



4th quarter 2022 results announcement



Quarterly highlights

Financial highlights

Revenues	• All-time high revenues of 3,477 MNOK (3,050 MNOK in fourth quarter 2021) Adjusted for currency, revenues were: - Up 7% for TOMRA Group - Up 6% in Collection - Up 4% in Recycling - Up 9% in Food
Gross margin	• Gross margin of 42.4% – down from 43.6% in fourth quarter 2021
Operating expenses	• Operating expenses of 979 MNOK (794 MNOK in fourth quarter 2021) — Driven by business expansion and business optimization initiatives
EBITA	• EBITA of 496 MNOK – down from 535 MNOK in fourth quarter 2021
Cash flow	• Cash flow from operations of 350 MNOK (627 MNOK in fourth quarter 2021) — Mainly explained by change in accounts receivable and accounts payable
Order intake	• Order intake of 1,525 MNOK in Recycling and Food – up 17% compared to fourth quarter 2021 - Good performance in Recycling and positive currency effects • Order backlog of 2,048 MNOK – up 17% compared to the same period last year
Other	• Cost inflation has continued to be a pressure point, especially in Collection • The Board proposed an ordinary dividend of NOK 1.80 per share for 2022

Collection Business update



Updates

- All-time high quarterly revenues
- New sales in Romania as retailers prepare for DRS start November 2023
- Installations in The Netherlands in preparation for can deposit extension
- Letter of intent signed with waste concessioner for the supply of 2,000 - 2,500 machines for Hungary's upcoming deposit system
- New reverse vending concepts at the EuroShop retail trade fair



The Netherlands – 1 April 2023 (expansion)

The Netherlands will extend the current deposit system to include cans as of January 1st, 2023 ([link](#)). The system is planned to be operational from April 1st, 2023 ([link](#)).



Scotland – 16 August 2023

In May 2020, Scotland approved deposit regulations and in December 2021, the implementation date was set to August 16th, 2023 ([link](#)).



Romania – 30 November 2023

In 2021, Romania passed the government decision to introduce a deposit system ([link](#)). On October 5th, 2022, the implementation date has been set to November 30th, 2023 ([link](#)).



Quebec – 1 November 2023

On June 14th, 2022, the state of Quebec approved the final regulations for the expansion and modernization of the current deposit system ([link](#)).



Victoria and Tasmania – 2023

In April 2021, Victoria announced DRS introduction. In March 2022, the Tasmanian bottle bill passed the Parliament and became law ([link](#) and [link](#)).



Hungary – January 2024

In 2021 Hungary modified its waste laws, one element of which was to ensure that plastic bottles can be returned ([link](#)). The waste concessioner has initiated the process of engaging reverse vending technology providers aiming for a start in January 2024.



Ireland – February 2024

On November 17th, 2021, Ireland approved DRS regulations ([link](#)). The scheme coordinator has been selected and the start date planned for February 2024 ([link](#)).



Austria – January 2025

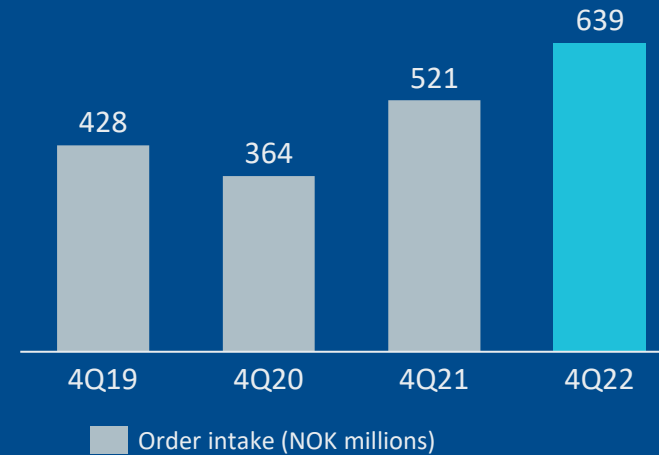
In November 2021, Austria announced the introduction of deposit on single-use beverage containers, with start date January 1st, 2025 ([link](#)).

Recycling Business update

Updates

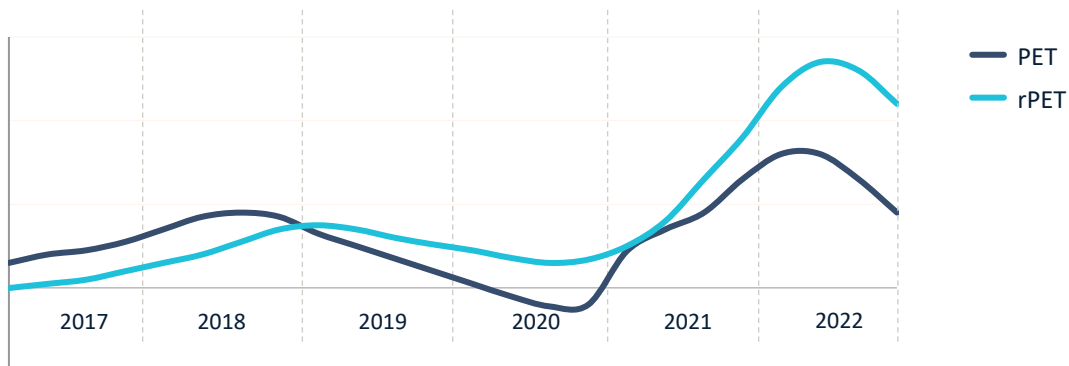
- Solid order backlog, up 37% compared to 4Q21
- Normalization of demand levels
- Decrease in recycled polymer prices, stable metal prices

