



3rd quarter 2023 results announcement



Quarterly highlights

Financial highlights

Revenues	• Total revenue of 3,515 MNOK (3,156 MNOK in 3Q 2022). Adjusted for currency, revenues were: — Up 3% for TOMRA Group — Up 11% in Collection — Up 14% in Recycling — Down 18% in Food
Gross margin	• Gross margin improvement to 43% – highest since 2021 — Improvement in all three divisions: Collection, Recycling, and Food (compared to same quarter last year)
Operating expenses	• Operating expenses of 1,092 MNOK adj. for cyberattack costs (848 MNOK in 3Q 2022) — 1,212 MNOK when including 120 MNOK in cyberattack related costs — Increase driven mainly by business expansion and currency — Adjusted for currency and inflation, the cost base has been stable last three quarters
EBITA	• EBITA of 434 MNOK adj. for cyberattack costs, down from 454 MNOK in 3Q 2022. Including cyberattack costs, EBITA was 314 MNOK in the quarter
Cash flow	• Cash flow from operations of -280 MNOK (325 MNOK in 3Q 2022) — Increase in receivables of 1,033 MNOK compared to last year because of delayed invoicing due to the cyberattack
Order intake	• Recycling order intake of 611 MNOK and order backlog of 1,210 MNOK • Food order intake of 651 MNOK and order backlog of 982 MNOK
Other	• Cyberattack in July contained with limited impact on customers. No loss of sensitive data, no data encryption or any ransom demands. Company progressing well toward normal operations. • 30 MEUR (~350 MNOK) cost reduction program initiated in Food

Cyberattack update

TOMRA discovered a cyberattack against the company on 16 July affecting the TOMRA domain and internal IT systems. TOMRA is progressing well toward normal operations.

- Swift actions limited its impact
- No evidence of sensitive data loss, no ransom demands
- Most customer machines remained operational in offline mode
- Manual workarounds kept company operational
- Systems have been validated and restored or rebuilt
- Strengthened security measures implemented



The background is an aerial photograph of a dense green forest. In the center, there is a large circular graphic with a white interior and a multi-layered border in shades of blue, teal, and grey. Inside the circle, the company's strategy is written in a clean, sans-serif font.

Our strategy
is to **accelerate growth in
core** and **develop adjacent
opportunities** while becoming
a **fully circular** business and
**safe, fair and
inclusive**

Our ambitions towards 2027

Revenue growth
15% CAGR

EBITA margin
at **18%**

Dividend payout
40-60% of EPS

Capital structure
Investment grade

Net Zero
holistic sustainability
strategy

>105,000
installations

100+
countries

Publicly listed on Oslo Stock Exchange (OSE: TOM)



*Creating sensor-based solutions for optimal resource productivity
- transforming how we obtain, use, and reuse resources*

Collection



Recycling



Food

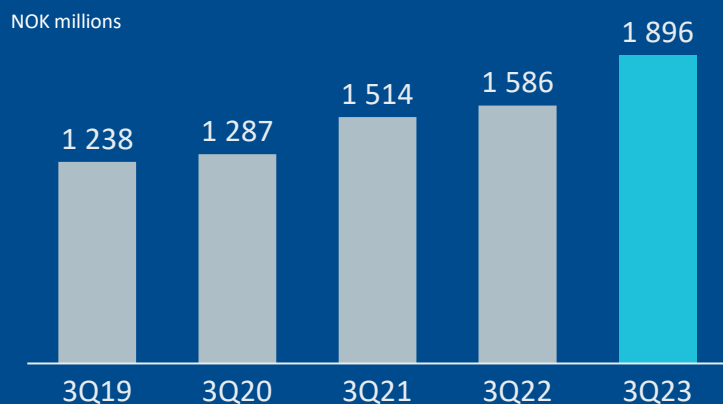




Collection Business update

- Positive business mix in the quarter and continued improvement in gross margins
- Continuation of new sales in Hungary and Romania, and DRS expansion in Netherlands
- Poland has passed a DRS law with potential of becoming the second biggest market (in Europe) to date
- No DRS legislation on single-use plastic bottles in France for now, but still significant potential for re-use bottles

Continued revenue growth
up 11% (currency adj.) compared with 3Q 2022



Victoria – 1 November 2023

Victoria is going live with its container deposit scheme. TOMRA Cleanaway is the network operator for zones 1 and 4 ([link](#)). The Tasmanian bottle bill was passed in 2022 with implementation expected in second half 2024 ([link](#)).



Quebec – 1 November 2023

First phase of the modernization of Quebec's deposit scheme to include all aluminum beverage containers and increased deposits on existing containers. Further expansion to include all beverage sold in plastic and glass bottles, and cartons in 2025 ([link](#)).



Romania – 30 November 2023

Romania is going live with its deposit returns scheme which will include one-way beverage containers made of plastic, metal and glass ([link](#)).



Hungary – 1 January 2024

Commencement of the country's deposit return system for glass, plastic bottles and metal cans ([link](#)).



Ireland – 1 February 2024

Commencement of a deposit return scheme for glass and plastic bottles and metal cans ([link](#)).



