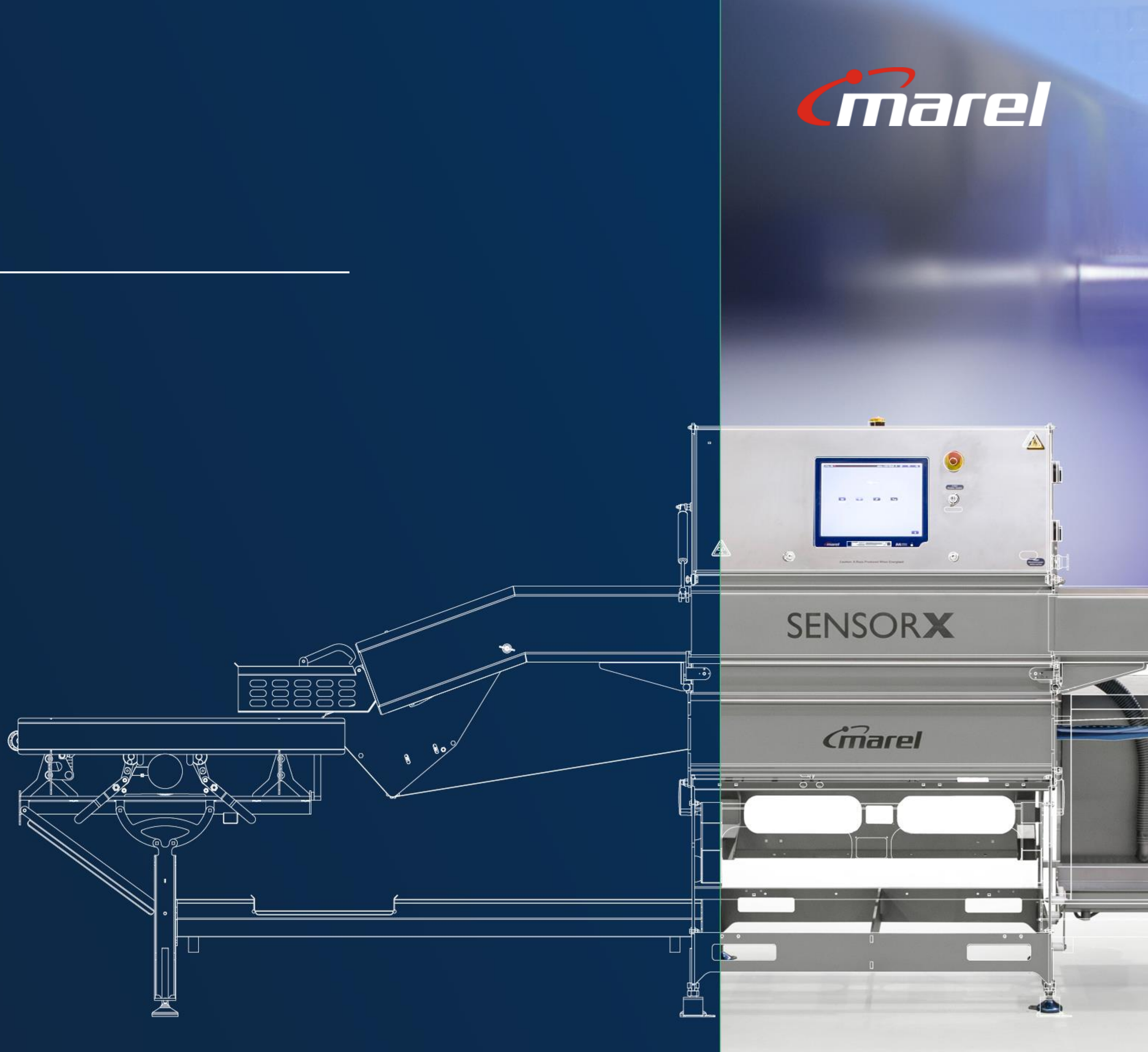
7 February 2024

Q4 2023

Press release



Executive summary

Outlook in 2024 for low single digit organic revenue growth and improved operational performance to 10-11% EBIT. Weaker operational performance expected in 1Q24 due to soft order book

Medium-term financial targets of revenue growth outperforming market growth, 14%+ EBIT, 18%+ EBITDA

Strong cash conversion in the quarter driven by favorable movements in working capital, leverage below 3.5x at year-end, good covenant headroom and liquidity going into 2024

Solid orders received of EUR 466.4m in 4Q23, showing underlying improvement

Aftermarket revenues reach annual run rate of EUR 800m at EUR 200.5m in the quarter

EBIT of 9.6% in 4Q, improving QoQ with robust performance from Plant, Pet & Feed segment, solid margins for Poultry while continued weakness in margins for Meat and Fish

Solid orders received of EUR 466m and strong cash flow with EBIT at 9.6% in the quarter

As per financial statements	4Q23	4Q22	Δ YoY	FY23	FY22	Δ YoY
Revenues	448.0	489.2	-8.4%	1,721.4	1,708.7	0.7%
Gross profit	159.3	175.8	-9.4%	612.2	604.9	1.2%
% of revenues	*35.6%*	*35.9%*		*35.6%*	*35.4%*	
SG&A expenses	91.2	89.9	1.4%	356.9	344.0	3.7%
% of revenues	*20.4%*	*18.4%*		*20.7%*	*20.1%*	
R&D expenses	25.3	25.0	1.2%	102.2	97.5	4.8%
% of revenues	*5.6%*	*5.1%*		*5.9%*	*5.7%*	
EBITDA[1]	58.9	77.9	-24.4%	217.4	221.4	-1.8%
% of revenues	*13.1%*	*15.9%*		*12.6%*	*13.0%*	
EBIT[1]	42.8	60.9	-29.7%	153.1	163.4	-6.3%
% of revenues	*9.6%*	*12.4%*		*8.9%*	*9.6%*	
Non-IFRS adjustments	(17.0)	(22.8)	-25.4%	(59.5)	(66.4)	-10.4%
Result from operations (EBIT)	25.8	38.1	-32.3%	93.6	97.0	-3.5%
% of revenues	*5.8%*	*7.8%*		*5.4%*	*5.7%*	
Net result	8.7	18.5	-53.0%	31.0	58.7	-47.2%
% of revenues	*1.9%*	*3.8%*		*1.8%*	*3.4%*	
Orders Received	466.4	413.4	12.8%	1,626.3	1,734.0	-6.2%
Order Book				580.1	675.2	-14.1%

