

WELCOME

EXTRAORDINARY SHAREHOLDERS' MEETING

22 November 2018



AGENDA



EXTRAORDINARY GENERAL MEETING – 22 NOVEMBER 2018

- 1 | Proposal to reduce the share capital of the Company
- 2 | Proposal to grant an authorization to the Board of Directors to initiate a share buyback program
- 3 | Any other business, lawfully presented

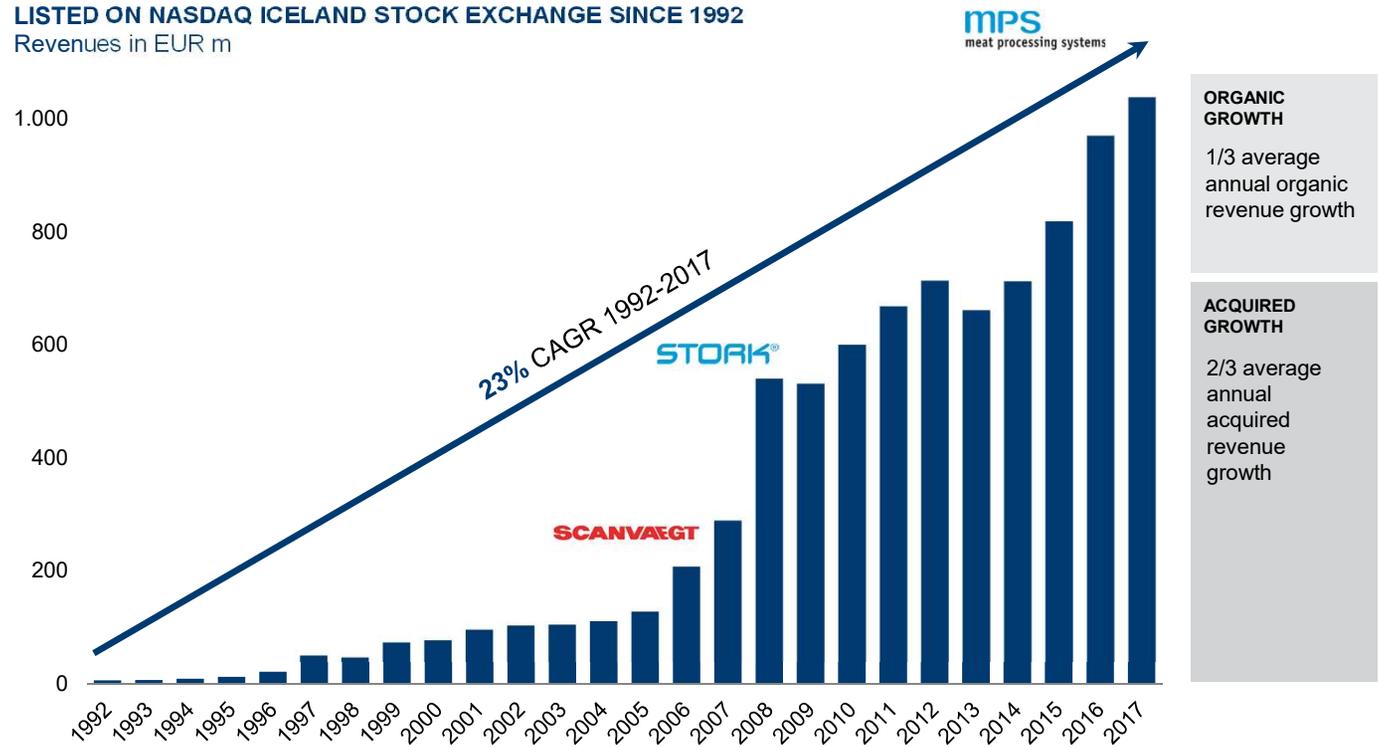
FROM START UP TO A GLOBAL LEADER



At year-end 2017, Marel had 5,400 employees working in over 30 countries and EUR 1,038m in revenues, a stark contrast to its 45 employees and revenues of EUR 6m at the time of listing in 1992

- Good support from shareholders since listing on Nasdaq Iceland in 1992
- Growth strategy announced and agreed in the 2006 AGM
- Acquisitions of Scanvaegt and Stork Food Systems with equity contribution of EUR 268 million
- Acquisitions of MPS, Sulmaq and MAJA financed with support from banking partners, strong operational results and cash flow

