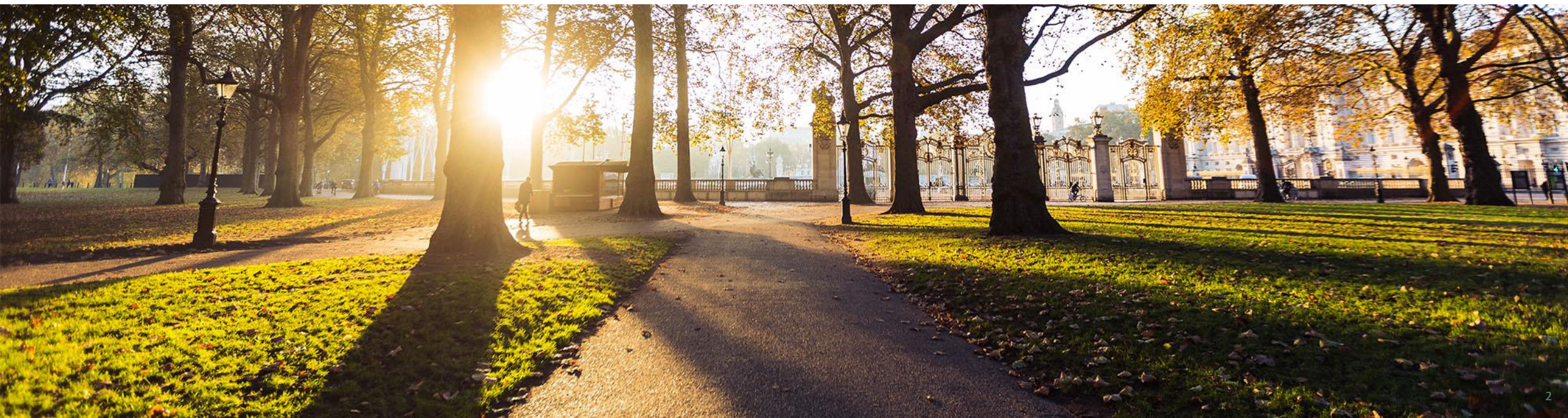


2nd quarter 2020 results announcement

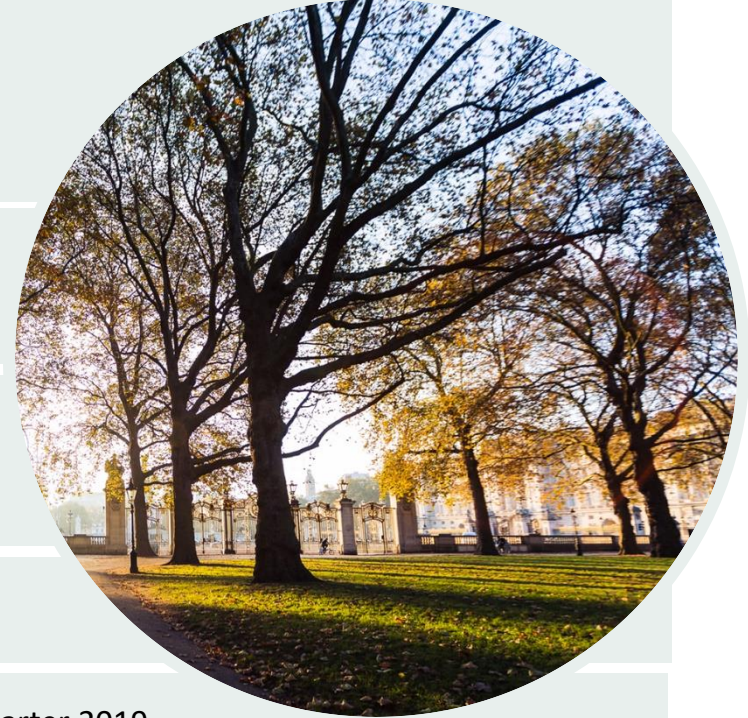


HIGHLIGHTS FROM THE QUARTER



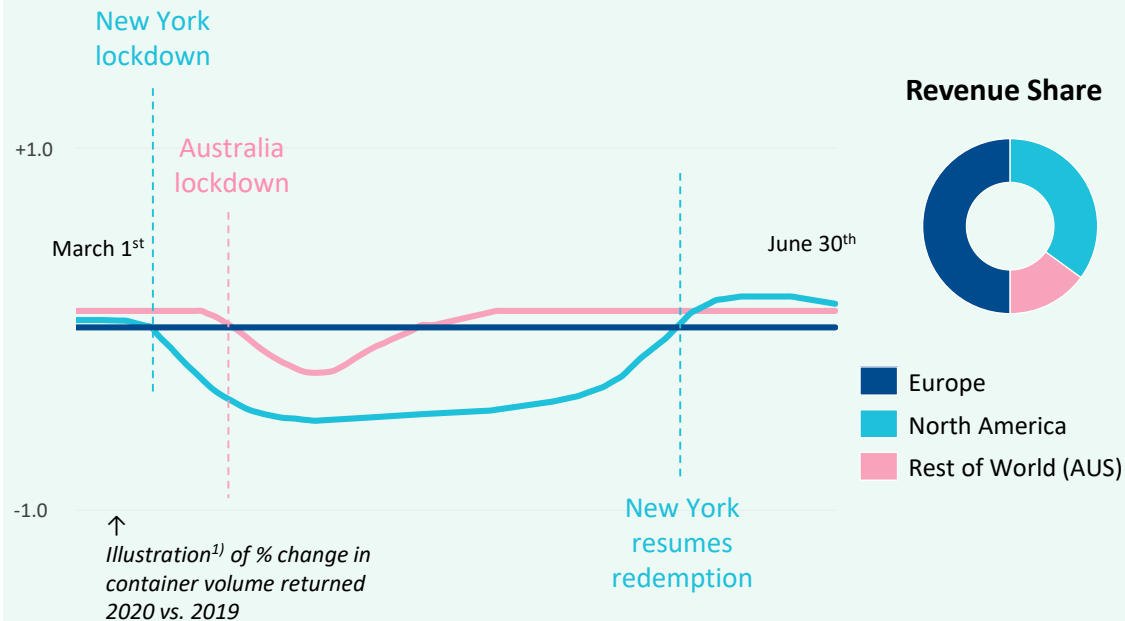
Key financial highlights

Revenues	• Revenues of 2,319 MNOK (2,318 MNOK in second quarter 2019) Adjusted for currency, revenues were: - Down 11% for TOMRA Group - Down 13% in TOMRA Collection Solutions - Down 8% in TOMRA Sorting Solutions
Gross margin	• Gross margin 42.9% (down from 44.9% in second quarter 2019) - Reduced margins in Tomra Collection Solutions
Operating expenses	• Operating expenses of 707 MNOK, down 8% currency adjusted - Positive effect from cost measures - Continued investments in Circular Economy
EBITA	• EBITA of 288 MNOK – down from 352 MNOK in second quarter 2019
Cash flow	• Cash flow from operations of 123 MNOK – up from 45 MNOK in second quarter 2019
Order intake Tomra Sorting Solutions	• Order intake slightly down, continued strong order backlog in TOMRA Sorting Solutions - Order intake down 5% currency adjusted - Order backlog down 2% currency adjusted from all time high first quarter 2020 level
COVID-19	• Impacts primarily container volumes in North America and order intake in TOMRA Sorting Solutions



COVID-19 business update for TOMRA Collection Solutions

Recovery from COVID-19 lockdown measures



Europe

Continued stable situation. Strong performance in Northern Europe despite COVID-19 complexities.

North America

Volume shortfall as a result of temporary suspension of bottle bill enforcement mid-March. During June, activities have resumed as redemption is now viewed as essential business and lockdowns have been lifted in the most important deposit states.

Australia

Volume in New South Wales and Queensland are back to normal levels.