Cash flows	4Q23	4Q22	FY23	FY22
Cash from operating activities, bf. int. & tax	102.0	44.3	225.8	96.4
Net cash from (to) operations	84.7	25.7	138.1	51.4
Investing activities	(16.9)	(27.3)	(95.9)	(567.2)
Financing activities	(59.4)	1.1	(45.1)	505.9
Net cash flow	8.4	(0.5)	(2.9)	(9.9)

Key figures	FY23	FY22
Current ratio	1.3	1.1
Quick ratio	0.7	0.6
Operational working capital[2]	210.3	234.3
Net Debt (including lease liabilities)	790.9	816.7
Return on equity[3]	3.0%	5.7%
Leverage[4]	3.45	3.42
Number of outstanding shares (millions)	754.0	752.7
Market capitalization in EUR billion	2.4	2.5
Basic earnings per share in EUR cents	4.11	7.78

Notes: [1] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization. [2] Trade receivables, inventories, net contract assets & contract liabilities, trade payables. [3] Annualized net result / average of total equity. [4] Net debt (excluding lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions) excluding non-cash and one-off costs per Marel's credit agreements.

Arni Sigurdsson
Chief Executive Officer

"I am pleased to report our results for the first time as CEO of Marel. While 2023 has been a year with challenges, team Marel has shown dedication and focus in driving improved results which are starting to come through, particularly in our cash performance and orders received. We still need to do better on profitability and this is a key focus as we look ahead.

In late 2023 we announced that we had received takeover proposals from JBT, and this January we have entered into further discussions and reciprocal due diligence. It is too early to update on this process today, but we are focused on delivering for our customers, employees and shareholders as this continues. What is clear however, is nothing will change for some time and it remains business as usual at Marel.

As we look ahead, the year will see growth, albeit with a soft first quarter. We are confident we will build on this and the first step I undertook as CEO was to stress-test our targets, ascertain what we can deliver and to develop a roadmap to do this. Reflecting this process, we have today set out deliverable medium-term targets which will see a step up in financial and operational performance with us returning to outperforming our markets and delivering on our significant underlying potential. I would like to thank all our team for their hard work to support our customers transform the way food is processed."

Notes: [1] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization. [2] Net debt (excluding lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions) excluding non-cash and one-off costs per Marel's credit agreements.

marel

Q4 2023 Financial highlights

Orders received: EUR 466.4m (3Q23: 390.8m, 4Q22: 413.4m).

Revenues: EUR 448.0m (3Q23: 403.6m, 4Q22: 489.2m).

EBITDA[1] margin: 13.1% (3Q23: 12.9%, 4Q22: 15.9%).

EBIT[1] margin: 9.6% (3Q23: 9.0%, 4Q22: 12.4%).

Net result: EUR 8.7m (3Q23: 10.1m, 4Q22: 18.5m).

Cash flow from operating activities before interest and tax: EUR 102.0m (3Q23: 62.4m, 4Q22: 44.3m).

Free cash flow: EUR 83.4m (3Q23: 32.4m, 4Q22: 10.0m).

FY 2023 Financial highlights

Orders received: EUR 1,626.3m (2022: 1,734.0m).

Order book: EUR 580.1m (2022: 675.2m).

Revenues: EUR 1,721.4m (2022: 1,708.7m).

EBITDA[1] margin: 12.6% (2022: 13.0%).

EBIT[1] margin: 8.9% (2022: 9.6%).

Net result: EUR 31.0m (2022: 58.7m).

Basic earnings per share (EPS): EUR 4.11 cents (2022: 7.78)

Cash flow from operating activities before interest and tax: EUR 225.8m (2022: 96.4m).

Free cash flow: EUR 109.4m (2022: -18.1m).

Leverage[2]: 3.45x (2022: 3.42x).

Financial performance

Solid quarter of orders received at EUR 466.4m, pipeline remains robust

- Orders received EUR 466.4m in 4Q23, up 19.3% QoQ and 12.8% YoY (3Q23: 390.8m, 4Q22: 413.4m). Orders received EUR 1,626.3m in 2023 down 6.2% from EUR 1,734.0m in 2022.
- Underlying orders received improving in the quarter though benefitted from the large greenfield in Australia. Pipeline remains robust despite strong conversion to orders in 4Q23, where demand is driven by Poultry and Pet food. Outlook for salmon is turning more positive while soft and uncertain outlook for Meat.
- General external environment is improving though short-term uncertainty remains. Timing to secure down payments and provide financial security on orders continues to take longer.

Soft order book of EUR 580.1m or 34% of revenues, book-to-bill ratio improves to 1.04

- Order book, consisting of orders that have been signed and financially secured with down payments and/or letters of credit, was EUR 580.1m, up 3.3% sequentially QoQ and down 14.1% YoY (3Q23: 561.7m, 4Q22: 675.2m).
- Vast majority of the order book is comprised of greenfields and projects, while spare parts and standard equipment run faster through the system.
- Book-to-bill 1.04 (3Q23: 0.97, 4Q22: 0.85) with build up of order book for the first time since 2Q22. Book to bill in 2023 was 0.94 compared to 1.01 in 2022.
- Order book at year end 2023 represents 33.7% of 12-month trailing revenues (2022: 39.5%).