All-time high order intake, up 23% compared with Q4 2021



- Continued growth in waste recycling and plastics
- Positive currency effect on order intake in Q4 2022

Illustration of price development of virgin PET and recycled PET (rPET)

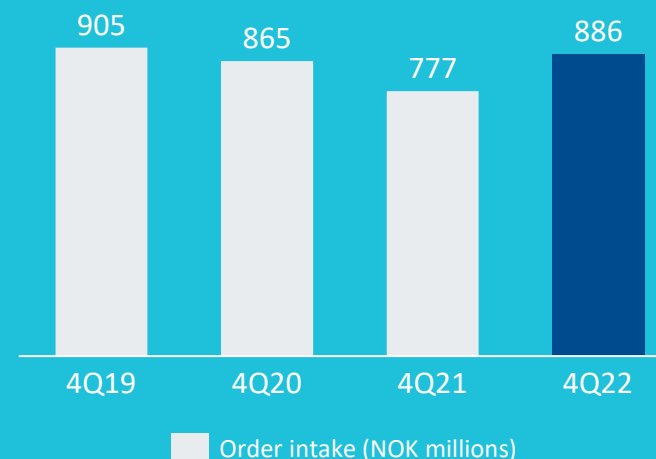


PET = virgin-derived polyethylene terephthalate
rPET= recycled polyethylene terephthalate (comparable to virgin PET)



Food Business update

Order intake up 14% compared to Q4 2021



- Good order performance in processed food
- Fresh food orders below last year, partly due to weak harvests
- Signs of postponed projects in the pipeline (one month delay)

Highlights business transformation



Innovation and life-cycle management

Co-development of integrated solutions^{*)}



ICOEL – integrated business partner Europe & Latin America

Direct go-to-market approach – fresh food in Europe & Latin America



Global category management

Streamlined and customer-centric business processes



^{*)} see Spectra in-line inspection solution with Marel ([link](#))



