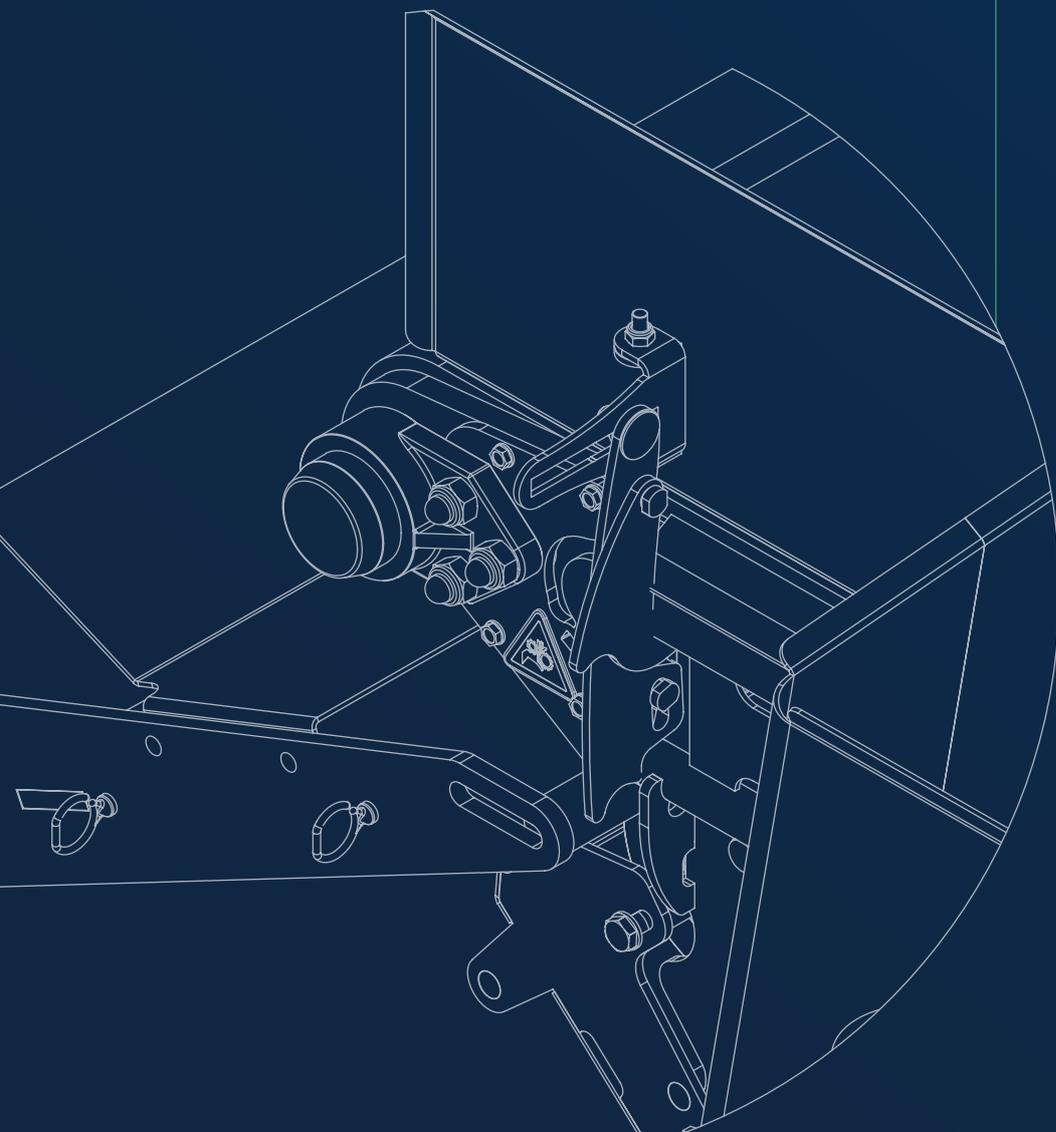


Condensed Consolidated Interim Financial Statements

31 March 2024



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The Board of Directors' and CEO's Report

Marel is a leading global provider of advanced processing equipment, systems, software and services to the food processing industry. Marel has a global reach with local presence in over 30 countries, with sales and service engineers servicing customers in over 140 countries.

The Condensed Consolidated Interim Financial Statements for the three-month period ended 31 March 2024 comprise the financial statements of Marel hf. ("the Company") and its subsidiaries (together "the Group" or "Marel"). The Condensed Consolidated Interim Financial Statements are prepared in accordance with IAS 34 'Interim financial reporting' and should be read in conjunction with the Group's Annual Consolidated Financial Statements as at and for the year ended 31 December 2023.

The Condensed Consolidated Interim Financial Statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the Group's financial position and performance from year end 2023.

These Condensed Consolidated Interim Financial Statements for the three-month period ended 31 March 2024 have not been audited nor reviewed by an external auditor.

Operations in three-month period ended 31 March 2024

The consolidated revenues for Marel for the three-month period ended 31 March 2024 are EUR 412.6 million (2023: EUR 447.4 million). The adjusted result from operations for the same period is EUR 32.8 million or 7.9% of revenues (2023: EUR 40.2 million or 9.0% of revenues).

The bridge between adjusted result from operations and result from operations as shown in the Consolidated Statement of Income is as follows:

	YTD 2024	YTD 2023
Adjusted result from operations ¹	32.8	40.2
Non-IFRS adjustments	(20.9)	(17.1)
Result from operations	11.9	23.1

¹ Result from operations is adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q1 2024, result from operations is also adjusted for one-off write-offs within "Other".

At 31 March 2024 the Company's order book amounted to EUR 560.3 million (at 31 December 2023: EUR 580.1 million). Orders received for the three-

month period ended 31 March 2024 amounted to EUR 392.8 million (2023: EUR 362.6 million).

