

Renewi plc

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26 October 2023

Renewi plc ("Renewi")

Response to Rule 2.8 termination announcement from Macquarie Asset Management, on or behalf of one or more of its managed funds ("Macquarie")

The Board notes the announcement from Macquarie confirming that it does not intend to make an offer for Renewi. As a result, Macquarie is bound by the restrictions set out in Rule 2.8 of the Takeover Code.

On 28 September, the Board confirmed it had received an unsolicited and highly conditional non-binding all-cash proposal from Macquarie to acquire Renewi at 775 pence per share, which was rejected on the basis that it fundamentally undervalued Renewi and its prospects.

The Board confirms that yesterday (25 October), it received a further non-binding proposal from Macquarie with an indicative offer value of 810 pence per share (the "Revised Proposal"). The Board carefully assessed this Revised Proposal with its advisers and also considered the recent feedback it had received from Renewi shareholders. The Board rejected this Revised Proposal on the basis that it continued to fundamentally undervalue Renewi and its prospects. In doing so, and reflecting that the Board is open to all means of maximising shareholder value, the Board conveyed to Macquarie that formal engagement was possible, subject to price. However, the price level of the Revised Proposal did not provide a basis to provide Macquarie with access to due diligence.

The Board remains confident in the Company's future prospects as a pure play market leader in Europe's most advanced recycling markets and remains committed to delivering on its strategy to realise attractive profitable growth.

Renewi provided medium-term financial targets at the Capital Markets Event earlier this month, including delivering profitable organic revenue growth of >5% per annum, high single digit underlying EBIT margins, free cash flow¹ generation representing 40% of EBITDA and ROCE of over 15%. The Board recognises the importance of capital returns to shareholders and plans to reinstate a progressive dividend policy targeting sustainable growth whilst maintaining cover of 3-4x underlying earnings.

Renewi will report its half year FY2024 results on 9 November 2023.

This announcement has been made without the consent of Macquarie.

For further information:

FTI Consulting, Financial PR Adviser
Alex Le May, Richard Mountain

+44 20 3727 1340

Notes

¹ Free cash flow defined as cash flow before dividends, growth projects and M&A. Conversion ratio target assumes elimination of legacy cash costs related to UK Municipal business, COVID tax deferrals and shipment of Mineralz & Water thermally treated soil coming to an end.

Publication on website

A copy of this announcement will be made available at <https://www.renewi.com> by no later than 12 noon (London time) on the first business day after the date of this announcement. The content of the website referred to above is not incorporated into and does not form part of this announcement.

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