Our strategy is to
accelerate growth in core
and
develop adjacent
opportunities

Revenue growth
15% CAGR

EBITA margin
at 18%

Dividend payout
40-60% of EPS

Capital structure
Investment grade

Net Zero
holistic sustainability
strategy

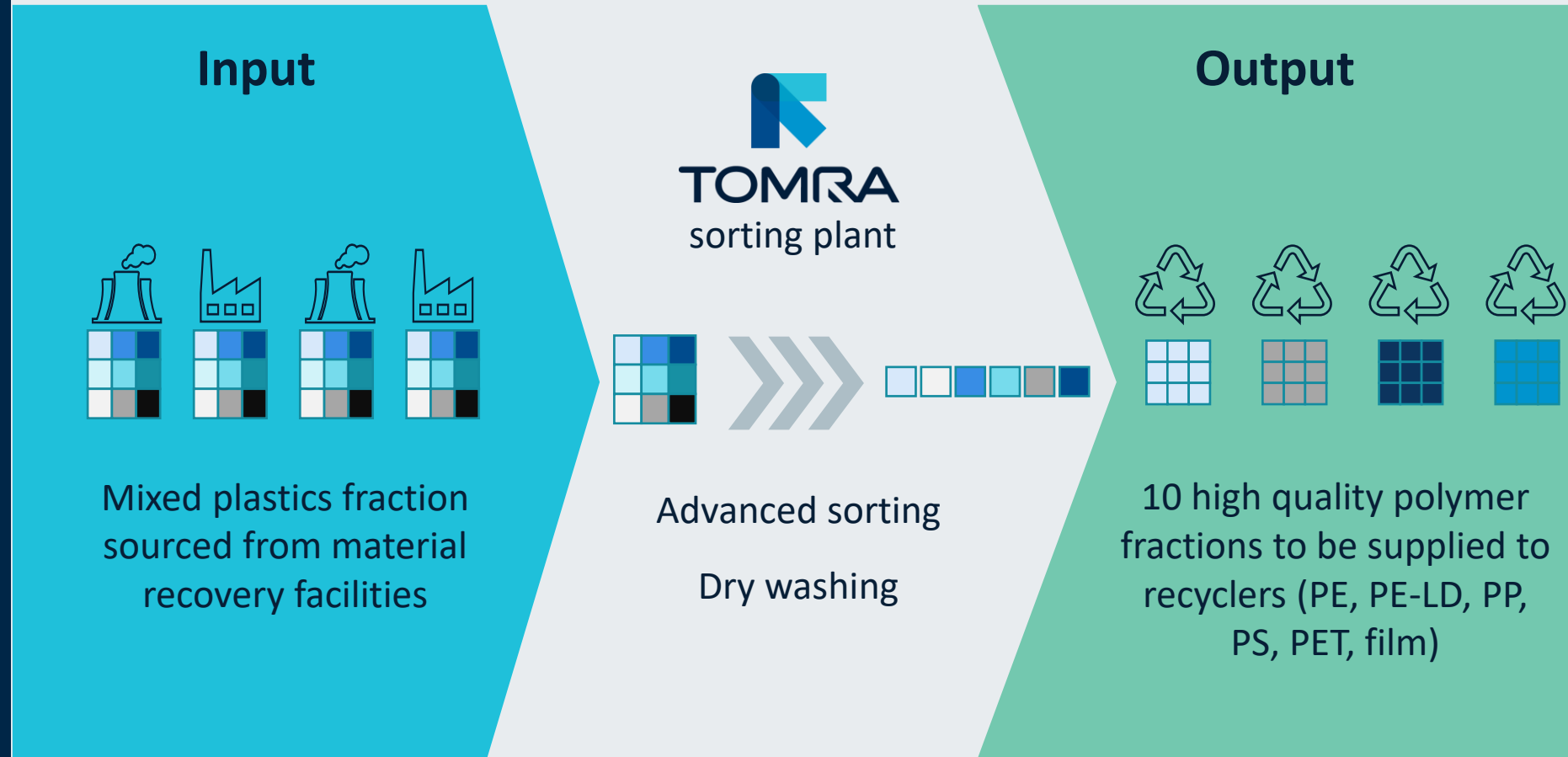
Plastic sorting for advanced recycling

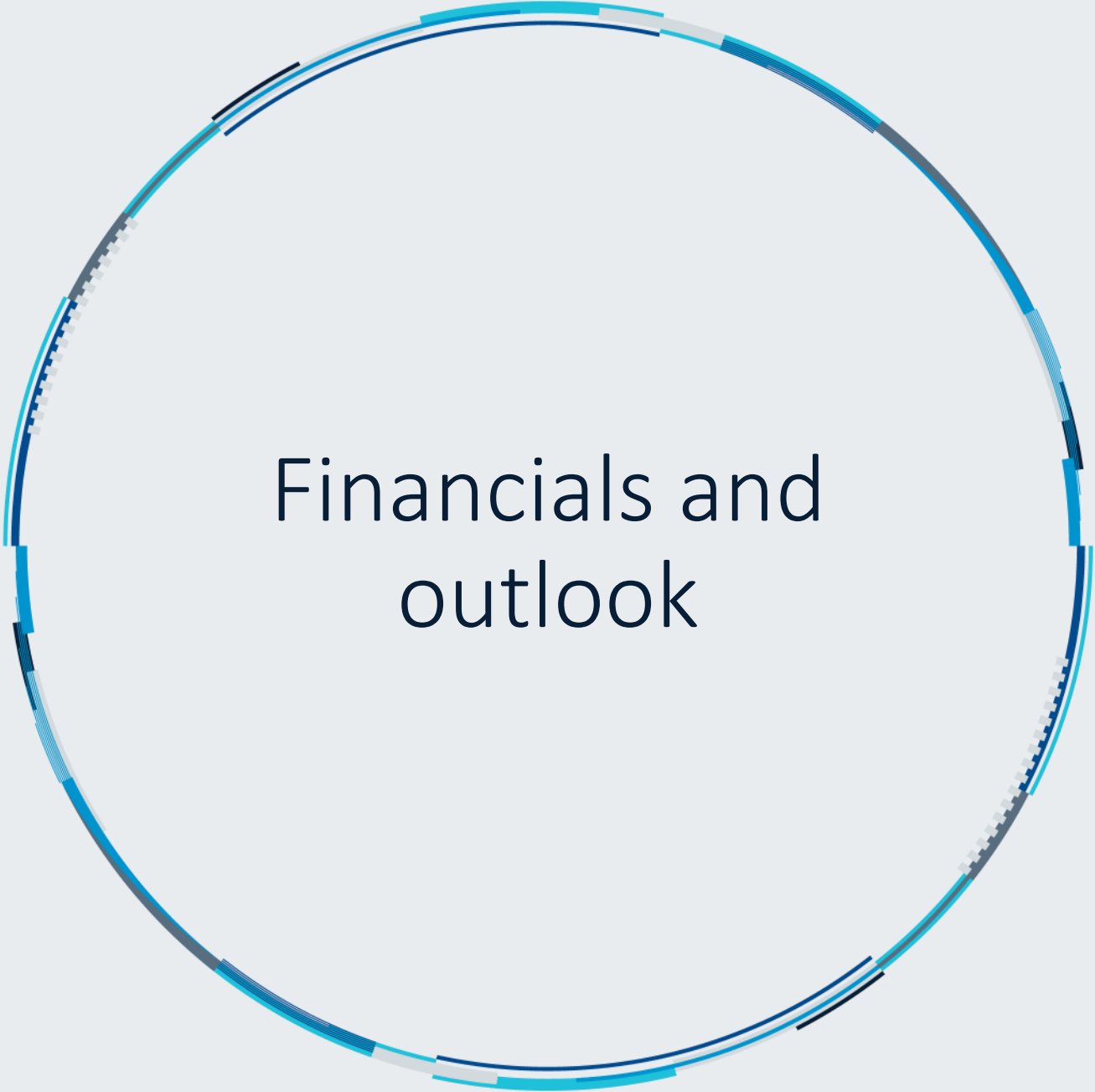
TOMRA will invest EUR 50-60 million in building a mid-scale sorting plant:

- Operational 2024-2025
- Located in Germany
- Capacity 80.000 tons p.a.

Mixed waste sorting can save between 9% and 25% of GHG emissions associated with waste ([link](#)).

Connecting the value chain





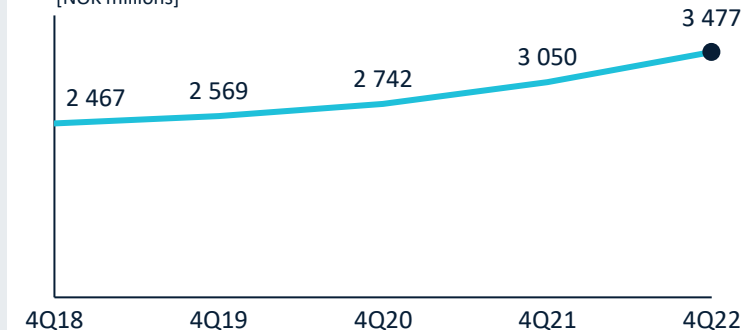
Financials and outlook

Group P&L Highlights

	4 th Quarter			Full year		
<i>Amounts in NOK million</i>	2022	2021	2021 Adj*	2022	2021	2021 Adj*
Revenues	3,477	3,050	3,257	12,188	10,909	11,290
Collection	1,693	1,481	1,591	6,192	5,738	5,940
Recycling	681	631	653	2,376	1,881	1,890
Food	1,103	938	1,013	3,620	3,290	3,460
Gross contribution	1,475	1,329	1,422	5,053	4,789	4,966
<i>in %</i>	<i>42%</i>	<i>44%</i>	<i>44%</i>	<i>41%</i>	<i>44%</i>	<i>44%</i>
Operating expenses	979	794	828	3,427	3,020	3,067
EBITA	496	535	594	1,625	1,769	1,899
<i>in %</i>	<i>14%</i>	<i>18%</i>	<i>18%</i>	<i>13%</i>	<i>16%</i>	<i>17%</i>

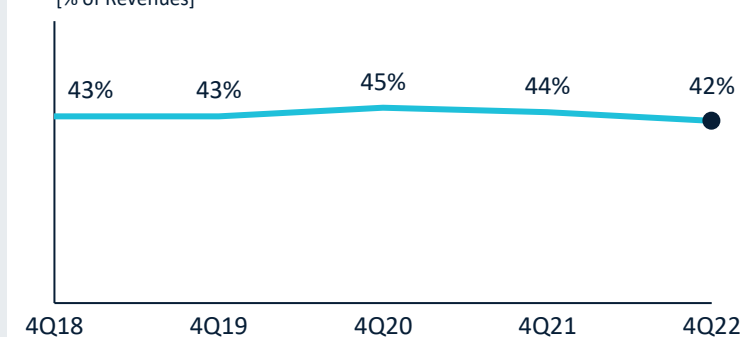
Revenues

[NOK millions]



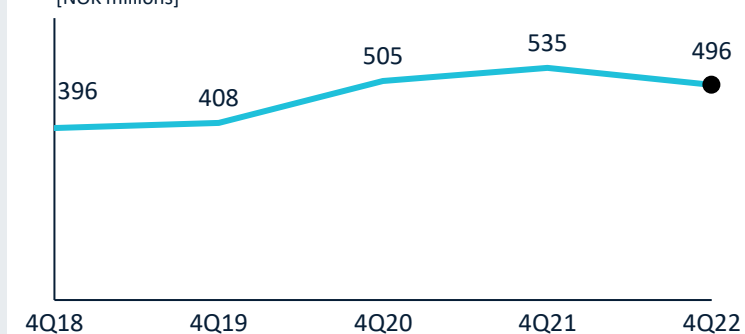
Gross margin

[% of Revenues]



EBITA

[NOK millions]