Net cash from operating activities during the three-month period was EUR 6.5 million (2023: EUR 16.8 million). The decrease in net cash from operating activities is due to lower result from operations.

Capital expenditures for the three-month period ended 31 March 2024 were EUR 15.7 million (2023: EUR 31.4 million), focusing on initiatives to automate and digitize our manufacturing platform, supply chain and aftermarket business. After a period of elevated investments, cash capital expenditures excluding R&D investments are back at normalized levels of 2-3%.

At 31 March 2024, net cash and cash equivalents were EUR 35.9 million (31 December 2023: EUR 69.9 million). Net interest-bearing debt increased from EUR 790.9 million at the end of 2023 to EUR 806.0 million as per 31 March 2024.

Based on the Company's 2024 Annual General Meeting resolution, a dividend of EUR 6.2 million (EUR 0.82 cents per share) was declared to the shareholders in Q1 2024 for the operational year 2023. This corresponds to approximately 20% of net result for the operational year 2023 (in Q1 2023: a dividend of EUR 11.7 million, EUR 1.56 cents per share, corresponding to 20% of net result for the year 2022, was declared and paid out to shareholders for the operational year 2022). The dividend will be fully paid in Q2 2024.

JBT proposal

John Bean Technologies Corporation ("JBT") expects to launch the offer at the end of May 2024, pending registration statement to be filed with the U.S. Securities and Exchange Commission on Form S-4, and approval of an offer document and prospectus by the Icelandic Financial Supervisory Authority.

Terms of the proposal were announced on 19 January with the proposed valuation / consideration of EUR 3.60 per Marel share, resulting in Marel shareholders owning approximately 38% of the combined company given a mix of approximately 65% JBT stock and approximately 35% in cash. JBT is committed to preserving Marel's heritage and Icelandic presence. The combined company will be named JBT Marel Corporation and Iceland will be designated as JBT's European headquarters and a global technology center of excellence. The combined company will remain listed on the NYSE, and will seek a secondary listing on Nasdaq Iceland effective as of completion of the offer.

On 5 April 2024 Marel has entered into a transaction agreement with JBT related to JBT's intention to make a

voluntary takeover offer for all issued and outstanding shares in Marel. The transaction agreement includes the terms of the offer and forms the basis for and obligations in connection with corporate governance and social matters for the proposed business combination of Marel and JBT. The Marel Board has, based on the information available to date and fairness opinions from J.P. Morgan and Rabobank, taken the view that the proposed transaction is in the best interests of Marel, its shareholders, employees and wider stakeholders.

The transaction is subject to customary conditions including regulatory approvals, approval by Marel shareholders, and approval by JBT shareholders and expected to close by the end of 2024.

Outlook

Short term uncertainty remains due to persistent inflation, high interest rate environment and rising geopolitical tensions. However, there are positive signs of improvement in market outlook and customer sentiment.

Persistent headwinds impacting market demand continued in the quarter with orders received and revenues expected to build up in 2H24. To deliver revenue growth and improved operational performance in the future, build up of the order book to a healthy level is needed.

Marel operates in attractive growth markets with expected long term average market growth of 4-6% annually, supported by favorable secular trends, focused on automation, robotics technology and digital solutions to optimize processing and address customers' challenges of better utilization of raw materials, labor scarcity, high input costs and rising number of end products.

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.

Statement by the Board of Directors and the CEO

According to the Board of Directors' and CEO's best knowledge, the Condensed Consolidated Interim Financial Statements are prepared in accordance with IAS 34 'Interim financial reporting' and give a true and fair view of the consolidated financial performance of the Group for the three-month period ended 31 March 2024, its assets, liabilities and consolidated financial position as at 31 March 2024 and its consolidated cash flows for the three-month period ended 31 March 2024.

Furthermore, in our opinion the Condensed Consolidated Interim Financial Statements and the endorsement of the Board of Directors and the CEO give a fair view of the development and performance of the Group's operations and its position and describe the principal risks and uncertainties faced by the Group.

The Board of Directors and CEO of Marel hf. hereby ratify the Condensed Consolidated Interim Financial Statements of Marel hf. for the three-month period ended 31 March 2024 with their signatures.

Gardabaer, 7 May 2024

Board of Directors

Arnar Thor Masson
Chairman of the Board

Ann Elizabeth Savage
Board Director

Astvaldur Johannsson
Board Director

Lillie Li Valeur
Board Director

Olafur S. Gudmundsson
Vice-Chairman

Svafa Grönfeldt
Board Director

Ton van der Laan
Board Director

Chief Executive Officer

Arni Sigurdsson

Consolidated Statement of Income

In EUR million unless stated otherwise	Notes	YTD 2024	YTD 2023
Revenues	3 & 4 & 5	412.6	447.4
Cost of sales	3 & 6	(264.1)	(294.7)
Gross profit	3	148.5	152.7
Selling and marketing expenses	3 & 6	(64.6)	(64.4)
General and administrative expenses	3 & 6	(40.4)	(37.0)
Research and development expenses	3 & 6	(31.6)	(28.2)
Result from operations	3	11.9	23.1
Finance costs	7	(15.0)	(13.7)
Finance income	7	1.2	0.8
Net finance costs	7	(13.8)	(12.9)
Share of result of associates		(0.1)	(0.2)
Result before income tax		(2.0)	10.0
Income tax	8	(1.2)	(0.9)
Net result		(3.2)	9.1
Of which:			
- Net result attributable to Shareholders of the Company	9	(3.2)	9.1
- Net result attributable to non-controlling interests		-	-
Earnings per share for result attributable to Shareholders of the Company during the period (expressed in EUR cent per share):			
- Basic	9	(0.42)	1.21
- Diluted	9	(0.42)	1.21

