23 October 2023

Q3 2023

Press release

Strong cash generation and price/cost improving, EBIT of 9%

Executive summary

- Strong cash generation, operating cash flow of EUR 62m and free cash flow of EUR 32m in 3Q23 with normalized CAPEX and improvements in working capital
- Soft orders received of EUR 391m in 3Q23, outlook improving and pipeline is strong, 4Q23 started on a good note with an agreement for one of the largest greenfield orders in the poultry segment
- Continued strong aftermarket revenues at EUR 196m, lower total volume of EUR 404m revenues due to level of project orders received in past quarters
- Optimization and operational improvement actions materialized in the quarter resulting in EUR 8.6m lower OPEX YoY
- EBIT of 9.0% on a lower revenue base achieved with improved price/cost ratio, mix and lower OPEX
- Focus on delivering healthy growth and margin enhancement to reach a sustainable 14-16% EBIT level in the course of 2024

Key figures (EUR m)

As per financial statements	3Q23	3Q22	Δ YoY	9M23	9M22	Δ YoY
Revenues	403.6	450.6	-10.4%	1,273.4	1,219.5	4.4%
Gross profit	143.5	162.0	-11.4%	452.9	429.1	5.5%
% of revenues	35.6%	36.0%		35.6%	35.2%	
SG&A expenses	82.9	89.2	-7.1%	265.7	254.1	4.6%
% of revenues	20.6%	19.7%		20.9%	20.8%	
R&D expenses	24.3	26.6	-8.6%	76.9	72.5	6.1%
% of revenues	6.0%	5.9%		6.0%	5.9%	
EBITDA[1]	52.1	61.3	-15.0%	158.5	143.5	10.5%
% of revenues	12.9%	13.6%		12.4%	11.8%	
EBIT[1]	36.3	46.2	-21.4%	110.3	102.5	7.6%
% of revenues	9.0%	10.3%		8.7%	8.4%	
Non-IFRS adjustments	(8.7)	(27.1)	-67.9%	(42.5)	(43.6)	-2.5%
Result from operations (EBIT)	27.6	19.1	44.5%	67.8	58.9	15.1%
% of revenues	6.8%	4.2%		5.3%	4.8%	
Net result	10.1	8.9	13.5%	22.3	40.2	-44.5%
% of revenues	2.5%	2.0%		1.8%	3.3%	
Orders Received	390.8	427.1	-8.5%	1,159.9	1,320.6	-12.2%
Order Book				561.7	751.0	-25.2%

Cash flows	3Q23	3Q22	9M23	9M22
Cash from operating activities, bf. int. & tax	62.4	1.0	123.8	52.1
Net cash from (to) operations	31.7	(12.9)	53.4	25.7
Investing activities	(16.4)	(25.9)	(79.0)	(539.9)
Financing activities	(4.9)	14.5	14.3	504.8
Net cash flow	10.4	(24.3)	(11.3)	(9.4)

Key figures	9M23	9M22
Current ratio	1.1	1.2
Quick ratio	0.6	0.7
Operational working capital[2]	261.4	237.7
Net Debt (including lease liabilities)	871.9	843.3
Return on equity[3]	2.9%	5.2%
Bank leverage[4]	3.48	3.80
Leverage[5]	3.66	3.88
Number of outstanding shares (millions)	754.0	752.7
Market capitalization in EUR billion	2.1	2.4
Basic earnings per share in EUR cents	2.96	5.33

Notes: [1] Operating income and EBITDA adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023, operating income is adjusted for restructuring costs. [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 agreement. [5] Net debt (including lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions).

Key highlights

Q3 2023 – Financial highlights

- **Orders received** were EUR 390.8m (2Q23: 406.5m, 3Q22: 427.1m).
- **Order book** was EUR 561.7m (2Q23: 574.5m, 3Q22: 751.0m).
- **Revenues** were EUR 403.6m (2Q23: 422.4m, 3Q22: 450.6m).
- **Book-to-bill** is 0.97 and the order book represents 31.9% of 12-month trailing revenues.
- **EBIT**[1] was EUR 36.3m (2Q23: 33.8m, 3Q22: 46.2m), translating to an **EBIT**[1] **margin** of 9.0% (2Q23: 8.0%, 3Q22: 10.3%).
- **Net result** was EUR 10.1m (2Q23: 3.1m, 3Q22: 8.9m).
- **Cash flow from operating activities before interest and tax** was EUR 62.4m (2Q23: 27.1m, 3Q22: 1.0m).
- **Free cash flow** amounted to EUR 32.4m (2Q23: -6.1m, 3Q22: -34.8m).
- **Bank leverage**[2] was below 3.5x in 3Q23 (2Q23: 3.4x, 3Q22: 3.8x). Leverage[3] was 3.7x (2Q23: 3.5x, 3Q22: 3.9x), focus on deleveraging to return to targeted capital structure of 2-3x net debt to EBITDA.