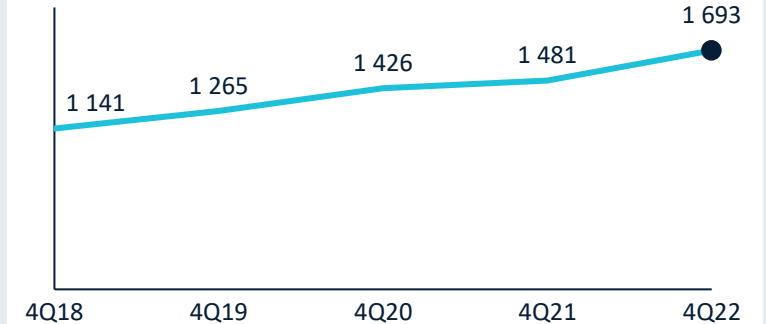


Collection P&L Highlights

	4 th Quarter			Full year		
<i>Amounts in NOK million</i>	2022	2021	2021 Adj*	2022	2021	2021 Adj*
Revenues	1,693	1,481	1,591	6,192	5,738	5,940
Northern Europe	227	187		927	801	
Europe (ex Northern)	768	683		2,531	2,617	
North America	480	413		1,944	1,672	
Rest of the world	218	198		790	648	
Gross contribution	634	592	635	2,347	2,412	2,490
<i>in %</i>	<i>37%</i>	<i>40%</i>	<i>40%</i>	<i>38%</i>	<i>42%</i>	<i>42%</i>
Operating expenses	388	346	360	1,401	1,295	1,321
EBITA	246	246	276	946	1,117	1,169
<i>in %</i>	<i>15%</i>	<i>17%</i>	<i>17%</i>	<i>15%</i>	<i>19%</i>	<i>20%</i>

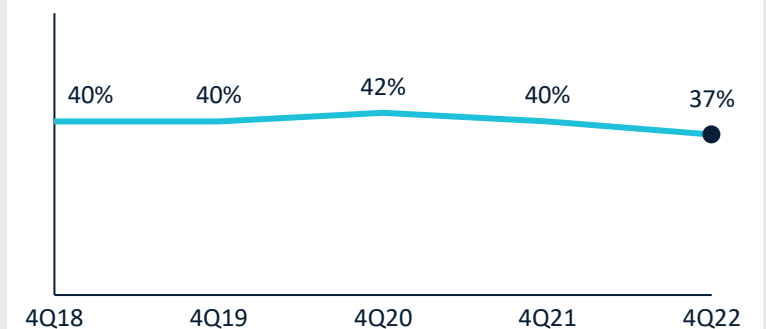
Revenues

[NOK millions]



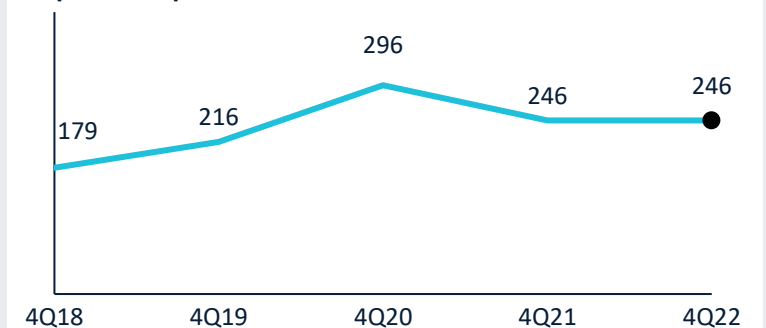
Gross margin

[% of Revenues]



EBITA

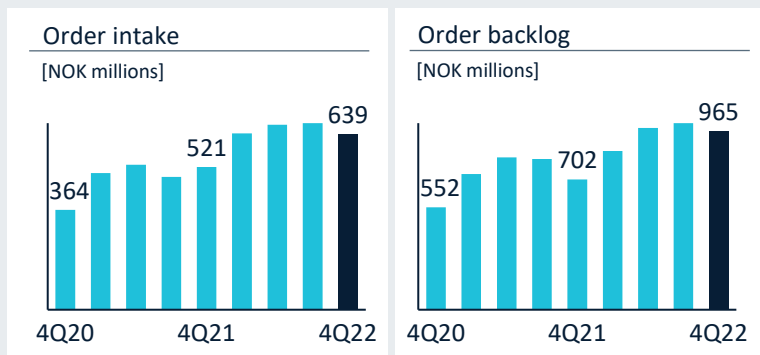
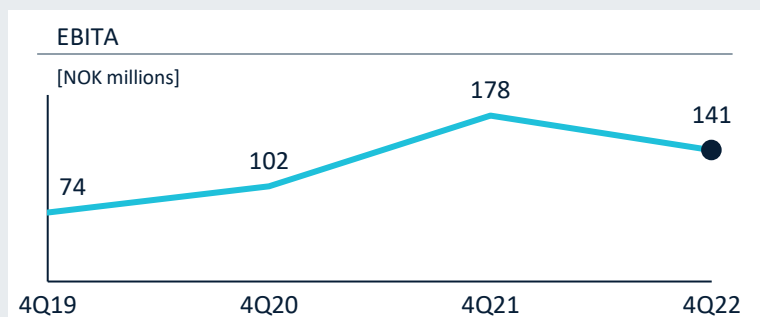
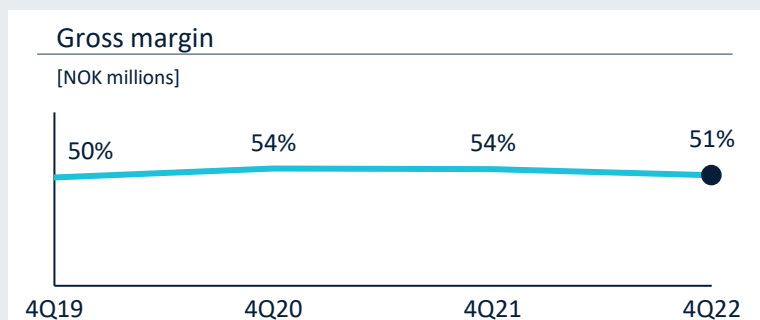
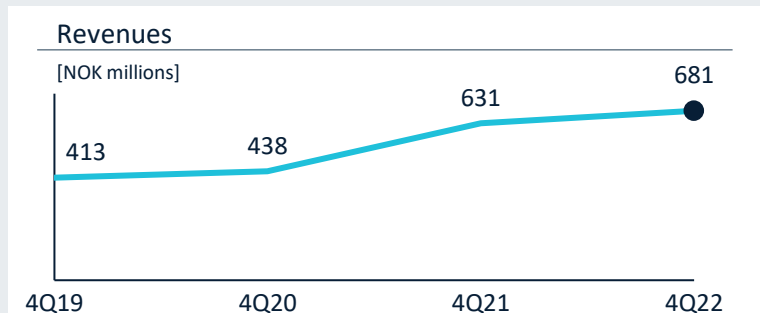
[NOK millions]



