

30 May 2024

Renewi plc

FY24 Full Year Results, Delivering on Commitments

Renewi plc ("Renewi" or the "Group") (LSE: RWI.L; Euronext Amsterdam: RWI.AS), a leading European waste-to-product company, today releases its results for the full-year ended 31 March 2024 ("FY24").

Sale of UK Municipal

Following the strategic review of its UK Municipal operations ("UK Municipal") announced in September 2023, Renewi has entered into a binding agreement to sell UK Municipal to Biffa Limited ("Biffa"), a leading UK-wide integrated waste management business (the "Divestment").

Renewi's CEO, Otto de Bont: *"The sale of UK Municipal to Biffa delivers on our commitment to optimise our portfolio and strengthen our core business. This is a transformational moment for Renewi which will enable us to unlock substantial profit and cashflow improvements and improve shareholder value.*

We will now fully focus on growing in Europe's most attractive and advanced recycling markets. Biffa's financial position, operational expertise, and presence in the UK municipal landscape make them the right new home for our UK Municipal business and we are confident this transaction benefits all stakeholders."

See a separate RNS dated 30 May 2024 "Renewi announces sale of UK Municipal business to Biffa" for more information.

Transaction Highlights

Supporting Renewi's transformation, the Divestment:

- will immediately increase Renewi's free cash flow by €15-20m per annum and drive at least c.50bps of EBIT margin expansion.
- significantly de-risks the Group's balance sheet as unpredictable UK Municipal liabilities, Onerous Contract Provisions (OCPs), will be replaced by conventional and competitively priced debt financing, enabling increased visibility on future capital outflows.
- focuses resources and management time on strategic initiatives for stronger growth and shareholder returns.

The transaction will be effectuated through a combination of a nominal cash consideration payable to Biffa and pre-completion capitalisation of UK Municipal (together, the "Capitalisation"). The Capitalisation ensures UK Municipals' ability to fulfil its future contractual obligations.

- Capitalisation is expected to be approximately £125m* (€146m**) on completion which, when offset against the reduction of liabilities of €89m, equates to a net cost of c. €57m to Renewi and a total cash impact of €154m, including transaction costs.
- Core net debt / EBITDA immediately following the transaction is expected to be approximately 2.9x, falling to our target of 2.0x in the medium-term, with improved margins and cash generation driving accelerated deleveraging.
- The transaction will be funded through the existing revolving credit facility, supplemented by a €120m bridge facility.

The Divestment provides UK Municipal customers, employees and other stakeholders with strong strategic backing from a respected scale operator in the UK market. The transaction is expected to complete before 31 December 2024, subject to receipt of a limited suite of regulatory and other consents.

* Subject to customary closing adjustments; Capitalisation at completion will be net of any normal course capitalisation provided by Renewi to UK Municipal in the period between 31 March 2024 and completion of the Disposal.

** Based on GBP/EUR exchange rate of €1:£0.855.

For the purposes of UK Listing Rule 10.4, as at 31 March 2024 the gross assets of UK Municipal (adjusted for the estimated pre-completion Capitalisation) are €348m; and in the financial year ending 31 March 2024, UK Municipal contributed €0.7m to the Group's statutory profit before tax.

FY24 Financial Highlights (note all financial results are shown with UK Municipal held for sale)

- **Revenue of €1,689m and underlying EBIT of €105.5m from continuing operations** (FY23: revenue of €1,704m and underlying EBIT of €131.7m).
- **Underlying EBITDA from continuing operations of €230.2m:** (FY23: €252.4m)
- **Statutory loss of €30.9m:** (FY23: profit of €66.6m) reflecting lower profits and an exceptional charge of €64.5m on the UK Municipal divestment
- **Free cash flow of €20.9m** (FY23: €25.3m)
- **Core net debt €368.1m:** (FY23: €370.6m), representing 2.1x EBITDA
- **Dividend:** A final dividend of 5p per share has been recommended for FY24

FY24 Strategic and Operational Highlights

- **Commercial Waste:** Solid volume development in Belgium, supported by legislation. Volumes in the Netherlands stabilised in the final quarter of the year, supported by the implementation of a new sales strategy, despite a continued challenging Dutch construction market.
- **Mineralz & Water:** Delivered a strong recovery, with increased uptake of new sand, filler and gravel products alongside a strong performance in water-related activities.
- **Specialities:** Continued strong momentum at both Maltha and Coolrec, benefitting from their leading positions in high growth niches. Revenue and underlying EBIT growth supported by pricing at Maltha and volumes at Coolrec.
- **Recyclate prices:** Prices were stable throughout the year, having returned to pre-Covid historical average levels, albeit plastic prices remain at lower than average levels due to international oversupply of virgin material.
- **Simplify (SG&A efficiency programme):** Launched to streamline staff functions and reduce costs, Simplify achieved its €15m run rate at the end of March.
- **Future Fit (Digitisation Project):** Accelerated in the second half of FY24, Future Fit aims to enhance operational efficiency, asset utilisation and customer satisfaction. The project will be implemented over the next two to three years and is fully accounted for in the existing medium term high-single digit EBIT target.
- **Commercial momentum:** new customer wins include Schiphol and Rotterdam airports, Dutch Ministry of Defense, Custodial Institution Agency, Total Energies, BPost, Nike, and Mouscon Hospital.
- **Recycling rate:** was 63.2%, down slightly from 63.7% in FY23 due to lower construction volumes which have a high recycling rate. This was partly compensated by the increase of advanced recycling of plastics and mixed residual waste.
- **Lost Time Injuries Rate:** decreased from 9.4 to 6.8, driven by cross-company initiatives including safety trainings and investments in site safety, resulting a safer workplace

Outlook

- FY25 trading expectations include return to revenue growth and significant margin improvement for the continuing Group, in line with current consensus.
- Commercial Waste expects to continue its strong performance in Belgium and to improve in the Netherlands, building on stabilised volumes, despite the ongoing weakness in the construction sector. Further margin improvement is expected as existing programmes ramp up to their run-rate benefits.
- Continuing Mineralz & Water turn-around, underpinned by the higher run rate achieved in late FY24 continuing into FY25. Additionally further improvements are expected in the quality and consistency of the materials.

- Investment in innovative projects within Coolrec and Maltha in progress, with returns expected during the second half of FY25
- The UK Municipal Divestment will increase near term leverage; deleveraging expected at 0.4 – 0.5 turns per annum
- Reiteration of 3-5 year targets:
 - 8-10% underlying EBIT margin
 - Free cash flow/EBITDA conversion >40%
 - ROCE >15%
 - Organic annual revenue growth >5%

Results

	FY24	FY23 [#]	% change
UNDERLYING NON-STATUTORY			
Revenue from continuing operations	€1,689.2m	€1,703.9m	-1%
Underlying EBITDA ¹ from continuing operations	€230.2m	€252.4m	-9%
Underlying EBIT ¹ from continuing operations	€105.5m	€131.7m	-20%
Underlying EBIT ¹ margin from continuing operations	6.2%	7.7%	-1.5pps
Free cash flow ¹	€20.9m	€25.3m	
Free cash flow/EBITDA conversion ¹	9.0%	9.9%	
Return on capital employed ¹	7.7%	10.6%	
Core net debt*	€368.1m	€370.6m	
STATUTORY			
Revenue from continuing operations	€1,689.2m	€1,703.9m	-1%
Operating profit from continuing operations	€97.6m	€141.5m	-31%
Profit for the year from continuing operations	€45.2m	€86.0m	-47%
(Loss) profit for the year	€(30.9)m	€66.6m	
Basic EPS (cents per share) from continuing operations	53c	104c	
Cash flow from operating activities	€205.0m	€209.6m	
Total net debt (including IFRS 16 leases)	€616.0m	€685.7m	

¹ The definition and rationale for the use of non-IFRS measures are included in note 18.

[#] Certain March 2023 values have been adjusted to reflect discontinued operations as set out in note 2.

* Core net debt used for banking leverage calculations excludes the impact of IFRS 16 lease liabilities and UK PPP net debt.

Otto de Bont, CEO Renewi: “We made three important commitments to our shareholders at the Capital Markets Day in October 2023: optimise our portfolio, build a stronger platform with improved margins and shareholder returns, and drive organic growth. Despite a challenging market environment in commercial waste, we made solid progress on these commitments.

We completed the strategic review of our UK Municipal business, resulting in a sale of our UK Municipal activities to Biffa, immediately improving our. Mineralz & Water is slightly ahead of schedule and we expect to further increase the production volume and quality of new sand, filler and gravel products.

Three key initiatives are focused on strengthening our platform. With the Simplify efficiency programme, we right-sized our SG&A costs. We announced the streamlining of our organisational structure to unlock our growth potential and better utilise our scale by merging Commercial Waste Netherlands and Belgium under single leadership and integrating Mineralz & Water into the Specialities division. Alongside this, we accelerated Future Fit, a multi-year digitisation programme aimed at replacing our legacy IT systems, to give us a strong foundation to improve efficiency and drive growth.

To further drive organic growth, we are progressing in the key sectors set out at the Capital Markets Day, including monostreams like glass, plastics and organics, and mixed waste streams from construction & demolition and commercial & industrial. In addition we are expanding our Ecosmart services, offering customers advice and resources to improve their waste management and reduce their carbon footprint.

Finally, we are recommencing dividend payment as stated before and will propose a dividend of 5p per share, underlining our commitment to our shareholders and confidence in our future.

We celebrated notable client wins across The Netherlands and Belgium, including Schiphol Airport, Rotterdam the Hague Airport, the Ministry of Defence and Custodial Institution Agency, Total Energies, BPost, Limburg and Nike. Partnerships were concluded with Shell Refineries Pernis and Moerdijk for total waste management and Vattenfall for the offtake of Green Gas as of Q1FY25. The wins of SPF Penitenciaire and hospital Mouscron, reflecting our successful approach in the care sector.