9M 2023 – Financial highlights

- **Orders received** were EUR 1,159.9m (9M22: 1,320.6m).
- **Revenues** were EUR 1,273.4m (9M22: 1,219.5m).
- **EBIT**[1] was EUR 110.3m (9M22: 102.5m), translating to an **EBIT**[1] **margin** of 8.7% (9M22: 8.4%).
- **Net result** was EUR 22.3m (9M22: 40.2m).
- **Basic earnings per share (EPS)** were EUR 2.96 cents (9M22: 5.33).
- **Cash flow from operating activities before interest and tax** was EUR 123.8m (9M22: 52.1m).
- **Free cash flow** amounted to EUR 26.0m (9M22: -28.1m).

Arni Oddur Thordarson, CEO of Marel

“We have increased our focus on customer centricity to win in the market, resilience in Marel’s operations with better price/cost ratio and a sustainable lower cost base going forward, and moving back towards our best-in-class cash flow.

Fourth quarter started off well with an agreement for one of the largest and transformative greenfield plants for the poultry segment with our long-standing and respected partner Baiada in Australia. This is a shift from recent quarters where the majority of project orders have come in at the end of the quarter, as was the case this quarter with total orders received of 391 million.

We continue our good momentum in aftermarket resulting in 196 million in 3Q23, underpinning our growth track to reach above 800 million in annual recurring revenues. We are harvesting from our infrastructure investments with more operational excellence and speed. We have taken those actions with focus on scalability to be able to ramp up revenues again.

We delivered 9% EBIT in 3Q23 on a lower revenue base of 404 million resulting in less cost coverage from volume. On the positive side, the price/cost ratio is improving and we see OPEX down by close to 9 million year-on-year. We see the focused actions on optimization and operational improvements are delivering results, and general easing in supply chain and logistics will also continue to support margin expansion.

Cash flow was strong in the quarter with operating cash flow at 62 million and free cash flow of 32 million. This is on the back of significant efforts on working capital management including rebalancing of inventory in a normalizing global supply chain. After a period of elevated investments, CAPEX excluding R&D investments will be at normalized levels of 2-3%.

The long-term growth outlook for our industry remains intact. As a pure-play in the food processing industry, Marel is at the center point of the structural trends of automation, digitalization and decarbonization that are defining the market today. I want to thank the Marel team that has shown great unity in our vision to transform food processing. Their passion for innovation and drive for excellence has been paramount to our strong partnerships with customers, improvements in operational performance, and commitment to reach a sustained 14-16% EBIT in the course of 2024.”

Notes: [1] Operating income adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023 operating income is adjusted for restructuring costs. [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] Net debt (including lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions).

Financial performance

Orders received soft at EUR 391m, pipeline remains strong

- Orders received EUR 390.8m in 3Q23, down 3.9% QoQ and 8.5% YoY (2Q23: 406.5m, 3Q22: 427.1m), with slower conversion to orders.
- Pipeline is strong and continues to build up, although market conditions continue to create uncertainty in timing of conversion of pipeline into orders. 4Q23 started on a good note with an agreement for one of the largest greenfield orders in the poultry segment.
- Easing of inflation on materials is countered by continuous high labor inflation for Marel's customers. The need for automation, digitalization and sustainable use of raw materials, energy and water within food processing continues to become ever more pressing.

Order book of EUR 562m and book-to-bill ratio of 0.97 in 3Q23

- Order book, consisting of orders that have been signed and financially secured with down payments, was EUR 561.7m, down 2.2% sequentially QoQ (2Q23: 574.5m).
- Order book at quarter-end represents 31.9% of 12-month trailing revenues and the book-to-bill ratio in the quarter was 0.97 (2Q23: 0.96, 3Q22: 0.95).
- Vast majority of the order book is comprised of greenfields and projects, while spare parts and standard equipment run faster through the system.

