

FOURTH QUARTER 2020

RESULTS ANNOUNCEMENT

Growth in fourth quarter and sound end of the year

TOMRA ended the year 2020 with solid cash generation and strong performance despite the headwind brought about by the COVID-19 pandemic. The essential nature of the markets that TOMRA serves is a strength, while technology continues to be a success factor for our customers.

Revenues in the fourth quarter 2020 amounted to 2,742 MNOK compared to 2,569 MNOK in fourth quarter last year. Currency adjusted revenues were up 4% for TOMRA Group. Revenues were up 10% in TOMRA Collection Solutions, up 3% in TOMRA Recycling Mining and down 5% in TOMRA Food.

Gross margin was 45% in the quarter, up from 43% in fourth quarter 2019, with higher margins in TOMRA Collection Solutions and TOMRA Recycling Mining.

Operating expenses was 716 MNOK in fourth quarter 2020, compared to 700 MNOK in fourth quarter last year - down 1% currency adjusted.

All time high EBITA of 505 MNOK in fourth quarter 2020, up from 408 MNOK in the same period last year.

Cash flow from operations in fourth quarter 2020 was a record high of 890 MNOK, compared to 600 MNOK in fourth quarter 2019.

"The COVID-19 pandemic has been an unprecedented event in our lifetimes, influencing all aspects of our business and personal lives. I am extremely proud of the way we have pulled together and responded to the challenges we have had to navigate during the year. Our service teams have done a fantastic job taking care of our customers and we maintained a high delivery level and close dialogue with our partners. We ended the year with all time high revenues, EBITA and cash flow. While TOMRA continues to build resilience and handle uncertainties, we remain focused on our strategy and continue to invest in solutions for a circular economy and sustainable food production.", says Stefan Ranstrand, TOMRA President and CEO.

Collection Solutions: Growth in Europe, stable volumes in North America

Revenues in the business area equaled 1,426 MNOK in the fourth quarter, up from 1,265 MNOK in fourth quarter last year. After adjustment for currency changes, revenues were up 10%.

TOMRA Systems ASA

Drengsrudhagen 2
P.O. Box 278
1385 Asker, Norway

Tel: +47 6679 9100
Fax: +47 6679 9111
www.tomra.com

Gross margin increased to 42% as a result of operating leverage in the fourth quarter. Operating expenses was 302 MNOK, compared to 290 MNOK last year, up 1% currency adjusted.

By the end of the second quarter the US deposit states had resumed enforcement of bottle bill regulations and volumes have rebounded close to normal levels. Revenues in Europe have been up compared to last year driven by good performance in Northern Europe and positive effects from the deposit expansion in the Netherlands. Australia continues on a growth trajectory with launch in Western Australia on 1 October 2020 and increased volume collection in fourth quarter 2020 compared to the same period last year.

EBITA was 296 MNOK, up from 216 MNOK last year, up 33% currency adjusted.

Recycling Mining: Healthy recycling business and improved commodity prices

Revenues equaled 438 MNOK in fourth quarter 2020, up 3% in local currencies compared to last year. Gross margin was 54%, up from 50% in fourth quarter 2019.

Operating expenses in the fourth quarter was 135 MNOK versus 132 MNOK last year, down 2% when adjusted for currency effects.

EBITA increased from 74 MNOK in fourth quarter 2019 to 102 MNOK in fourth quarter 2020, up by 38%.

Order intake was 364 MNOK in the quarter, compared to 428 MNOK same quarter last year, primarily influenced by the slower Mining segment. The order backlog was 552 MNOK at the end of fourth quarter 2020, down from 564 MNOK at the end of fourth quarter 2019.

The waste sorting and plastic recycling business is a healthy segment driven by legislation and the push for circularity. Metal sorting has been negatively impacted by slower industrial demand and volatility in commodity prices, though prices have improved in the fourth quarter. The Mining business is cyclical and continues to be below last year levels.

Food: Continued good momentum in fresh food and improved order intake in processed food

Revenues equaled 878 MNOK in fourth quarter 2020, down 5% in local currencies compared to a strong quarter last year. Gross margin was 44%, stable compared to fourth quarter 2019.

Operating expenses in the fourth quarter was 254 MNOK versus 255 MNOK last year, down 5% when adjusted for currencies.

TOMRA Systems ASA

Drengsrudhagen 2
P.O. Box 278
1385 Asker, Norway

Tel: +47 6679 9100
Fax: +47 6679 9111
www.tomra.com

EBITA decreased from 141 MNOK in fourth quarter 2019 to 132 MNOK in fourth quarter 2020, down 5% when adjusted for currency effects.

Order intake was 865 MNOK in the quarter, compared to 905 MNOK same quarter last year, down 4%. The order backlog was 918 MNOK at the end of fourth quarter 2020, up from 894 MNOK at the end of fourth quarter 2019.

Home consumption has boosted the grocery business and sustained the good momentum in fresh food. The food service sector has been significantly affected by the COVID-19 pandemic; however, the industry is adapting. The order intake has improved compared to the previous quarters in processed food categories such as potatoes, nuts and dried fruit.

Asker, 23 February 2020

TOMRA Systems ASA

For questions, please contact:

Espen Gundersen, Deputy CEO/CFO: +47 66 79 92 42 / +47 97 68 73 01

Georgiana Radulescu, Director Investor Relations: +47 94 10 16 43

Webcast link: <https://events.webcast.no/tomra/kvartalspresentasjoner/tomra-systems-asa-q4-presentation-2020>

There will be a Q&A after the presentation and the recorded webcast will be made available on TOMRA's webpage www.TOMRA.com.

TOMRA Systems ASA

Drengsrudhagen 2
P.O. Box 278
1385 Asker, Norway

Tel: +47 6679 9100
Fax: +47 6679 9111
www.tomra.com