

13 February 2025

Renewi plc

Q3 Trading Update

Renewi plc ("Renewi" or the "Group") (LSE: RWI.L; Euronext Amsterdam: RWI.AS), a leading European waste-to-product company, provides the following trading update for the nine months ending 31 December 2024 ("Q3").

Financial Highlights^[1]

- **Revenue** from continuing operations: €1,307.8m, 4.2% year-on-year growth against a backdrop of continuing regional economic sluggishness, supported by higher volumes in Specialities and higher inbound prices in Commercial Waste (FY24: €1,254.8m).
- **Underlying EBIT** from continuing operations: €77.6m, 8.4% higher year-on-year with a strong contribution from Mineralz & Water and Specialities, together with lower SG&A costs.
- **Core net debt^[2] to EBITDA** of 2.87x in line with expectations, up from 2.14x in March 2024 driven by the financing of the disposal of the UK Municipal business, with core net debt at €507.2m (March 2024: €368.1m). The Group continues to expect to deleverage by 0.4-0.5x per annum to 2x over the medium term.
- **Completion of UK Municipal:** On 10 October 2024 the Group announced the successful completion of the sale of its UK Municipal operations to Biffa Limited.

Q3 FY25 performance

Commercial waste showed revenue growth, with higher prices offsetting lower volumes, though margin expansion was slower than expected due to customer mix and lower recyclate prices. Incineration capacity issues were resolved in the third quarter but contributed to higher cost of waste over the year-to-date period. The construction sector in the Netherlands returned to growth towards the end of the period, having been in decline through most of 2024. Due to the Group's strong footprint in both Belgium and the Netherlands, Renewi won a major waste management contract with one of the world's largest dairy companies FrieslandCampina in both countries. Over the period, Renewi also expanded its Green Collective partnership which now includes the larger Rotterdam area. With operations spanning more than 30 municipalities, Green Collective is actively reducing truck mileage, lowering CO2 emissions and enhancing safety in urban areas.

Mineralz & Water continued to deliver a strong operational performance from waterside operations bolstered by a favorable product mix. In addition, the contaminated soil treatment combined with new offtake contracts for Forz@Sand-T help ensure long-term business stability.

Specialities revenue growth remained strong, though EBIT was impacted by lower recyclate prices and lower volumes over the period. During the period, Renewi invested in PVB (polyvinyl butyral) recycling at its site in glass recycling site in Lommel, Belgium. PVB is commonly used in laminated glass for automobile windshields. By investing in its recycling, Maltha is providing a more sustainable solution for a stream that until now has generally been destined for landfill - an important opportunity to further drive the circular economy.

The One Renewi initiative was also launched during the period, focusing on enhancing the Group's logistics and processing capabilities, as well as driving standardisation across Renewi. SG&A costs were lower year-on-year as a result of the successful implementation of the "Simplify" programme. This programme has been fully implemented and related cost savings have now reached run-rate.

Outlook

Whilst market conditions remain mixed, the benefits of the Group's commercial and cost initiatives underpin the continued expectation of solid progress in FY25. We enter the final quarter with positive growth momentum which should enable the Group to achieve a full year revenue performance in line with its previous expectations. Further productivity and cost initiatives are being implemented to mitigate, in part, the effect of the additional cost and market headwinds experienced in Q3, which are anticipated to persist in the remainder of the year. Looking ahead, Renewi remains committed to delivering on its medium-term targets of a high-single digit underlying EBIT margin and organic annual revenue growth of >5%*.

**The statement on medium-term targets is a 3 to 5 year target and is aspirational only. As such, the statement should not be construed as a profit forecast within the meaning of the Code. There can be no certainty that Renewi will achieve its ambition, which is subject to various assumptions, risks and uncertainties which could cause Renewi's financial results to differ materially from these targets.*

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About Renewi

Renewi is a pure-play recycling company that focuses on extracting value from waste and used materials rather than disposing of them through incineration or landfill. The Company plays an important role in combating resource scarcity by creating circular materials. In giving new life to used materials, Renewi addresses both social and regulatory trends, contributing to a cleaner and greener world.

Our vision is to be the leading waste-to-product company in the world's most advanced circular economies, reflected in a recycling rate of continuing operations of 66.2%, one of the highest in Europe. In FY24, Renewi puts 6.6 million tonnes of low-carbon circular materials back into use each year. This contributes to mitigating climate change and promotes the circular economy. Our recycling efforts help to protect natural resources and prevent more than 2.5 million tonnes of CO2 emissions annually.

Renewi leverages innovation and the latest technology to turn waste into circular materials such as paper, metals, plastics, glass, wood, building materials, compost, and water. We employ over 6,000 people across 151 operational sites in five countries in Europe. Renewi is recognised as a leading waste-to-product company in the Benelux region and a European leader in advanced recycling.

Visit our website for more information: www.renewi.com.

Cautionary note regarding forward looking statements

This announcement contains certain statements which are, or may be deemed to be, forward looking statements with respect to the expectations and plans, strategy, management objectives, future developments and performance, costs, revenues and other trend information of Renewi. These forward looking statements can be identified by the fact that they do not relate to historical or current facts. Forward looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the Renewi board, in the light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes appropriate. By their nature, forward looking statements involve risk and uncertainty and the factors described in the context of such forward looking statements in this announcement could cause actual results and developments to differ materially from those expressed in or implied by such forward looking statements.

Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this announcement. Except as required by applicable law and/or regulation Renewi does not assume any obligation to update or correct the information contained in this announcement.

^[1] UK Municipal business is shown throughout as an asset held for sale and a discontinued operation. Numbers are presented on a continuing basis and comparatives have been restated

^[2] Core net debt used for banking leverage calculations excludes the impact of IFRS 16 lease liabilities and UK PPP net debt

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