Continued good momentum in aftermarket, solid recurring revenues

- Revenues EUR 403.6m in 3Q23, down 4.5% QoQ and 10.4% YoY due to level of project orders received in past quarters.
- Continued good momentum in aftermarket revenues of EUR 196.2m in 3Q23, comprised of recurring services and spare parts. On a trailing twelve months basis, aftermarket revenues are EUR 775.9m, up 12.2% CAGR from 2017-3Q23.
- High aftermarket ratio of 49% of total revenues in 3Q23 (2Q23: 47% 3Q22: 42%), due to strong aftermarket performance and level of project revenues.
- 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 and shortening lead times.
- Transformative infrastructure investments in the Global Distribution Center in Eindhoven, Netherlands, and Regional Distribution Center in Buford, Georgia, USA, to improve operational efficiency and shorten lead times in support of the 2026 target of reaching 50% of revenues from service and software.

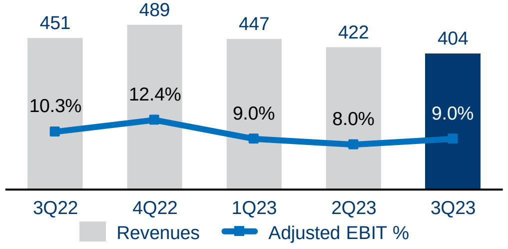
Good progress in optimization efforts, EUR 8.6m lower OPEX YoY

- OPEX was 26.6% (2Q23: 27.1%, 3Q22: 25.7%), against a target of 24% consisting of SG&A of ~18% and innovation of ~5-6%.
- SG&A of 20.6% (2Q23: 20.8%, 3Q22: 19.7%) or EUR 82.9m in absolute terms, and down EUR 5.0m QoQ and EUR 6.3m YoY (2Q23: 87.9m, 3Q22: 89.2m).
- Sales and marketing (S&M) expenses were at a level of 13.5% of revenues in 3Q23 (2Q23: 13.4%, 3Q22: 12.6%) and down EUR 2.1m QoQ and EUR 2.7m YoY in absolute terms.
- General and administrative (G&A) expenses were 7.1% of revenues in the quarter (2Q23: 7.5%, 3Q22: 7.1%) and down EUR 2.9m QoQ and EUR 3.6m YoY in absolute terms.
- Innovation costs at 6.0% in 3Q23 (2Q23: 6.3%, 3Q22: 5.9%), and EUR 2.2m lower QoQ and EUR 2.3m YoY in absolute terms.
- Right sizing actions across divisions and functions executed in 3Q23 resulted in EUR 1.5m in one-off severance costs accounted and adjusted for in 3Q23 (2Q23: EUR 3.9m). Continued focus on optimization and operational improvement actions.

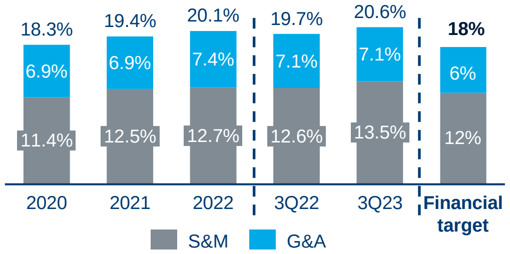
Operational performance improving QoQ on a lower revenue base

- Operational performance in 3Q23 improving QoQ on a lower revenue base with price/cost ratio, mix and operating expenses moving in the right direction.
- Gross profit margin was 35.6% in the quarter (2Q23: 35.1%, 3Q22: 36.0%). Price/cost ratio and mix improving offset by lower project revenues. Logistics and materials costs are moderating, though will take time to filter through. Parts availability issues are improving, however wage inflation remains a considerable factor.
- EBIT[1] improved QoQ to EUR 36.3m in absolute terms (2Q23: 33.8m, 3Q22: 46.2m), translating to a sequentially higher EBIT margin of 9.0% (2Q23: 8.0%, 3Q22: 10.3%). EBIT[1] is adjusted for non-cash PPA related charges (see appendix).
- Improved market outlook supports volume increase, filtering through of pricing and easing in supply chain and logistics supports price/cost ratio and gross profit increase, while optimization and operational improvement actions support a sustainable lower cost base towards the 14-16% EBIT level in the course of 2024.

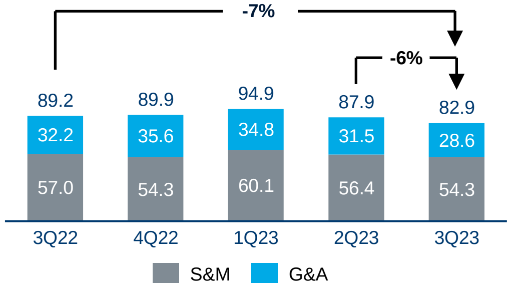
Revenues and adjusted EBIT[1]
EUR m, %



Sales, general and administrative costs
%



Sales, general and administrative costs
EUR m



Notes: [1] Operating income adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023 operating income is adjusted for restructuring costs.