Recycling P&L Highlights

	4 th Quarter			Full year		
<i>Amounts in NOK million</i>	2022	2021	2021 Adj*	2022	2021	2021 Adj*
Revenues	681	631	653	2,376	1,881	1,890
Europe	384	386		1,432	1,151	
Americas	128	83		415	280	
Asia	115	103		318	290	
Rest of the world	54	59		212	160	
Gross contribution	347	338	349	1,195	996	1,003
<i>in %</i>	<i>51%</i>	<i>54%</i>	<i>54%</i>	<i>50%</i>	<i>53%</i>	<i>53%</i>
Operating expenses	206	160	166	702	582	583
EBITA	141	178	183	493	414	420
<i>in %</i>	<i>21%</i>	<i>28%</i>	<i>28%</i>	<i>21%</i>	<i>22%</i>	<i>22%</i>

Based upon current production and delivery plans, the revenues in 1Q23 are estimated to be approximately 65% of order backlog at the end of 4Q22



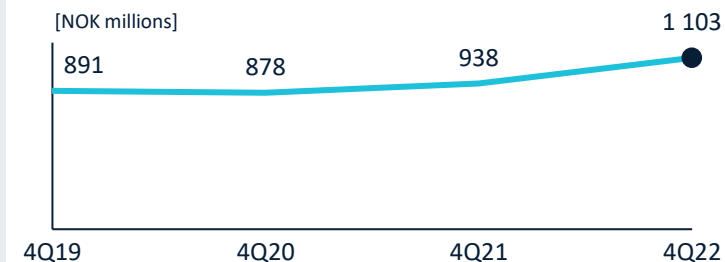
Food P&L Highlights

	4 th Quarter			Full year		
<i>Amounts in NOK million</i>	2022	2021	2021 Adj*	2022	2021	2021 Adj*
Revenues	1,103	938	1,013	3,620	3,290	3,460
Europe	316	174		1,033	911	
Americas	449	338		1,608	1,369	
Asia	93	161		366	352	
Rest of the world	245	265		614	658	
Gross contribution	495	399	437	1,511	1,381	1,473
<i>in %</i>	<i>45%</i>	<i>43%</i>	<i>43%</i>	<i>42%</i>	<i>42%</i>	<i>43%</i>
Operating expenses	337	254	268	1,167	1,021	1,041
EBITA	157	145	169	344	360	432
<i>in %</i>	<i>14%</i>	<i>15%</i>	<i>17%</i>	<i>10%</i>	<i>11%</i>	<i>13%</i>

Based upon current production and delivery plans, the revenues in 1Q23 are estimated to be approximately 60% of order backlog at the end of 4Q22

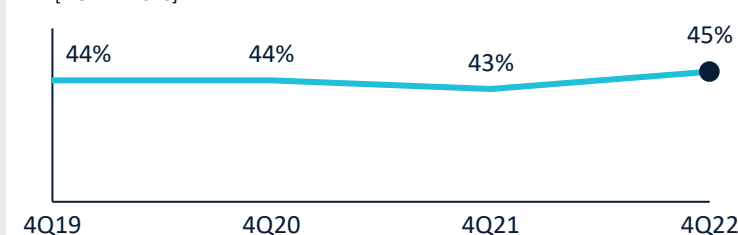
Revenues

[NOK millions]



