

Second Quarter 2024 Results Announcement

Continued strong momentum in Collection; Gross margin improvements across all divisions

TOMRA, the global technology leader in sensor-based solutions for optimal resource productivity, announces its financial results for the second quarter 2024.

Revenues for the Group amounted to 333 MEUR in the quarter, in line with the second quarter last year. Collection revenues grew 15% to 193 MEUR compared to the second quarter 2023, with strong sales in all regions. In Recycling, revenues declined 15% to 57 MEUR compared to the second quarter 2023, in line with the estimated backlog conversion ratio for the quarter. In Food, the softer market sentiment led to a decline in revenues of 16% to 82 MEUR compared to the second quarter 2023, which is a 4 percentage points higher backlog conversion ratio than estimated.

The combined order backlog in Recycling and Food grew 16% to an all-time high 252 MEUR compared to the second quarter last year, despite the order intake being down 12% and 2% to 65 MEUR and 83 MEUR in Recycling and Food respectively.

Gross margins for TOMRA Group increased from 42% to 44% in the second quarter compared to the same period last year, with improvements in all three divisions. Compared to the second quarter last year, Collection's gross margin increased from 39% to 40%, Recycling's from 51% to 53% and Food's from 43% to 45%. The increases are driven by a positive business and product mix as well as price adjustments.

Operating expenses in the quarter were 101 MEUR (excluding 0.5 MEUR one-off costs), which is in line with the previous two quarters.

EBITA, adjusted for one-off costs, was 44 MEUR in the quarter compared to 46 MEUR in the second quarter last year.

Earnings per share excluding one-off costs amounted to 0.08 MEUR in the second quarter compared to 0.09 MEUR in the same quarter last year.

Highlights 2Q 2024

(comparison figures are from the second quarter last year)

- Revenues amounted to 333 MEUR in TOMRA Group, in line with last year
- Revenue growth of 15% in Collection, but down 15% in Recycling and down 16% in Food
- Gross margin of 44%, up from 42%
- Operating expenses of 101 MEUR (ex. 0.5 MEUR one-off costs), in line with the previous two quarters
- EBITA adj. was 44 MEUR, down 4%
- Cash flow from operations was 34 MEUR, up from 3 MEUR
- Recycling order intake down 12% to 65 MEUR and order backlog growth of 9% to record high 133 MEUR
- Food order intake down 2% to 83 MEUR and order backlog growth of 23% to 119 MEUR

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

"It is great to see the strong momentum continuing in our Collection division, and it is encouraging to see a steady introduction of new deposit return schemes (DRS). Installations of reverse vending machines have continued at a good pace in Romania and Hungary. We are also experiencing high activity in Austria which will introduce DRS for single use containers in January 2025. The market sentiment is still softer in Recycling and Food, where revenues were down as expected in the quarter. Despite this, the order intake was solid and the combined order backlog is at a record high level – highlighting the continued need for automation and increased circularity to enable a world without waste".

Webcast 2Q 2024

President & CEO Tove Andersen and CFO Eva Sagemo will present the results today at 08:00 CEST. 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/20240719_2

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/4dd02b3c-c739-42d2-8b4b-1accd763de91@4308d118-edd1-4300-8a37-cfeba8ad5898>

Capital Markets Day 2024

TOMRA will be hosting a Capital Markets Day on 5 September 2024 in Alicante, Spain. Presentations will be held by TOMRA's executive management, followed by an exclusive opportunity to experience TOMRA's food grading and sorting technology at customer's citrus packhouse. Participants will also have the opportunity to engage directly with representatives from TOMRA's management team in smaller breakout meetings.

Date: 5 September 2024

Time: 08:00 – 17:00 CEST (est.)

Location: AC Hotel Alicante, Spain

Registration is required and more information is available on: <https://circular-economy.tomra.com/capital-markets-day-2024>

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TOMRA Systems ASA

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