We operate in a dynamic sector, where the perception of waste is changing and where our customers realise the carbon footprint they create is impacted by the waste they produce and by the raw materials they use. We help them reduce their footprint, by improving their waste management and by offering them circular materials as alternative to the virgin materials they use today. With our scale, resources and expertise, Renewi is well-positioned to grow in this dynamic sector.”

FY24 results presentation

Today we will host a results presentation at 9:30am BST / 10:30am CET. Registrations for the presentation: https://brrmedia.news/RWI_FY

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Information on Dividend

The Board is recommending a dividend of 5 pence per share. Subject to shareholder approval at the 2024 AGM, the final dividend will be paid on the 31 July 2024 with an ex-dividend date of 27 June 2024 and a record date of 28 June 2024. Shareholders on the Register of Members or holding shares in Crest will automatically receive their dividends in Pounds Sterling, shareholders who hold shares through Euroclear Nederland will automatically receive their dividends in Euros. For shareholders holding shares trading on Euronext Amsterdam and held via Euroclear Nederland, the Euro equivalent dividend payment will be announced on 25 July 2024, and a Dividend Reinvestment Programme (“DRIP”) is available. ABN AMRO provide their DRIP fully on their account and not on behalf of the Company. Contact ABN AMRO at corporate.broking@nl.abnamro.com for information.

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. With a recycling rate of 63.2%, one of the highest in Europe, Renewi puts 6.6 million tonnes of 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 154 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.

CEO's review

Our strategic ambitions encompass three priorities – optimise our portfolio, build a stronger platform and accelerate our organic growth. While FY24 saw a challenging market environment with limited macroeconomic growth, a fall in recyclate prices and market declines in some of our key end markets, we focused on operational agility and commitments.

Our portfolio optimisation is progressing well with the completion of the strategic review of our UK Municipal business, resulting in a sale of our UK Municipal activities to Biffa. This transaction entails a €154m cash outflow for us, but thereafter will unburden our cashflow and free up management focus to realise our growth ambitions for the core business. We are also on track with the turn-around of Mineralz & Water within the envisaged timeframe, through the growing uptake of our new materials. The new Mineralz & Water product line has been created with the specific needs of the concrete and construction industries in mind and we expect to further increase the production volume and quality of our new sand, filler and gravel products. We expect the recovery of Mineralz & Water to continue through FY25.

In order to strengthen our systems and processes, we launched three initiatives over the course of FY24. The Simplify programme identified a number of areas for efficiency gains, especially in our SG&A functions, where we were able to make significant savings by combining activities and increasing efficiency. We started the process of streamlining our organisational structure and bringing Commercial Waste Netherlands and Belgium together under a single Commercial Waste leader, to maximise the sharing of best practices, organisational efficiency and economies of scale. We further developed and accelerated the launch of Future Fit, our digitisation programme to replace our legacy IT systems and increase the resilience and agility of our platform. Workday, a comprehensive workforce management solution, was one of the tools we rolled out to manage our human resources functions more efficiently.

While the financial results of FY24 were impacted by both recyclate prices largely returning to historical averages and the challenging market in the Commercial Waste Netherlands business, work continued across the organisation to put the right measures in place to return to organic revenue growth and realise higher margins. Within Commercial Waste, a simplified leadership structure, an enhanced sales strategy and investments in high growth projects have set the groundwork for accelerated growth in the future. Mineralz & Water continues to improve its underlying EBIT in line with its recovery programme. Coolrec, while impacted by the low plastics prices, processed record volumes and has started constructing new processing lines which will further contribute to growth in 2025. Maltha showed impressive growth, with refinements in processes and investments in plant improvements combined with strong price dynamics to yield exceptional results.

If we look at the higher-growth materials and sectors we set out on our Capital Markets Day, we have made progress on a number of areas of our 5 year commitment to add €275m in revenues in glass, plastics, organics, construction & demolition and zero waste solutions.

Group Summary	Revenue			Underlying EBIT		
	FY24	FY23*	Variance	FY24	FY23*	Variance
	€m	€m	%	€m	€m	%
Commercial Waste	1,384.7	1,397.3	-1%	98.5	129.3	-24%

Mineralz & Water	181.6	190.9	-5%	9.6	0.5	n/a
Specialities	175.2	160.2	9%	16.3	15.9	3%
Group central services	-	-		(18.9)	(14.0)	-35%
Inter-segment revenue	(52.3)	(44.5)		-	-	
Continuing Operations	1,689.2	1,703.9	-1%	105.5	131.7	-20%
Discontinued Operations	179.9	188.4	-5%	1.3	1.2	8%
Total	1,869.1	1,892.3	-1%	106.8	132.9	-20%

The underlying figures above are reconciled to statutory measures in note 3 in the consolidated financial statements.

*The FY23 numbers have been reclassified to reflect discontinued operations as set out in note 2 in the consolidated financial statements.

Against a background of macroeconomic challenges including lower levels of construction and demolition activities in the Netherlands and high inflation, our financial performance for FY24 was weaker with revenue from continuing operations down 1% and underlying EBIT down 20%. In the last quarter of the year, volumes stabilised or returned to modest sequential growth. The planned divestment of UK Municipal has been reflected as asset held for sale at 31 March 2024 and has resulted in an exceptional charge of €64.5m.

We continued to grow our operations and officially opened our Ghent sorting line, which is capable of recycling 125kt of commercial residual waste annually. The facility aligns with VLAREMA 8 legislation which requires that some 24 materials must be removed from commercial waste for recycling before any residual waste can be incinerated. We also opened our new rigid plastics sorting line in Acht, which produces high-quality Post-Consumer Recycled (PCR) materials, focusing on polypropylene (PP) and polyethylene (PE). We are proud to have achieved over 95% purity at the site, ensuring our recycled plastics meet the highest standards.

In a ground-breaking achievement, our Coolrec subsidiary in partnership with Electrolux, pioneered the creation of a refrigerator crafted from recycled materials. This collaboration earned us the European Plastic Recycling Award for Automotive, Electrical, or Electronic Product of the Year, recognising our excellence in recycled material processing, innovative product design and cutting-edge manufacturing in the European plastics recycling industry. Maltha installed a new line at the Portugal site for the processing of ceramics, stone and porcelain, a waste stream coming from glass sorting, and made a number of upgrades to improve quality and yields. Looking forward, we expect to see increasing demand for our services, as our offering is even more attractive in light of upcoming regulatory requirements which will affect many of our customers, such as CSRD regulation and will continue to drive higher levels of recycling. We are well-positioned to meet this demand. We continue to focus on customer experience and with the implementation of Future Fit, we expect to see further improvement in customer satisfaction.

Ensuring health and safety in our workplace is paramount, we have made excellent progress in maintaining a safe environment. We are proud to report a decrease in Lost Time Injuries overall from 9.4 to 6.8, surpassing our 2025 target of 7. We have proactively implemented enhanced traffic plans across all our sites to mitigate risks. The rollout of safety leadership training is evidence of our commitment to fostering a culture of safety at every level of the organisation. We were pleased that our employee satisfaction levels stayed stable at an eNPS 23 against the backdrop of a strategic review and implementation of our Simplify programme.

Group outlook

Our strategic focus for the coming year centres around completing the divestment of our UK Municipal business, driving further improvements in Mineralz & Water operations and driving efficiency through digitisation and simplification of our organisation and processes. We aim to achieve further growth through organic expansion and the strengthening of our core commercial waste business with the targeted sales strategy and continuing investment in innovation in circular materials. We expect Commercial Waste Belgium to continue its strong performance in the second half, and Netherlands to show improvement despite the ongoing weakness in the construction sector. We will see further margin improvement as the existing programmes ramp up to their run-rate benefits. In line with our upgraded

capital allocation policy we shared at the Capital Markets Day in October of last year, I am pleased to announce that we will be proposing a dividend of 5p per share.

I want to express my gratitude to the diverse group of stakeholders who have been instrumental in supporting us throughout this year. I appreciate our customers for entrusting us with their business, our workforce for their continued dedication, the Board for their valuable guidance and our shareholders for their support of our vision.

CFO's review

Financial Performance	FY24 €m	FY23* €m	Variance %
Continuing operations			
Revenue	1,689.2	1,703.9	-1%
Underlying EBIT	105.5	131.7	-20%
Operating profit	97.6	141.5	-31%
Underlying profit before tax	68.0	105.2	-35%
Non-trading & exceptional items	(7.9)	9.8	
Profit before tax from continuing operations	60.1	115.0	
Total tax charge for the year	(14.9)	(29.0)	
Profit for the year from continuing operations	45.2	86.0	
Discontinued operations	(76.1)	(19.4)	
(Loss) profit for the year	(30.9)	66.6	
Organic annual revenue growth	-1%	3%	
Underlying EBIT margin	6.2%	7.7%	
Free Cash Flow/EBITDA conversion	9.0%	9.9%	
Return on capital employed	7.7%	10.6%	

The underlying figures above are reconciled to statutory measures in notes 3 and 18 in the consolidated financial statements.

*The FY23 numbers have been reclassified to reflect discontinued operations as set out in note 2 in the consolidated financial statements.

We have continued to deliver against the strategic priorities previously communicated at Renewi's Capital Markets Day in October 2023. However despite these successes, a challenging operating environment for Commercial Waste Netherlands, particularly in the Construction and Demolition sector, adversely impacted the overall Group results in FY24. We achieved a number of goals including further optimisation of the portfolio as Mineralz & Water continued its recovery with its overall performance slightly ahead of the original recovery plan. As announced an exit for the UK Municipal business has been agreed with completion expected before 31 December 2024. Cost reduction and efficiency in both the short and longer term, remains a key focus for the Group. The Simplify programme launched in the third quarter has achieved its targeted full year run-rate impact of €15m in SG&A costs by the end of March. This action will contribute to our medium term objective of delivering high single-digit EBIT margins.