Container deposit legislation update²⁾



Western Australia – October 2020

- The launch date for Containers for Change has been set to October 1st, 2020, one month earlier than previously indicated.
- TOMRA will operate five refund points, where modern automated depots will be established, each equipped with ~10 RVM.



The Netherlands – July 2021 (expansion)

- On April 24th, the DRS expansion law was approved and published. The deposit value for small bottles was set at 0.15 € (large bottles have 0.25 €) and a return target is set to 90% as of January 2022.
- No new information has been made available since April.



Scotland – July 2022

- On May 13th, the Scottish Parliament approved “The Deposit and Return Scheme for Scotland Regulations 2020 No. 154” and transposed it into a Scottish Statutory Instrument (SSI).
- The commencement date of July 1st, 2022 was passed into law.

COVID-19 business update for TOMRA Food

Doing business in extraordinary times

Processed Food



- Lower demand from HORECA
- Increased uncertainty short term
- Impact on investment sentiment

Fresh Food



- Retail channel in good shape
- More home cooking
- Good momentum to date

Resilient global food supply chains



↑ **41%**
Fresh Potato Sales

Potatoes USA, the marketing arm for 2,000 commercial potato growers, **reported a 41% volume increase in fresh potato sales** between the start of March and early April.



↑ **38%**
Eating home meals

In another example, market researchers Kantar Worldpanel has **reported a 38% increase in the eating of home meals** in the United Kingdom.



In the face of changing consumer patterns, the global food supply chains are showing resilience.

TOMRA has had good delivery performance and close customer dialogue despite travel restrictions and increased complexity.

