

This announcement contains inside information



**10 September 2019**

**Renewi plc**

**(“Renewi”, the “Company” or, together with its subsidiaries, the “Group”)**

**Sale of Reym industrial cleaning business**

Renewi plc (LSE: RWI) is pleased to announce that it has reached a binding agreement to sell its Reym industrial cleaning business (“Reym”) to the REMONDIS Group (“REMONDIS Maintenance & Services”), for an enterprise value of €64m (approximately £57m<sup>1</sup>) (the “Transaction”).

Renewi put Reym up for sale late last year to focus on recycling.

Reym fits well with REMONDIS Maintenance & Services’ existing activities in the Netherlands and the Transaction is expected to benefit both Reym’s customers and its employees. Renewi and REMONDIS Maintenance & Services have agreed long-term contracts to provide the market with Total Care services and the treatment of Reym’s waste streams by Renewi.

The enterprise value of €64m includes a number of debt-like items that will be assumed by REMONDIS Maintenance & Services and, upon completion, Renewi will receive cash consideration of approximately €50m (approximately £45m<sup>1</sup>). The Group expects to use the proceeds from the Transaction to reduce its net debt.

In the Group’s financial statements for the year ended 31 March 2019, Reym was reported as an asset held for sale, with gross assets of €94.9m. The Group’s reported financial results for the year ended 31 March 2019 included €129.4m of revenue and €4.5m of operating profit from Reym.

The transaction is expected to result in a loss on sale during the financial year ending 31 March 2020 of around €28m, of which €23m relates to historic goodwill. Completion, which is subject to competition clearance, is expected to take place before the end of October 2019.

Commenting on the disposal, Otto de Bont, Chief Executive Officer at Renewi, said:

*“We are pleased to announce the successful sale of Reym. Together with the previously announced sale of Renewi’s Canadian business, the sale of Reym will simplify the Group, strengthen its balance sheet and sharpen the focus on core Benelux recycling operations. We have agreed long-term contracts to ensure continued customer service and waste inflows to ATM. This disposal, combined with the previously announced sale of our Canadian business, will result in total cash proceeds of up to €115m.”*

## Notes and additional disclosures

<sup>1</sup> Based on EUR/GBP exchange rate of 0.89726.

### For further information:

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### Market Abuse Regulation statement

This announcement contains inside information and is issued on behalf of Renewi by Philip Griffin-Smith, Group Company Secretary. This announcement is issued at 07:00 on 10 September 2019.

### Forward-looking statements

Certain statements in this announcement constitute “forward-looking statements”. Forward-looking statements may sometimes, but not always, be identified by words such as “will”, “may”, “should”, “continue”, “believes”, “expects”, “intends” or similar expressions. These forward-looking statements are subject to risks, uncertainties and other factors which, as a result, could cause Renewi's actual future financial condition, performance and results to differ materially from the plans, goals and expectations set out in the forward-looking statements. Such statements are made only as at the date of this announcement and, except to the extent legally required, Renewi undertakes no obligation to revise or update such forward-looking statements.

### About Renewi

Renewi is a leading waste to product company that gives new life to used materials every day. We have more than 7,000 employees working at 186 operating sites across Europe. Our extensive operational network means we are always close to our customers.

For Renewi, waste is a state of mind, and an opportunity. Our many years of knowledge and experience, combined with a broad range of services, allow us to offer sustainable, practical recycling solutions. We use innovation and the latest technology to turn waste into useful materials such as paper, metal, plastic, glass, wood, building materials, compost and energy. In other words, we turn today's waste into tomorrow's raw materials.

The result of our work is less waste and contamination, a smarter use of scarce raw materials, and a reduction in carbon emissions. This means that we are contributing towards a cleaner, circular world in which we “waste no more”.

Visit our website for more information: [www.renewiplc.com](http://www.renewiplc.com). Images are available at [www.renewiplc.com/imagelibrary](http://www.renewiplc.com/imagelibrary).

## **About Reym**

Reym is the market leader in the provision of high-end industrial cleaning and waste transport services to the oil, petrochemical and other heavy industries in the Netherlands. Revenues in the year ended 31 March 2019 were €129m and underlying EBIT was €5.3m. Reym has 700 highly trained and skilled employees and operates a fleet of around 350 specialist cleaning vehicles.

## **About REMONDIS Maintenance & Services**

REMONDIS Maintenance & Services is parent company to BUCHEN und XERVON, offering services and advice to both firms. BUCHEN provides high quality industrial services that are divided up into three dedicated areas: industrial services, waste management and remediation. XERVON serves customers all around the world and specialises in delivering technical services including scaffolding, surface technology, insulation and maintenance work. REMONDIS Maintenance & Services belongs to the REMONDIS Group, one of the world's largest recycling, services and water companies. Further information is available at [www.buchen.net](http://www.buchen.net), [www.xervon.com](http://www.xervon.com) and [www.remondis.de](http://www.remondis.de)

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