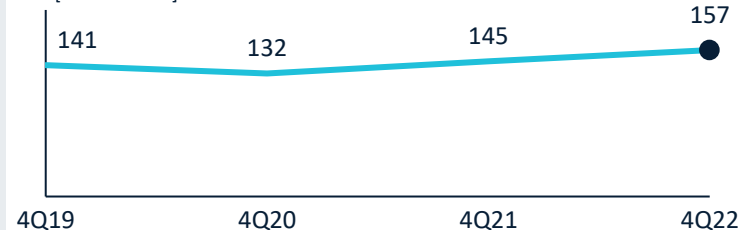
Gross margin

[NOK millions]



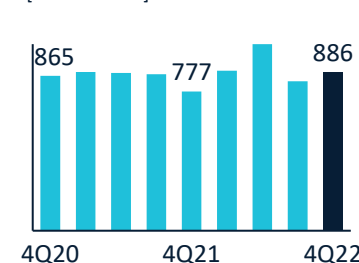
EBITA

[NOK millions]



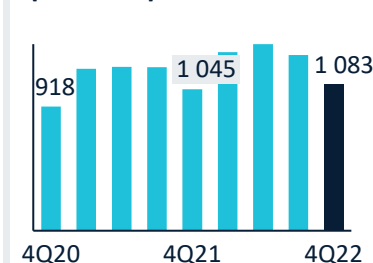
Order intake

[NOK millions]



Order backlog

[NOK millions]

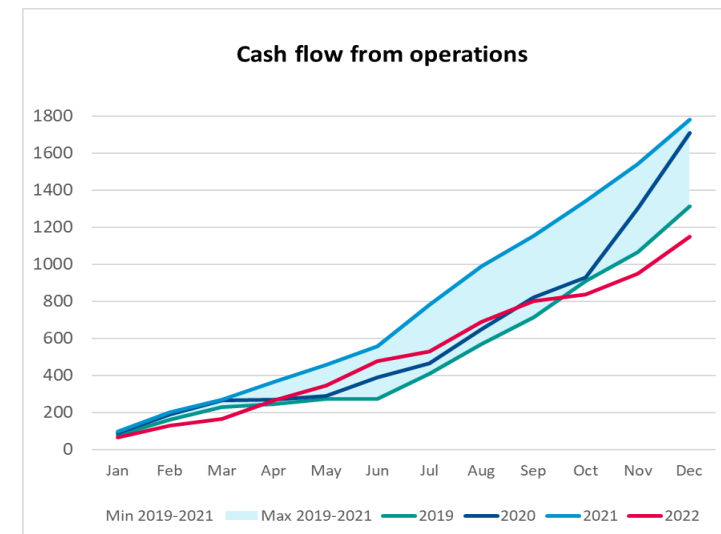


Balance sheet and cash flow

	31 December	
<i>Amounts in NOK million</i>	2022	2021
ASSETS	13,932	11,589
Intangible non-current assets	4,132	3,790
Tangible non-current assets	2,671	2,197
Financial non-current assets	448	347
Inventory	2,370	1,883
Receivables	3,562	2,740
Cash and cash equivalents	750	632
LIABILITIES AND EQUITY	13,932	11,589
Equity	6,572	6,164
Lease liabilities	1,297	1,015
Interest-bearing liabilities	2,260	1,004
Non-interest-bearing liabilities	3,803	3,406

Cash flow from operations

[NOK millions]



Cashflow from operations

- Cash flow from operations of 350 MNOK in fourth quarter 2022 (627 MNOK in fourth quarter 2021)

