also include the estimate of deferred tax assets on the fiscal loss for the quarter for approximately 640 thousand of Euros.

11. Earnings / (losses) per share

The calculation of the basic and diluted earnings per share is presented as follows:

(Euros)	Ist quarter 2022	Ist quarter 2021
Basic Earnings Per Share	(0,04)	(0,10)
Diluted Earnings Per Share	(0,04)	(0,10)

It should be noted that the calculation is based on the following data:

Result of the period:

(€thousand)	Ist quarter 2022	Ist quarter 2021
Net result of the period	(2.901)	(6.350)
Minority interests	0	0
Result used to determine basic and diluted earnings per share	(2.901)	(6.350)

Number of shares:

(number of shares)	1st quarter 2022	1st quarter 2021
Weighted average number of ordinary shares used to determine basic earning per share	66.525.120	66.525.120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	66.525.120	66.525.120

12. Other profits/losses

The value of the other profits/losses contained in the consolidated comprehensive income statement is made up of the effects generated and reversed in the period with reference to the effective part of the forward currency purchase transactions to hedge the underlying goods purchase transactions. The indicated value of 8 thousand Euros is shown net of the tax effect.

These profits/losses have been accounted for, consistently with the provisions of IFRS, in shareholders' equity and highlighted (as required by IAS 1 revised, applicable from 1 January 2009) in the statement of comprehensive consolidated income.

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Rimini, 13 May 2022

The Chairman of the Board of Directors

Ugo Ravanelli

Appendices

These appendices contain additional information compared to that reported in the Notes, of which they constitute a complete part.

- Appendix 1 – Reconciliation of liabilities deriving from financing activities as at March 31, 2022 and March 31, 2021.

Appendix 1

RECONCILIATION OF LIABILITIES DERIVING FROM FINANCING ACTIVITIES AS AT MARCH 31, 2022 AND AS AT MARCH 31, 2021

			Non-financial changes				
	31/03/2021	Cash flows	Other changes/ reclassifications	Purchases	Exchange rates variations	Fair value variation	31/12/2021
Current payables to bank	15.834	(30.153)	0	0	0	0	45.987
Current portion of non current debt	84.756	(10.580)	43.109	0	0	0	52.227
Current financial payables for bond private placement in Euros	264	(696)	284	0	0	0	676
Current financial payables for IFRS 16 lease contracts	10.385	(2.710)	3.021	0	0	0	10.074
Current financial payables for purchase of quotas or shares	2.000	(1.000)	0	0	0	0	3.000
Current financial payables for dividends approved and not distributed	421	(777)	0	0	0	0	1.198
Total current financial payables	113.660	(45.916)	46.414	0	0	0	113.162
Current payables/(receivables) for hedging financial instruments	11	0	0	0	0	11	0
Total current financial instruments	11	0	0	0	0	11	0
Non-current payables to bank	76.400	0	(43.089)	0	0	0	119.489
Non-current financial payables for bond private placement in Euros	99.846	0	0	0	0	4	99.842
Non-current financial payables for IFRS 16 lease contracts	62.001	0	(2.717)	0	0	0	64.718
Total non-current financial payables	238.247	0	(45.806)	0	0	4	284.049
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	351.918	(45.916)	608	0	0	15	397.211

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	(44.916)
Cash flows for payment of the residual debt installment for the purchase of Verrini S.r.l.	(1.000)
Other changes/ reclassifications, included the acquisition	608
Exchange rates variations	0
Fair value variation	15
Total detailed variations in the table	(45.293)
Net change in financial payables (excluding the new non-current loans received)	(31.541)
Distribution of dividends	(777)
Net change in financial payables (IFRS16)	(2.406)
New non-current loans received	0
Net change in derivative/financial instruments	11
Non-current loans repayment	(10.580)
Total changes shown between financing activities in the Cash Flows Statement	(45.293)

	31/03/2021	Cash flows	Non-financial changes Other changes/ reclassifications	Acquisition	Exchange rates variations	Fair value variation	31/12/2020
Current payables to bank	48.989	(17.695)	0	0	0	0	66.684
Current portion of non current debt	109.659	1.327	8.207	0	0	0	100.125
Current financial payables for bond private placement in US dollars	250	(643)	296	0	0	0	597
Current financial payables for IFRS 16 lease contracts	8.824	(2.564)	2.860	0	0	0	8.528
Current financial payables for leasing contracts	0	(56)	0	0	0	0	56
Current financial payables for purchase of quotas or shares	0	0	0	0	0	0	0
Total current financial payables	167.722	(19.631)	11.363	0	0	0	175.990
Current payables/(receivables) for hedging financial instruments	0	(6)	0	0	0	0	6
Total current financial instruments	0	(6)	0	0	0	0	6
Non-current payables to bank	262.598	66.667	(8.323)	0	0	0	204.254
Non-current financial payables for bond private placement in US dollars	28.076	0	12	0	1.252	0	26.812
Non-current financial payables fot IFRS 16 lease contracts	48.755	0	3.821	0	0	0	44.934
Non-current financial payables for leasing contracts	0	0	0	0	0	0	0
Non-current financial payables for purchase of quotas or shares	0	0	0	0	0	0	0
Total non-current financial payables	339.429	66.667	(4.490)	0	1.252	0	276.000
Non-current payables/(receivables) for hedging financial instruments	50	(49)	0	0	0	50	49
Total non-current financial instruments	50	(49)	0	0	0	50	49
Total liabilities arising from financial activities	**507.201**	**46.981**	**6.873**	**0**	**1.252**	**50**	**452.045**

Reconciliation of variations with Cash Flows Statement (Indirect Method)	
Cash flows (net of outgoing for acquisition of subsidiaries)	46.981
Other changes/ reclassifications, included the acquisition	6.873
Exchange rates variations	1.252
Fair value variation	50
Total detailed variations in the table	**55.156**
Other changes in financial liabilities	(16.950)
Net change in financial payables (IFRS16)	4.117
New non-current loans received	80.000
Net change in derivative/financial instruments	(5)
Non current loans repayment	(12.006)
Total changes shown between financing activities in the Cash Flows Statement	**55.156**

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, 13 May 2022

Pierpaolo Rossi
Manager responsible for the drafting
of corporate accounting documents