Given the status of the UK Municipal strategic review at the end of the financial year, the business is presented as an asset held for sale at 31 March 2024. This has resulted in this business being disclosed as a discontinued operation with the financials now presented on a continuing and discontinued operations basis with a restatement of the prior year comparatives. As a result of this an exceptional charge of €64.5m has been recorded.

Revenue from continuing operations fell by 1%, to €1,689.2m driven by slow economic growth and a reduction in recyclate prices. Overall volumes were down year on year albeit stable in the second half and recyclate prices have remained largely stable throughout the year. Underlying EBIT from continuing operations was 20% lower than the prior year driven by volume and recyclate impact of €35m as cost inflation was largely mitigated by pricing discipline and ongoing cost initiatives. In addition, there has also

been the impact this year of a higher level of favourable one-off items of c€5m arising from some accrual releases and other settlements. These one-off items do not qualify as non-trading or exceptional in accordance with our accounting policy. The benefit of ongoing cost reductions and execution of strategic initiatives has resulted in an improved underlying EBIT margin performance in the second half of the year of 6.7% compared to 5.8% in the first half of the year. Net finance charges have risen in FY24 as a result of increased costs of borrowing and higher average debt balances across the year. The level of exceptional and non-trading items in continuing operations was higher than last year as described below, resulting in a statutory profit for the year from continuing operations of €45.2m compared to €86.0m last year.

Additionally, during FY24, we have embarked on our Future Fit digital programme, a strategic initiative expected to increase operational efficiency, asset utilisation and customer satisfaction, also supporting the Group in achieving its medium-term margin ambitions. Our capital allocation policy was reset during the year to reflect an ongoing disciplined approach to capital, prioritising shareholder returns and investing in profitable growth. In line with this a final dividend of 5 pence per share is proposed which will be subject to approval at the Annual General Meeting.

Non-trading and exceptional items excluded from underlying profits

To enable a better understanding of underlying performance, certain items are excluded from underlying EBIT and underlying profit before tax due to their size, nature or incidence.

Total non-trading and exceptional items in continuing operations were a cost of €7.9m (FY23: €9.8m credit) and include the costs of the Simplify restructuring programme, portfolio management activity, amortisation of acquisition related intangibles reduced by profits from property disposals and other items. Further details on all non-trading and exceptional items are provided in note 5 to the consolidated financial statements.

Operating profit from continuing operations, after taking account of all non-trading and exceptional items, was €97.6m (FY23: €141.5m).

Net finance costs

Net finance costs from continuing operations increased by €11.2m to €38.0m (FY23: €26.8m) as a result of the impact of additional fixed rate borrowings in the second half of FY23, increased interest rates, the level of borrowings on the revolving credit facility and a non-cash write off of €1m of unamortised loan fees following the August 2023 renewal of the €400m revolving credit facility. Further details are provided in note 6 to the consolidated financial statements.

Profit before tax

Profit before tax from continuing operations on a statutory basis, including the impact of non-trading and exceptional items, was €60.1m (FY23: €115.0m).

Taxation

Total taxation for the year from continuing operations was a charge of €14.9m (FY23: €29.0m). The effective tax rate on underlying profits was 23.7% at €16.1m, a decrease from 29.3% in the prior year, as a result of tax losses claimed from the UK Municipal entities. A tax credit of €1.2m is attributable to the non-trading and exceptional items of €7.9m as a number of items are not subject to tax.

Looking forward, we anticipate the underlying tax rate to be approximately 27%. Due to items disallowed for tax in both the Netherlands and Belgium, our effective tax rate is higher than the nominal rates in the countries where we operate. Our Group tax strategy remains unchanged and is fully documented on the Group website.

The Group statutory profit for the year from continuing operations, including all non-trading and exceptional items, was €45.2m (FY23: €86.0m).

Discontinued operations

The loss for the year from the disposal group was €76.1m including the re-measurement impact in reflecting the business as asset held for sale. Further details on the performance of the UK Municipal business and the implications of the transaction are provided in note 12 to the consolidated financial statements.

Earnings per share (EPS)

Underlying EPS from continuing operations excluding non-trading and exceptional items was 61 cents per share, a decrease of 28 cents given the lower profits. Basic EPS from total operations was a loss of 43 cents per share compared to earnings of 79 cents per share in the prior year.

Dividend

The Board is recommending a final dividend of 5 pence per share. Subject to shareholder approval at the 2024 AGM, the final dividend will be paid on 31 July 2024 to shareholders on the register at close of business on 28 June 2024.

Cash flow performance

The funds flow performance table is derived from the statutory cash flow statement including both continued and discontinued operations and reconciliations are included in note 18 in the consolidated financial statements. The table shows the cash flows from an adjusted free cash flow to total cash flow. The adjusted free cash flow measure focuses on the cash generation excluding the impact of historical liabilities relating to Covid-19 tax deferrals, settlement of ATM soil liabilities, spend relating to the UK PPP onerous contracts and other items including exceptional cash spend. Free cash flow represents the cash available to fund growth capital projects, pay dividends and invest in acquisitions.

Funds flow performance	FY24	FY23
	€m	€m
Underlying EBITDA	232.3	255.6
Working capital movement	25.7	(5.8)
Movement in provisions and other	(8.5)	(0.2)
Net replacement capital expenditure	(57.2)	(87.3)
Repayments of obligations under lease liabilities	(55.3)	(47.5)
Interest and loan fees	(31.1)	(20.7)
Tax	(36.3)	(21.2)
Adjusted free cash flow	69.6	72.9
Deferred Covid taxes	(19.9)	(19.7)
Offtake of ATM soil	(2.5)	(1.2)
UK Municipal contracts	(15.8)	(12.2)
Renewi 2.0 and other exceptional spend	(5.3)	(4.1)
Other	(5.2)	(10.4)
Free cash flow	20.9	25.3
Growth capital expenditure	(22.0)	(30.8)
Acquisitions net of disposals	0.2	(59.4)
Total cash flow	(0.9)	(64.9)
Free cash flow/EBITDA conversion	9.0%	9.9%

All numbers above contain both continued and discontinued operations. Free cash flow conversion is free cash flow as a percentage of underlying EBITDA. The non-IFRS measures above are reconciled to statutory measures in note 18 in the consolidated financial statements.

Adjusted free cash flow was only slightly lower than last year at €69.6m (FY23: €72.9m) despite the lower EBITDA, which was offset by improved working capital management, increased utilisation of invoice discounting and disposal proceeds. Replacement capital expenditure of €57.2m was significantly lower than last year following the disposal of the Hemweg site in Amsterdam. The disposal of this site was anticipated as part of the overall business plan for the Renewi Westpoort acquisition in 2022. Stripping out proceeds from this and other exceptional property disposals, replacement capital expenditure was €77m, a decrease of €17m on the prior year which included a number of catch up projects delayed during Covid. In addition, €66.6m of new leases or modifications have been entered into which are reported as right-of-use assets with a corresponding lease liability. These leases include the continuation of the truck replacement programme, property lease renewals or extensions and others. Growth capital expenditure of €22.0m includes further spend on the VLAREMA 8 advanced sorting investments in Belgium and the newly commissioned rigid plastics sorting line at Acht in the Netherlands.

As previously communicated, this level of growth spend is lower than originally planned given delays at further sites for advanced sorting in Belgium, as full enforcement of the new regulation ramps up.

The higher cash outflow relating to interest includes the settlement of €2.6m of fees relating to the August 2023 renewal of the Group revolving credit facility along with the impact of higher financing costs. Tax payments were higher in the current year given the timing of settlements with some items falling into FY24.

Looking at the three legacy components that are shown below adjusted free cash flow, there has been a further €19.9m repayment on Dutch Covid-19 tax deferrals as expected. The remaining balance of €10m will be settled by the end of September 2024. Cash spend for placement of TGG soil stocks has been limited in the period. Cash outflow on UK PPP contracts was €15.8m. Following completion of the UK Municipal divestment, we do not expect any further cash outflows in respect of UK PPP contracts.

The acquisitions net of disposals inflow included the sale of an entity acquired with the Renewi Westpoort acquisition in September 2023, net of the acquisition of the Meeus rockwool business in Belgium. Other cash flows include funding for the closed UK defined benefit scheme and the funding of the Renewi Employee Share trust.

Net cash inflow from operating activities decreased from €188.4m in the prior year to €168.7m in the current year. A reconciliation to the underlying cash flow performance as referred to above is included in note 18 in the consolidated financial statements and further details on cash flows from discontinued operations in note 12.

Moving forward, our focus is on enhancing our capacity to generate free cash flow and achieving a conversion rate of 40% of EBITDA by the end of FY26. We will achieve this by eliminating legacy cash outflows, reducing exceptional costs and optimising asset utilisation to decrease capital expenditures. By bolstering our ability to generate cash, we can adopt a capital allocation strategy that balances growth-oriented investments with enhanced returns for our shareholders.

Investment projects

Expenditure in FY25

Asset optimisation is a key objective to improve our cash flow generation and deliver a cash conversion rate of 40% of EBITDA in the coming years. As such replacement capital expenditure will continue to be tightly controlled and is expected to be between €70m and €80m in FY25. In addition, c.€50m of IFRS 16 lease investments are anticipated, as further deliveries on the replacement truck programme continue. Our medium-term ambition is to earmark c. 30% of free cash flow annually to growth capital projects with return hurdle rates of at least 16% on a pre-tax basis. Total growth capital spend in FY25 is expected to be around €30m on a number of projects across the divisions.