COVID-19 business update for TOMRA Recycling & Mining

Different business streams posing different characteristics

Waste recycling and plastics upgrading



- Good resilience
- Strong underlying drivers
- Low oil prices – unfavourable economics

Metal recycling and mining



- Negatively impacted
- Slow industrial demand
- Commodity prices below pre-COVID levels

TOMRA's first digital product launch

AUTOSORT®

NEW



AUTOSORT® SPEEDAIR

NEW



AUTOSORT® CYBOT

NEW



Circular Economy – “It’s time to step up, not step back”

European Green Deal must be central to a resilient recovery after Covid-19

Published on 09/04/2020, 6:33pm

Comment: We must not lose sight of the persisting climate and ecological crisis when working out how to spur the economy after the coronavirus pandemic



EU Commission President Ursula von der Leyen (Photo: European Parliament/Flickr)

“[...] we encourage the Commission to look into elements of the Green Deal, including the European Green Deal Investment Plan, which can be pushed forward to boost green recovery and a just transition.

We need to scale up investments, notably in the fields of sustainable mobility, renewable energy, building renovations, research and innovation, the recovery of biodiversity and the circular economy. [...]”

By 17 European climate and environment ministers

Green Recovery

EU stays committed to its Green Deal and will use COVID-19 funds to support the transition to a sustainable economy. April 14th – launch of informal alliance to increase green investment in EU, led by the initiative of Pascal Canfin.

Brand Commitments

Overall consumer brands remain committed, yet unsure on how to reach their commitments. There is a delay in execution as COVID-19 topics take priority. Demand for rPET is still strong.



Economics

Oil prices are down and thus virgin plastics are cheap. There is less demand coming from automotive, aerospace and construction. However, waste volumes are expected to grow.



Legislation

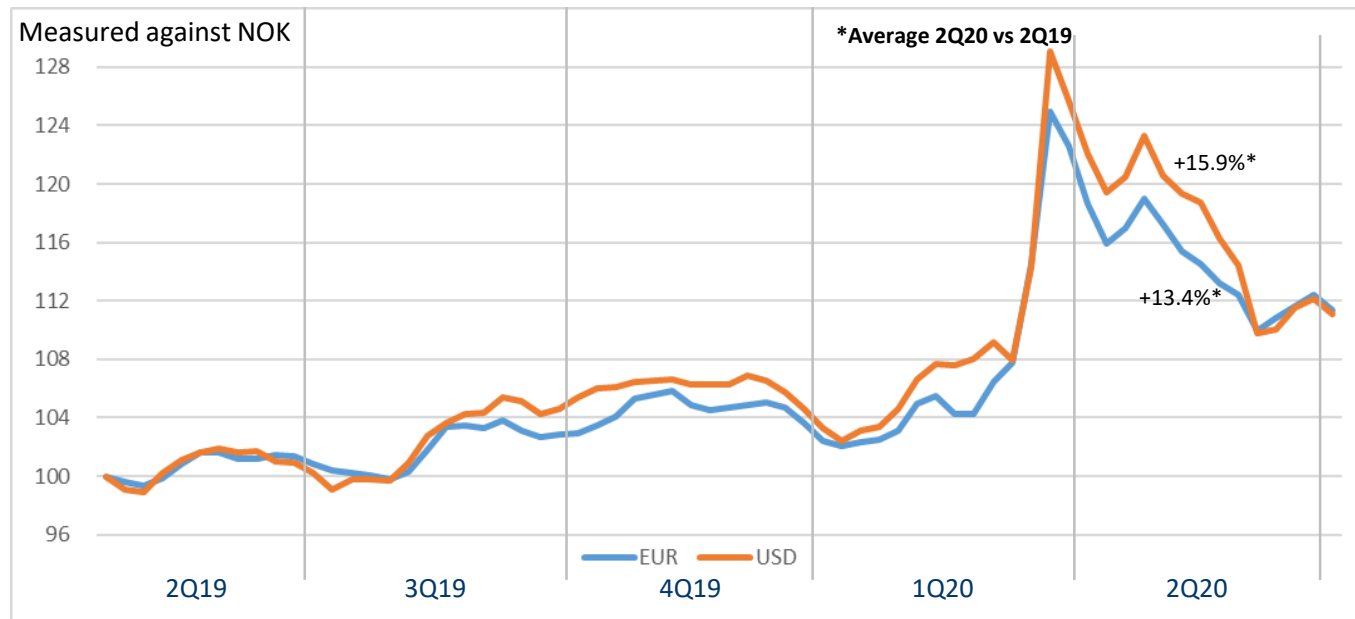
Legislation continues to be the major driver for implementation of a circular economy. Waste management is a critical infrastructure and reliant on manual labour.

<https://www.ellenmacarthurfoundation.org/news/more-than-50-global-leaders-pledge-to-build-back-better-with-the-circular-economy>

The background of the slide is an abstract composition of overlapping, semi-transparent geometric shapes in various shades of blue and white. These shapes, which include triangles, rectangles, and polygons, are arranged in a way that creates a sense of depth and movement. A solid white horizontal band runs across the middle of the image, serving as a backdrop for the section header.