Recurring aftermarket revenues above EUR 200m in 4Q23

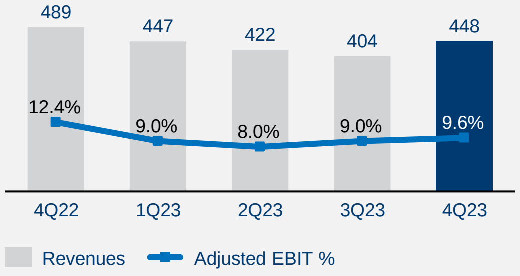
- Revenues in 4Q23 were EUR 448.0m up 11.0% sequentially QoQ and down 8.4% YoY (3Q23: EUR 403.6m, 4Q22: 489.2). Revenues in 2023 were 1,721.4m (2022: 1,708.7m) up 0.7% YoY. Organic revenue growth was -4.2% while acquired growth was 4.9% in 2023.
- Project revenues at EUR 247.5m in 4Q23, up 19.3% QoQ and down 17.1% YoY (3Q23: 207.4m, 4Q22: 298.7m) and 935.5m for the full year (2022: 1,019.5m), down 8.2% YoY. Project revenues declined due to the lower level of projects orders received in 2023 and soft order book.
- Continued good momentum in aftermarket revenues at EUR 200.5m in 4Q23 up 2.2% QoQ and 5.2% YoY (3Q23: 196.2m, 4Q22: 190.5m) and 785.9m for the full year (2022: 689.2m), up 14.0% YoY. Aftermarket growth reflects Marel's strong market position and reputation as a trusted maintenance partner and underpins Marel's commitment to investments in automating and digitizing the spare parts delivery model to improve operational efficiency and shortening lead times.

Gradual operating improvements continued in 4Q23

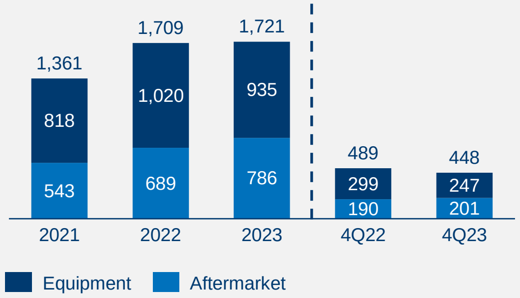
- Gross profit margin at 35.6% in the quarter (3Q23: 35.6%, 4Q22: 35.9%) and 35.6% in 2023 (2022: 35.4%) Gross profit was EUR 159.3m in the quarter (3Q23: 143.5m, 4Q22: 175.8m) and EUR 612.2m in 2023 (2022: 604.9m).
- Gross profit margin in 4Q23 was impacted positively by higher volumes compared to 3Q23, especially in Wenger, although colored by lower releases of holiday accruals, one-offs on projects, and mix. In 2023, gross profit margin improved slightly, positively impacted by aftermarket growth, Wenger and cost management, although colored by a decline in project volumes and related inefficiencies.
- Operating expenses (OPEX) as a percentage of revenues was 26.0% in 4Q23 (3Q23: 26.6%, 4Q22: 23.5%) and 26.6% in 2023 (2022: 25.8%). OPEX was EUR 116.5m in the quarter (3Q23: 107.2m, 4Q22: 114.9m) and EUR 459.1m in 2023 (2022: 441.5m).
- OPEX on an absolute basis increased in 4Q23 due to lower releases of holiday accruals, higher marketing activity and higher costs in Wenger. From year-end 2022 to 2023 the Marel team went from around 8,000 employees to 7,500 employees, with an average FTEs of 7,789. OPEX year-over-year declined due to the actions taken on personnel, though offset by high wage inflation, lower charges to COGS due to decline in project revenues, and Wenger being included for the full year 2023 (versus half year 2022), the total resulting in an absolute and % increase.
- EBIT[1] in 4Q23 was EUR 42.8m in absolute terms (3Q23: 36.3m, 4Q22: 60.9m), translating to a sequentially higher EBIT[1] margin of 9.6% (3Q23: 9.0%, 4Q22: 12.4%). EBIT[1] in 2023 was EUR 153.1m (2022: 163.4m) or 8.9% of revenues (2022: 9.6%).
- Following elevated investments, non-cash items decided in previous quarters (e.g. PPA or amortization) can create noise in the comparison quarter-over-quarter and year-over-year, and as a result the EBITDA[1] metric is highlighted for increased transparency.
- EBITDA[1] in 4Q23 was EUR 58.9m in absolute terms (3Q23: 52.1m, 4Q22: 77.9m), translating to a EBITDA[1] margin of 13.1% (3Q23: 12.9%, 4Q22: 15.9%). EBITDA[1] in 2023 was EUR 217.4m (2022: 221.4m), or 12.6% of revenues (2022: 13.0%).
- There is a lower drop in EBITDA[1] than EBIT[1] margin going from 13.0% in 2022 to 12.6% in 2023 due to higher depreciation, amortization and impairment, both as a result of bringing products free for sale and less capitalization going forward with higher amortization, infrastructure investments coming online, the full year of Wenger included in the results, and as well the impact of portfolio rationalization in fourth quarter.

Order book and orders received
EUR m

Revenues and adjusted EBIT[1]
EUR m, %



Revenues by business mix
EUR m



Notes: [1] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization.

Financial performance

Strong cash flow in the quarter and improved working capital

- Operating cash flow was EUR 102.0m in the quarter (3Q23: 62.4m, 4Q22: 44.3m). In 2023 operating cash flow was EUR 225.8m (2022: 96.4m).
- Operating cash flow improvements in 4Q23 and 2023 a result of focused efforts on working capital management including rebalancing of inventory which decreased by EUR 25.0m in 4Q23 and 51.1m YoY.
- CAPEX[1] in 4Q23 was EUR 10.9m (3Q23: 11.4m, 4Q22: 19.2m), or 2.4% of revenues in the quarter (3Q23: 2.8%, 4Q22: 3.9%). In 2023, CAPEX[1] was EUR 57.3m (2022: 60.4m) or 3.3% of revenues (2022: 3.5%).
- Free cash flow was EUR 83.4m in the quarter (3Q23: 32.4m, 4Q22: 10.0m). In 2023, free cash flow was EUR 109.4m (2022:-18.1m), driven by favorable movements in working capital and normalized CAPEX[1] in 2H23.
- Marel's cash flow model remains unchanged. Strong cash conversion in 2023 with operating cash flow to EBIT[2] of 147%, back at historical conversion levels.