LISTED ON NASDAQ ICELAND STOCK EXCHANGE SINCE 1992
Revenues in EUR m



ORGANIC GROWTH
1/3 average annual organic revenue growth

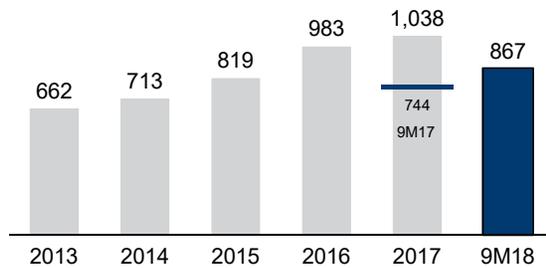
ACQUIRED GROWTH
2/3 average annual acquired revenue growth



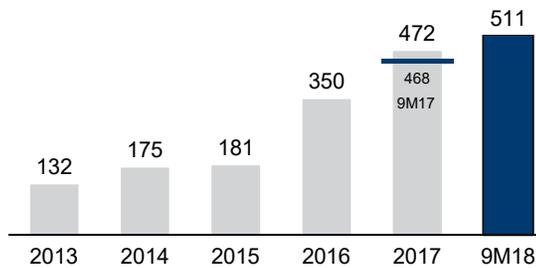
SOLID FINANCIAL PROFILE

Target of 12% average annual revenue growth in 2017-2026, capitalizing on R&D investments and strengthening the value chain organically and via strategic investments

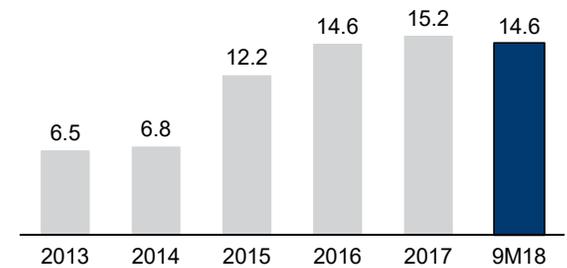
REVENUES
EUR m



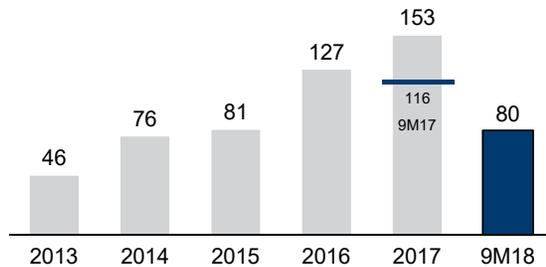
ORDER BOOK
EUR m



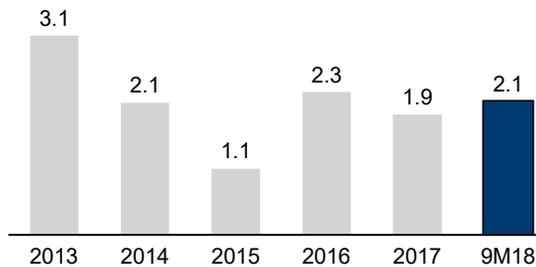
EBIT*
%



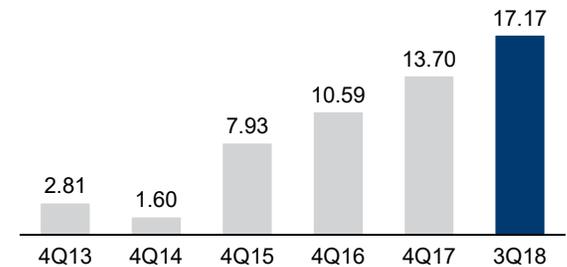
FREE CASH FLOW
EUR m



LEVERAGE
Net debt/EBITDA



EARNINGS PER SHARE (EPS)
Trailing twelve months, euro cents



*Operating income adjusted for amortization of acquisition-related intangible assets (PPA).

UNIQUE POSITION FOR SUSTAINABLE VALUE CREATION



Solid financial profile and proven track record in delivering shareholder value

Attractive industry driven by growth in active consumers and secular trends

Leading pure-play supplier with global sales and service reach

Innovative full-line solutions with overarching software

High quality of earnings and diversified revenue streams

Disciplined capital allocation and proven track record in M&A

United Marel team

ALTERNATIVE LISTING

Three alternatives narrowed to dual listing. Following active discussions with selected exchanges primary focus now on Euronext in Amsterdam, London Stock Exchange and Nasdaq Copenhagen.