FINANCIALS AND OUTLOOK

Currency risk and hedging policy



Revenues and expenses per currency:

	EUR ¹	USD	NOK	OTHER ²	TOTAL
Revenues	45 %	35 %	0 %	20 %	100 %
Expenses	40 %	25 %	5 %	30 %	100 %

Assets and liabilities per currency:

	EUR ¹	USD	NOK	OTHER ²	TOTAL
Assets	50 %	15 %	15 %	20 %	100 %
Liabilities	60 %	10 %	20 %	10 %	100 %

¹ EUR includes DKK

² Most important: AUD, NZD, RMB, CAD, SEK, GBP and JPY

NOTE: Estimated and rounded figures

10% change in NOK towards other currencies will impact:

	Revenues	Expenses	EBITA
EUR*	4.5%	4.0%	7.0%
USD	3.5%	2.5%	8.0%
OTHER**	2.0%	3.0%	-4.0%
ALL	10.0%	9.5%	11.0%

HEDGING POLICY

CASHFLOW AND P/L

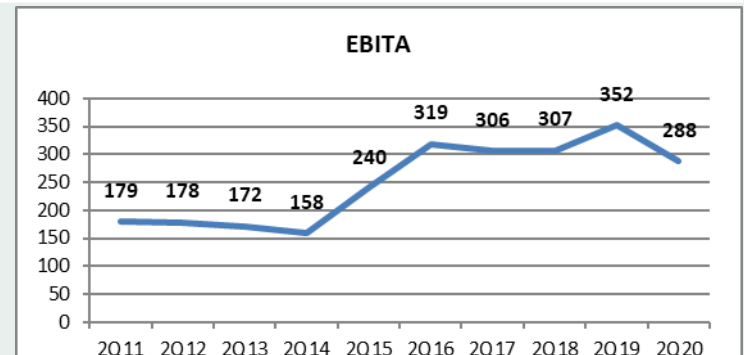
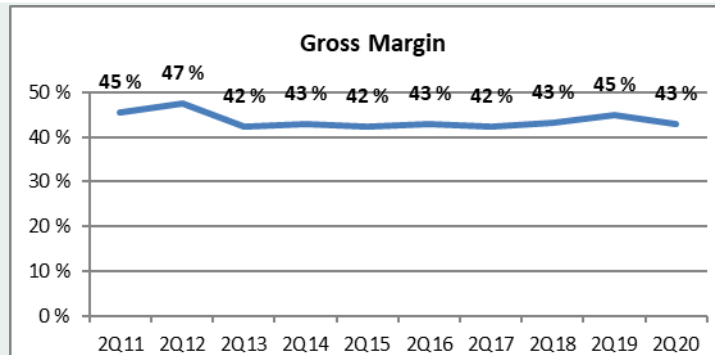
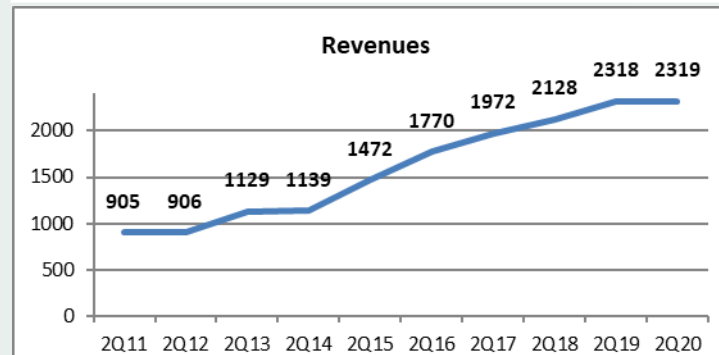
- TOMRA can hedge up to one year of future predicted cash flows. Gains and losses on these hedges are recorded at the finance line, not influencing EBITA

B/S

- TOMRA only hedges B/S items where exchange rate fluctuations could have P/L impact. Gains and losses on B/S hedging are recorded in accordance with IAS 21 and will normally not have P/L impact