Uruguay – December 2024

A deposit return scheme for beverage containers is in process of implementation, planned to commence by the end of 2024 ([link](#)).



Austria – 1 January 2025

Introduction of deposit on single-use beverage containers ([link](#)).



Poland – 1 January 2025

A DRS law was published by the Government of Poland on 12 September 2023. The legislation mandates deposits on single-use plastic bottles, reusable glass bottles and metal cans ([link](#)).



Singapore – 1 April 2025

In March 2023, the parliament passed legislation for a deposit return scheme for beverage containers. ([link](#)).



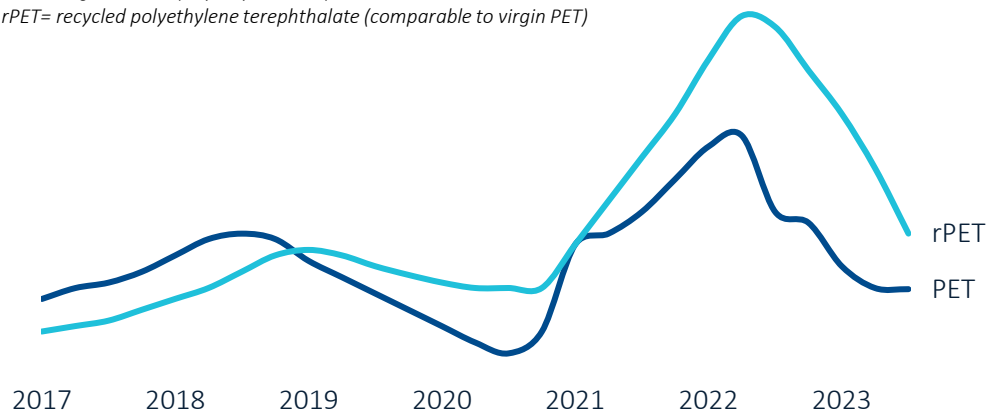
Recycling Business update

- High activity level in most regions and market segments
- Growth normalizing from high levels over the last couple of years
- Stable metal and polymer prices, but some decline in recycled polymer prices
- EPR schemes continue to drive demand for waste sorting

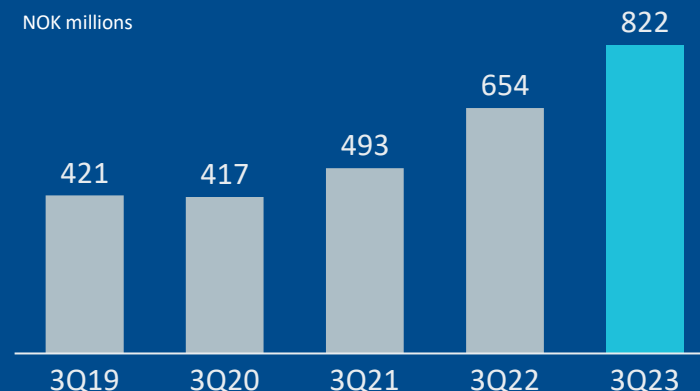
Price development (illustrative) of virgin PET and recycled PET (rPET)

PET = virgin-derived polyethylene terephthalate

rPET = recycled polyethylene terephthalate (comparable to virgin PET)



Continued revenue growth
up 14% (currency adj.) compared with 3Q 2022



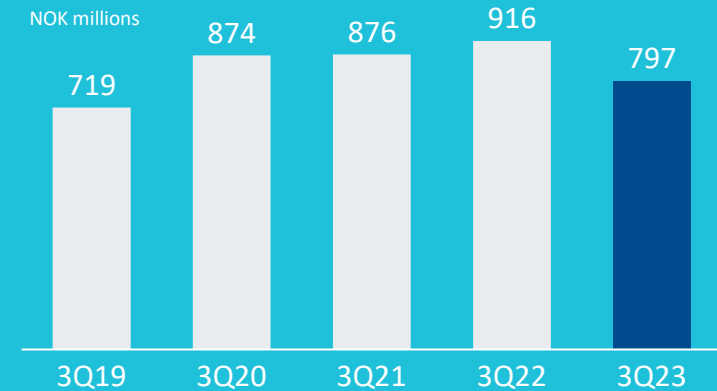


Food Business update

- Good performance within processed food
- Continued weak market sentiment in fresh food
- Improvement agenda to focus on increase profitability and customer satisfaction over the next year
- 30 MEUR (~350 MNOK) cost reduction program initiated to increase profitability and customer satisfaction

Decline in revenues

down 18% (currency adj.) compared with 3Q 2022



Fundamental drivers in Food remain sound with market expected to grow 6-7% annually