Return on assets

The Group return on operating assets on a continuing basis, excluding debt, tax and goodwill, decreased to 19.9% at 31 March 2024 down from 30.0% at 31 March 2023 given the lower profits in FY24. The Group post-tax return on capital employed on a total operations basis was 7.7% (FY23: 10.6%).

Treasury and cash management

Core net debt and leverage ratios

Core net debt excludes IFRS 16 lease liabilities and the net debt relating to the UK PPP contracts which is non-recourse to the Group and secured over the assets of the special purpose vehicles. Given the UK Municipal planned exit and classification as asset held for sale all cash and borrowings relating to the disposal group at 31 March 2024 are now shown in assets and liabilities held for sale. Core net debt at 31 March 2024, excluding any core cash held in UK Municipal, was €368.1m (FY23: €370.6m). Cash performance in the last half resulted in lower net debt and a closing net debt to EBITDA ratio of 2.14x. Liquidity headroom including cash and undrawn facilities remained sufficient at €307m.

Debt structure and strategy

All our core borrowings of bonds and loans are green financed. As at 31 March 2024, 78% of our core net debt was on a fixed rate. Most borrowings are long term with the exception of the €75m Belgian green retail bonds due for repayment in July 2024.

Debt Structure	Mar 24 €m	Mar 23* €m	Variance €m

Belgian Green retail bonds	(200.0)	(200.0)	-
Green RCF	(155.0)	(102.5)	(52.5)
Other Green loans	(90.0)	(105.0)	15.0
Gross borrowings before lease liabilities	(445.0)	(407.5)	(37.5)
IAS 17 lease liabilities and other	(5.2)	(9.1)	3.9
Loan fees	3.1	2.3	0.8
Core cash	79.0	43.7	35.3
Core net debt	(368.1)	(370.6)	2.5
IFRS 16 lease liabilities	(247.9)	(245.8)	(2.1)
Net debt continuing operations	(616.0)	(616.4)	0.4

*The FY23 numbers have been reclassified to reflect discontinued operations as set out in note 2 in the consolidated financial statements.

In August 2023, the Group completed the renewal of its revolving credit facility, part of its Euro denominated multicurrency green finance facility. The size of the revolving credit facility (“RCF”) remains unchanged at €400m and is for an initial five-year term to 2028 with two one-year extension options to 2030 together with a €150m accordion option to increase the facility subject to lender approval at that time. Interest remains based on Euribor plus a margin grid based on leverage and green sustainability metrics performance. Financial covenants remained unchanged and are now tested semi-annually at September and March.

The introduction of IFRS 16 on 1 April 2019 brought additional lease liabilities onto the balance sheet with an associated increase in assets. Covenants on our main bank facilities remain on a frozen GAAP basis and exclude IFRS 16 lease liabilities. The Group has complied with its banking covenants during the period. The Group operates a committed invoice discounting programme. The cash received for invoices sold at March 2024 was €116.4m (March 2023: €84.7m).

Provisions and contingent liabilities

Further to the recognition of the UK Municipal business as asset held for sale all associated long-term onerous contracts are included in the liabilities for disposal group held for sale and outside of the total provisions value in the balance sheet. Looking at provisions in continuing operations around 88% of the Group’s provisions are long-term in nature relating to landfill provisions. The provisions balance classified as due within one year amounts to €21m, including €5m for restructuring, €1m for onerous contracts, €10m for landfill related spend and €5m for environmental, legal and others. Further details are provided in note 14 to the consolidated financial statements.

Retirement benefits

The Group has a closed UK defined benefit pension scheme and at 31 March 2024, the scheme had an accounting deficit of €7.6m (FY23: €4.3m). The change in the year was due to lower returns on pension scheme assets which were only partly offset by an increase in the discount rate assumption on scheme liabilities. The triennial actuarial valuation of the scheme as at 5 April 2024 is underway. The Group’s funding plan has been maintained at the current level of €3.5m per annum until December 2024. There are also several defined benefit pension schemes for employees in the Netherlands and Belgium which had a retirement benefit deficit of €5.3m at 31 March 2024, a €0.3m increase from 31 March 2023.

Going concern

The Directors have adopted the going concern basis in preparing these consolidated financial statements after assessing the Group’s principal risks. Further details of the modelling and scenarios prepared are set out in note 2 of the consolidated financial statements. The key judgement in both scenarios is the possibility of weaker macroeconomic conditions, delivery of the year on year profit enhancements together with the Group’s ability to finance the funding of the UK Municipal exit through its existing RCF and €120m bridge facilities and settle all other funding repayments as they fall due. Having considered all the key judgements around the financial projections, including the availability of financing and the achievability of mitigating actions included and other levers not included, the Directors confirm they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and to meet all banking covenants.

Divisional operating review

Commercial waste

Commercial Waste	Revenue		Underlying EBIT		Operating profit	
	FY24	FY23	FY24	FY23	FY24	FY23
Netherlands Commercial	911.5	932.0	52.9	76.9	53.2	69.4
Belgium Commercial	476.2	468.4	45.6	52.4	42.9	65.3
Intra-segment revenue	(3.0)	(3.1)	-	-	-	-
Total (€m)	1,384.7	1,397.3	98.5	129.3	96.1	134.7
<i>Year on year variance %</i>						
Netherlands Commercial	-2%		-31%		-23%	
Belgium Commercial	2%		-13%		-34%	
Total	-1%		-24%		-29%	
			Underlying EBIT margin		Return on operating assets	
			FY24	FY23	FY24	FY23
Netherlands Commercial			5.8%	8.3%	12.0%	19.3%
Belgium Commercial			9.6%	11.2%	27.9%	47.3%
Total			7.1%	9.3%	16.3%	25.4%

The return on operating assets excludes all landfill related provisions. The underlying figures above are reconciled to statutory measures in notes 3 and 18 in the consolidated financial statements.

Commercial Waste revenues were lower over FY24 at €1,385m (FY23 €1,397m) versus prior year due to lower recyclate prices and a weaker construction and demolition market in the Netherlands. Underlying EBIT declined to €98.5m (FY23 €129.3m) and operating profit was €96.1m (FY23 €134.7m). Recyclate prices normalised following a sharp peak due to supply-chain disruption during and directly after the Covid pandemic. In the second half of the year, recyclate prices had largely stabilised around pre-covid levels, with the exception of plastics which continued to be lower due to excess supply of low-cost virgin plastic from abroad. Costs increased in line with inflation, with higher labour costs across the division.

Throughout Commercial Waste there was a strong focus on cost savings, with headcount reduction and improved asset utilisation helping to offset the exceptionally high inflation. Cash performance was also a top priority, with improvements in working capital management and a phased approach to capital expenditure timing.

Commercial Waste Netherlands

Market developments

Overall economic activity was subdued in the Netherlands over the period, with GDP growth over 2023 of 0.1% with most growth in the services sector leading to lower volumes overall. In the Construction & Demolition segment, nitrogen deposition caps limited new construction activities across the country, resulting in decreased construction volumes and thus increased competition for the remaining volumes. A fire at AVR, one of the main incinerators in the Netherlands, took significant incineration capacity out of the market.

Operational developments

Through the period, Commercial Waste Netherlands retained its client base of large construction companies, differentiating itself from competitors with its circular offering, high safety standards and geographic footprint. In order to meet customer demands and achieve its own green ambitions, Renewi purchased a number of electric vehicles which have the added benefit of not contributing to nitrogen deposition.

Decreased inbound Construction & Demolition volumes also resulted in decreased outbound recyclate volumes. Over H2, Commercial Waste Netherlands saw a stabilisation of the volumes from this segment. The reduced construction activity is expected to persist until late 2024 or early 2025, after which large residential construction projects currently backlogged around major cities are expected to pick up. The rigid plastics line in Acht was commissioned in the last quarter of FY24, and will ramp up over the course of FY25.

Commercial Waste Netherlands had some notable client wins, with zero waste contracts for Schiphol Airport, Rotterdam the Hague Airport, University of Twente and the Ministry of Defence and Custodial Institution Agency. Partnerships were concluded with Shell Refineries Pernis and Moerdijk for total waste management and Vattenfall for the offtake of Green Gas as of Q1FY25.

Financial results

Commercial Waste Netherlands revenues were €911.5m, down 2% year on year driven by weaker volumes from the Construction & Demolition sector and lower recyclate prices. Underlying EBIT was €52.9m, down 31% year on year due to lower recyclate prices and underlying EBIT margin was 5.8%, down from 8.3% in FY23. In order to protect margins through the period of reduced activity, Commercial Waste Netherlands downscaled variable costs in line with the decrease in volumes. Savings were achieved by increasing route density, measures included in the Simplify programme, and a reduction in SG&A. Operating profit was €53.2m, down 23% from €69.4m in FY23. Return on operating assets was 12.0%.

Commercial Waste Belgium

Market developments

Over the course of FY24, the new VLAREMA 8 legislation was introduced which requires a much more extensive sorting to limit the amount of material going to incineration. This is a positive development for our business and the introduction of this legislation was an important part of the investment case for Renewi's commissioning of an advanced sorting line in Ghent. As is often the case, the implementation of this regulation had a delay between its effective date and actual enforcement, initially enabling some waste collecting companies to bypass the new sorting and recycling obligation. During the course of the year, Renewi worked with the authorities to find efficient ways of enforcing VLAREMA 8 resulting in increased compliance with the new law and increased volumes to Commercial Waste Belgium's recycling facilities. Electricity prices were lower than anticipated in FY24, and labour costs increased.