Consolidated Statement of Comprehensive Income

In EUR million	Notes	YTD 2024	YTD 2023
Net result		(3.2)	9.1
Items that are or may be reclassified to profit or loss:			
Foreign currency translation differences	12	5.1	(1.4)
Cash flow hedges	12	2.8	1.9
Deferred income taxes	12	(0.8)	(0.4)
Other comprehensive income / (loss) for the period, net of tax		7.1	0.1
Total comprehensive income for the period		3.9	9.2
Of which:			
- Total comprehensive income attributable to Shareholders of the Company		3.9	9.2
- Total comprehensive income attributable to non-controlling interests		-	-

Consolidated Statement of Financial Position

In EUR million	Notes	31/03 2024	31/12 2023
Assets			
Property, plant and equipment	10	344.7	345.8
Right of use assets		39.3	39.3
Goodwill	11	862.7	859.0
Intangible assets	11	539.8	541.2
Equity-accounted investees		3.7	3.3
Other non-current financial assets		3.6	3.5
Derivative financial instruments	14	2.4	0.6
Deferred income tax assets		39.8	38.9
Non-current assets		1,836.0	1,831.6
Inventories		347.4	352.5
Contract assets	5	44.8	36.3
Trade receivables	5	196.5	215.2
Derivative financial instruments	14	0.8	1.1
Current income tax receivables		6.4	7.3
Other receivables and prepayments		94.2	85.9
Cash and cash equivalents		35.9	69.9
Current assets		726.0	768.2
Total assets		2,562.0	2,599.8
Equity and liabilities			
Share capital	12	6.7	6.7
Share premium reserve	12	439.7	439.3
Other reserves	12	(37.3)	(44.4)
Retained earnings	12	630.6	640.0
Total shareholders' equity		1,039.7	1,041.6
Liabilities			
Borrowings	13	800.9	819.8
Lease liabilities	13	30.0	29.8
Deferred income tax liabilities		84.9	84.9
Provisions		7.6	5.5
Other payables		2.7	2.7
Derivative financial instruments	14	1.9	3.4
Non-current liabilities		928.0	946.1
Contract liabilities	5	262.4	295.0
Trade and other payables		308.0	290.4
Derivative financial instruments	14	0.4	0.6
Current income tax liabilities		3.0	4.9
Borrowings	13	0.0	0.0
Lease liabilities	13	11.0	11.2
Provisions		9.5	10.0
Current liabilities		594.3	612.1
Total liabilities		1,522.3	1,558.2
Total equity and liabilities		2,562.0	2,599.8

The notes on pages 11-21 are an integral part of the Condensed Consolidated Interim Financial Statements.

Consolidated Statement of Changes in Equity

In EUR million	Share capital	Share premium reserve ¹	Other reserves ²	Retained earnings ³	Total shareholders' equity
Balance at 1 January 2024	6.7	439.3	(44.4)	640.0	1,041.6
Net result for the period				(3.2)	(3.2)
Other comprehensive income			7.1		7.1
Total comprehensive income for the period	-	-	7.1	(3.2)	3.9
<i>Transactions with owners of the Company</i>					
Options granted / exercised / canceled		0.4			0.4
Dividend				(6.2)	(6.2)
Total transactions with owners of the Company	-	0.4	-	(6.2)	(5.8)
Balance at 31 March 2024	6.7	439.7	(37.3)	630.6	1,039.7
Balance at 1 January 2023	6.7	440.2	(33.4)	614.6	1,028.1
Net result for the period				9.1	9.1
Other comprehensive income			0.1		0.1
Total comprehensive income for the period	-	-	0.1	9.1	9.2
<i>Transactions with owners of the Company</i>					
Options granted / exercised / canceled	0.0	(1.1)		2.6	1.5
Dividend				(11.7)	(11.7)
Total transactions with owners of the Company	0.0	(1.1)	-	(9.1)	(10.2)
Balance at 31 March 2023	6.7	439.1	(33.3)	614.6	1,027.1
Net result for the period				21.9	21.9
Other comprehensive income			(11.1)		(11.1)
Total comprehensive income for the period	-	-	(11.1)	21.9	10.8
<i>Transactions with owners of the Company</i>					
Options granted / exercised / canceled	0.0	0.2		3.5	3.7
Total transactions with owners of the Company	0.0	0.2	-	3.5	3.7
Balance at 31 December 2023	6.7	439.3	(44.4)	640.0	1,041.6

¹ Includes reserve for share-based payments as per 31 March 2024 of EUR 13.9 million (31 December 2023: EUR 13.5 million).

² For details on other reserves refer to note 12.

³ Includes a legal reserve for capitalized intangible assets related to product development projects as per 31 March 2024 of EUR 106.2 million (31 December 2023: EUR 106.3 million).

Consolidated Statement of Cash Flows

In EUR million	Notes	YTD 2024	YTD 2023
Cash Flow from operating activities			
Result from operations		11.9	23.1
<i>Adjustments to reconcile result from operations to net cash provided by / (used in) operating activities:</i>			
Depreciation of property, plant and equipment and right of use assets	10	10.6	10.5
Amortization and impairment of intangible assets	11	13.1	12.7
Adjustments for other non-cash income and expenses		0.4	2.5
Working capital provided by / (used in) operating activities		36.0	48.8
<i>Changes in:</i>			
Inventories and contract assets and liabilities		(34.5)	(23.1)
Trade and other receivables		13.0	(11.4)
Trade and other payables		10.2	21.5
Provisions		1.5	(1.5)
Changes in operating assets and liabilities		(9.8)	(14.5)
Cash generated from operating activities		26.2	34.3
Income taxes paid		(3.7)	(6.5)
Interest received		0.2	0.8
Interest paid		(16.2)	(11.8)
Net cash from operating activities		6.5	16.8
Cash Flow from investing activities			
Purchase of property, plant and equipment	10	(4.9)	(17.7)
Investments in intangibles	11	(6.9)	(10.7)
Proceeds from sale of property, plant and equipment	10	0.5	0.3
Acquisition of subsidiaries, net of cash acquired		-	(3.7)
Net cash provided by / (used in) investing activities		(11.3)	(31.8)
Cash Flow from financing activities			
Options exercised	12	-	(1.1)
Proceeds from borrowings	13	-	10.0
Repayments of borrowings	13	(25.5)	(0.4)
Payments of lease liabilities	13	(2.8)	(3.3)
Net cash provided by / (used in) financing activities		(28.3)	5.2
Net increase / (decrease) in cash and cash equivalents		(33.1)	(9.8)
Exchange gain / (loss) on cash and cash equivalents		(0.9)	(2.1)
Cash and cash equivalents at beginning of the period		69.9	75.7
Cash and cash equivalents at end of the period		35.9	63.8

Notes to the Consolidated Financial Statements

1 General information

Reporting entity

Marel hf. ("the Company") is a limited liability company incorporated and domiciled in Iceland. The address of its registered office is Austurhraun 9, Gardabaer.