Strong cash flow kept leverage[3] below 3.5x at year-end

- Leverage[3] was at 3.45x in the quarter (3Q23: 3.48x, 4Q22: 3.42x). Strong cash flow in the quarter allowed for repayment on debt facilities, lowering net interest-bearing debt by EUR 81.0m QoQ and EUR 25.8m YoY.
- Management has full focus on cash and EBITDA generation to reach targeted capital structure of 2-3x net debt/EBITDA.

Solid covenant headroom and liquidity going into 2024

- Marel and it's banking group reached an agreement to increase covenant headroom in 2024 for more operational flexibility.
- In 4Q23, Marel drew the EUR 150m term loan signed in July 2023, to repay 5-year Schuldschein promissory notes expiring in 4Q23 with the remaining used to pay down the revolving credit facility.
- Liquidity as of 31 December 2023 amounts to EUR 383.6m consisting of cash on hand (EUR 69.9m) and committed credit facilities maturing in more than one year (EUR 313.7m).

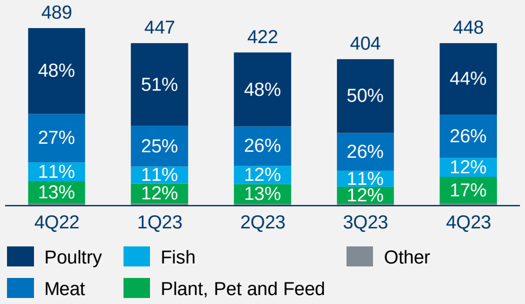
Financial targets reset and updated outlook for the medium term

- Following a review of the business plan, management is presenting the outlook for 2024 and the mid-term based on the challenging macro environment, the business cycle within the food industry, and uncertainty on timing of recovery. Long-term average market growth is unchanged and expected at 4-6% annually.
- Revenue decline and weaker operational performance is expected in 1Q24 based on the soft order book, representing 34% of trailing twelve-month revenues, and low level of projects orders received in previous quarters. Orders received and revenues expected to build up throughout the year, resulting in low single digit organic revenue growth for FY24 and improvement in operational performance to 10-11% EBIT[2] margin.
- In the mid-term, there are positive signs of improvement in both market outlook and customer sentiment. To deliver strong revenue growth and improved operational performance in the future, build up of the order book to a healthy level is needed. Mid-term outlook for revenues is expected to be above market growth (4-6% annually) with EBITDA[2] margin above 18% and EBIT[2] margin above 14%.
- Other considerations include the continued improvement of working capital, full focus on cash and EBITDA generation to reach targeted capital structure of 2-3x net debt/EBITDA, and CAPEX[1] to be at normalized levels of 2-3% after a period of elevated investments.
- Assumptions include long-term average market growth of 4-6% annually, no material escalation of geopolitics or disruption in supply chain and logistics, and effective tax rate of ~20%. Growth is not expected to be linear but based on opportunities and economic fluctuations, operational results may vary from quarter to quarter.

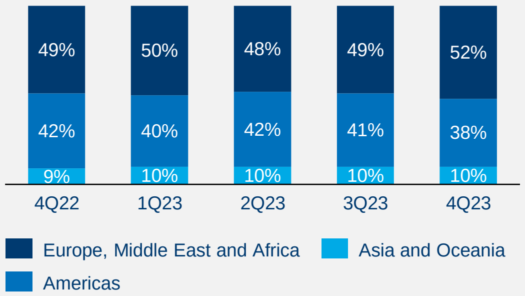
Dividend proposal EUR 0.82 cents per share or 20% of net result

- The Board of Directors will propose to the 2024 Annual General Meeting that EUR 0.82 cents dividend per outstanding share will be paid for the operational year 2023, corresponding to approximately 20% of net results in line with the dividend policy.
- The estimated total dividend payment will be around EUR 6.2m, compared to EUR 11.7m in the prior year, with a payment date on 11 April 2024 (ex-date 22 March and record date 25 March).

Revenues by segment
EUR m, %



Revenues by geography
%



FY24 and mid-term outlook

	2024	Mid-term
Org. growth YoY %	Low single digits	Above market growth
EBITDA[2] %	14-15%	18%+
EBIT[2] %	10-11%	14%+

Notes: [1] Capital expenditures excluding investments in R&D and right of use assets. [2] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization. [3] Net debt (excluding lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions) excluding non-cash and one-off costs per Marel's credit agreements.

Segment performance

Poultry

Improving market conditions reflected in improved orders received QoQ

Orders received

4Q23 started off on a strong note for Marel Poultry with an order from Baiada in Australia for a greenfield positively impacting orders received, alongside this underlying improvement can as well be seen. Positive signs in the market as larger project opportunities are moving higher up in the pipeline, the approval to increase line output in the US has intensified attention of major poultry processors with the first orders already in, as well declining feed prices and growing demand for Poultry.