Food market has strong mid to long term growth drivers



Population growth and rise of the middle class



Need for reduced loss and waste of food



Shift to automation and digital tools

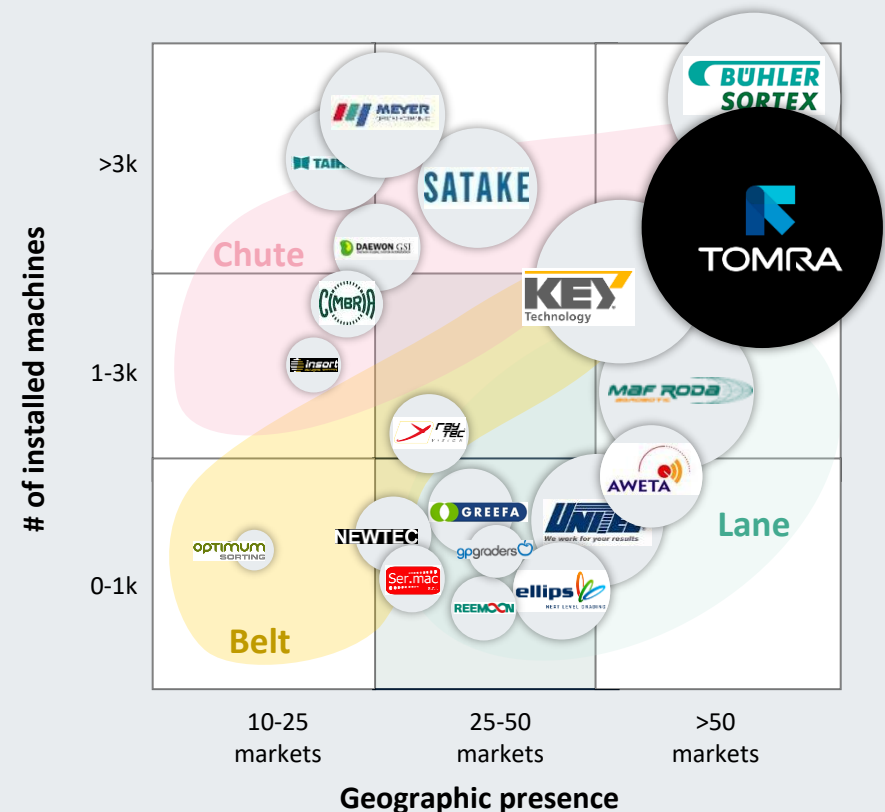


Stricter food safety regulations



New technological developments

TOMRA has a leading position globally within grading and sorting fresh and processed food





TOMRA Food

Mergers and acquisitions with unrealized synergy potential

2023

2011



2012



2016



2018



TOMRA

Food cost-reduction program:

Take advantage of unrealized synergies to increase profitability and customer satisfaction



Profitability

Simplify our organization and processes to increase efficiency

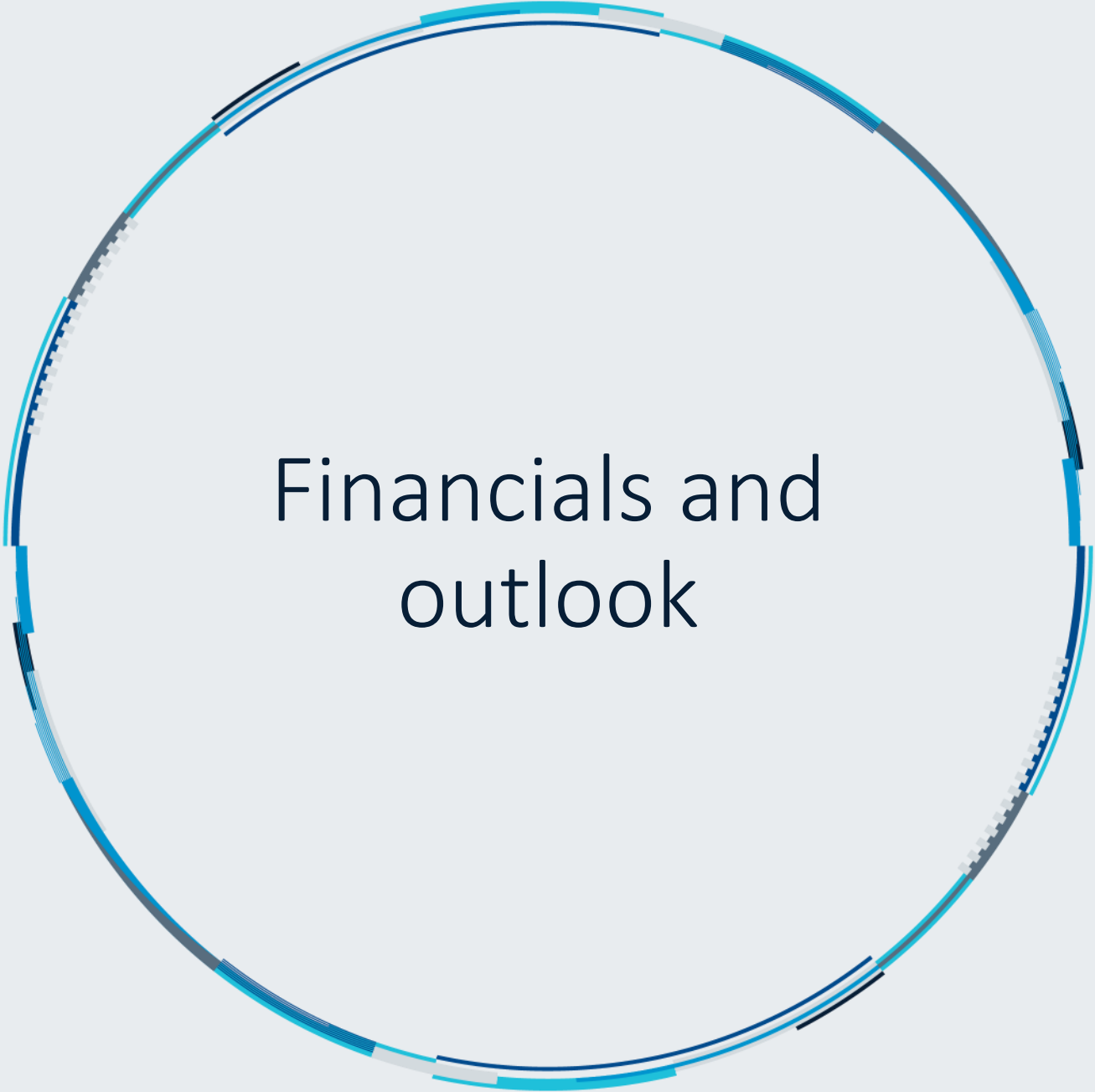
Reduce costs with 30 MEUR (~ 350 MNOK) to restore profitability to 10-11% EBITA margin