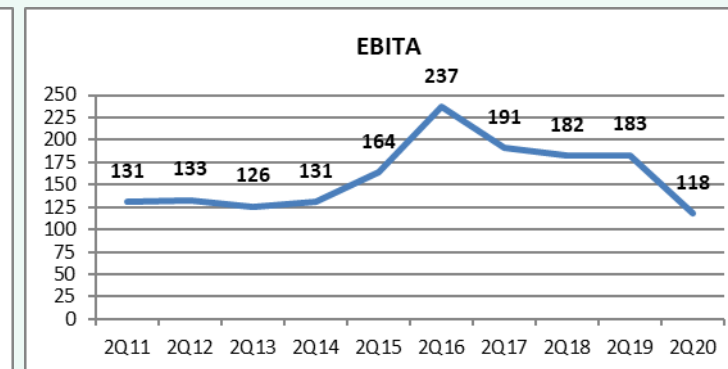
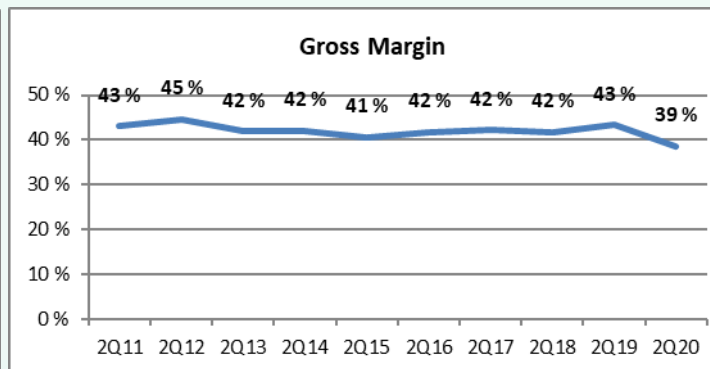
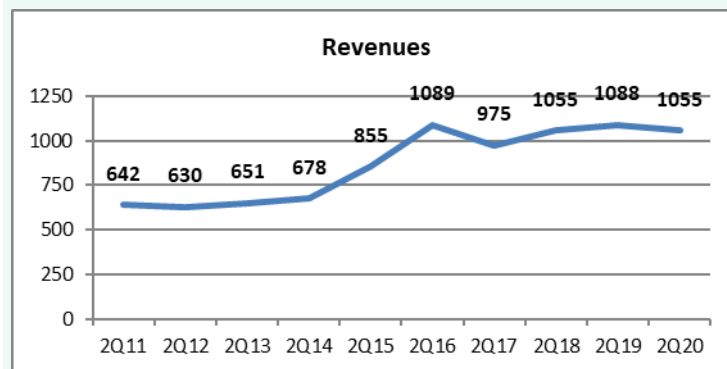
Financial highlights | P&L statement

	2nd Quarter			1st half		
<i>Amounts in NOK million</i>	2020	2019	2019 Adj*	2020	2019	2019 Adj*
Revenues	2,319	2,318	2,597	4,621	4,399	4,841
Collection Solutions	1,055	1,088	1,219	2,223	2,130	2,335
Sorting Solutions	1,264	1,230	1,378	2,398	2,269	2,506
Gross contribution	995	1,041	1,163	1,968	1,915	2,107
<i>in %</i>	<i>43%</i>	<i>45%</i>	<i>45%</i>	<i>43%</i>	<i>44%</i>	<i>44%</i>
Operating expenses	707	689	767	1,452	1,356	1,481
EBITA	288	352	396	516	559	626
<i>in %</i>	<i>12%</i>	<i>15%</i>	<i>15%</i>	<i>11%</i>	<i>13%</i>	<i>13%</i>



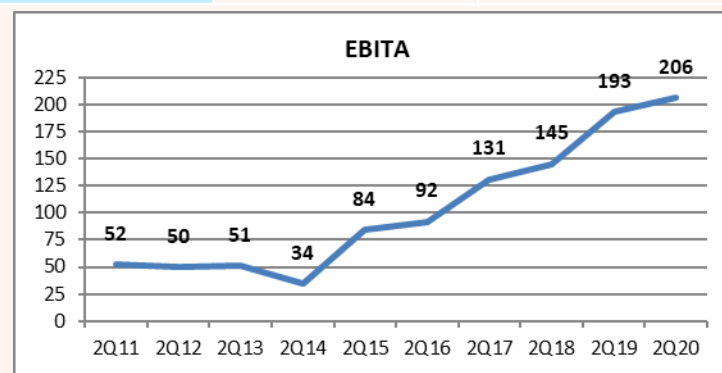
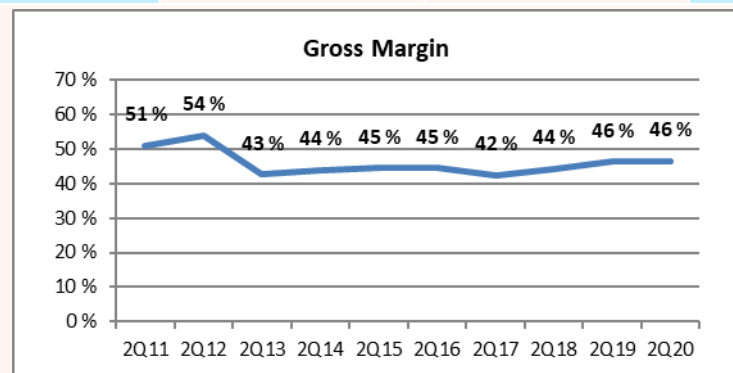
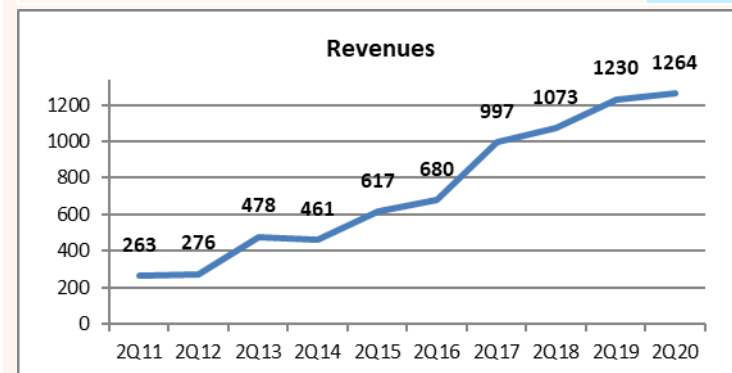
Collection Solutions financials