Solidity and gearing

- 47% equity ratio
- NIBD/EBITDA (rolling 12 months) of 1.2x

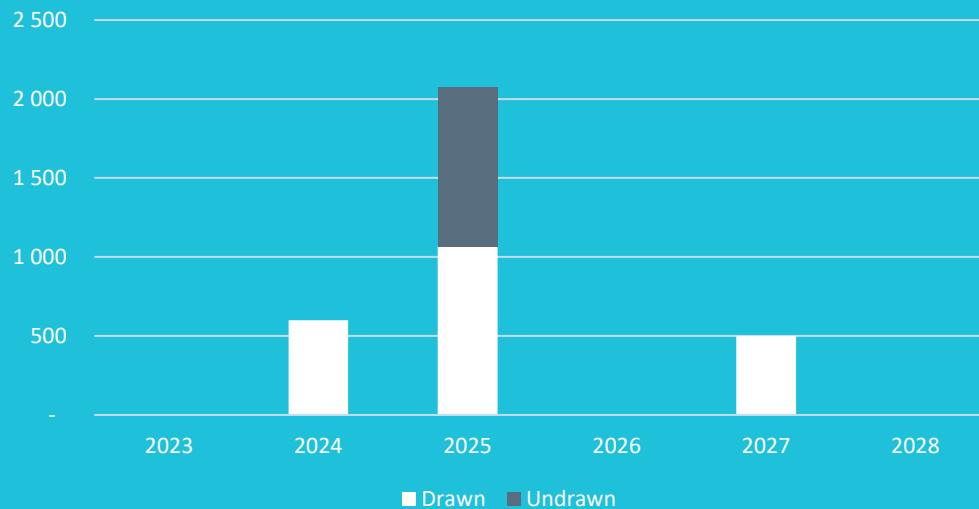
Dividend

- The Board proposed an ordinary dividend of NOK 1.80 per share

Financial position

Debt maturity profile

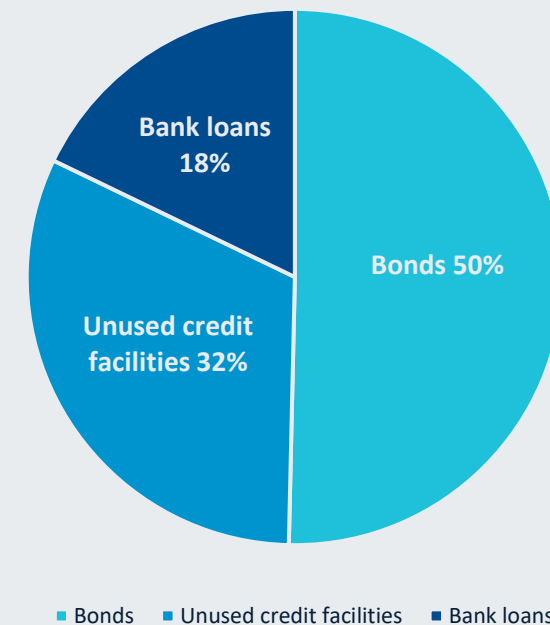
- Weighted average debt maturity of 3.1 years
- Interest-bearing bonds are swapped to EUR and are exposed to EUR/NOK exchange rate fluctuations



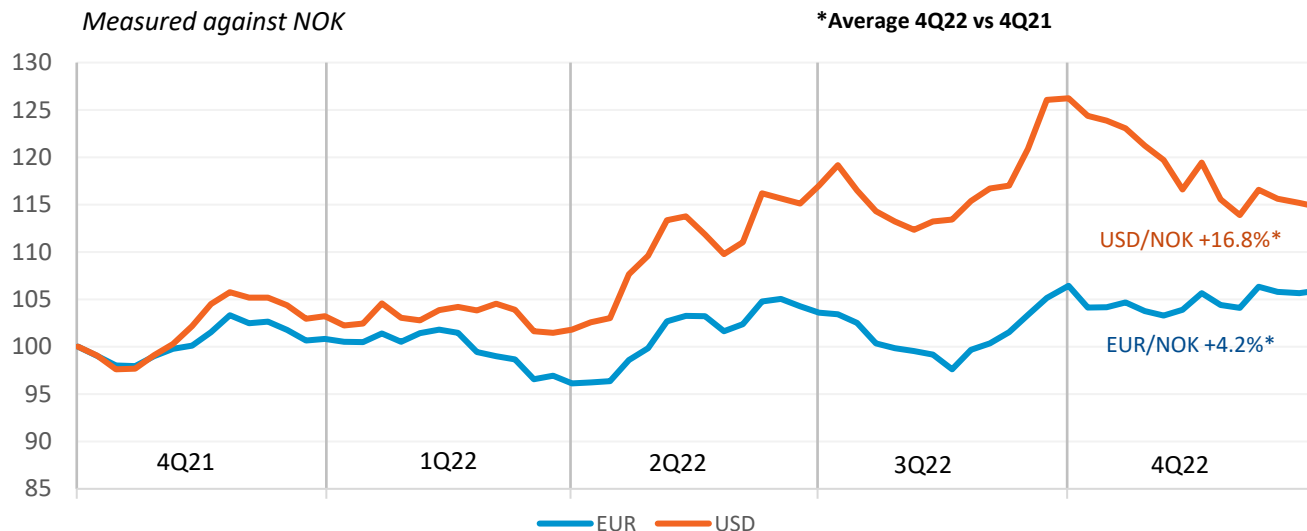
Not including unused 300MNOK cash-pool overdraft facility

Current funding sources

- TOMRA has a satisfactory liquidity situation with available unused credit lines of approx. 1 010 MNOK
- Senior unsecured bonds (no financial covenants) of 1 600 MNOK (swapped to EUR) are listed on Oslo Stock Exchange
 - Green Bonds portion amounts 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 ¹	USD	NOK	OTHER ²	TOTAL
Revenues	50 %	30 %	0 %	20 %	100 %
Expenses	50 %	25 %	5 %	20 %	100 %

Assets and liabilities per currency:

	EUR ¹	USD	NOK	OTHER ²	TOTAL
Assets	45 %	15 %	10 %	30 %	100 %
Liabilities	55 %	15 %	10 %	20 %	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*	5.0%	5.0%	5.0%
USD	3.0%	2.5%	6.0%
OTHER ²	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	• Positive momentum assumed to continue and normalize from high 2022 levels • Demand for recycled materials is expected to create opportunities
Food	• Stable demand despite tough economic backdrop • Need for automation creates opportunities mid and long term
Other	• Cost inflation will continue to be a pressure point • 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

Q&A

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