Operational highlights

Commercial Waste Belgium commissioned its new advanced sorting line in Ghent in August, ramping up to 83kt of throughput by the end of FY24. A similar advanced sorting line was to be commissioned in Puurs, but was postponed until the enforcement of VLAREMA 8 corresponded with management expectations.

Commercial Waste Belgium had some notable client wins, including Total Energies, BPost, Limburg.net, Nike, Puurs-St Amands (public), Infra group, Molnlycke, VRT, Exel Composites (LA) and Sciensano (Haz Waste), Total (Feluy) and the wins of SPF Penitenciaire and hospital Mouscron, reflecting our successful approach in the care sector.

In terms of new commercial offerings, Commercial Waste Belgium introduced the Zero Waste Container which allows customers to mix 5 waste streams into one container and is fully VLAREMA 8 compliant, which is particularly attractive to customers who have limited space. Commercial Waste Belgium's food waste offering was also an area of focus over FY24.

Financial Results

Commercial Waste Belgium revenues were €476.2m, up 2% year on year driven by strong volumes helped by the enforcement of the VLAREMA 8 legislation in Flanders. Despite cost measures, underlying EBIT was €45.6m down 13% year on year due to lower recyclate prices and underlying EBIT margin was 9.6%, down from 11.2% in FY23. Operating profit was €42.9m, 34% lower year on year. Return on operating assets was 27.9%.

Mineralz & Water

Mineralz & Water	FY24	FY23	Variance
	€m	€m	%
Revenue	181.6	190.9	-5%
Underlying EBIT	9.6	0.5	n/a
<i>Underlying EBIT margin</i>	5.3%	0.3%	
Operating profit	7.3	1.0	n/a
Return on operating assets	15.9%	0.8%	

The return on operating assets excludes all landfill related provisions. The underlying figures above are reconciled to statutory measures in notes 3 and 18 in the consolidated financial statements.

Market developments

Due to further product quality improvements and positive long term environmental impact analysis, first signs of recovery in the civil engineering market in which Mineralz & Water is active are visible.

Although the concrete and construction markets have shown low momentum, concrete producers have increased interest in the use of recycled materials, following the Dutch “Beton-akkoord” and the EU-directive regarding the use of recycled materials.

Developments regarding the presence of PFAS, the emergence of possible new regulations and best available removal techniques continue to be an important topic in the wastewater purification and soil cleaning market. In both markets, these developments can introduce both significant opportunities as well as challenges to meet emerging regulatory requirements.

Operational highlights

M&W recovery continued on track over the course of FY24, with the re-design of the production line to produce sand, gravel and filler for use in the concrete and construction industry, rather than the previous unsorted product: Thermally Treated Soil (TGG). As part of this turnaround, adjustments were made to improve the quality and consistency of the sand and filler in order to meet the technical requirements of concrete producers. Further important milestones for entering the concrete market have been reached, including the End of Waste (EOW) certification for gravel and filler. EOW for sand is expected in FY25.

Offtake of the remaining inventory of legacy TGG stock is proceeding and in FY24 another 100kton was transferred to buyers.

Investments in the efficiency of the packed chemical waste pyrolysis plant have resulted in a new production throughput record.

Financial results

Mineralz & Water revenue was down 5% year on year mainly driven by termination of unprofitable activities, including soil washing and bottom ash treatment. Underlying EBIT increased to €9.6m from €0.5 for FY23, primarily driven by the turnaround related to soil treatment in H2 FY24, underlying market pricing and efficiency improvements, also resulting in operating profit of €7.3m up from €1m for FY23.

Specialities Division

Specialities	FY24	FY23*	Variance
	€m	€m	%
Revenue	175.2	160.2	9%
Underlying EBIT	16.3	15.9	3%
<i>Underlying EBIT margin</i>	9.3%	9.9%	
Operating profit	15.4	17.1	-10%
Return on operating assets	28.6%	35.4%	

The underlying figures above are reconciled to statutory measures in notes 3 and 18 in the consolidated financial statements.

**The FY23 numbers have been reclassified to reflect discontinued operations as set out in note 2 in the consolidated financial statements.*

Maltha

Prices for glass cullet increased over the period as demand for recycled glass continued to grow against a scarcity of glass shards.

Maltha showed continued excellent performance over FY24, benefitting from price increases, partially offset by increased sourcing costs and cost inflation. Volumes were slightly lower over FY23.

An investment in Polyvinyl butyral (PVB) was approved for the Lommel site in Belgium in collaboration with several companies with the objective of being able to recycle this material during FY24/25.

The Portugal site has been transformed over recent years, adding a roof, solar panels and more recently installing an improvement in 2024 of an additional external line for processing CSP (ceramics, stone & porcelain) material, large volumes of which would normally be sent to landfill. The focus in the next financial year will be to continue to expand the site to process more material, improving the profitability through increased sales.

Maltha's aim is to become the producer of the best quality cullet in Europe and the supplier of choice to all glass producers. The technology upgrades have also had positive effects on CO₂ emissions, as they are more energy efficient, which supports our clients' and our own sustainability targets and vision.

Coolrec

The market for e-waste continues to provide interesting opportunities for growth. In addition to market growth from increased use of electrical appliances, Extended Producer Schemes continue to up their efforts to increase collection rates and regulators increase requirements for compliant recycling. For instance, in the Netherlands a stimulus campaign aimed to improve compliant treatment of cooling and freezing appliances yielded significant results. In France, the regulator announced the requirement for electrical boilers to be recycled starting January 2025.

On the back of these market developments, as well as continued commercial success (e.g. contract extensions with the same or higher volumes), Coolrec saw record volumes (up c.10% vs FY23). Coolrec is building a new boiler treatment line in the North of France on the back of the new French boiler regulation, operational Q4 of FY25, expecting to add 15kt of volumes over the course of the coming three years.

Plastics prices, however, remained significantly depressed as international plastics producers continued to supply virgin plastic at prices below recycled to the European market, as a result of significant increases in production capacity coming online, mostly in Asia. This will remain a point of attention in FY25, and possibly beyond, as the supply/demand balance restores.

UK Municipal

At the Capital Markets Day in October 2023, Renewi announced its intention to conduct a strategic review of the UK municipal business to evaluate divestment due to the drag on cash, poor profit profile and lack of strategic fit. Renewi has announced the divestment of UK Municipal, to be completed before 31 December 2024. As such, UK Municipal's financial results are held as an asset for sale throughout the financial statements. UK Municipal's performance over FY24 was in line with expectations.

Financial results

Revenue from Specialities excluding UK Municipal (now disclosed as discontinued operations) was up 9% year on year to €175.2m and underlying EBIT was up 3% to €16.3m with margin falling slightly. Operating profit was €15.4m compared to €17.1m in FY23.

Consolidated Income Statement

For the year ended 31 March 2024

	Note	2024			Restated* 2023		
		Underlying €m	Non-trading & exceptional items €m	Total €m	Underlying €m	Non-trading & exceptional items €m	Total €m
Revenue	3,4	1,689.2	-	1,689.2	1,703.9	-	1,703.9
Cost of sales	5	(1,351.2)	(4.6)	(1,355.8)	(1,352.6)	(7.3)	(1,359.9)
Gross profit (loss)		338.0	(4.6)	333.4	351.3	(7.3)	344.0
Administrative expenses	5	(232.5)	(3.3)	(235.8)	(219.6)	17.1	(202.5)
Operating profit (loss)	3	105.5	(7.9)	97.6	131.7	9.8	141.5
Finance income	5,6	1.5	-	1.5	0.9	-	0.9
Finance charges	5,6	(39.5)	-	(39.5)	(27.7)	-	(27.7)
Share of results from associates and joint ventures		0.5	-	0.5	0.3	-	0.3
Profit (loss) before taxation	3	68.0	(7.9)	60.1	105.2	9.8	115.0
Taxation	5,7	(16.1)	1.2	(14.9)	(30.8)	1.8	(29.0)
Profit (loss) for the year from continuing operations		51.9	(6.7)	45.2	74.4	11.6	86.0
Discontinued Operations							
(Loss) profit for the year from discontinued operations	12	(3.5)	(72.6)	(76.1)	1.2	(20.6)	(19.4)
Profit (loss) for the year		48.4	(79.3)	(30.9)	75.6	(9.0)	66.6
Attributable to:							
Owners of the parent		45.2	(79.3)	(34.1)	71.9	(9.0)	62.9
Non-controlling interests		3.2	-	3.2	3.7	-	3.7
		48.4	(79.3)	(30.9)	75.6	(9.0)	66.6

	Note	2024 cents	2023 cents
Earnings per share – total (loss) profit attributable to owners of the parent			
Basic and diluted	8	(43)	79
Underlying basic and diluted	8	57	90
Earnings per share – profit from continuing operations attributable to owners of the parent			
Basic and diluted	8	53	104
Underlying basic and diluted	8	61	89

* The 2023 comparatives have been restated to reclassify discontinued operations and details are given in note 2 Basis of preparation and note 12.

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2024

	2024 €m	Restated* 2023 €m
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign subsidiaries	5.6	(8.0)
Exchange differences on translation of discontinued operations	(7.8)	10.5
Fair value movement on cash flow hedges	3.1	(8.6)
Fair value movement on cash flow hedges of discontinued operations	1.1	12.3
Deferred tax on fair value movement on cash flow hedges	(0.8)	2.3
Deferred tax on fair value movement on cash flow hedges of discontinued operations	(0.3)	(1.6)
Share of other comprehensive income of investments of discontinued operations accounted for using the equity method	0.1	0.3
	1.0	7.2
Items that will not be reclassified to profit or loss:		
Actuarial loss on defined benefit pension schemes	(6.7)	(15.5)
Deferred tax on actuarial loss on defined benefit pension scheme	1.7	3.8
Fair value movement on unlisted investments through other comprehensive income	1.8	-
Deferred tax on fair value movement on unlisted investments above	(0.1)	-
	(3.3)	(11.7)
Other comprehensive loss for the year, net of tax	(2.3)	(4.5)
(Loss) profit for the year	(30.9)	66.6
Total comprehensive (loss) income for the year	(33.2)	62.1
Attributable to:		
Owners of the parent	(36.4)	58.4
Non-controlling interests	3.2	3.7
Total comprehensive (loss) income for the year	(33.2)	62.1
Total comprehensive income (loss) attributable to owners of the parent arising from:		
Continuing operations	46.6	56.3
Discontinued operations	(83.0)	2.1
	(36.4)	58.4

* The 2023 comparatives have been restated to reclassify discontinued operations and details are given in note 2 Basis of preparation and note 12.

