

This announcement contains inside information



**30 January 2019**

## **Renewi plc**

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

### **Trading Update**

Renewi plc (LSE: RWI), the international waste-to-product business, announces its trading update for the period from 1 October 2018 to date.

Given our continued expectation of a strong fourth quarter performance, the Board remains confident that Renewi will deliver full year results in line with its expectations as set out with the Half Year Results in November 2018.

#### **Trading performance**

During the third quarter, trading has continued broadly in line with management’s expectations. Our merger integration projects have made good progress in recent months. We remain on track to deliver the committed €30m of cost synergies for the year ending 31 March 2019 and the committed €40m for the year ending 31 March 2020.

In the Commercial Division, we have continued to see steady trading. Volumes have softened slightly during the third quarter but remain slightly above last year. As planned, we have successfully introduced significant price rises into the market and these are expected to contribute to a strong fourth quarter. The Hazardous Waste Division has performed in line with management’s expectations. The Monostreams Division has continued to see positive trading at Orgaworld and Mineralz, offset by weaker performance at Coolrec and Maltha where new management and improvement initiatives are being introduced. The Municipal Division has continued to perform well, with a strong improvement in performance compared with the prior year as anticipated.

Our integration activities remain on track and on budget. The critical IT platform projects carried out at the half year have performed well, enabling the progressive delivery of route optimisation synergies through the second half as planned. Site rationalisation projects are also progressing well, particularly in the Rotterdam region.

#### **Cash and borrowings**

Working capital and capital expenditure continued to be tightly controlled during the period and were better than expected. Accordingly, Group core net debt and leverage remain in line with management’s expectations.

#### **ATM update**

As previously reported, Dutch regulators have temporarily suspended permits nationwide for the use of thermally treated soil. Since the update in November 2018, the Dutch Secretary of State for Infrastructure and Water Management has publicly confirmed that thermal soil is an important secondary material for future use in the Netherlands and announced the intention to introduce an enhanced regulatory regime for the use of all recycled soils in the country.

Following this announcement, the regulator has acknowledged the importance of determining an interim solution, in anticipation of a new regulatory regime, and we continue to co-operate in defining this solution. We maintain a strong order book of customers ready to take our soil product as soon as this regulatory approval is received. We remain confident that our treated soil meets the existing required specification and that our operations are amongst the best in the industry.

In parallel with the ongoing discussions about soil shipments, we continue to make good progress with a new process to make building materials from contaminated soil. This would open up new outlets for ATM's soil processing facility.

As stated at the Half Year Results, we do not expect to resume full production this financial year and a further update will be provided no later than the end of March.

### **Strategic portfolio review**

The Board is continuing to execute its Focus & Grow strategy to increase the quality of earnings and to materially delever the Group towards our target of less than 2.0x net debt to EBITDA.

The disposal processes of our Reym and Canadian Municipal businesses are on track and progressing well with encouraging inbound interest from potential buyers.

### **Dual listing update**

As previously announced, the Board intends to seek a secondary listing of Renewi's shares on Euronext Amsterdam. The Board has concluded that the optimal timing for this is now likely to be in the second half of 2019, alongside the successful completion of a number of existing Group initiatives.

### **Outlook**

Given our continued expectation of a strong fourth quarter performance, the Board remains confident that Renewi will deliver full year results in line with its expectations as set out with the Half Year Results in November 2018.

### **For further information:**

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## About Renewi

Renewi is a leading waste to product company that gives new life to used materials every day. We have more than 8,000 employees working at 200 sites across Europe and North America. 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".

Renewi was created in 2017, following the merger of Shanks Group plc with Van Gansewinkel Groep BV, and is listed on the London Stock Exchange. 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).

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