

Renewi plc**WKN:** 876457 **ISIN:** GB0007995243 **Land:** United Kingdom**Nachricht vom 04.10.2021 | 08:00****Renewi plc: Half Year Trading Update**

Renewi plc (RWI)

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Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR), transmitted by EQS Group.

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4 October 2021**Renewi plc****("Renewi", the "Company" or, together with its subsidiaries, the "Group")****Half Year Trading Update****Performance and outlook materially ahead of the Board's expectations**

Renewi plc (LSE: RWI), the leading international waste-to-product company, announces its trading update for the six months ended 30 September 2021 and materially upgrades its expectations for the year ending 31 March 2022.

Renewi has performed strongly in the first six months of the year, with increased volumes, improved recycle prices and ongoing cost management continuing to support better than expected trading. Revenues on a like-for-like basis in the first five months have been more than 10% above the Covid-affected prior year and 7% ahead of the pre-Covid year ended 31 March 2020.

The Commercial Division has performed particularly well. Core volumes in Belgium have increased by 15% in the five months to the end of August, recovering from a severe Covid lockdown in the prior year. Core volumes in the Netherlands have increased by 2% in the same period, reflecting the lesser Covid-related reduction in the prior year. While the hospitality and retail sectors have partly recovered, we have not experienced predicted negative effects in the after-Covid period including a significant slowdown in late cycle sectors such as construction or an increase in insolvencies. However, bulky waste has reduced as forecast. Recycle prices have also remained at high levels throughout the first half in most major product categories, supporting a strong increase in operating margin. As these prices are expected to moderate in the future, the Division will continue to generate attractive returns, benefiting from dynamic contract pricing and the structural improvements to the cost base over the last 18 months.

The Mineralz & Water Division has experienced a mixed first half. At ATM we have increased our soil throughput and over 350,000 tonnes of TGG have now been placed in the market, creating space on the site and beginning to reduce external storage costs. The waterside business was slightly softer than expected. While we continue to participate in increasing tenders for future business for ATM, we are seeing some weakness in incoming contaminated soil due to a slow industry-wide recovery post Covid with a delay in large remediation projects and delays in securing permits for imported waste. Although we expect a full recovery as earlier communicated, this will take longer than anticipated.

The Specialities Division has performed well in the first half, with a particularly strong performance by Coolrec.

Good progress continues to be made with our three strategic growth initiatives:

our innovation pipeline - which will deliver significant additional revenues and earnings over the next three years and beyond. In particular, we have committed over €80m of capital that will underpin the targeted €20m improvement in EBIT from this initiative by the end of FY25;

recovery of earnings at ATM (albeit slower than planned); and

the Renewi 2.0 programme to digitise and streamline our business.

Cash performance in the first half continued to be strong, with tightly controlled working capital and replacement capital expenditure. Leverage will remain below 2.0x net debt to EBITDA at the half year.

The strong performance in the first half and positive trading outlook have led the Board to materially increase its expectations for the full year ending 31 March 2022. Longer term, the transition to increased recycling will continue to support our business model. The sustainability agenda and the potential for a "green recovery" supported by the EU and national governments will present further attractive opportunities for Renewi to convert waste into a wider range of high-quality secondary materials.

The Group announces a virtual Capital Markets Event for analysts and investors on 12 October 2021 at 1400 CET / 1300 BST. The Capital Markets Event will focus on how we intend to grow our business organically by commercialising new and innovative technologies from our innovation pipeline and how Renewi will continue to be a market leader and beneficiary in an increasingly circular economy. We will explore in depth Board committed projects in Organics, Plastics, Construction Materials and Advanced Sorting. Please see the Group's website, www.renewi.com, for further details.

The Group's results for the six months ended 30 September 2021 will be announced on 9 November 2021.

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About Renewi

Renewi is a pure-play recycling company with a focus on extracting value from waste and used materials rather than disposal through incineration or landfill. The company also plays a key role in limiting resource scarcity through the creation of secondary materials, and by so doing addresses both social and regulatory trends and contributes to creating a cleaner, greener world.

Renewi's vision is to be the leading waste-to-product company in the world's most advanced circular economies. By opting to recycle, the company avoids emissions of more than 3 million tonnes of CO₂ and as a result plays a part in contributing to a sustainable society, transitioning to a circular economy and driving the progress needed to halt climate change.

Renewi, which draws on innovation and the latest technology to turn waste into useful materials - paper, metals, plastics, glass, wood, building materials, compost and energy - employs over 6 500 people who work on 165 operating sites in 6 countries across Europe and the UK. Renewi is recognised as a market leader in Benelux and a regional European leader in recycling.

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