The Condensed Consolidated Interim Financial Statements of the Company as at and for the three-month period ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as "the Group" or "Marel").

The Group is a leading global provider of advanced solutions, software and services to food processing industries and is involved in the manufacturing, development, distribution and sales of solutions for these industries.

These Condensed Consolidated Interim Financial Statements for the three-month period ended 31 March 2024 have not been audited nor reviewed by an external auditor.

These Condensed Consolidated Interim Financial Statements have been approved for issue by the Board of Directors and CEO on 7 May 2024.

The Company is listed on the Nasdaq Iceland ("Nasdaq") and on Euronext Amsterdam ("Euronext") exchanges.

2 Base of preparation and use of judgments and estimates

Base of preparation

These Condensed Consolidated Interim Financial Statements of the Company and its subsidiaries are for the three-month period ended 31 March 2024 and have been prepared in accordance with IAS 34 'Interim financial reporting' as adopted by the European Union.

The Condensed Consolidated Interim Financial Statements should be read in conjunction with the Group's Annual Consolidated Financial Statements for the year ended 31 December 2023. The Consolidated Financial Statements for the Group for the year ended 31 December 2023 are available upon request from the Company's registered office at Austurhraun 9, Gardabaer, Iceland or at www.marel.com.

These Condensed Consolidated Interim Financial Statements do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention, except for the revaluation of financial assets and liabilities classified as 'fair value through other comprehensive income' or 'fair value through profit or loss', which are reported in accordance with the accounting policies set out in note 2 of the Group's Annual Consolidated Financial Statements for the year ended 31 December 2023.

Items of each entity in the Group, as included in the Condensed Consolidated Interim Financial Statements, are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The Condensed Consolidated Interim Financial Statements are presented in Euro (EUR), which is the Group's reporting currency.

Accounting policies

The accounting policies applied in these Condensed Consolidated Interim Financial Statements are consistent with those applied and described in the Annual Consolidated Financial Statements for the year ended 31 December 2023. The accounting policies have been applied consistently for all periods presented in these Condensed Consolidated Interim Financial Statements.

A number of new and amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these new and amended standards.

Use of judgments and estimates

In preparing these Condensed Consolidated Interim Financial Statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those described in the Group's Annual Consolidated Financial Statements for the year ended 31 December 2023.

3 Non-IFRS measurement

In this note to the Condensed Consolidated Interim Financial Statements, Marel presents certain financial measures when discussing Marel's performance that are not measures of financial performance or liquidity under IFRS ("non-IFRS"). Non-IFRS measures do not have standardized meanings under IFRS and not all companies calculate non-IFRS measures in the same manner or on a consistent basis. As a result, these measures may not be comparable to measures used by other companies that have the same or similar names. The non-IFRS measures are not meant to be considered in isolation or as a substitute for comparable IFRS measures and should be read only in conjunction with our Condensed Consolidated Interim Financial Statements prepared in accordance with IFRS.

Management has presented adjusted result from operations ("adjusted EBIT"), result from operations

before depreciation and amortization ("EBITDA") and adjusted result from operations before depreciation and amortization ("adjusted EBITDA") as performance measures because it monitors these performance measures at a consolidated level and believes that these measures are relevant to understanding the Group's financial performance.

Adjusted EBIT is calculated by adjusting result from operations ("EBIT") to exclude the impact of PPA related costs (consisting of depreciation and amortization of acquisition related (in)tangible assets, acquisition related expenses and restructuring costs). Result from operations is also adjusted for one-off write-offs within "Other".

The reconciliation of adjusted EBIT to the most directly comparable IFRS measure EBIT, is included in the following table.

	Non-IFRS			Non-IFRS		
	As reported	adjustments	measures	As reported	adjustments	measures
	YTD	YTD	YTD	YTD	YTD	YTD
	2024	2024	2024	2023	2023	2023
Revenues	412.6	-	412.6	447.4	-	447.4
Cost of sales	(264.1)	0.2	(263.9)	(294.7)	8.5	(286.2)
Gross profit	148.5	0.2	148.7	152.7	8.5	161.2
Selling and marketing expenses	(64.6)	4.7	(59.9)	(64.4)	4.3	(60.1)
General and administrative expenses	(40.4)	10.4	(30.0)	(37.0)	2.2	(34.8)
Research and development expenses	(31.6)	5.6	(26.0)	(28.2)	2.1	(26.1)
Adjusted EBIT		20.9	32.8		17.1	40.2
Non-IFRS adjustments		(20.9)	(20.9)		(17.1)	(17.1)
EBIT	11.9	-	11.9	23.1	-	23.1

The non-IFRS adjustments to the result from operations includes the following:

	YTD	YTD
	2024	2023
PPA related charges	6.7	15.0
Acquisition related expenses	8.1	2.1
Restructuring costs	4.4	-
Other	1.7	-
Total non-IFRS adjustments	20.9	17.1

The reconciliation of EBITDA and adjusted EBITDA to the most directly comparable IFRS measurement EBIT, is included in the table below.

