

First Quarter 2025 Results Announcement

5% revenue growth and continued profitability improvement driven by strong performance in Food

TOMRA, the global technology leader in sensor-based solutions for optimal resource productivity, announces its financial results for the first quarter 2025.

Tove Andersen, President and CEO of TOMRA Systems ASA comments:

"TOMRA delivers a good first quarter. I'm proud of the turnaround Food is demonstrating, achieving a record strong first-quarter EBITA and double-digit growth in both revenues and new orders. Collection revenues were down a modest two percent. Lower activity in new markets is as expected, but Romania delivers a record quarter and we see good growth in existing markets. Recycling delivers a quarter with revenues in line with last year's first quarter and with a low order intake. Trade tensions are leading to increased market uncertainty which impacts our Recycling customers. Looking forward we expect a year with high activity for TOMRA, with a solid order backlog in Recycling, a reinvigorated Food division, and new market activity gradually picking up in Collection as Poland and Portugal prepare for DRS implementation."

Revenues in TOMRA Group amounted to 306 MEUR in the quarter (1Q24: 291 MEUR), an increase of 5% from last year. Collection revenues were down 2% from a strong first quarter last year to 185 MEUR (1Q24: 189 MEUR). In Recycling, revenues were down 1% to 46 MEUR (1Q24: 46 MEUR), marginally lower than the estimated backlog conversion ratio for the quarter. In Food, revenues grew 16% to 70 MEUR (1Q24: 60 MEUR), in line with the estimated backlog conversion ratio.

The order backlog in Recycling was down 2% to 122 MEUR (1Q24: 125 MEUR) after a soft order intake which was down 16% to 61 MEUR in the quarter (1Q24: 73 MEUR). In Food, the order intake was up 13% to 87 MEUR (1Q24: 76 MEUR), which was the highest first quarter order intake in three years. The Food order backlog grew 6% to 125 MEUR (1Q24: 118 MEUR).

Gross margin for TOMRA Group increased to 43% in the quarter (1Q24: 40%). The Collection gross margin improved to 41% (1Q24: 40%). Low volumes and product mix effects in Recycling translated into a lower gross margin of 45% (1Q24: 48%). The gross margin in Food increased to 44% (1Q24: 37%) as a result of last year's cost savings program and strong first quarter volumes.

Operating expenses increased 3% to 104 MEUR in the quarter (1Q24: 101 MEUR adj. for special items). No special items were booked in the quarter (1Q24: -1.6 MEUR).

EBITA increased 69% to 26 MEUR in the quarter (1Q24: 15 MEUR, adj.) with a corresponding EBITA margin of 8% (1Q24: 5%, adj.). Higher volumes and lower costs yielded an EBITA margin of 5% in Food (1Q24: -10%, adj.). The lower activity in Recycling resulted in an EBITA margin of -1% (1Q24: 1%) while in Collection the EBITA margin was in line with last year's at 16% (1Q24: 16%).

Earnings per share increased to 0.03 EUR in the quarter (1Q24: 0.01 EUR, adj.).

Highlights 1st quarter 2025

(growth figures are from the corresponding period last year)

- Revenues amounted to 306 MEUR (1Q24: 291 MEUR) in TOMRA Group, up 5%
- Revenue growth of -2% in Collection, -1% in Recycling, and 16% in Food
- Gross margin of 43% (1Q24: 40%)
- Operating expenses up 3% to 104 MEUR (1Q24: 101 MEUR, adj. for special items)
- EBITA was 26 MEUR (1Q24: 15 MEUR, adj.), up 69%
- EPS up 318% to 0.03 EUR (1Q24: 0.01 EUR, adj.).
- Cash flow from operations was 65 MEUR (1Q24: 19 MEUR)
- Recycling order intake down 16% to 61 MEUR (1Q24: 73 MEUR) and order backlog down 2% to 122 MEUR (1Q24: 125 MEUR)
- Food order intake up 13% to 87 MEUR (1Q24: 76 MEUR) and order backlog growth of 6% to 125 MEUR (1Q24: 118 MEUR)

Webcast

President & CEO Tove Andersen and CFO Eva Sagemo will present the results today at 08:00 CET. The presentation and Q&A session will be sent via live webcast and will be available on demand shortly after the presentation:

https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20250507_3

Analysts and investors who would like to actively participate in the live Q&A session must register separately for the TEAMS webinar:

<https://events.teams.microsoft.com/event/45c980f4-535e-4aa1-ba9d-69c1929caac9@4308d118-edd1-4300-8a37-cfeba8ad5898>

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TOMRA Systems ASA

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