	2nd Quarter			1st half		
<i>Amounts in NOK million</i>	2020	2019	2019 Adj*	2020	2019	2019 Adj*
Revenues	1,055	1,088	1,219	2,223	2,130	2,335
Northern Europe	187	153		379	305	
Europe (ex Northern)	411	370		834	761	
North America	312	435		698	788	
Rest of the world	145	130		312	276	
Gross contribution	408	471	524	870	888	969
<i>in %</i>	<i>39%</i>	<i>43%</i>	<i>43%</i>	<i>39%</i>	<i>42%</i>	<i>42%</i>
Operating expenses	290	288	320	601	566	617
EBITA	118	183	250	269	322	398
<i>in %</i>	<i>11%</i>	<i>17%</i>	<i>21%</i>	<i>12%</i>	<i>15%</i>	<i>17%</i>



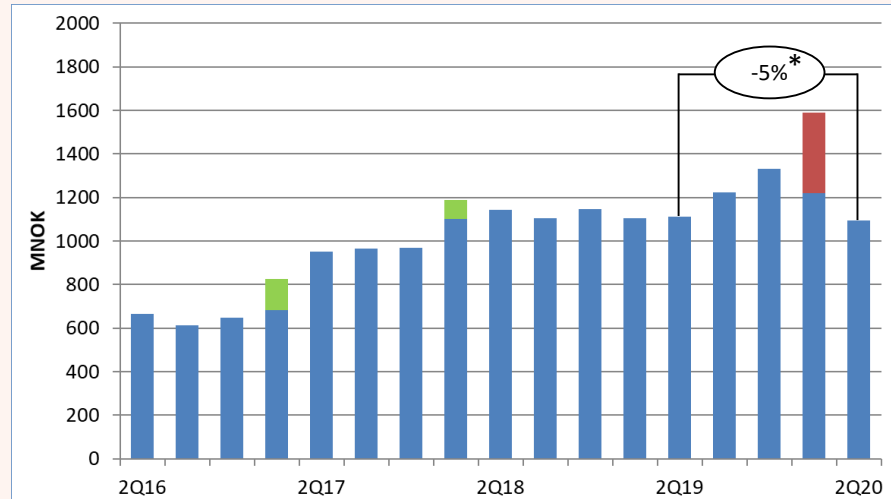
Sorting Solutions financials

	2nd Quarter			1st half		
<i>Amounts in NOK million</i>	2020	2019	2019 Adj*	2020	2019	2019 Adj*
Revenues	1,264	1,230	1,378	2,398	2,269	2,506
Europe	498	482		971	885	
America	452	428		810	787	
Asia	127	144		279	293	
Rest of the world	187	176		338	304	
Gross contribution	587	570	639	1,098	1,027	1,138
<i>in %</i>	<i>46%</i>	<i>46%</i>	<i>46%</i>	<i>46%</i>	<i>45%</i>	<i>45%</i>
Operating expenses	381	377	422	778	742	813
EBITA	206	193	216	320	285	324
<i>in %</i>	<i>16%</i>	<i>16%</i>	<i>16%</i>	<i>13%</i>	<i>13%</i>	<i>13%</i>