	YTD	YTD
	2024	2023
EBIT	11.9	23.1
Depreciation, amortization and impairment	23.7	23.2
EBITDA	35.6	46.3
Non-IFRS adjustments	12.5	10.2
Adjusted EBITDA	48.1	56.5

4 Segment information

Operating segments

The identified operating segments comprise the four core business segments. These operating segments form the basis for managerial decision taking.

The following summary describes the operations in each of the Group's reportable segments:

- Poultry processing: Our poultry full-line product range offers automated in-line solutions, software and services for all stages of processing broilers, turkeys and ducks;
- Meat processing: Our meat segment is a full line supplier for primary, secondary and further processing equipment, systems, software and services of pork, beef, veal and sheep;
- Fish processing: Marel provides advanced equipment, systems, software and services for processing salmon and whitefish, both farmed and wild, on-board and ashore;
- Plant, pet and feed: The plant, pet and feed segment provides solutions and services to the pet food, plant-based protein and aqua feed markets.
- The 'Other' segment includes any revenues, result from operations and assets which do not belong to the four core business segments.

The reporting entities are reporting their revenues per operating segment based on the segment for which

the customer is using Marel's product range. Therefore inter-segment revenues do not exist, only intercompany revenues within the same segment.

Results are monitored and managed at the operating segment level, up to the adjusted result from operations. Adjusted result from operations is used to measure performance as management believes that this information is the most relevant in evaluating the results of the respective Marel segments relative to other entities that operate in the same business segment.

The Group's CEO reviews the internal management reports of each segment on a monthly basis.

Fluctuations between quarters are mainly due to general economic developments, timing of receiving and delivery of orders, margin on projects and business mix. Decisions on tax and financing structures including cash and cash equivalents are taken at a corporate level and are not allocated to the operating segments. The profit or loss per operating segment is the adjusted result from operations; finance costs, taxes and results of associates are reported in the column total.

Intercompany transactions are entered at arm's length terms and conditions comparable to those available to unrelated parties. Information on assets per operating segment is reported; however, decisions on liabilities are taken at a corporate level and as such are not included in this disclosure.

31 March 2024	Poultry	Meat	Fish	Plant, pet and feed	Other	Total
Revenues	218.0	102.0	39.7	45.4	7.5	412.6
Adjusted result from operations	34.9	(4.6)	(2.2)	5.2	(0.5)	32.8
PPA related charges	(0.1)	(3.6)	(0.4)	(2.4)	(0.2)	(6.7)
Acquisition related expenses						(8.1)
Restructuring costs						(4.4)
Other						(1.7)
Result from operations						11.9
Net finance costs						(13.8)
Share of result of associates						(0.1)
Result before income tax						(2.0)
Income tax						(1.2)
Net result for the period						(3.2)
Assets excluding cash and cash equivalents	890.9	801.9	239.0	555.1	39.2	2,526.1
Capital expenditures	7.7	4.1	2.1	1.6	0.2	15.7
Depreciation and amortization	(7.2)	(7.6)	(2.6)	(4.2)	(0.4)	(22.0)
Impairment	-	(1.7)	-	-	-	(1.7)

31 March 2023	Poultry	Meat	Fish	Plant, pet and feed	Other	Total
Revenues	227.8	111.6	47.4	54.6	6.0	447.4
Adjusted result from operations	35.1	0.8	(3.5)	7.6	0.2	40.2
PPA related charges	(0.1)	(3.6)	(0.4)	(10.7)	(0.2)	(15.0)
Acquisition related expenses						(2.1)
Result from operations						23.1
Net finance costs						(12.9)
Share of result of associates						(0.2)
Result before income tax						10.0
Income tax						(0.9)
Net result for the period						9.1
Assets excluding cash and cash equivalents	933.9	868.1	256.8	559.5	32.1	2,650.4
Capital expenditures	17.2	7.3	5.2	1.6	0.1	31.4
Depreciation and amortization	(7.1)	(8.0)	(2.6)	(4.0)	(0.6)	(22.3)
Impairment	(0.5)	(0.3)	(0.1)	-	-	(0.9)

Geographical information

The Group's operating segments operate in three main geographical areas, although they are managed on a global basis. The Group is domiciled in Iceland.

Assets excluding cash and cash equivalents	31/03 2024	31/12 2023
Europe, Middle East and Africa ¹	1,733.9	1,739.7
Americas	762.6	763.3
Asia and Oceania	29.6	26.9
Total	2,526.1	2,529.9

¹ Iceland accounts for EUR 282.7 million (31 December 2023: EUR 276.8 million).

The Group's cash pool is managed at a corporate level and therefore not allocated geographically. Capital expenditures include investments in property, plant and equipment, right of use assets and intangible assets (including capitalized technology and development costs, refer to note 11).

Capital expenditure	YTD 2024	YTD 2023
Europe, Middle East and Africa ¹	12.7	29.4
Americas	2.1	1.9
Asia and Oceania	0.9	0.1
Total	15.7	31.4

¹ Iceland accounts for EUR 1.7 million (2023: EUR 4.1 million).

Cash capital expenditures are made up of capital expenditures excluding the investments in right of use assets. Cash capital expenditures for the three-month period ended 31 March 2024 amount to EUR 11.8 million (2023: EUR 28.4 million).

5 Revenues

Revenues

The Group's revenue is derived from contracts with customers. Within the segments and within the operating companies, Marel is not relying on any individual major customers.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets (revenue is allocated based on the country where the customer is located):

Revenue by geographical markets	YTD 2024	YTD 2023
Europe, Middle East and Africa ¹	205.6	223.3
Americas	172.4	177.5
Asia and Oceania	34.6	46.6
Total	412.6	447.4

¹ Iceland accounts for EUR 2.3 million (2023: EUR 3.8 million).