Customer Satisfaction

Double down on drivers of customer satisfaction and be closer to the customer

Leverage our technology capabilities to maintain and strengthen our competitive edge



Financials and outlook

Group P&L Highlights

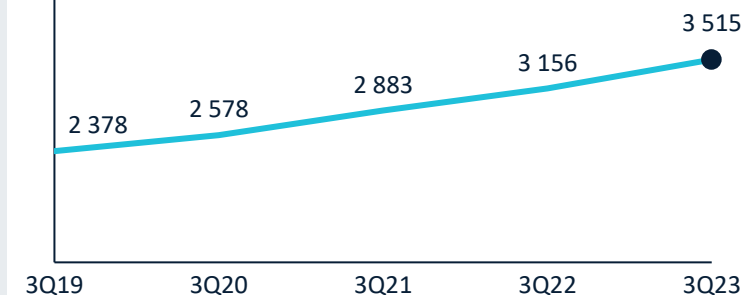
	3rd Quarter			Year-to-Date 9 Months		
<i>Amounts in NOK million</i>	2023	2022	2022 Adj*	2023	2022	2022 Adj*
Revenues	3,515	3,156	3,407	10,633	8,711	9,593
Collection	1,896	1,586	1,707	5,676	4,499	4,951
Recycling	822	654	724	2,228	1,695	1,886
Food	797	916	976	2,730	2,517	2,756
Gross contribution	1,527	1,302	1,413	4,478	3,577	3,966
<i>in %</i>	<i>43%</i>	<i>41%</i>	<i>41%</i>	<i>42%</i>	<i>41%</i>	<i>41%</i>
Operating expenses	1,092	848	903	3,231	2,448	2,633
EBITA, adj.	434	454	509	1,247	1,129	1,333
<i>in %</i>	<i>12%</i>	<i>14%</i>	<i>15%</i>	<i>12%</i>	<i>13%</i>	<i>14%</i>
Special items**	-120			-120		
EBITA	314	454	509	1,127	1,129	1,333
<i>in %</i>	<i>9%</i>	<i>14%</i>	<i>15%</i>	<i>11%</i>	<i>13%</i>	<i>14%</i>

*2022 actual restated at 2023 exchange rates, estimate

**Cyberattack-related costs, shown here as special items, are booked as Operating expenses in Group Functions in the Financial Statements

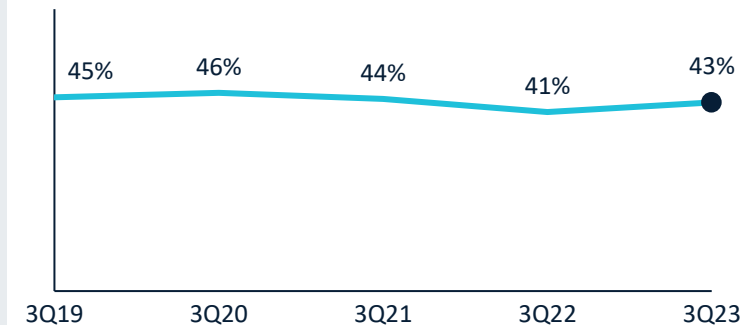
Revenues

[NOK millions]



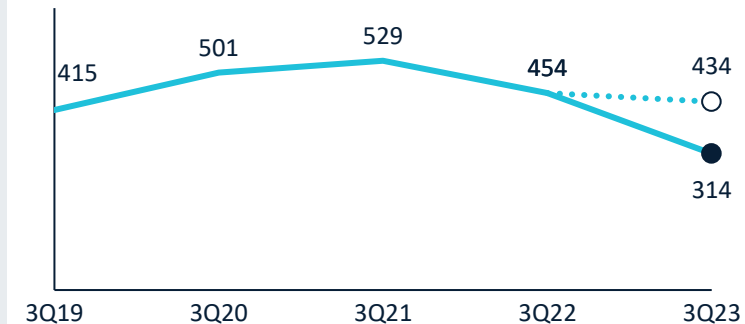
Gross margin

[% of Revenues]



EBITA (and EBITA adj.)