1

LISTING ON NASDAQ ICELAND CONTINUED

No change to current set up where Marel is listed on Nasdaq Iceland

2

DUAL LISTING IN ICELAND AND INTERNATIONALLY

Listing on Nasdaq Iceland continued and a second listing added internationally

3

DELISTING FROM ICELAND AND RELISTING INTERNATIONALLY

Delisting from Nasdaq Iceland and relisting on an international exchange (the form and constitution of shares expected to remain the same)

LISTING VENUE CONSIDERATIONS

- Market depth and sector awareness
- Access to international investor base
- Analyst coverage
- Index inclusion
- Valuation
- Peer group

PRIMARY FOCUS



Euronext in Amsterdam

London Stock Exchange

Nasdaq Copenhagen

...all have access to an international investor base

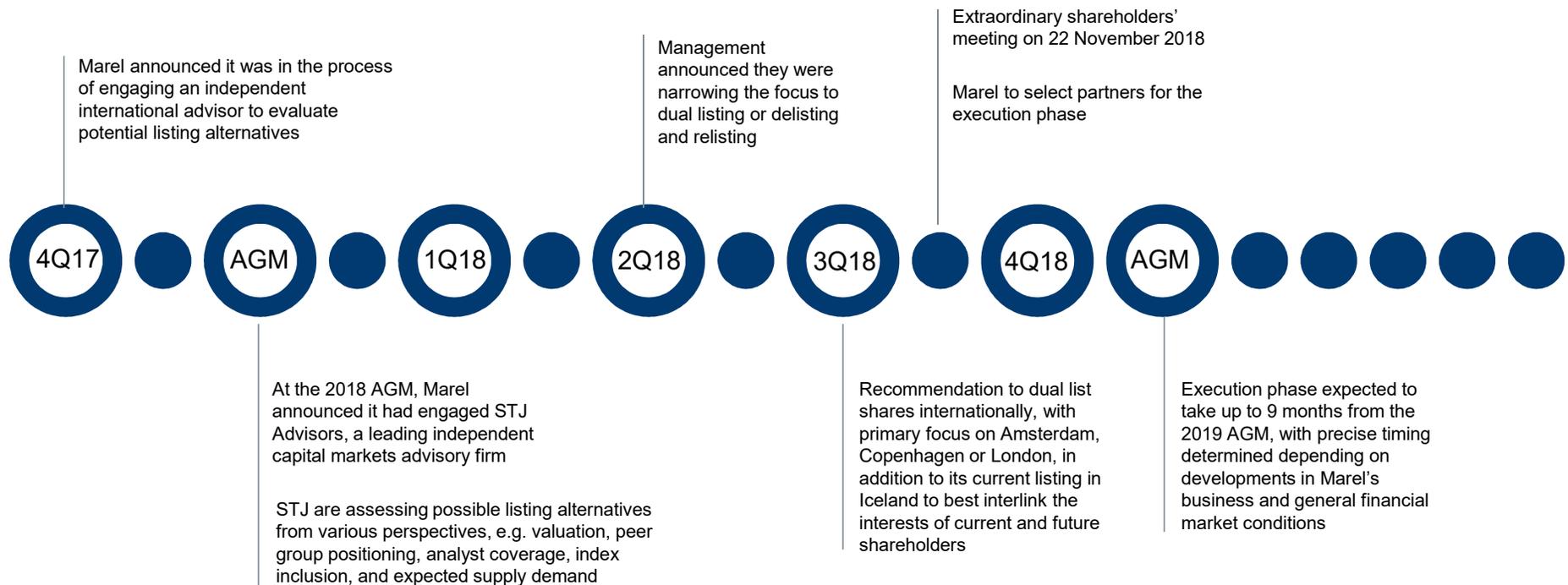
MAREL SPECIFIC CONSIDERATIONS

- Operational footprint
- Shareholder journey
- Clearing and settlement mechanics
- Reporting currency

ESTIMATED TIMELINE FOR LISTING PROJECT



The Board of Directors has decided to call for an extraordinary shareholders' meeting on 22 November 2018, to propose a reduction in share capital and initiate a formal share buy-back program



1

Proposal to
reduce the
share capital
of the company

2

Proposal to
initiate a
share buyback
program

A woman with long dark hair, wearing a dark jacket, is looking upwards and to the right with a thoughtful expression. The background is a blurred blue and white pattern, possibly a screen or wall. The overall image has a blue tint.

IN PARTNERSHIP WITH OUR CUSTOMERS
WE ARE **TRANSFORMING** THE WAY FOOD IS PROCESSED.
OUR **VISION** IS OF A WORLD WHERE QUALITY FOOD IS
PRODUCED **SUSTAINABLY** AND AFFORDABLY.