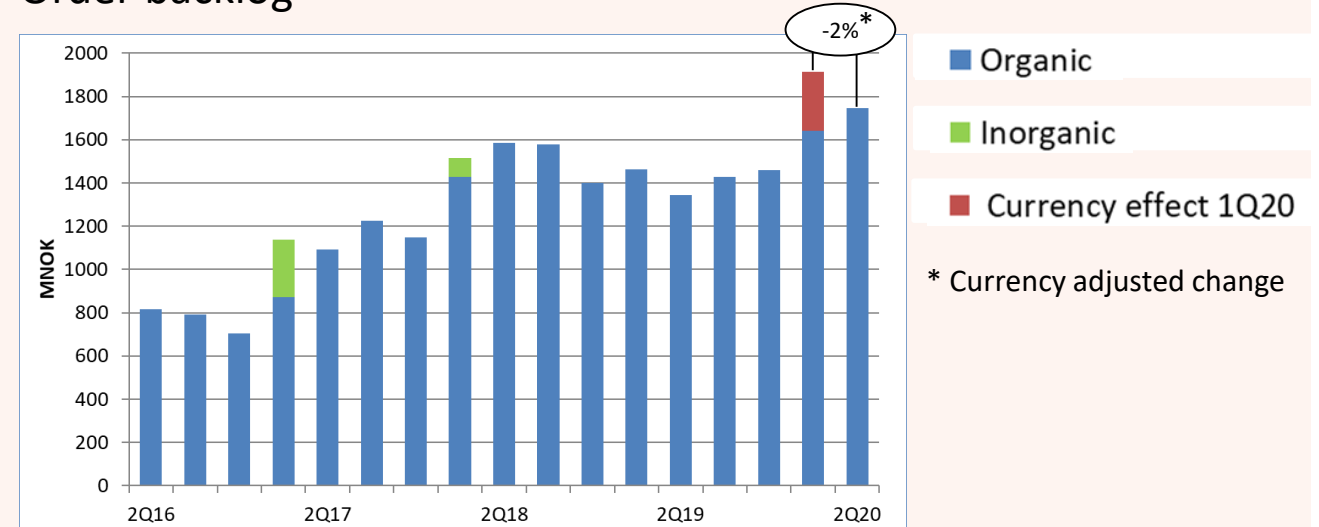


Development in order intake and order backlog

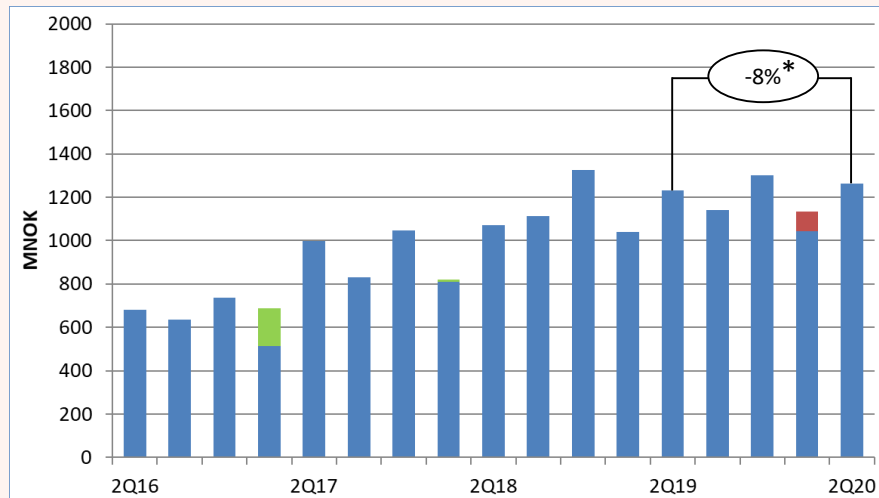
Order intake



Order backlog



Revenues



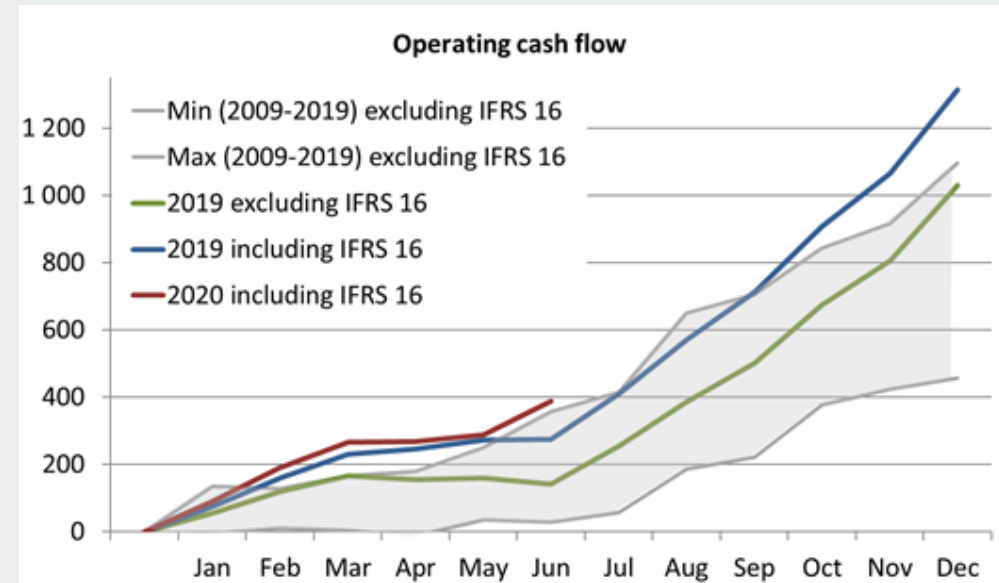
• TOMRA Sorting Solutions:

- Revenues of 1,264 MNOK, up from 1,230 MNOK last year, down 8% currency adjusted
- Order intake of 1,095 MNOK in the quarter, compared to 1,111 MNOK same quarter last year, down 5% currency adjusted
- Order backlog of 1,746 MNOK at the end of 2Q20, down from 1,915 MNOK at the end of 1Q20 – down 2% currency adjusted

• Estimated backlog conversion ratio in 3Q20: 70%**

Financial highlights | Balance sheet and cash flow

	30 June		31 Dec
<i>Amounts in NOK million</i>	2020	2019	2019
ASSETS	12,036	10,761	10,868
Intangible non-current assets	4,087	3,753	3,788
Tangible non-current assets	2,436	2,321	2,330
Financial non-current assets	433	330	406
Inventory	1,941	1,619	1,596
Receivables	2,680	2,422	2,288
Cash and cash equivalents	459	316	460
LIABILITIES AND EQUITY	12,036	10,761	10,868
Equity	5,880	4,760	5,247
Lease liabilities	1,128	1,110	1,102
Interest-bearing liabilities	2,048	2,208	1,880
Non interest-bearing liabilities	2,980	2,683	2,639