[NOK millions]

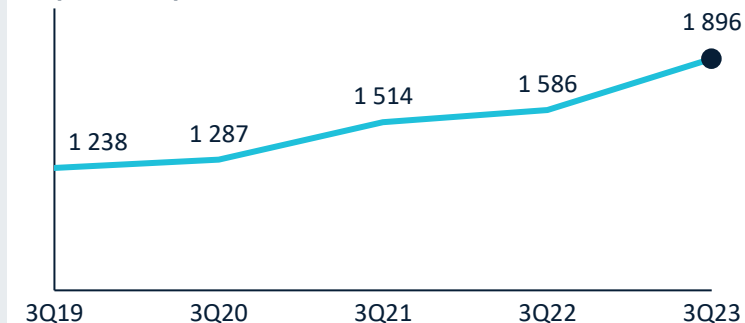


Collection P&L Highlights

	3rd Quarter			Year-to-Date 9 Months		
<i>Amounts in NOK million</i>	2023	2022	2022 Adj*	2023	2022	2022 Adj*
Revenues	1,896	1,586	1,707	5,676	4,499	4,951
Northern Europe	262	214		830	699	
Europe (ex Northern)	867	621		2,631	1,763	
North America	579	565		1,605	1,465	
Rest of the world	189	186		610	572	
Gross contribution	767	603	661	2,226	1,713	1,924
<i>in %</i>	<i>40%</i>	<i>38%</i>	<i>39%</i>	<i>39%</i>	<i>38%</i>	<i>39%</i>
Operating expenses	445	335	350	1,319	1,013	1,072
EBITA	322	268	312	907	700	852
<i>in %</i>	<i>17%</i>	<i>17%</i>	<i>18%</i>	<i>16%</i>	<i>16%</i>	<i>17%</i>

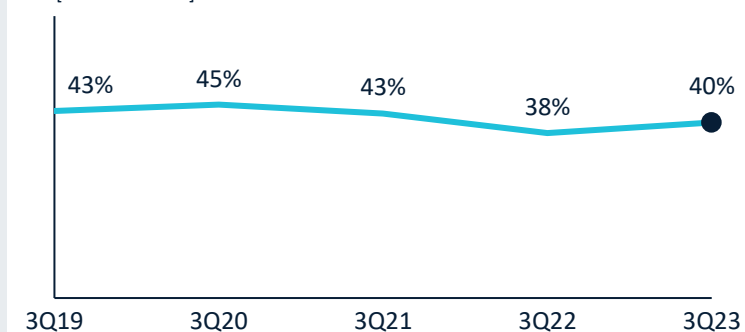
Revenues

[NOK millions]



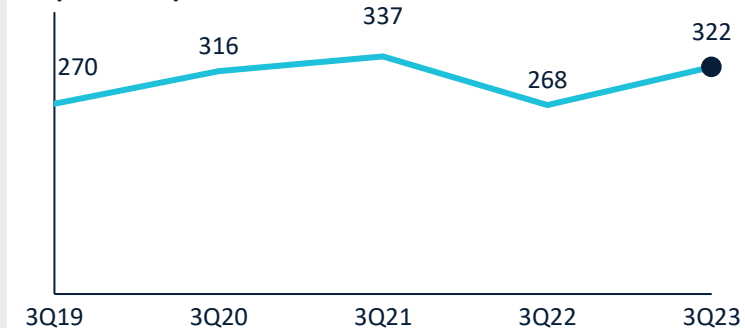
Gross margin

[% of Revenues]



EBITA

[NOK millions]



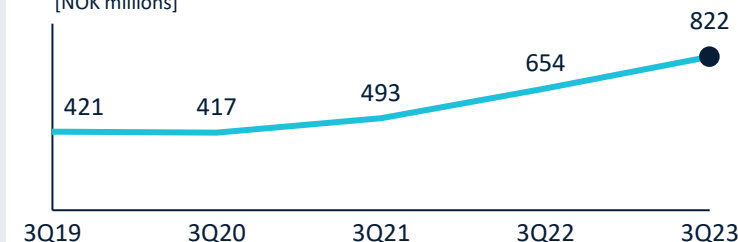
Recycling P&L Highlights

	3rd Quarter			Year-to-Date 9 Months		
<i>Amounts in NOK million</i>	2023	2022	2022 Adj*	2023	2022	2022 Adj*
Revenues	822	654	724	2,228	1,695	1,886
Europe	384	376		1,114	1,048	
Americas	172	103		490	287	
Asia	142	95		383	203	
Rest of the world	123	79		240	157	
Gross contribution	441	339	373	1,150	848	937
<i>in %</i>	<i>54%</i>	<i>52%</i>	<i>52%</i>	<i>52%</i>	<i>50%</i>	<i>50%</i>
Operating expenses	237	177	196	692	496	551
EBITA	205	162	177	457	352	385
<i>in %</i>	<i>25%</i>	<i>25%</i>	<i>24%</i>	<i>21%</i>	<i>21%</i>	<i>20%</i>