Revenues 4Q23: EUR 197.1m (4Q22: 236.4m) **|** 2023: EUR 832.3m (2022: 832.1m)

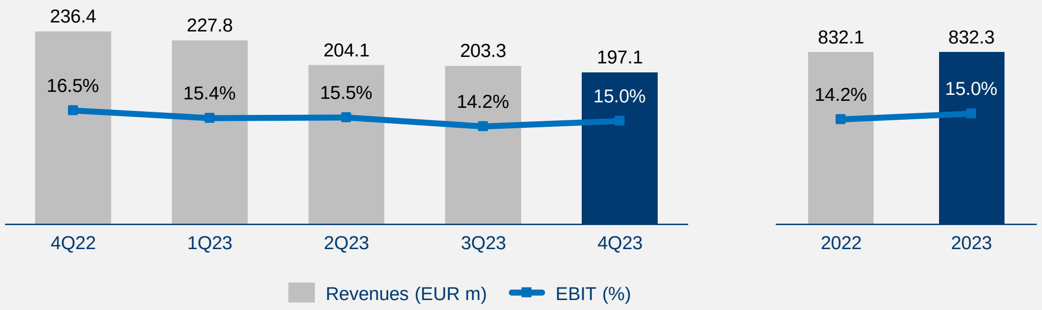
Revenues declined QoQ, influenced by level of projects orders received in previous quarters. For the full year, revenues were stable for Marel Poultry, though business mix shifted from projects to aftermarket revenues. Aftermarket continues to perform well with YoY growth. Project revenues declined in 2023 due to challenging market conditions.

EBIT[1] margin 4Q23: 15.0% (4Q22: 16.5%) **|** 2023: 15.0% (2022: 14.2%)

EBIT[1] ticked slightly up in 4Q23 with improved projects margins and efficiency ramp up in new manufactured parts warehouse, offset partly by lower volumes, and higher operating expenses with lower releases of holiday accruals and higher marketing activity. For the full year, EBIT[1] improvement driven by mix, with lower project revenues and solid aftermarket growth.

Outlook

Management targets margin expansion with market conditions expected to improve in the coming quarters to support build up of the order book to support future revenue growth. Based on the large installed base in the poultry industry, Marel sees further growth opportunities for aftermarket.



Meat

Soft orders in 4Q23 though improving QoQ. Ongoing actions to increase commercial activity, with focused portfolio management, and lower cost base

Orders received

4Q23 orders received were soft though ticked up QoQ. Challenging market conditions continue, though there are bright spots of opportunities on the horizon. Feed and input costs for our customers are showing signs of moderating. Rebalancing of supply and demand in the pork industry continues after a period of oversupply, improving profitability of processors from historically low levels.

Revenues 4Q23: EUR 119.1m (4Q22: 133.6m) **|** 2023: 443.0m (2022: 514.1m)

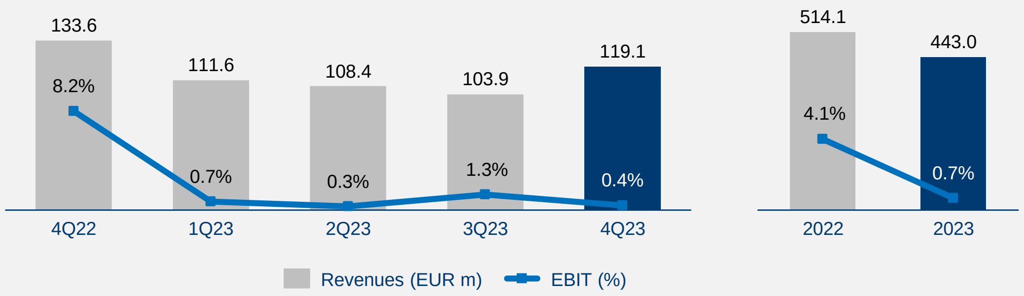
Revenues in 4Q23 improved QoQ both in projects and aftermarket, though still at a lower level. Due to a soft order book, orders received in recent quarters in Meat are able to be converted into revenues at a faster than historical pace, particularly in secondary processing. For the full year, revenues in Marel Meat declined by 13.8%, with projects revenues declining, while aftermarket experienced slight growth.

EBIT[1] margin 4Q23: 0.4% (4Q22: 8.2%) **|** 2023: 0.7% (2022: 4.1%)

EBIT[1] margin in 4Q23 declined despite an increase in volumes due to product mix, inefficiencies in load / resource balancing and overruns on project installations. For the full year, EBIT[1] margin is declining due to lower projects volume following weak orders received in challenging market conditions, despite Marel Meat taking cost savings actions and reducing personnel.

Outlook

Management continues to target EBIT margin expansion for Marel Meat. Actions ongoing to drive commercial activity with a focused portfolio of value-added solutions and lower the cost base. Build up of order book needed to maintain revenue levels in 2024 and grow in the future.



Notes: [1] Result from operations adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization.

Segment performance

Fish

Soft orders though improving QoQ, results negatively impacted by low margin projects from acquisitions and unfavorable mix of projects vs. standard equipment

Orders received

Orders received for Marel Fish were soft in the quarter though showed good improvements. Outlook for orders received and pipeline expected to pick up in 2024. Market conditions for salmon producers improving though more challenging for whitefish due to lower quotas. Increased investment appetite reflected in order growth in the quarter.

Revenues 4Q23: EUR 51.9m (4Q22: 52.3m) | 2023: EUR 193.6m (2022: 191.5m)

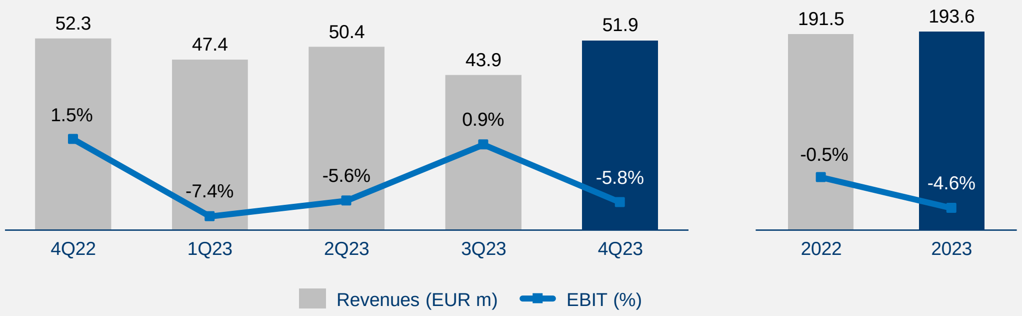
Revenues improved in 4Q23, both in aftermarket and projects, with a higher level of installation revenues for project deliveries in the quarter. For the full year project revenues consisted of relatively higher volume of customized solutions compared to standard equipment.