In the following table revenue is disaggregated by equipment revenue (comprised of revenue from greenfield and large projects, standard equipment and modernization equipment) and aftermarket revenue (comprised of maintenance, service and spare parts):

Revenue by business mix	YTD 2024	YTD 2023
Equipment revenue	206.9	256.2
Aftermarket revenue	205.7	191.2
Total	412.6	447.4

Trade receivables and contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Trade receivables and contract balances	31/03 2024	31/12 2023	01/01 2023
Trade receivables	196.5	215.2	218.3
Contract assets	44.8	36.3	65.8
Contract liabilities	(262.4)	(295.0)	(324.3)

6 Expenses by nature

Expenses by nature	YTD 2024	YTD 2023
Direct material costs	141.2	165.7
Employee benefits	174.4	175.8
Other personnel expenses	6.1	9.1
Depreciation, amortization and impairment	23.7	23.2
Other ¹	55.3	50.5
Total	400.7	424.3

¹ Other expenses include mainly consultancy, IT, maintenance, marketing, outsourcing services, travel and utilities.

7 Net finance costs

Net finance costs	YTD 2024	YTD 2023
Finance costs:		
Interest on borrowings	(13.1)	(11.9)
Interest on lease liabilities	(0.3)	(0.3)
Other finance expenses	(1.6)	(1.5)
Subtotal finance costs	(15.0)	(13.7)
Finance income:		
Interest income	0.9	0.5
Net foreign exchange gain	0.3	0.3
Subtotal finance income	1.2	0.8
Total	(13.8)	(12.9)

8 Income tax

Income tax expense is recognized at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in the interim period. As such, the effective tax rate in the Condensed Consolidated Interim Financial Statements may differ from the effective tax rate for the Annual Consolidated Financial Statements.

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies as shown in the next table.

	YTD		YTD	
	2024	%	2023	%
Reconciliation of applicable to effective income tax				
Result before income tax	(2.0)		10.0	
Income tax using Icelandic rate	0.4	21.0	(2.0)	20.0
Effect of tax rates in other jurisdictions	(0.7)	(36.0)	(0.6)	6.0
Weighted average applicable tax	(0.3)	(15.0)	(2.6)	26.0
Foreign exchange effect Iceland	0.0	(0.0)	0.3	(3.0)
Research and development tax incentives	1.1	55.0	1.7	(17.0)
Other permanent differences	(2.0)	(100.0)	(0.2)	2.0
(Impairment)/reversal of tax losses	-	-	(0.3)	3.0
Others	(0.0)	0.0	0.2	(2.0)
Tax charge included in the Consolidated Statement of Income	(1.2)	(60.0)	(0.9)	9.0

9 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to Shareholders by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held as treasury shares.

Basic earnings per share (EUR cent per share)	YTD 2024	YTD 2023
Net result attributable to Shareholders (EUR millions)	(3.2)	9.1
Weighted average number of outstanding shares issued (millions)	754.0	752.9
Basic earnings per share (EUR cent per share)	(0.42)	1.21

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has one category of dilutive potential ordinary shares: stock options. For the stock options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the stock options.

Diluted earnings per share (EUR cent per share)	YTD 2024	YTD 2023
Net result attributable to Shareholders (EUR millions)	(3.2)	9.1
Weighted average number of outstanding shares issued (millions)	754.0	752.9
Adjustments for stock options (millions)	0.0	1.4
Weighted average number of outstanding shares for diluted earnings per share (millions)	754.0	754.3
Diluted earnings per share (EUR cent per share)	(0.42)	1.21

10 Property, plant and equipment

	Land & buildings	Plant & machinery	Vehicles & equipment	Under construction	Total
At 1 January 2024					
Cost	315.0	185.5	77.8	30.1	608.4
Accumulated depreciation	(93.6)	(110.4)	(58.6)	-	(262.6)
Net book value	221.4	75.1	19.2	30.1	345.8
Three months ended 31 March 2024					
Opening net book value	221.4	75.1	19.2	30.1	345.8
Divestments	-	-	(0.5)	-	(0.5)
Effect of movements in exchange rates	0.7	0.7	0.1	0.0	1.5
Additions	0.3	2.0	1.0	1.6	4.9
Transfer between categories	-	-	0.4	(0.4)	-
Depreciation	(2.3)	(3.4)	(1.3)	-	(7.0)
Closing net book value	220.1	74.4	18.9	31.3	344.7
At 31 March 2024					
Cost	316.3	187.8	78.9	31.3	614.3
Accumulated depreciation	(96.2)	(113.4)	(60.0)	-	(269.6)
Net book value	220.1	74.4	18.9	31.3	344.7

11 Goodwill and intangible assets

	Goodwill	Technology & development costs	Customer relations, patents & trademarks	Other intangibles	Total intangible assets
At 1 January 2024					
Cost	859.0	487.5	385.4	109.0	981.9
Accumulated amortization	-	(231.6)	(121.0)	(88.1)	(440.7)
Net book value	859.0	255.9	264.4	20.9	541.2
Three months ended 31 March 2024					
Opening net book value	859.0	255.9	264.4	20.9	541.2
Effect of movements in exchange rates	3.7	1.9	2.9	0.0	4.8
Additions	-	5.2	-	1.7	6.9
Impairment charge	-	(1.7)	-	-	(1.7)
Amortization	-	(5.0)	(4.8)	(1.6)	(11.4)
Closing net book value	862.7	256.3	262.5	21.0	539.8
At 31 March 2024					
Cost	862.7	493.6	388.9	111.1	993.6
Accumulated amortization	-	(237.3)	(126.4)	(90.1)	(453.8)
Net book value	862.7	256.3	262.5	21.0	539.8

12 Equity

	Ordinary shares (thousands)	Treasury shares (thousands)	Outstanding number of shares (thousands)
Share capital			
At 1 January 2024	771,008	(17,057)	753,951
Treasury shares - used	-	-	-
At 31 March 2024	771,008	(17,057)	753,951
	100.00%	2.21%	97.79%

	31/03 2024	31/12 2023
Class of share capital		
Nominal value	6.7	6.7
Share premium reserve	425.8	425.8
Reserve for share-based payments	13.9	13.5
Total share premium reserve	439.7	439.3

Dividends

In March 2024, a dividend of EUR 6.2 million (EUR 0.82 cents per share) was declared to the shareholders for the operational year 2023. This corresponds to approximately 20% of net result for the operational year 2023 (in 2023, a dividend of EUR 11.7 million (EUR 1.56 cents per share) was declared and paid for the operational year 2022). The dividend will be fully paid in Q2 2024, and is reported as other payable at 31 March 2024.