Based upon current production and delivery plans, the revenues in 3Q23 are estimated to be approximately 70% of order backlog at the end of 3Q23

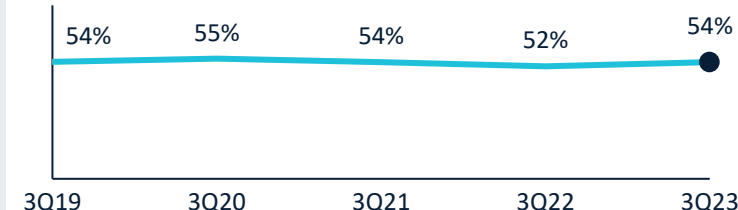
Revenues

[NOK millions]



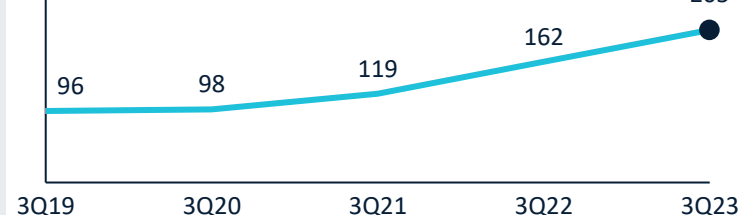
Gross margin

[NOK millions]



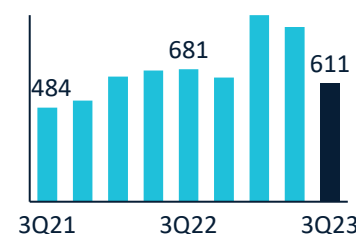
EBITA

[NOK millions]



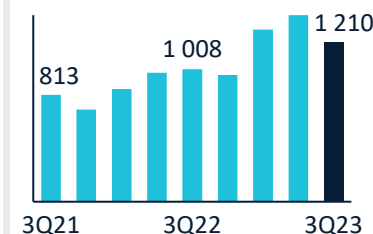
Order intake

[NOK millions]



Order backlog

[NOK millions]



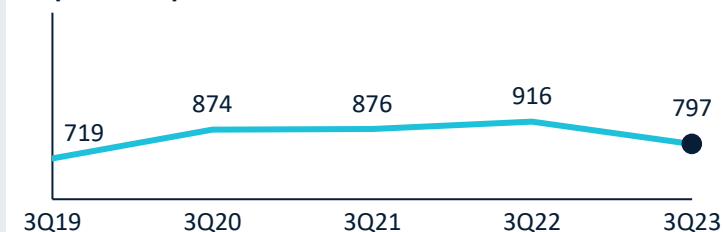
Food P&L Highlights

	3rd Quarter			Year-to-Date 9 Months		
<i>Amounts in NOK million</i>	2023	2022	2022 Adj*	2023	2022	2022 Adj*
Revenues	797	916	976	2,730	2,517	2,756
Europe	229	287		840	717	
Americas	360	365		1,279	1,159	
Asia	75	82		235	273	
Rest of the world	133	182		376	369	
Gross contribution	319	360	378	1,102	1,016	1,106
<i>in %</i>	<i>40%</i>	<i>39%</i>	<i>39%</i>	<i>40%</i>	<i>40%</i>	<i>40%</i>
Operating expenses	353	297	318	1,065	829	899
EBITA	-34	63	60	37	187	207
<i>in %</i>	<i>-4%</i>	<i>7%</i>	<i>6%</i>	<i>1%</i>	<i>7%</i>	<i>7%</i>

Based upon current production and delivery plans, the revenues in 3Q23 are estimated to be approximately 85% of order backlog at the end of 3Q23

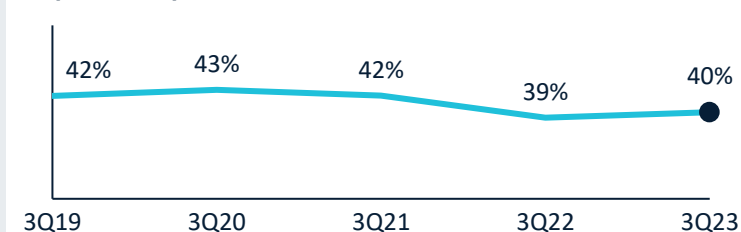
Revenues

[NOK millions]



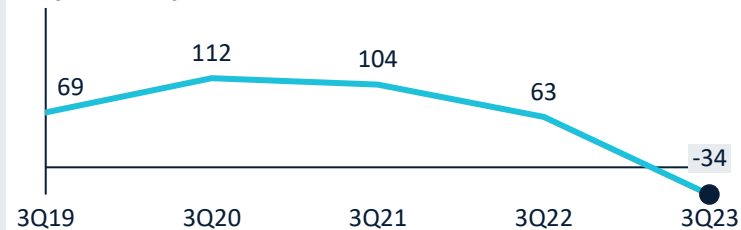
Gross margin

[NOK millions]



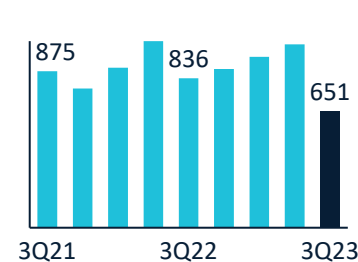
EBITA

[NOK millions]