Financial performance

Strong cash flow and improved working capital

- Operating cash flow was EUR 62.4m in the quarter (2Q23: 27.1m, 3Q22: 1.0m). Operating cash flow improvements in 3Q23 a result of focused efforts on working capital management including rebalancing of inventory.
- Cash CAPEX excluding R&D investments in 3Q23 were EUR 11.4m (2Q23: 15.4m, 3Q22: 19.3m), or 2.8% of revenues in the quarter.
- Free cash flow was EUR 32.4m in the quarter (2Q23: -6.1m, 3Q22: -34.8m), positively impacted by improved working capital and moderating capital expenditures, despite elevated income tax payments.
- Marel's cash flow model remains unchanged. Strong cash conversion in the quarter and aim to increase towards historical cash conversion levels by year-end 2023.

Bank leverage remains below 3.5x in the quarter

- Bank leverage per credit agreement remains below 3.5x in the quarter (2Q23: 3.4x, 3Q22: 3.8x), strong cash flow in the quarter had a positive effect on leverage, though absolute EBITDA was lower in 3Q23 than 3Q22.
- Leverage was 3.7x and up from 3.5x at end of second quarter (3Q22: 3.9x).
- Marel's strong cash flow model has enabled Marel to deleverage quickly after transformational acquisitions in the past. Full focus on cash and EBITDA generation to reach targeted capital structure of 2-3x net debt/EBITDA.

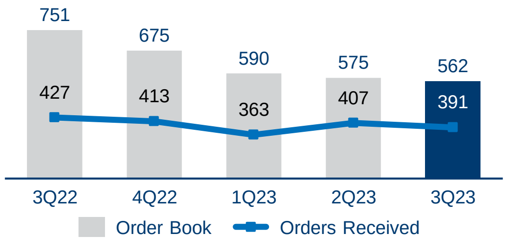
Focus on harvesting transformative investments that support customer centricity and scalability, normalized CAPEX level expected

- Objective is to automate and digitalize the manufacturing platform, supply chain and aftermarket to shorten lead times and support the 2026 target of 50% of revenues coming from service and software.
- After a period of elevated investments, cash CAPEX excluding R&D expenses to be at normalized levels of 2-3%.
- Investments in past quarters were instrumental to secure business and aftermarket growth. Focus in coming quarters on reaping benefits from investments and ensuring the full focus of our team on customer centricity to convert the pipeline into orders.

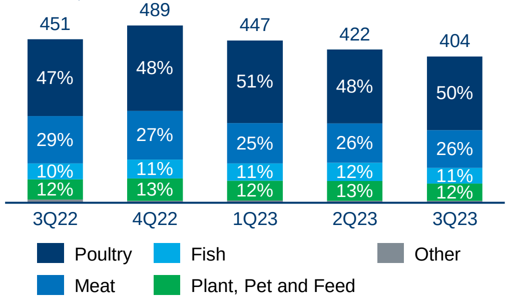
Focus on delivering healthy growth and margin enhancement to reach a sustainable 14-16% EBIT level in the course of 2024

- The positive long-term structural growth drivers for Marel remain intact. In the period 2017-2026, Marel is targeting 12% average annual revenue growth through market penetration and innovation, complemented by strategic partnerships and acquisitions.
- Management is committed to the financial targets to reach 14-16% EBIT, gross profit of ~38-40% of revenues, and OPEX of 24% consisting of SG&A of ~18% and innovation of ~5-6%.
- Focus on delivering healthy growth and margin enhancement to reach a sustainable 14-16% EBIT level in the course of 2024.
- Actions in execution to expand gross profit include continued price/cost discipline, higher mix of standard equipment, growing aftermarket revenues by further installed base penetration, balancing load based on order book level by reducing flexible layer in supply chain and engineering, improved portfolio and product lifecycle management, and footprint optimization.
- Actions in execution to reduce OPEX include clear prioritization and execution of internal improvement projects to ensure focus, reaping the benefits of prior investment in digitalization, resulting in reduction of headcount as well as stronger cost management of consultancy, travel, and marketing activities in line with new ways of working accelerated by the pandemic.
- These actions are already showing good results, in absolute terms OPEX was EUR 107.2m, down EUR 7.2m QoQ and EUR 8.6m YoY (2Q23: 114.4m, 3Q22: 115.8m).
- Further actions to be realized include streamlining the backend in terms of location footprint and warehouses as well as procurement savings as a result of ongoing negotiation campaigns.