EBIT[1] margin 4Q23: -5.8% (4Q22: 1.5%) **|** FY23: -4.6% (FY22: -0.5%)

EBIT[1] margin -5.8% in the quarter despite higher revenue base compared to 3Q23, driven by low margin projects from acquisitions and mix. Full year EBIT[1] margin -4.6%, declining from 2022 and impacted by the shift in mix from standard equipment to customized solutions and low margin projects from acquisitions, despite Marel Fish taking cost savings actions and reducing personnel.

Outlook

Management continues to target EBIT margin expansion for the Fish segment, based on cost saving actions enacted, continued focus on operational efficiency and optimization of manufacturing footprint.



Plant, Pet and Feed

Strong orders received in 4Q23 and strong deliveries in the quarter, first full year of US-based Wenger acquisition consolidated into Marel results

Orders received

Orders received for Marel Plant, Pet and Feed (PPF) were driven by strong project orders in pet food, concentrated in North America and Asia. Outlook and pipeline for 2024 remains solid in pet food in North and Latin America and Asia while softer in plant-based solutions and aqua feed.

Revenues 4Q23: EUR 75m (4Q22: 65.9m) **|** 2023: EUR 232.3m (2022: 144.2m)

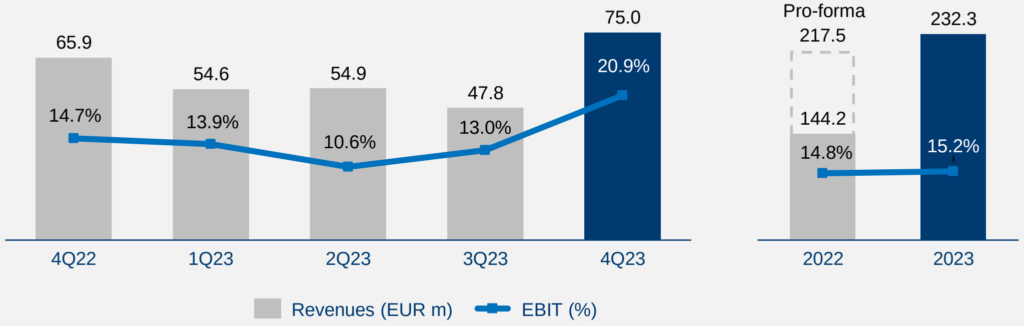
Revenues up 13.8% YoY in 4Q23 due to strong deliveries and good aftermarket revenues in the quarter. Pro-forma revenue growth for PPF in 2023 was 6.8%.

EBIT[1] margin 4Q23: 20.9% (4Q22: 14.7%) **|** 2023: 15.2% (2022: 14.8%)

EBIT[1] margin driven by high volumes delivered, including 3rd party equipment deliveries. Input costs are gradually leveling out supporting profitability. Full-year 2023 EBIT[1] margin was 15.2%, above the initially expected 14-15% range.

Outlook

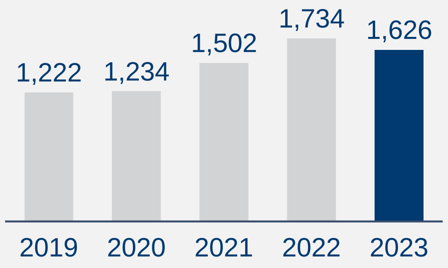
Outlook is solid for PPF with good opportunities, especially in the pet food market in North America, Latin America and Australia. Expectation is delivery in line with historical performance.



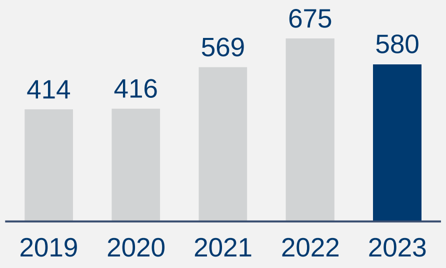
Notes: [1] Result from operations adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization.