Consolidated Balance Sheet

As at 31 March 2024

	Note	31 March 2024 €m	31 March 2023 €m
Assets			
Non-current assets			
Goodwill and intangible assets	10	633.5	636.3
Property, plant and equipment	10	618.7	617.9
Right-of-use assets	10	253.9	253.1
Investments in joint ventures and associates (restated*)		9.0	10.2
Other investments (restated*)		17.7	4.6
Loans to associates and joint ventures		0.4	0.2
Financial assets relating to PPP contracts		-	123.4
Derivative financial instruments	16	0.1	1.2
Other receivables		1.1	3.7
Deferred tax assets		28.0	35.6
		1,562.4	1,686.2
Current assets			
Inventories		23.4	25.2
Investments		-	10.9
Loans to associates and joint ventures		0.6	0.8
Financial assets relating to PPP contracts		-	7.6
Trade and other receivables		245.6	289.6
Derivative financial instruments	16	1.3	0.4
Current tax receivable		6.2	1.5
Cash and cash equivalents – including restricted cash	11	79.0	62.7
		356.1	398.7
Assets classified as held for sale	12	137.7	0.6
		493.8	399.3
Total assets		2,056.2	2,085.5
Liabilities			
Non-current liabilities			
Borrowings	11	(574.4)	(681.6)
Derivative financial instruments	16	-	(2.6)
Other non-current liabilities		(11.0)	(34.7)
Defined benefit pension schemes deficits	15	(12.9)	(9.3)
Provisions	14	(177.5)	(298.2)
Deferred tax liabilities		(44.9)	(46.4)
		(820.7)	(1,072.8)
Current liabilities			
Borrowings	11	(120.6)	(66.8)
Derivative financial instruments	16	-	(1.9)
Trade and other payables		(473.9)	(521.8)
Current tax payable		(20.5)	(31.2)
Provisions	14	(21.5)	(43.7)
		(636.5)	(665.4)
Liabilities of disposal group classified as held for sale	12	(285.0)	-
		(921.5)	(665.4)
Total liabilities		(1,742.2)	(1,738.2)
Net assets		314.0	347.3
Issued capital and reserves attributable to the owners of the parent			
Share capital		100.1	99.8
Share premium		474.5	474.1
Exchange reserve		(14.4)	(12.2)
Retained earnings		(259.2)	(224.5)
		301.0	337.2
Non-controlling interests		13.0	10.1
Total equity		314.0	347.3

* Restated to show investments in joint ventures and associates separately with details given in note 2 Basis of preparation.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2024

	Share capital €m	Share premium €m	Exchange reserve €m	Retained earnings €m	Non-controlling interests €m	Total equity €m
Balance at 1 April 2023	99.8	474.1	(12.2)	(224.5)	10.1	347.3
(Loss) profit for the year	-	-	-	(34.1)	3.2	(30.9)
Other comprehensive (loss) income:						
Exchange loss on translation of foreign subsidiaries	-	-	(2.2)	-	-	(2.2)
Fair value movement on cash flow hedges	-	-	-	4.2	-	4.2
Actuarial loss on defined benefit pension schemes	-	-	-	(6.7)	-	(6.7)
Fair value movement on unlisted investments	-	-	-	1.8	-	1.8
Tax in respect of other comprehensive income items	-	-	-	0.5	-	0.5
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	0.1	-	0.1
Total comprehensive (loss) income for the year	-	-	(2.2)	(34.2)	3.2	(33.2)
Dividend paid to non-controlling interests	-	-	-	-	(0.3)	(0.3)
Share-based compensation	-	-	-	1.2	-	1.2
Proceeds from exercise of employee options	0.3	0.4	-	-	-	0.7
Own shares purchased by the Employee Share Trust	-	-	-	(1.7)	-	(1.7)
Balance as at 31 March 2024	100.1	474.5	(14.4)	(259.2)	13.0	314.0
Balance at 1 April 2022	99.5	473.8	(14.7)	(276.9)	7.0	288.7
Profit for the year	-	-	-	62.9	3.7	66.6
Other comprehensive income (loss):						
Exchange gain on translation of foreign subsidiaries	-	-	2.5	-	-	2.5
Fair value movement on cash flow hedges	-	-	-	3.7	-	3.7
Actuarial loss on defined benefit pension schemes	-	-	-	(15.5)	-	(15.5)
Tax in respect of other comprehensive income items	-	-	-	4.5	-	4.5
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	0.3	-	0.3
Total comprehensive income for the year	-	-	2.5	55.9	3.7	62.1
Dividend paid to non-controlling interests	-	-	-	-	(0.6)	(0.6)
Share-based compensation	-	-	-	2.7	-	2.7
Movement on tax arising on share-based compensation	-	-	-	(0.9)	-	(0.9)
Proceeds from exercise of employee options	0.3	0.3	-	-	-	0.6
Own shares purchased by the Employee Share Trust	-	-	-	(5.3)	-	(5.3)
Balance as at 31 March 2023	99.8	474.1	(12.2)	(224.5)	10.1	347.3

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Note	2024 €m	Restated* 2023 €m
Profit before tax from continuing operations		60.1	115.0
Finance income	6	(1.5)	(0.9)
Finance charges	6	39.5	27.7
Share of results from associates and joint ventures		(0.5)	(0.3)
Operating profit from continuing operations		97.6	141.5
Operating loss from discontinued operations	12	(60.0)	(20.1)
Impairment of non-current assets within disposal group	12	63.5	-
Amortisation and impairment of intangible assets	10	12.4	10.5
Depreciation and impairment of property, plant and equipment	10	71.3	69.5
Depreciation and impairment of right-of-use assets	10	53.2	49.1
Impairment of investment in associate		-	0.9
Net gain on disposal of property, plant and equipment and intangible assets		(1.9)	(3.0)
Portfolio management and provision movements in non-trading and exceptional items	5	(13.2)	19.9
Net decrease in provisions	14	(20.4)	(34.1)
Payment related to committed funding of the defined benefit pension schemes		(3.5)	(3.5)
Share-based compensation		1.2	2.7
Operating cash flows before movement in working capital		200.2	233.4
Increase in inventories		(1.2)	(2.1)
Decrease (increase) in receivables		15.7	(12.2)
Decrease in payables		(9.7)	(9.5)
Cash flows from operating activities		205.0	209.6
Income tax paid		(36.3)	(21.2)
Net cash inflow from operating activities		168.7	188.4
Investing activities			
Purchases of intangible assets	10	(13.3)	(9.9)
Purchases of property, plant and equipment	10	(86.1)	(115.0)
Proceeds from disposals of property, plant and equipment	10	20.2	6.8
Acquisition of subsidiary, net of cash acquired	13	(1.4)	(53.5)
Disposal of subsidiary and business assets net of acquisition of business assets	13	1.6	1.1
Net movements in associates, joint ventures and other short-term investments		(0.2)	(1.3)
Outflows in respect of PPP arrangements under the financial asset model net of capital received		5.9	6.0
Finance income		10.8	10.6
Net cash outflow from investing activities		(62.5)	(155.2)
Financing activities			
Finance charges and loan fees paid		(41.9)	(31.3)
Investment in own shares by the Employee Share Trust		(1.7)	(5.3)
Proceeds from share issues		0.7	0.6
Dividend paid to non-controlling interest		(0.3)	(0.6)
Repayment of retail bonds		-	(100.0)
Proceeds from bank borrowings	11	439.5	565.0
Repayment of bank borrowings	11	(402.1)	(405.6)
Repayment of PPP debt	11	(5.3)	(8.1)
Repayment of obligations under lease liabilities	11	(55.3)	(47.5)
Net cash outflow from financing activities		(66.4)	(32.8)
Net increase in cash and cash equivalents		39.8	0.4
Effect of foreign exchange rate changes		1.0	(1.3)
Cash and cash equivalents at the beginning of the year		62.7	63.6
Cash and cash equivalents at the end of the year		103.5	62.7
Cash and cash equivalents at the end of the year			
Cash and cash equivalents – relating to continuing operations	11	79.0	62.7
Cash and cash equivalents – within assets held for sale	12	24.5	-
		103.5	62.7

* The 2023 comparatives have been restated to reclassify discontinued operations and details are given in note 2 Basis of preparation and note 12.

Notes to the Consolidated Financial Statements

1. General information

Renewi plc is a public limited company listed on the London Stock Exchange with a secondary listing on Euronext Amsterdam. Renewi plc is incorporated and domiciled in Scotland under the Companies Act 2006, registered number SC077438. The address of the registered office is 16 Charlotte Square, Edinburgh, EH2 4DF. The nature of the Group's operations and its principal activities are set out in note 3.