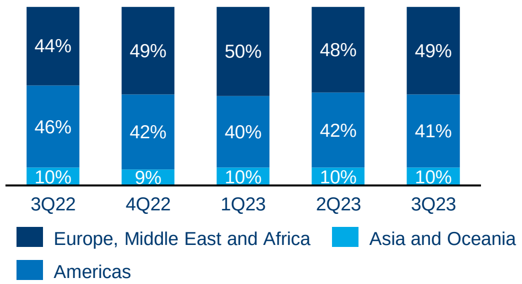
Order book and orders received
EUR m



Revenues by segment
EUR m, %

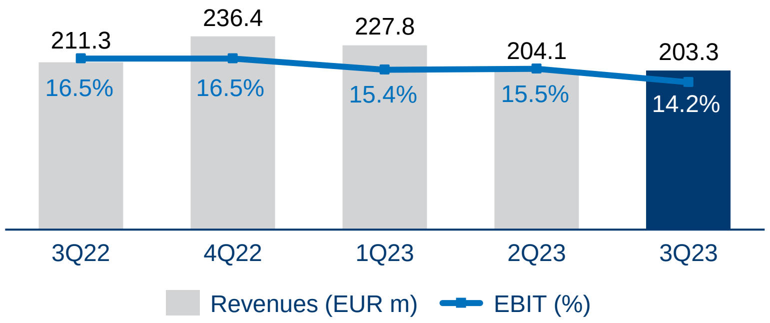


Revenues by geography
%



Business segment performance

Marel Poultry



Improvement in orders received and pipeline building up, outlook is promising though operational performance colored by level of project orders received in previous quarters

Orders received for Marel Poultry improved QoQ with strong project orders secured from Turkey, France and the US in the quarter. In Turkey, Marel and Beypilic are expanding their partnership where Marel will design and deliver a new greenfield spanning 60,000 m^2 with two 15,000bph poultry production lines, and two lines dedicated to prepared food products such as nuggets and schnitzel. The entire facility will be fully integrated with Innova software to optimize performance and enhance productivity at every stage of the process.

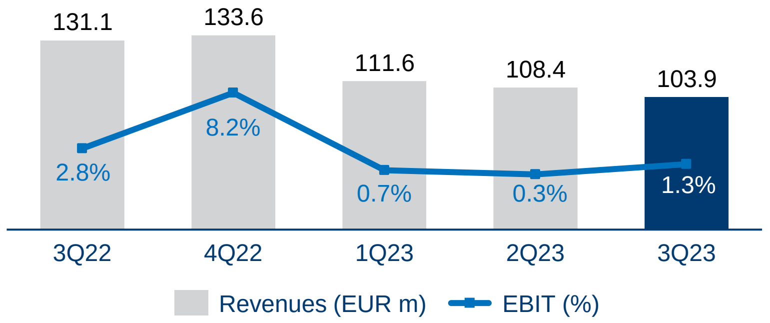
Outlook is improving on the back of lower input costs and improved profitability for poultry processors, market environment expected to normalize in coming quarters. Larger project opportunities are moving higher up the pipeline in terms of probability and 4Q23 has started off on a stronger note than previous quarters with an agreement for one of the largest greenfield orders in the poultry segment.

Revenues in 3Q23 for Marel Poultry were stable at EUR 203.3m influenced by level of project orders received in previous quarters. Aftermarket continues to perform well with YoY growth spare parts and Service Level Agreements (SLAs).

***EBIT[1]* margin** in the quarter was 14.2% (2Q23: 15.5%, 3Q22: 16.5%), movement QoQ due to costs associated with ramping up new infrastructure in the quarter.

Management targets short-term EBIT margin expansion for the Poultry segment. Demand outlook for larger projects is improving and Marel Poultry's competitive position and pipeline remains strong. Based on the large installed base in the poultry industry, Marel sees further growth opportunities for aftermarket services and SLA sales.

Marel Meat



Challenging market conditions continue, soft orders in 9M23. Ongoing actions to increase commercial activity, with focused portfolio management, and lower the cost base

Orders received for Marel Meat in the quarter were soft. North America continues to drive orders, beef is outperforming pork, and there is more activity within consumer-ready products in secondary processing than primary processing.