FY23 financial highlights

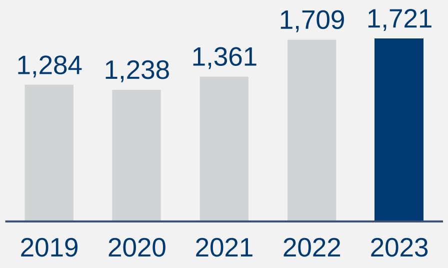
Orders received
EUR m



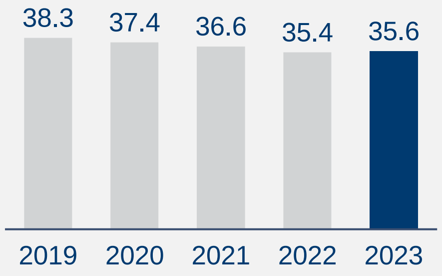
Order book
EUR m



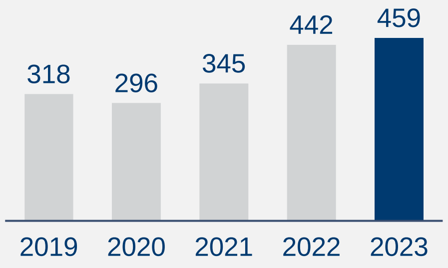
Revenues
EUR m



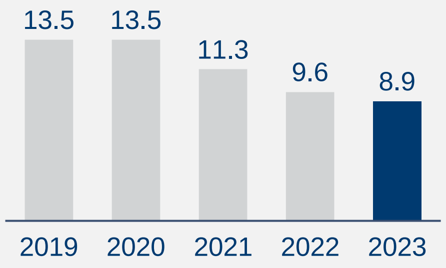
Gross profit
%



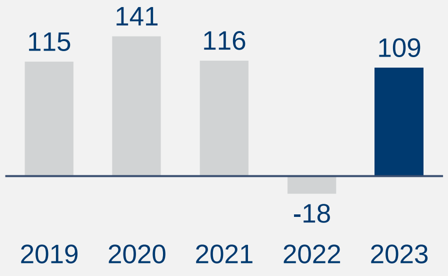
OPEX
EUR m



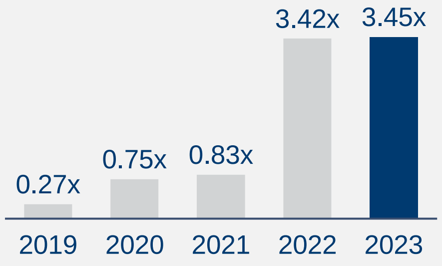
EBIT[1] margin
%



Free cash flow[2]
EUR m



Leverage[3]
Net debt/EBITDA



Notes: [1] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization. [2] Free cash flow defined as cash generated from operating activities less taxes paid and net investments in PP&E and intangible assets. [3] Net debt (excluding lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions) excluding non-cash and one-off costs per Marel's credit agreement.

FY24 and mid-term outlook

Market conditions remain challenging resulting in elevated uncertainty. Headwinds expected to moderate in coming quarters, supported by positive signs in the market.

Labor scarcity and continued wage inflation, coupled with favorable secular trends, focused on automation, robotics technology and digital solutions that support sustainable food processing, will continue to support Marel's organic growth outlook.

The challenging market conditions have resulted in a decline of the order book in 2023. To deliver strong revenue growth and improved operational performance in the future, build up of the order book to a healthy level is needed.

Outlook for 2024 is for low single digit organic revenue growth, 14-15% EBITDA[1] margin and 10-11% EBIT[1] margin. Mid-term outlook for revenues is expected to be above market growth (4-6% annually) with EBITDA[1] margin above 18% and EBIT[1] margin above 14%.

Financial outlook	2023	2024	Mid-term
Revenues	1,721m		
Organic growth YoY %	-4.2%	Low single digits	Above market growth
EBITDA[1]	217m		
EBITDA[1] %	12.6%	14-15%	18%+
EBIT[1]	153m		
EBIT[1] %	8.9%	10-11%	14%+

Order book

Build up of order book to deliver strong revenue growth in the future

Leverage[2]

Focus on reaching targeted capital structure of 2-3x net debt/EBITDA

CAPEX[3]

2-3%

Working capital

Continued improvement

Assumptions

- Long-term average market growth of 4-6% annually.
- No material escalation of geopolitics and supply chain including logistics.
- Growth is not expected to be linear but based on opportunities and economic fluctuations, operational results may vary from quarter to quarter.
- Effective tax rate of ~20%.

Notes: [1] Result from operations and EBITDA adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023, result from operations is also adjusted for one-off write-offs related to product portfolio rationalization. [2] Net debt (excluding lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions) excluding non-cash and one-off costs per Marel's credit agreement. [3] Capital expenditures excluding investments in R&D and right of use assets.

Investor Relations

Financial calendar

Marel will publish its financial results according to the below financial calendar:

- AGM – 20 March 2024
- Q1 2024 – 29 April 2024
- Q2 2024 – 24 July 2024
- Q3 2024 – 30 October 2024
- Q4 2024 – 12 February 2025

Financial results will be disclosed and published after market closing of both Nasdaq Iceland and Euronext Amsterdam.

Upcoming trade shows and events

Marel regularly participates in exhibitions around the world where it showcases the company's innovative solutions. In addition, Marel hosts its own trade shows and KnowHows in the company's demonstration facilities. Here are some of Marel's upcoming events in 2024:

- Seafood Expo North America in Boston, USA, 10-12 March
- CFIA in Rennes, France, 12-14 March
- Aqua Sur in Puerto Montt, Chile, 19-21 March
- Anuga FoodTec in Cologne, Germany, 19-22 March
- Seafood Processing Europe in Barcelona, Spain, 23-25 April

Investor meeting and live broadcast

On Thursday 8 February 2024, at 9:30 am CET (8:30 am GMT), Marel will host an investor meeting where CEO Arni Sigurdsson and CFO Stacey Katz will give an overview of the financial results and operational highlights in the fourth quarter and for the full year.

The investor meeting will be held at the company's headquarters in Austurhraun 9, Gardabaer, Iceland. Breakfast will be served from 8:00 am GMT.

The meeting will be streamed live via Zoom and a recording will be made available after the meeting on marel.com/ir.

Please register for the webcast here.

Disclaimer

Forward-looking statements

Statements in this press release that are not based on historical facts are forward-looking statements. Although such statements are based on management's current estimates and expectations, forward-looking statements are inherently uncertain. We therefore caution the reader that there are a variety of factors that could cause business conditions and results to differ materially from what is contained in our forward-looking statements, and that we do not undertake to update any forward-looking statements. All forward-looking statements are qualified in their entirety by this cautionary statement.

Market share data

Statements regarding market share, including those regarding Marel's competitive position, are based on outside sources such as research institutes, industry and dealer panels in combination with management estimates. Where information is not yet available to Marel, those statements may also be based on estimates and projections prepared by outside sources or management. Rankings are based on sales unless otherwise stated.