Other reserves

Other reserves in shareholder's equity include the following:

Other reserves	Hedge reserve	Translation reserve	Total other reserves
Balance at			
1 January 2024	(1.7)	(42.7)	(44.4)
Total other comprehensive income	2.0	5.1	7.1
Balance at			
31 March 2024	0.3	(37.6)	(37.3)

Limitation in the distribution of Shareholders' equity

As at 31 March 2024, pursuant to Icelandic law, certain limitations exist relating to the distribution of shareholders' equity. Such limitations relate to legal reserves required by Icelandic law included under retained earnings for capitalized intangible assets related to product development projects and for legal reserves relating to any legal or economic restrictions to the ability of affiliated companies to transfer funds to the parent company in the form of dividends.

The legal reserve included under retained earnings for capitalized intangible assets related to product development projects amounted to EUR 106.2 million as at 31 March 2024 (31 December 2023: EUR 106.3 million).

Since the profits retained in Marel hf's subsidiaries can be distributed and received in Iceland, no legal reserve for any legal or economic restrictions to the ability of affiliated companies to transfer funds to the parent company in the form of dividends is required.

The amount of the legal reserve for the share of profit of affiliates is reduced by dividends received from those companies and those dividends from them which can be claimed. Therefore Marel could, based on its control as the parent company, decide to let its subsidiaries pay dividends. The dividends would lower the amount of legal reserves within equity and therefore leave more room for Marel to make dividend payments to its shareholders. The provision of the Icelandic Financial Statement Act No. 3/2006 does not prevent Marel from making dividend payments to its shareholders as the Company has sufficient retained earnings from previous years.

13 Borrowings and lease liabilities

	31/03 2024	31/12 2023
Borrowings and lease liabilities		
Borrowings	800.9	819.8
Lease liabilities	30.0	29.8
Non-current	830.9	849.6
Borrowings	0.0	0.0
Lease liabilities	11.0	11.2
Current	11.0	11.2
Total	841.9	860.8
Borrowings	800.9	819.8
Lease liabilities	41.0	41.0
Total	841.9	860.8

The Group loan agreements contain restrictive covenants, relating to interest cover and leverage. At 31 March 2024 and 31 December 2023 the Group complies with all restrictive covenants.

The Group has the following headroom in committed facilities:

	31/03 2024	31/12 2023
Available headroom		
Expiring within one year	-	-
Expiring beyond one year	340.7	313.7
Total	340.7	313.7

**Borrowings and lease liabilities in currency recorded in EUR
at 31 March 2024**

	Borrowings	Capitalized		Total
		finance charges	Lease liabilities	
Liabilities in EUR	468.5	(4.0)	14.8	479.3
Liabilities in USD	337.3	(1.7)	9.4	345.0
Liabilities in other currencies	0.8	-	16.8	17.6
Total	806.6	(5.7)	41.0	841.9
Current maturities	(2.8)	2.8	(11.0)	(11.0)
Non-current maturities	803.8	(2.9)	30.0	830.9

**Borrowings and lease liabilities in currency recorded in EUR
at 31 December 2023**

	Borrowings	Capitalized		Total
		finance charges	Lease liabilities	
Liabilities in EUR	493.5	(3.1)	15.0	505.4
Liabilities in USD	329.9	(1.3)	10.0	338.6
Liabilities in other currencies	0.8	-	16.0	16.8
Total	824.2	(4.4)	41.0	860.8
Current maturities	(2.0)	2.0	(11.2)	(11.2)
Non-current maturities	822.2	(2.4)	29.8	849.6

**Annual maturity of non-current borrowings and lease
liabilities at 31 March 2024**

	Borrowings	Capitalized		Total
		finance charges	Lease liabilities	
Between 1 and 2 years	447.8	(2.4)	10.6	456.0
Between 2 and 3 years	352.0	(0.5)	8.1	359.6
Between 3 and 4 years	1.0	-	2.8	3.8
Between 4 and 5 years	1.0	-	4.2	5.2
After 5 years	2.0	-	4.3	6.3
Total	803.8	(2.9)	30.0	830.9

**Annual maturity of non-current borrowings and lease
liabilities at 31 December 2023**

	Borrowings	Capitalized		Total
		finance charges	Lease liabilities	
Between 1 and 2 years	441.3	(1.8)	10.6	450.1
Between 2 and 3 years	1.3	(0.6)	7.4	8.1
Between 3 and 4 years	375.8	-	3.0	378.8
Between 4 and 5 years	1.0	-	4.2	5.2
After 5 years	2.8	-	4.6	7.4
Total	822.2	(2.4)	29.8	849.6