Challenging market conditions continue, though there are bright spots of opportunities on the horizon. High input costs for our customers are showing signs of moderating. Capacity rationalization expected to continue, which with wage inflation and labor scarcity, leads to opportunities for automation investments with focus on key value-added solutions in secondary processing.

Supply and demand in pork is rebalancing after a period of oversupply, leading to rising prices of pork and improving profitability of processors from historically low levels. Beef volume expected to be stable or decline leading to investments in consumer-ready products, fresh and prepared.

Revenues in 3Q23 were soft for Marel Meat at EUR 103.9m (2Q23: 108.4m, 3Q22: 131.1), due to lower volumes across projects, standard equipment and aftermarket.

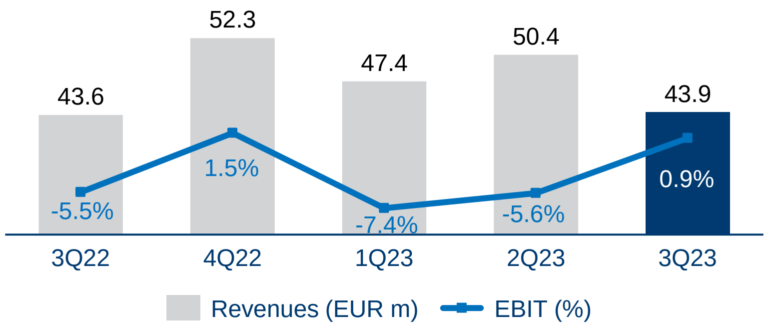
***EBIT[1]* margin** in 3Q23 of 1.3% (2Q23: 0.3%, 3Q22: 2.8%), due to a soft order book and low project revenues, though partly offset by improving project margins and strong cost management.

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.

Notes: [1] Operating income adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023 operating income is adjusted for restructuring costs.

Business segment performance

Marel Fish



Softness in orders currently impacted by tax discussions and shift in consumer preferences, right sizing and operational improvement actions are supporting margin expansion QoQ

Orders received for Marel Fish in the quarter were on a soft note. Demand for salmon-related solutions across Norway continued to be impacted by resource taxes, clarity expected in the coming period. Demand in the value chain for whitefish is impacted by inflation and consumers' shift to cheaper proteins in the current market environment.

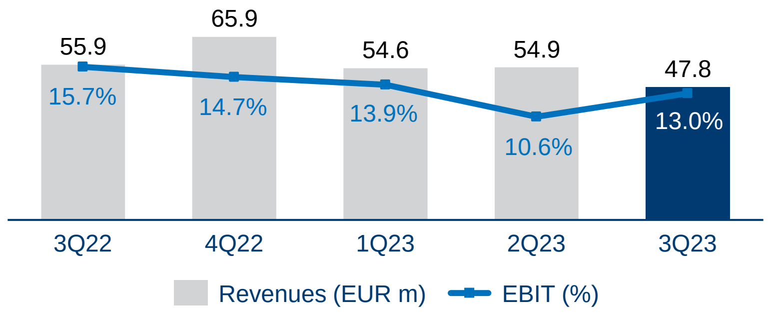
Outlook for orders received and pipeline is improving and expected to pick up, although timing of pipeline conversion to orders remains uncertain. Global harvested salmon volume is on a growth path in 2024 creating a need for more processing capacity. Salmon is still the most sought-after fresh fish in retail, both in the US and Europe and processors are shifting investments towards more value-added products. Expectation for harvested volume in whitefish to decrease in 2024 due to potential lower quota. Whitefish processors to focus on operational excellence, further automation and value-added products.

Revenues in 3Q23 for Marel Fish were EUR 43.9m, down 12.9% QoQ and flat YoY (2Q23: 50.4m, 3Q22: 43.6m).

EBIT[1] margin in 3Q23 improved to 0.9% in the quarter on a EUR 6.5m lower revenue base compared to 2Q23. Profitability positively impacted by actions enacted resulting in lower operational costs. Operational performance continues to be impacted by low margin projects from acquisitions progressing towards final stages with associated one-off expenses.

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

Marel Plant, Pet and Feed



Orders received driven by pet food in 3Q23, outlook and pipeline remains solid. FY23 expectation of historical 14-15% EBIT based on strong deliveries and favorable mix in 4Q23

Orders received for Marel Plant, Pet and Feed (PPF) were driven by strong project orders in pet food, concentrated in North and Latin America, and aftermarket continued on a strong note.