2. Basis of preparation

The financial information for the year ended 31 March 2024 as set out in this preliminary announcement does not constitute the statutory accounts of the Group for the relevant year within the meaning of section 435 of the Companies Act 2006. The financial statements for the year ended 31 March 2024 are audited. These accounts will be finalised on the basis of the financial information presented by the Directors in the preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting. The Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended 31 March 2023 and the Consolidated Balance Sheet as at 31 March 2023 have been derived from the full Group accounts published in the Annual Report and Accounts 2023 with restatements as explained below. These have been delivered to the Registrar of Companies and on which the report of the independent auditors was unqualified, unmodified and did not contain a statement under section 498(2) or section 498(3) of the Companies Act 2006.

The financial information in this preliminary announcement has been prepared with regards to UK adopted international accounting standards. The Group has applied all accounting standards and interpretations issued relevant to its operations and effective for accounting periods beginning on 1 April 2023. The IFRS accounting policies have been applied consistently to all periods presented and throughout the Group for the purpose of the consolidated financial statements.

Going concern

The Directors have adopted the going concern basis in preparing these consolidated financial statements after assessing the Group's principal risks including an assessment of the impact of adverse macroeconomic conditions and the funding required for the UK Municipal divestment.

The Directors have carried out a comprehensive assessment of the Group's ability to continue as a going concern. This assessment has involved the review of medium-term cash flow and covenant modelling over a 24-month period to 31 March 2026. This includes expectations on the future economic environment as well as other principal risks associated with the Group's ongoing operations including the expected cash outflow including transaction costs of €154m on the completion of the UK Municipal divestment and the planned repayment of €75m retail bonds in July 2024 and €10m EUPP repayment in December 2025. The assessment includes a base case scenario setting out the Directors' current expectations of future trading and a downside scenario to assess the potential impact on the Group's future financial performance.

The key judgement in both scenarios is the possibility of weaker macroeconomic conditions, delivery of the year on year profit enhancements together with the Group's ability to finance the funding of the UK Municipal exit and settle all other funding repayments as they fall due. The repayment of the €75m retail bond in July 2024 will be financed by drawdown on the Group's revolving credit facility whilst retaining significant liquidity headroom. As set out in the borrowings section, the Group had unutilised committed borrowings of €226.5m at 31 March 2024 available for drawdown subject to the financial covenants. The key financial covenants are leverage ratio which is based on net debt to covenant defined EBITDA and interest cover which is the ratio of covenant defined interest to covenant defined EBIT. The funding for the UK Municipal divestment is forecast to be required in September 2024 and to ensure sufficient headroom is in place the Group has obtained a signed commitment letter for a €120m bridge facility with three of its existing lenders. On completing the relevant facility agreements that will be based on the Group's existing green finance facility agreement and covenants, the bridge facility will be available for drawdown as and when required and is expected to be in place by July 2024. In addition to this, the Group will continue to utilise its invoice discounting facility whereby certain of its trade receivables are sold for an upfront cash payment on a regular basis. Post this transaction in the base case the Group has sufficient liquidity and headroom in its banking facilities and no covenants are breached at any of the forecast testing dates.

The downside scenario includes significantly weaker macroeconomic conditions leading to volume declines below the forecast economic outlook in all our territories in the current year and into FY26. Other downsides include a decline in recyclate prices from the current levels to below long-term averages along with operational downtime in some of our plants and reduced delivery of additional cost savings and operational improvements. These adverse factors before any mitigating actions reduce FY25 and FY26 underlying EBIT by 33% and 30% respectively compared to the base case. A number of mitigating actions have been applied to our downside modelling reducing the underlying EBIT shortfall in FY25 to 16% lower than the base case. These include the postponement of growth capital expenditure, reduction in certain SG&A costs and central contingencies and the rephasing of certain project costs. In this downside scenario the Group retains sufficient liquidity headroom in its banking facilities. The leverage covenant is not breached at any of the forecast testing dates. The interest cover covenant falls close to its covenant level at March 2025 and then starts to increase throughout FY26. There are other possible restructuring programmes under consideration that could be instigated which have not been included in this downside scenario.

Given that the interest cover covenant ends up close to its covenant level in the downside scenario a reverse stress test calculation has not been performed.

Having considered all the key judgements around the financial projections, including the availability of financing and the achievability of mitigating actions included and other levers not included, the Directors confirm they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and to meet all banking covenants.

In accordance with Provision 31 of the UK Corporate Governance Code, the Directors have also assessed the prospects and financial viability of the Company for a period longer than the 12 months from the approval of the financial statements required in the going concern assessment.

Changes in presentation

Discontinued operations

On 28 September 2023 the Group announced that a comprehensive review of the UK Municipal business was being undertaken, and it was exploring a range of options to achieve an exit from this segment. Towards the end of March 2024, the Board decided to pursue a conclusion with the preferred party and as a result, on 30 May 2024, the Group has entered into a binding agreement to sell UK Municipal to Biffa Limited, a leading UK-wide integrated waste management business. The criteria for asset held for sale have been met after the Board meeting in March 2024 and therefore the UK Municipal assets and liabilities are presented as held for sale. The UK Municipal disposal (previously reported within the Specialities division) meets the definition of a discontinued operation as stated in IFRS 5 Non-current assets held for sale and discontinued operations, therefore the net results are presented as discontinued operations in the Income Statement and the prior year Income Statement, Statement of Comprehensive Income, Statement of Cash Flows and related notes have been restated.

Investments in joint ventures and associates

In the prior year the investments in joint ventures and associates were combined with other unlisted investments on the face of the balance sheet under the heading 'Investments.' In the current year management have improved the disclosure by showing investments in joint ventures and associates separately on the face of the balance sheet.

Adoption of new and revised accounting standards

No accounting standards, amendments or revisions to existing standards or interpretations have been effective which had a significant impact on the Group's consolidated financial results or position.

The amendment to IAS 1 Disclosure of Accounting Policies requires companies to disclose their material accounting policy information rather than their significant accounting policies. The result of applying the amended requirements is to reduce the volume of accounting policies disclosed.

New standards and interpretations not yet adopted

Standards and interpretations issued by the International Accounting Standards Board (IASB) are only applicable if endorsed by the UK Endorsement Board (UKEB). At the date of approval of these financial statements there were no new IFRSs or IFRS Interpretation Committee interpretations which were early adopted by the Group.

The following amendments are effective for the period beginning 1 April 2024:

- IAS 7/IFRS 7 (Amendment - Disclosure of Supplier Finance Arrangements)
- IFRS 16 (Amendment – Lease Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)

The following amendments are effective for the period beginning 1 April 2025:

- IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendment – Lack of Exchangeability)

The Group does not expect a significant impact from any of the new accounting standards and amendments.

Exchange Rates

In addition to the Group's presentational currency of Euros, the most significant currency for the Group is Sterling with the closing rate on 31 March 2024 of €1:£0.855 (2023: €1:£0.879) and an average rate for the year ended 31 March 2024 of €1:£0.866 (2023: €1:£0.870).

Critical accounting judgements and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The areas involving a higher degree of judgement or complexity are set out below and in more detail in the related notes. Critical estimates are defined as those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The estimates and associated assumptions are based on factors including historical experience and expectations of future events that are considered to be relevant and reasonable. These estimates, assumptions and judgements are reviewed on an ongoing basis.

Judgements in applying the Group's accounting policies

Use of alternative performance measures

The Group uses alternative performance measures as we believe these measures provide additional useful information on the underlying trends, performance and position of the Group. These underlying measures are used by the Group for internal performance analysis and incentive compensation arrangements for employees. The term 'underlying' refers to the relevant measure being reported for continuing operations excluding non-trading and exceptional items. These include underlying earnings before interest and tax (underlying EBIT), underlying profit before tax, underlying profit after tax, underlying earnings per share and underlying EBITDA (earnings before interest, tax, depreciation and amortisation). The terms 'EBIT', 'EBITDA', 'exceptional items', 'adjusted' and 'underlying' are not defined terms under IFRS and may therefore not be comparable with similarly titled profit measures reported by other companies. These measures are not intended to be a substitute for, or superior to, GAAP measurements of profit. A full list of alternative performance measures together with reconciliations are set out in note 18.

Non-trading and exceptional items

In establishing which items are disclosed separately as non-trading and exceptional to enable a better understanding of the underlying financial performance of the Group, management exercise judgement in assessing the size, nature or incidence of specific items. A policy for non-trading and exceptional items is followed consistently and is submitted to the Audit Committee for annual review. See note 5 for further details of the costs included within this category.

Assets held for sale and discontinued operations

Management has used judgement to determine that the criteria of IFRS 5 Non-current assets held for sale and discontinued operations have been met, as at 31 March 2024, for the intended disposal of the UK Municipal business that was underway. Management judgement has also been used when determining whether to include certain current assets and current liabilities within the UK Municipal disposal group held for sale and in considering the appropriate treatment of the additional pre-tax loss on remeasurement of the assets held for sale of €63.5m. It is expected that an excess payment is made to the purchaser, therefore there is an impairment under IFRS 5 above the net liability position. This is first allocated to all in IFRS 5 scope non-current assets. IFRS 5 does not provide any guidance regarding how to account for any excess of impairment where in-scope non-current assets are already fully written down. An accounting policy has been adopted where the excess impairment is allocated to the non-current financial assets relating to PPP contracts.

Key sources of estimation uncertainty

Landfill related provisions

The Group has landfill related provisions of €161.9m (2023: €164.5m). These provisions are long term in nature and are recognised at the net present value of the best estimate of the likely future cash flows to settle the Group's obligations. The period of aftercare post-closure and the level of costs expected are uncertain and could be impacted by changes in inflation, legislation and technology and can vary significantly from site to site. The timings of cash outflows are uncertain and have been based on management's latest expectations. A discount rate is applied to recognise the time value of money and is unwound over the life of the provision.