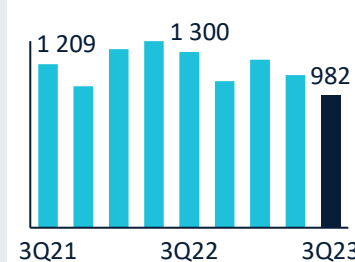
Order intake

[NOK millions]



Order backlog

[NOK millions]

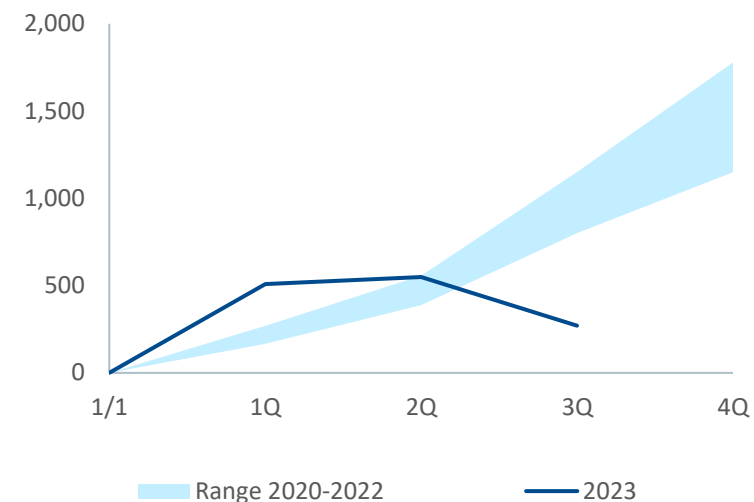


Balance sheet and cash flow

	30 Sept		31 December
<i>Amounts in NOK million</i>	2023	2022	2022
ASSETS	15,954	13,744	13,932
Intangible non-current assets	4,425	4,045	4,132
Tangible non-current assets	2,788	2,583	2,671
Financial non-current assets	683	488	448
Inventory	2,902	2,411	2,370
Receivables	4,648	3,558	3,562
Cash and cash equivalents	508	660	750
LIABILITIES AND EQUITY	15,954	13,744	13,932
Equity	7,001	6,531	6,572
Lease liabilities	1,427	1,140	1,297
Interest-bearing liabilities	3,371	2,086	2,260
Non-interest-bearing liabilities	4,154	3,987	3,803

Cash flow from operations, YTD

[NOK millions]



Cashflow from operations

- Cash flow from operations of -280 MNOK in the third quarter 2023 (325 MNOK in the third quarter 2022)
- Increase in receivables of 1,033 MNOK compared to last year due to delayed invoicing in the third quarter because of the cyberattack