Outlook and pipeline remains solid in pet food while softer in plant-based solutions and aqua feed.

Wenger has a strong foothold in the North and Latin American market and strong recurring revenues from aftermarket services. Management is focusing on proactive aftermarket services and the further cross- and upselling of Marel's complementary product offering into plant, pet and feed.

Revenues in 3Q23 were EUR 47.8m (2Q23: 54.9m, 3Q22: 55.9m) lower than expectation due to timing of shipments and a parts availability issue expected to resolve in 4Q23.

EBIT[1] margin in 3Q23 of 13.0% (2Q23: 10.6%, 3Q22: 15.7%), impacted by timing of orders.

Management is targeting EBIT margin expansion for the Plant, Pet and Feed segment through higher mix of aftermarket, cross-selling and improved profitability. Operational performance for FY23 expected to be in line with historical performance of 14-15% EBIT based on strong deliveries and favorable mix in 4Q23.

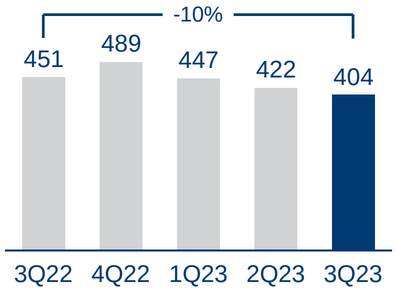
Notes: [1] Operating income adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023 operating income is adjusted for restructuring costs.

Key figures and outlook

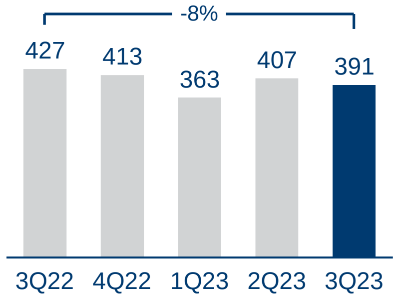
Outlook

- Growth is not expected to be linear but based on opportunities and economic fluctuations. Operational results may vary from quarter to quarter due to general economic developments, fluctuations in orders received and timing of deliveries of larger systems.
- Market conditions remain challenging resulting in elevated uncertainty. Headwinds expected to moderate in coming quarters, supported by optimization actions and general easing in supply chain and logistics, resulting in improved operational performance towards the financial targets. Labor scarcity, inflation and rising input costs, coupled with favorable secular trends, focused on automation, robotics technology and digital solutions that support sustainable food processing, will continue to support organic growth outlook in the long term.
- Management is committed to the financial targets to reach 14-16% EBIT, gross profit of ~38-40% of revenues, and OPEX of 24% consisting of SG&A of ~18% and innovation of ~5-6%.
- Focus on delivering healthy growth and margin enhancement to reach a sustainable 14-16% EBIT level in the course of 2024.
- In the period 2017-2026, Marel is targeting **12% average annual revenue growth** through market penetration and innovation, complemented by strategic partnerships and acquisitions.
    - Maintaining solid operational performance and strong cash flow is expected to support **5-7% revenue growth** on average by acquisition.
    - Marel's management expects average annual market growth of **4-6% in the long term**. Marel aims to grow organically faster than the market, driven by innovation and growing market penetration.
    - Recurring aftermarket revenues to reach **50% of total revenues** by YE26, including software and services.
- Marel's management expects basic EPS to grow faster than revenues.
- After period of elevated investments, cash capital expenditures excluding R&D expenses to be at normalized levels of 2-3%.