Contact us

ir@marel.com

+354 563 8001

@Marel_IR / $MAREL

Tinna Molphy

Director of Investor Relations

Marino Jakobsson

Investor Relations

Ellert Gudjonsson

Investor Relations

Non-IFRS adjustments

Non-IFRS adjustments are made up of:

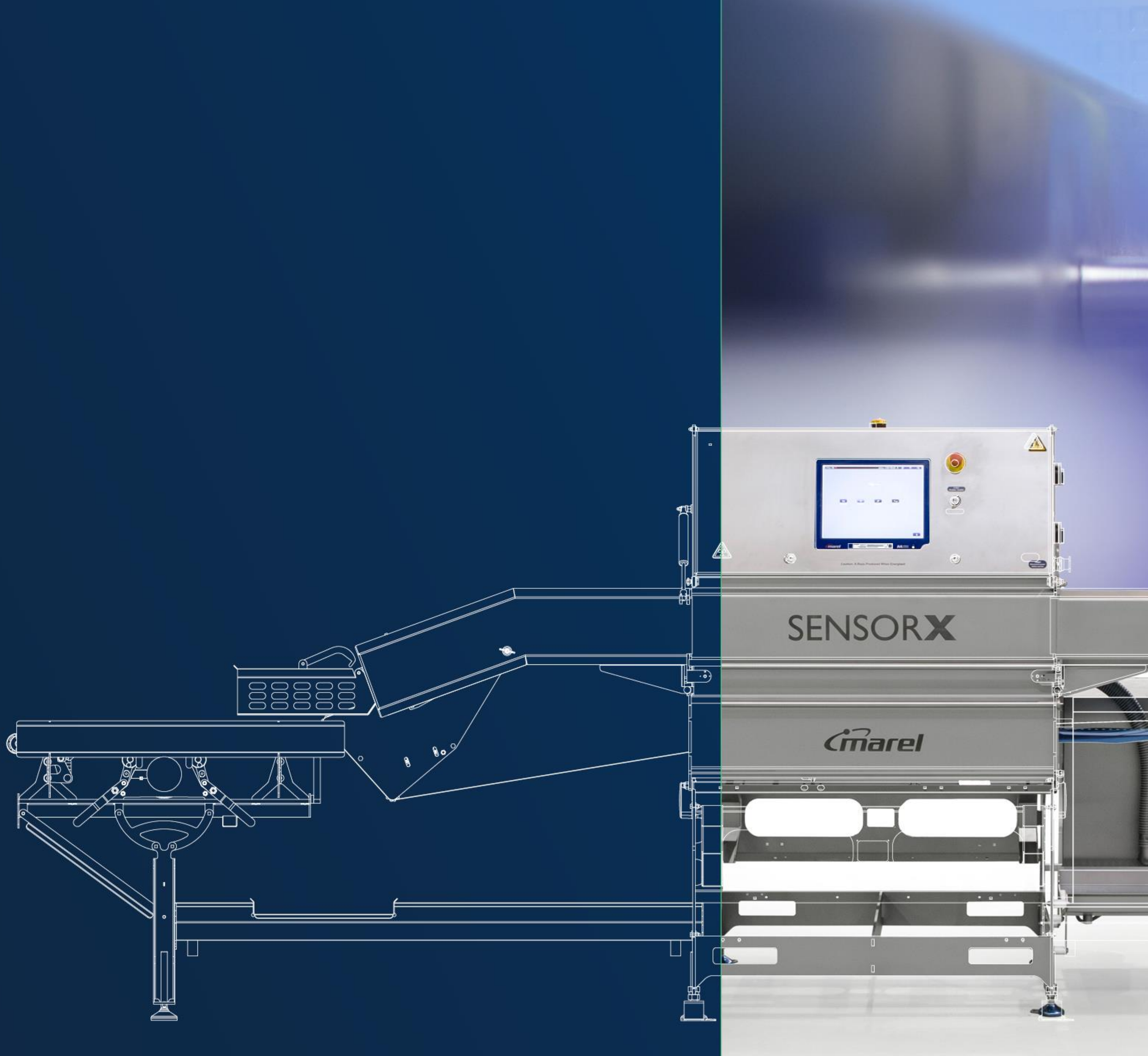
I. Purchase Price Allocation (PPA) related charges, non-cash
   - Inventory uplift related PPA charges
   - Depreciation and amortization of acquisition related tangible and intangible assets
II. Acquisition related expenses include fees paid as part of an acquisition process, whether the process resulted in an acquisition or not
   - Legal, consultancy, and contingent payments (e.g. stock option grant as part of an acquisition with service requirement)
III. Restructuring costs
   - Personnel costs related to headcount reductions
IV. Other in 4Q23 are impairment charges due to product portfolio rationalization and related inventory write-downs

In 4Q23, PPA related charges were EUR 6.8m.

Quarterly PPA related charges expected to be EUR ~7.0m in coming quarters.

Non-IFRS adjustments on EBIT and EBITDA

Non-IFRS adjustments breakdown	**2023**	**2022**	**1Q23**	**2Q23**	**3Q23**	**4Q23**
PPA related charges	40.7	43.5	15.0	12.1	6.8	6.8
Acquisition related expenses	4.3	14.5	2.1	0.7	0.4	1.1
Restructuring costs	7.4	8.4	-	3.9	1.5	2.0
Other – portfolio rationalization	7.1	-	-	-	-	7.1
Total non-IFRS adjustments	59.5	66.4	17.1	16.7	8.7	17.0
Adjusted EBIT reconciliation						
EBIT	93.6	97.0	23.1	17.1	27.6	25.8
PPA related charges	40.7	43.5	15.0	12.1	6.8	6.8
Inventory uplift related PPA charges	*13.3*	*19.9*	*8.1*	*5.2*	*-*	*-*
Depreciation and amortization of other acquisition related assets	*27.4*	*23.6*	*6.9*	*6.9*	*6.8*	*6.8*
Acquisition related expenses	4.3	14.5	2.1	0.7	0.4	1.1
Restructuring costs	7.4	8.4	-	3.9	1.5	2.0
Other – portfolio rationalization	7.1	-	-	-	-	7.1
Adjusted EBIT	153.1	163.4	40.2	33.8	36.3	42.8
Adjusted EBITDA reconciliation						
EBITDA	191.4	178.6	46.3	40.1	50.2	54.8
Inventory uplift related PPA charges	13.3	19.9	8.1	5.2	-	-
Acquisition related expenses	4.3	14.5	2.1	0.7	0.4	1.1
Restructuring cost	7.4	8.4	-	3.9	1.5	2.0
Other – portfolio rationalization	1.0	-	-	-	-	1.0
Adjusted EBITDA	217.4	221.4	56.5	49.9	52.1	58.9


SENSORX
marel