Cashflow from operations

- 123 MNOK in the second quarter (45 MNOK in second quarter 2019)

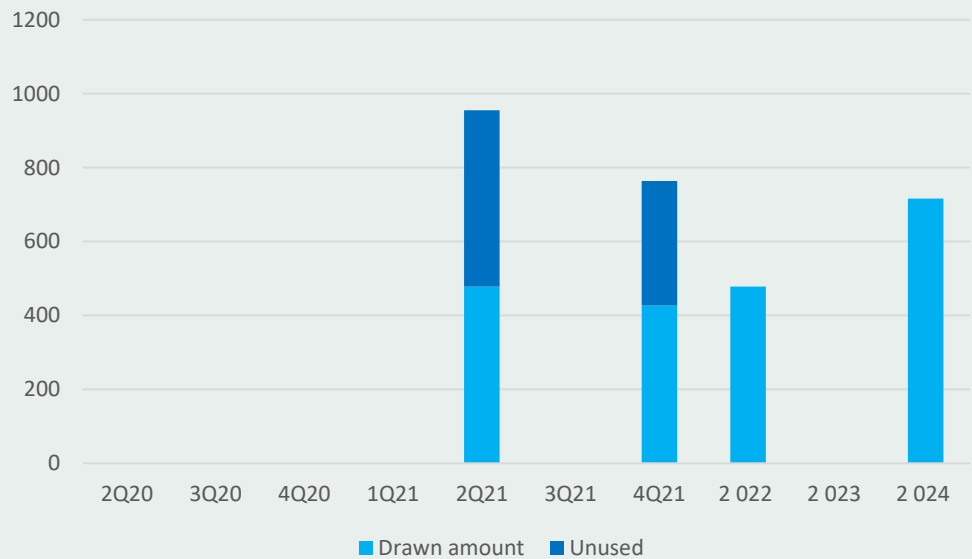
Solidity and gearing

- 49% equity ratio
- NIBD/EBITDA (Rolling 12 months)
 - 1.0x without IFRS 16
 - 1.4x including IFRS 16

TOMRA has a solid financial position

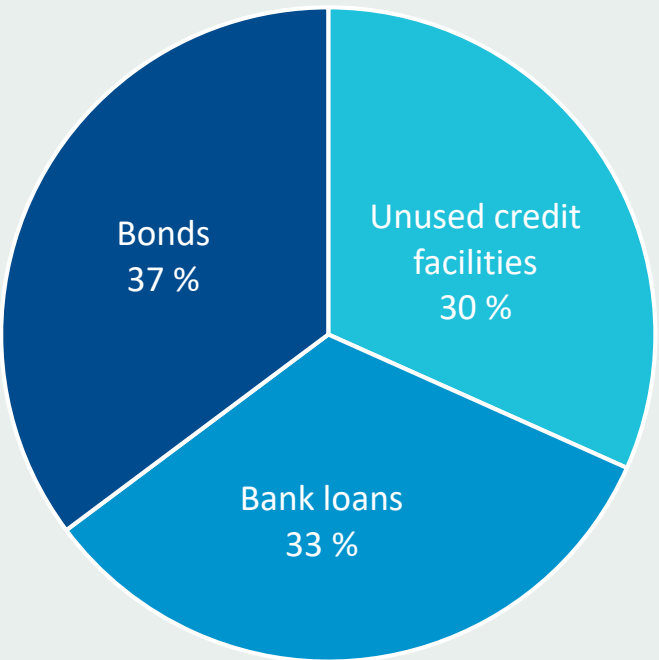
Debt maturity profile

- Weighted average debt maturity of 2.0 years
- All interest-bearing debt except for the overdraft is swapped to EUR and is exposed to EUR/NOK exchange rate.



Current funding sources

- TOMRA has a satisfactory liquidity situation with available unused credit lines of approx. 815 MNOK
- The senior unsecured bonds (no financial covenants) of 1000 MNOK (swapped to EUR) have been successfully listed on Oslo Stock Exchange
- The financial covenant related to the bank debt is minimum equity ratio of 30%



Outlook

Collection Solutions	• Overall stable business in TOMRA Collection • New potential outbreaks of COVID-19 could have negative impact • Growth in ramp-up expenses slows down
Sorting Solutions - Food	• Regional differences dependent upon severity of COVID-19 outbreak • The fresh food segment assumed to continue better than the processed food segment
Sorting Solutions – Recycling/Mining	• Underlying good momentum • Deviations between business streams due to impact of lower commodity prices and industrial demand
Currency	• Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, particularly measured against EUR • With significant revenues in USD and costs in EUR, TOMRA Sorting Solutions is exposed to USD/EUR



Q&A



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