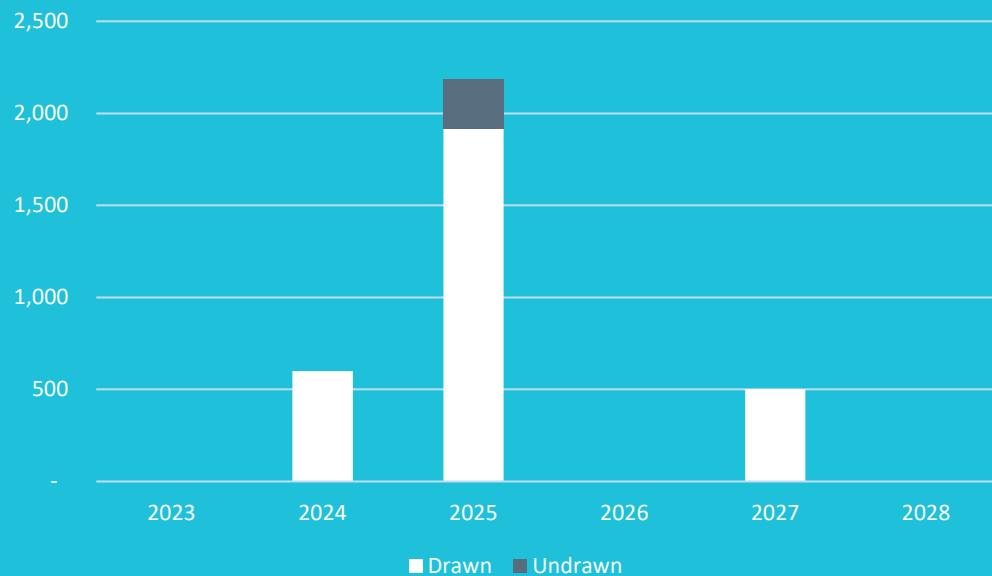
Solidity and gearing

- 44% equity ratio
- NIBD/EBITDA (rolling 12 months) of 1.74x

Financial position

Debt maturity profile

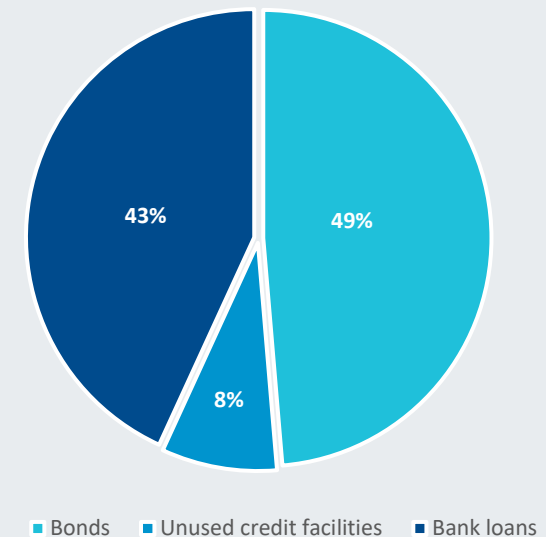
- Weighted average debt maturity of 2.3 years
- Interest-bearing bonds are swapped to EUR and is exposed to EUR/NOK exchange rate fluctuations



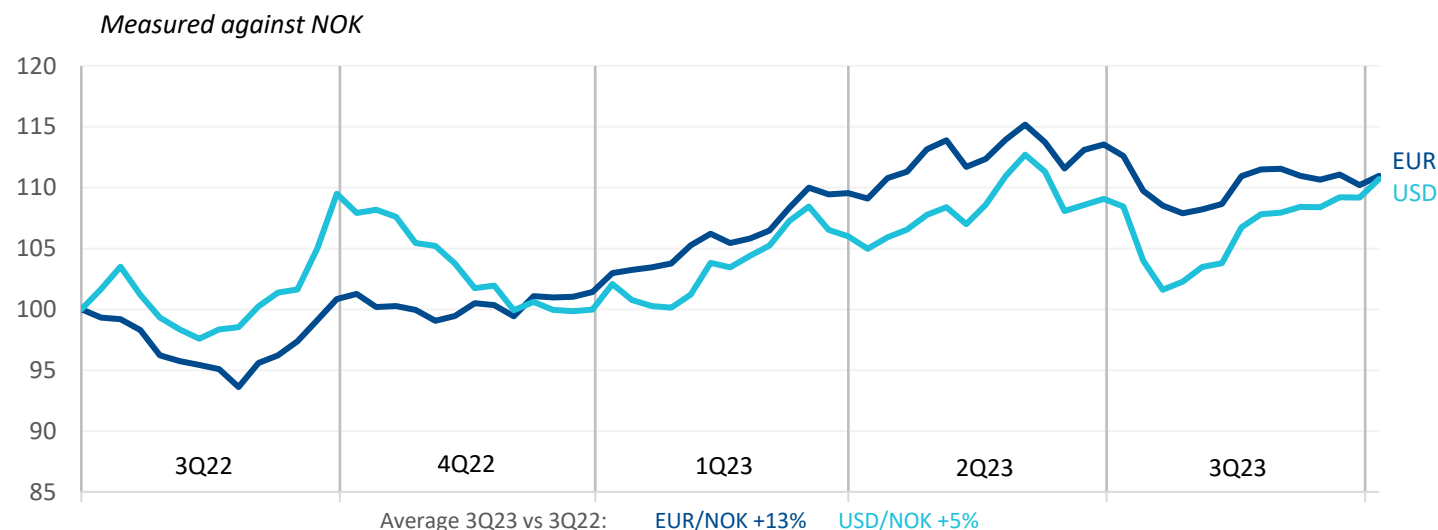
Not including 178 MNOK unused cash-pool overdraft facility

Current funding sources

- TOMRA has unused credit lines of approx. 269 MNOK
- Senior unsecured bonds (no financial covenants) of 1 600 MNOK (swapped to EUR) are listed on Oslo Stock Exchange
 - Green Bonds portion amount to 1 000 MNOK
- The financial covenant related to the bank debt is minimum equity ratio of 30 %



Currency risk and hedging policy



Revenues and expenses per currency:

	EUR	USD	NOK	OTHER ¹	TOTAL
Revenues	50 %	30 %	0 %	20 %	100 %
Expenses	50 %	25 %	5 %	20 %	100 %

Assets and liabilities per currency:

	EUR	USD	NOK	OTHER ¹	TOTAL
Assets	45 %	20 %	5 %	30 %	100 %
Liabilities	50 %	15 %	10 %	25 %	100 %

¹ 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	5.0%	5.0%	5.0%
USD	3.0%	2.5%	6.0%
OTHER ¹	2.0%	2.0%	2.0%
ALL	10.0%	9.5%	13.0%

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

Outlook

Collection	• High activity related to preparation for new markets • Quarterly performance will be dependent upon timing of new initiatives
Recycling	• The market activity is normalizing after extraordinary high growth in 2022 and 2023 • Demand for recycled materials continues to drive demand for high quality sorting
Food	• Challenging macroeconomic environment and weak harvests are delaying customer investments • Benefits of 30 MEUR (~350 MNOK) cost reduction program expected by end of 2024 • Need for automation and increased quality and safety requirements create opportunities mid and long term
Other	• Pricing actions and cost measures are expected to mitigate continued inflation • Lower risk of sourcing shortages and logistical bottlenecks
Currency	• Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, particularly against EUR and USD

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