14 Financial instruments and risks

Fair value of financial assets and liabilities	Carrying amount	Fair value	Level 1	Level 2	Level 3
At 31 March 2024					
Cash and cash equivalents	35.9	35.9	-	-	-
Trade receivables, other receivables and prepayments	290.7	290.7	-	-	-
Other non-current financial assets	3.6	3.6	-	-	3.6
Interest rate swaps	2.4	2.4	-	2.4	-
Forward exchange contracts	0.8	0.8	-	0.8	-
Subtotal financial assets	333.4	333.4	-	3.2	3.6
Interest rate swaps	(1.9)	(1.9)	-	(1.9)	-
Forward exchange contracts	(0.4)	(0.4)	-	(0.4)	-
Borrowings	(800.9)	(800.9)	-	-	-
Trade and other payables	(310.7)	(310.7)	-	-	-
Subtotal financial liabilities	(1,113.9)	(1,113.9)	-	(2.3)	-
Total	(780.5)	(780.5)	-	0.9	3.6
Fair value of financial assets and liabilities	Carrying amount	Fair value	Level 1	Level 2	Level 3
At 31 December 2023					
Cash and cash equivalents	69.9	69.9	-	-	-
Trade receivables, other receivables and prepayments	301.1	301.1	-	-	-
Other non-current financial assets	3.5	3.5	-	-	3.5
Interest rate swaps	0.6	0.6	-	0.6	-
Forward exchange contracts	1.1	1.1	-	1.1	-
Subtotal financial assets	376.2	376.2	-	1.7	3.5
Interest rate swaps	(3.4)	(3.4)	-	(3.4)	-
Forward exchange contracts	(0.6)	(0.6)	-	(0.6)	-
Borrowings	(819.8)	(819.8)	-	-	-
Trade and other payables	(293.1)	(293.1)	-	-	-
Subtotal financial liabilities	(1,116.9)	(1,116.9)	-	(4.0)	-
Total	(740.7)	(740.7)	-	(2.3)	3.5

The tables above show the carrying amounts and the estimated fair values of financial assets and liabilities, including their levels in the fair value hierarchy.

The carrying amount of cash and cash equivalents, trade receivables, other receivables and prepayments, trade and other payables approximate their fair values because of the short-term nature of these instruments. The fair value of borrowings approximate their carrying amount based on the nature of these borrowings (including maturity and interest conditions).

During the year there were no material transfers between individual levels of the fair value hierarchy.

15 Contingencies

Contingent liabilities

At 31 March 2024 the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise. In the ordinary course of business the Group has given guarantees amounting to EUR 21.4 million (31 December 2023: EUR 26.2 million) to third parties.

Legal proceedings

As part of doing business and acquisitions the Group is involved in claims and litigations, under such indemnities and guarantees. These claims are pending and all are contested. Provisions are recognized when an outflow of economic benefits for settlement is probable and the amount can be estimated reliably. It should be understood that, in light of possible future developments, such as (a) potential additional lawsuits, (b) possible future settlements, and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs.

At this point in time, Marel cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful. Moreover, if and to the extent that the contingent liabilities materialize, they are often resolved over a number of years and the timing of such payments cannot be predicted with confidence. While the outcome of said cases, claims and disputes cannot be predicted with certainty, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position but could be material to our results of operations or cash flows in any one accounting period.

Environmental remediation

The Company and its subsidiaries are subject to environmental laws and regulations. Under these laws, the Company and/or its subsidiaries may be required to remediate the effects of certain incidents on the environment.

16 Related party transactions

At 31 March 2024 and 31 December 2023 there are no loans to the members of the Board of Directors and the CEO. In addition, there were no transactions carried out (purchases of goods and services) between the Group and members of the Board of Directors nor the CEO in the years ended 31 March 2024 and 2023.

17 Subsequent events

No significant events have taken place since the reporting date, 31 March 2024.

Appendices

1 Quarterly results

	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1
Revenues	412.6	448.0	403.6	422.4	447.4
Cost of sales	(264.1)	(289.8)	(260.5)	(280.0)	(294.7)
Gross profit	148.5	158.2	143.1	142.4	152.7
Selling and marketing expenses	(64.6)	(63.1)	(59.5)	(62.1)	(64.4)
General and administrative expenses	(40.4)	(35.5)	(29.2)	(32.7)	(37.0)
Research and development expenses	(31.6)	(33.8)	(26.8)	(30.5)	(28.2)
Result from operations (EBIT)	11.9	25.8	27.6	17.1	23.1
Net finance costs	(13.8)	(17.3)	(15.1)	(11.7)	(12.9)
Share of result of associates	(0.1)	(0.1)	(0.0)	(0.2)	(0.2)
Result before income tax	(2.0)	8.4	12.5	5.2	10.0
Income tax	(1.2)	0.3	(2.4)	(2.1)	(0.9)
Net result for the period	(3.2)	8.7	10.1	3.1	9.1
Result from operations before depreciation & amortization (EBITDA)	35.6	54.8	50.2	40.1	46.3

The below tables provides an overview of the quarterly adjusted result from operations, which management believes to be a relevant Non-IFRS measurement, as mentioned in note 3.

	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1
Revenues	412.6	448.0	403.6	422.4	447.4
Cost of sales	(263.9)	(288.7)	(260.1)	(274.2)	(286.2)
Gross profit	148.7	159.3	143.5	148.2	161.2
Selling and marketing expenses	(59.9)	(58.5)	(54.3)	(56.4)	(60.1)
General and administrative expenses	(30.0)	(32.7)	(28.6)	(31.5)	(34.8)
Research and development expenses	(26.0)	(25.3)	(24.3)	(26.5)	(26.1)
Adjusted result from operations¹	32.8	42.8	36.3	33.8	40.2
Non-IFRS adjustments	(20.9)	(17.0)	(8.7)	(16.7)	(17.1)
Result from operations (EBIT)	11.9	25.8	27.6	17.1	23.1
Adjusted result from operations before depreciation & amortization (EBITDA)	48.1	58.9	52.1	49.9	56.5

¹ Result from operations is adjusted for PPA related costs, including depreciation and amortization, acquisition related expenses and restructuring costs. In Q4 2023 and Q1 2024, result from operations is also adjusted for one-off write-offs within "Other".

2 Definitions and abbreviations

EBIT

Earnings before interest and tax

EBITDA

Earnings before interest, tax, depreciation and amortization

IAS

International Accounting Standards

IFRS

International Financial Reporting Standards

PPA

Purchase Price Allocation