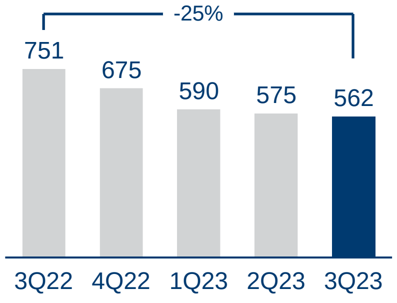
Revenues
EUR m



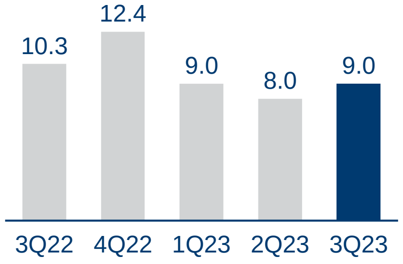
Orders received
EUR m



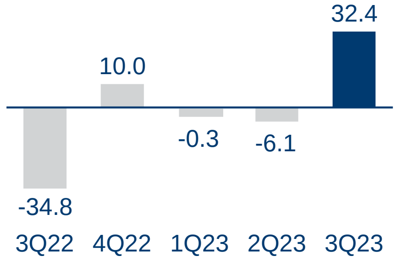
Order book
EUR m



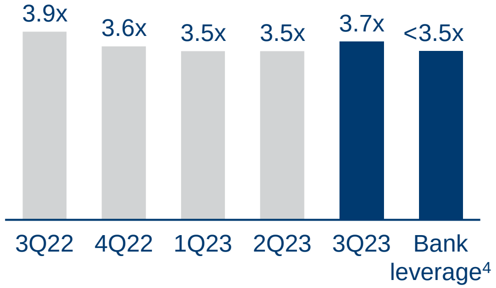
EBIT[1] margin
%



Free cash flow[2]
EUR m



Leverage[3]
Net debt/EBITDA



Notes: [1] Operating income adjusted for PPA related costs, including depreciation and amortization, and acquisition related expenses. In Q3 2022, Q4 2022, Q2 2023 and Q3 2023, operating income is adjusted for restructuring costs. [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 (including lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions). [4] Net debt (including lease liabilities) / Pro forma LTM adjusted EBITDA (including recent acquisitions).

Investor relations

Virtual investor meeting – live broadcast

On Tuesday 24 October 2023, at 8:30 am GMT (10:30 am CET), Marel will host an investor meeting where senior management will give an overview of the financial results and operational highlights in the third quarter.

Please note that the investor meeting will be virtual only.

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.

Upcoming investor conferences and events

Marel regularly engages with market participants during non-deal roadshows, equity sales briefings, conferences, and other events. Here are some of Marel's upcoming investor events in 2023:

- BNP Paribas Exane MidCap CEO Conference, Paris, 13 November
- Berenberg European Conference, Surrey, 6 December
- ING Benelux Conference USA, New York, 12 December

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 2023 and 2024:

- IBA in Munich, Germany, 22-26 October
- Process Expo in Chicago, USA, 23-25 October
- China Fisheries and Seafood Expo, Qingdao, China, 25-27 October
- Marel's Poultry ShowHow in Boxmeer, Netherlands, 16 November
- IPPE in Atlanta, USA, 30 January - 1 February
- Marel's Salmon ShowHow in Copenhagen, Denmark, TBC February

Financial calendar

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

- Q4 2023 – 7 February 2024
- AGM – 20 March 2024

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

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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.

Appendix: 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
    - Severance costs related to headcount reductions
- From 3Q22-2Q23 PPA charges were elevated due to the inventory uplift from the Wenger acquisition which is now fully amortized.
- In 3Q23, PPA related charges were EUR 6.8m, compared to EUR 12.1m in 2Q23.
- Quarterly PPA related charges expected to be EUR ~7m in coming quarters
- No other Non-IFRS adjustments are included.

Quarterly Non-IFRS adjustments on EBIT and EBITDA

Non-IFRS adjustments breakdown	**3Q23**	**2Q23**	**1Q23**	**4Q22**	**3Q22**
PPA related charges	6.8	12.1	15.0	17.4	16.0
Acquisition related expenses	0.4	0.7	2.1	2.5	5.6
Restructuring costs	1.5	3.9	-	2.9	5.5
Total non-IFRS adjustments	8.7	16.7	17.1	22.8	27.1

Adjusted EBIT reconciliation

EBIT	27.6	17.1	23.1	38.1	19.1
PPA related charges	6.8	12.1	15.0	17.4	16.0
Inventory uplift related charges	*0.0*	*5.2*	*8.1*	*9.6*	*9.5*
Depreciation and amortization of other acquisition related assets	*6.8*	*6.9*	*6.9*	*7.8*	*6.5*
Acquisition related expenses	0.4	0.7	2.1	2.5	5.6
Restructuring costs	1.5	3.9	-	2.9	5.5
Adjusted EBIT	36.3	33.8	40.2	60.9	46.2

Adjusted EBITDA reconciliation

EBITDA	50.2	40.1	46.3	62.9	40.7
Inventory uplift related PPA charges	0.0	5.2	8.1	9.6	9.5
Acquisition related expenses	0.4	0.7	2.1	2.5	5.6
Restructuring cost	1.5	3.9	-	2.9	5.5
Adjusted EBITDA	52.1	49.9	56.5	77.9	61.3