UNITY

EXCELLENCE

INNOVATION

1 |

PROPOSAL TO REDUCE THE SHARE CAPITAL OF THE COMPANY



PROPOSAL TO REDUCE THE SHARE CAPITAL OF THE COMPANY



The Board of Directors proposes that the Company's share capital will be reduced and the Articles of Association amended to state "The share capital of the Company amounts to ISK 682,585,921."

HIGHLIGHTS

- Proposal to reduce the Company's share capital by ISK 52,983,076 nominal value
- The reduction will be executed by way of cancelling 52,983,076 of the Company's own shares of ISK 1 each
- As a result, the share capital of the Company will amount to ISK 682,585,921

PROPOSAL

- "Marel's Shareholders' Meeting, held on 22 November 2018, approves that the Company's share capital shall be reduced by ISK 52,983,076 nominal value, from ISK 735,568,997 to ISK 682,585,921 nominal value. The reduction will be executed by way of cancelling 52,983,076 of the Company's own shares of ISK 1 each, in accordance with the provisions of Act no. 2/1995 respecting Public Limited Companies."
- The Board of Directors' statement:

"In line with the Company's intention to pursue dual listing of its shares, it is anticipated that the Company will at the 2019 AGM request shareholders' authorization to issue new share capital of up to 15% to support a successful international listing, fair valuation and liquidity.

In order to align the interests of current and future shareholders regarding aforementioned anticipated share capital increase in connection with the listing project, the Board of Directors proposes that the Company's share capital will be reduced, and that the Board of Directors will be granted authorization to initiate a formal share buy-back program that complies with the Act on Securities transactions no. 108/2007, Regulation on Insider Information and Market Manipulation no. 630/2005 and the Act respecting Public Limited Companies no. 2/1995. As of 31 October 2018, the Company held 60,736,826 own shares that have been acquired in the past few years based on Marel's AGM authorizations to the Board of Directors, for the purpose of being used as payment for potential future acquisitions as well as for hedging of existing stock option programs. The proposal entails that 52,983,076 own shares in the company will be cancelled and its share capital reduced accordingly. If the proposal is approved, the Company will hold 7,753,750 own shares, to be used to fulfil the Company's obligations according to stock option agreements."
- As a result of the capital reduction, it is proposed that Article 2.1 of the Company's Articles of Association is amended and shall state as follows: "The share capital of the Company amounts to ISK 682,585,921." and in Icelandic: „Hlutafé félagsins er kr. 682.585.921.“

2 |

PROPOSAL TO GRANT AN
AUTHORIZATION TO THE
BOARD OF DIRECTORS
TO INITIATE A SHARE
BUYBACK PROGRAM



PROPOSAL TO INITIATE A SHARE BUYBACK PROGRAM



The Board of Directors proposes that the Shareholders' meeting approves an authorization for the Company to initiate a formal share buyback program effective for the next 18 months from approval

HIGHLIGHTS

- Authorization to initiate a formal share buyback program
- Purpose of the program shall be to reduce the Company's share capital
- The Company may purchase up to 34,129,296 shares in total under the program, corresponding to 5% of the share capital

PROPOSAL

- The Board of Directors proposes that the Shareholders' meeting approves an authorization for the Company to initiate a formal share buyback program that complies with the provisions of the Act on Securities transactions no. 108/2007 and appendix to Regulation on Insider Information and Market Manipulation no. 630/2005.
- The main purpose of the program shall be to reduce the Company's share capital, but the shares purchased may also be used to meet the Company's obligations under share incentive programs with employees.
- The program shall be managed by an investment firm or a credit institution which makes its trading decisions in relation to the Company's shares independently of, and without influence by, the Company with regard to the timing of the purchases.
- The Company may purchase up to 34,129,296 shares in total under the program, assuming the proposal on reducing the current share capital will be approved, corresponding to 5% of the share capital.
- The trading under the program shall be in accordance with the provisions of the Act on Public Limited Companies No. 2/1995 as well as the appendix to Regulation on Insider Information and Market Manipulation no. 630/2005.
- The Company's purchases under the program shall be disclosed in accordance with the applicable laws. This authorization is effective for the next 18 months from approval.

3 |

ANY OTHER BUSINESS,
LAWFULLY PRESENTED



THANK YOU

EXTRAORDINARY SHAREHOLDERS' MEETING

22 November 2018