Onerous contract provisions

Onerous contract provisions arise when the unavoidable costs of meeting contractual obligations exceed the cash flows expected. The Group has total onerous contract provisions of €131.2m (2023: €141.9m), including those disclosed within disposal group held for sale, which have been provided for at the lower of the net present value of either exiting the contract or fulfilling our obligations under the contract. The most significant component of these provisions relates to UK Municipal PPP contracts which amount to €129.5m (2023: €139.3m), which have now been transferred to the disposal group as shown in note 12. The provisions have been based on the best estimate of likely future cash flows including assumptions on inflationary increases, tonnage inputs, off-take availability and recyclates pricing. The contracts include revenue inflationary clauses which together with cost inflation are sources of estimation uncertainty. A discount rate is applied to recognise the time value of money and is unwound over the life of the provision.

Taxation

In the first instance management will always use deferred tax liabilities, relating to the same tax authority and the same taxable entity, that are already recognised as a source of taxable profits. The recognition of deferred tax assets in excess of the reversal of deferred tax liabilities, particularly in respect of tax losses, is based upon management's judgement in the calculation of the probable expected taxable profits in the relevant legal entity or tax group against which to utilise the assets in the future. In respect of tax losses, the time expiry period, if any, is also taken into account in the calculation. The Group assesses the availability of future taxable profits using available long-term forecasts. The predictability of income streams is taken into consideration in the recognition of deferred tax assets. The longest period of forecasts used to calculate deferred tax recovery is ten years. This period reflects management's estimate of the higher probability profit streams due to income streams from internal receivables which are highly predictable and likely to continue for the foreseeable future. The intention is to avoid the recognition of a deferred tax asset that is not ultimately recovered. Provisions have been recognised where necessary in respect of any uncertain tax positions in the Group, including uncertainty over whether the relevant tax authority will accept the tax treatment and are based upon management's evaluation of the potential outcomes of the relevant discussions with the tax authorities.

Other areas of focus

Whilst not considered to be critical accounting judgements or key sources of estimation uncertainty, the following are areas of focus for management:

Assumptions used to determine the recoverable amount of goodwill and other assets

Impairment testing of goodwill is carried out annually at a cash generating unit (CGU) level. The Group estimates the recoverable amount of a CGU using a value in use model which involves an estimation of future cash flows and applying appropriate discount and long-term growth rates. The future cash flows are derived from approved forecasts which have taken into account current and

forecast economic conditions. The Group assesses the impairment of tangible assets, intangible assets and investments whenever there is reason to believe that the carrying value may exceed the fair value and where a permanent impairment in value is anticipated. The determination of whether the impairment of these assets is necessary involves the use of estimates that include, but is not limited to, the analysis of the cause, the timing and expected future cash flows.

Assumptions used to determine the carrying amount of the Group's defined benefit pension schemes

The calculation of the present value of the defined benefit pension schemes is determined by using actuarial valuations based on assumptions including discount rate, life expectancy and inflation rates.

Waste disposal cost accruals

Management have used judgement in determining the value of disposal cost accruals with a carrying amount included in accruals and other payables of €45.3m (2023: €51.8m). Included in this is €20.2m (2023: €21.1m) relating to previously processed soil and other materials at ATM. The value is determined by management's best estimate after carrying out an assessment of the cost per tonne to dispose of the waste based on historical transactions, signed contracts, discussions with potential customers and knowledge of the market, as in some cases there is no observable market data. Management carry out sensitivity analysis on a range of potential outcomes and an increase or reduction of the cost per tonne by 10% would impact the ATM accrual by €2.0m. It is expected that the disposal of certain components will take longer than 12 months and consequently €11m has been recorded as a non-current liability.

Consideration of climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the risks identified as part of the work on the Taskforce for Climate-related Financial Disclosures (TCFD). Sustainability is recognised as a growth driver for Renewi, directly aligned to its purpose to protect the world by giving life to used materials, and is considered in all key decisions across all management levels. The Directors have commenced a pilot quantitative exercise based on certain risks identified in the TCFD disclosures and now have models that greatly enhance our understanding of the potential impact of these risks on revenue and operating costs, where relevant.

Physical climate change poses risks to our operations and supply chain. However, mitigation measures are either already in place, or are in the process of being further developed. In response to increased impacts from extreme heat, we continually invest to avoid and mitigate the impact of fires as one of the greatest operational risks in the waste industry. These investments are in processes and systems of fire prevention, detection, and suppression.

Climate change is not considered to have a material adverse impact on the financial reporting judgements and estimates. In particular, the impact of climate change has been considered in respect of the following areas in both the medium and long term:

- Going concern and viability of the Group over the next three years
- Cash flow forecasts used in the impairment assessments of non-current assets including goodwill, customer contracts and deferred tax assets
- Carrying value and useful economic lives of property, plant and equipment.

The Directors are aware of the ever-changing risk of climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

3. Segmental reporting

The Group's chief operating decision maker is considered to be the Board of Directors. The Group's reportable segments are determined with reference to the information provided to the Board of Directors, in order for it to allocate the Group's resources and to monitor the performance of the Group. These segments are unchanged from March 2023 and are set out below:

Commercial Waste	Collection and treatment of commercial waste in the Netherlands and Belgium.
Mineralz & Water	Decontamination, stabilisation and re-use of highly contaminated materials to produce certified secondary products for the construction industry in the Netherlands and Belgium.
Specialities	Processing plants focusing on recycling and diverting specific waste streams. The continuing operations are in the Netherlands, Belgium, France and Portugal, with the UK operations classified as discontinued in the year.
Group central services	Head office corporate function.

The profit measure the Board of Directors uses to evaluate performance is underlying EBIT. The Group accounts for inter-segment trading on an arm's length basis.

The Commercial Waste reportable segment includes the Netherlands Commercial Waste and Belgium Commercial Waste operating segments which have been aggregated and reported as one reportable segment as they operate in similar markets in relation to the nature of the products, services, processes and type of customer.

	2024 €m	Restated* 2023 €m
Revenue		
Netherlands Commercial Waste	911.5	932.0
Belgium Commercial Waste	476.2	468.4
Intra-segment	(3.0)	(3.1)
Commercial Waste	1,384.7	1,397.3
Mineralz & Water	181.6	190.9
Specialities	175.2	160.2
Inter-segment revenue	(52.3)	(44.5)
Total revenue from continuing operations	1,689.2	1,703.9

* The comparatives have been restated to classify the UK Municipal segment (previously reported within the Specialities segment) as a discontinued operation.

	2024 €m	Restated* 2023 €m
Results		
Netherlands Commercial Waste	52.9	76.9
Belgium Commercial Waste	45.6	52.4
Commercial Waste	98.5	129.3
Mineralz & Water	9.6	0.5
Specialities	16.3	15.9
Group central services	(18.9)	(14.0)
Underlying EBIT from continuing operations	105.5	131.7
Non-trading and exceptional items (note 5)	(7.9)	9.8
Operating profit from continuing operations	97.6	141.5
Finance income (note 6)	1.5	0.9
Finance charges (note 6)	(39.5)	(27.7)
Share of results from associates and joint ventures	0.5	0.3
Profit before taxation and discontinued operations	60.1	115.0

* The comparatives have been restated to classify the UK Municipal segment (previously reported within the Specialities segment) as a discontinued operation.

	Commercial Waste €m	Mineralz & Water €m	Specialities €m	Group central services €m	Tax, net debt and derivatives €m	Total continuing operations €m	Discontinued operations €m	Total €m
Net assets								
31 March 2024								
Gross non-current assets	1,148.0	257.7	84.6	44.0	28.1	1,562.4	-	1,562.4
Gross current assets	200.7	26.5	39.6	8.2	86.5	361.5	132.3	493.8
Gross liabilities	(392.2)	(212.7)	(42.9)	(49.0)	(760.4)	(1,457.2)	(285.0)	(1,742.2)
Net assets (liabilities)	956.5	71.5	81.3	3.2	(645.8)	466.7	(152.7)	314.0
31 March 2023								
Gross non-current assets	1,143.8	262.6	211.1	31.9	36.8	1,686.2	-	1,686.2
Gross current assets	206.6	35.2	75.0	17.9	64.6	399.3	-	399.3
Gross liabilities	(379.3)	(216.5)	(239.0)	(72.9)	(830.5)	(1,738.2)	-	(1,738.2)
Net assets (liabilities)	971.1	81.3	47.1	(23.1)	(729.1)	347.3	-	347.3

4. Revenue

The following tables show the Group's continuing revenue by type of service delivered and by primary geographical markets:

By type of service	Commercial Waste €m	Mineralz & Water €m	Specialities* €m	Inter-segment €m	Total €m
2024					
Inbound	1,129.0	163.5	34.6	(47.4)	1,279.7
Outbound	165.0	18.1	140.0	(4.6)	318.5
On-site	66.9	-	-	(0.3)	66.6
Other	23.8	-	0.6	-	24.4
Total revenue	1,384.7	181.6	175.2	(52.3)	1,689.2
2023 restated*					
Inbound	1,089.6	153.2	27.0	(40.0)	1,229.8
Outbound	218.0	37.7	132.6	(4.3)	384.0
On-site	63.6	-	-	(0.2)	63.4
Other	26.1	-	0.6	-	26.7
Total revenue	1,397.3	190.9	160.2	(44.5)	1,703.9
By geographical market	Commercial Waste €m	Mineralz & Water €m	Specialities* €m	Inter-segment €m	Total €m
2024					
Netherlands	910.2	163.8	78.0	(49.4)	1,102.6
Belgium	474.5	17.8	46.1	(2.9)	535.5
France	-	-	29.9	-	29.9
Other	-	-	21.2	-	21.2
Total revenue	1,384.7	181.6	175.2	(52.3)	1,689.2
2023 restated*					
Netherlands	931.2	159.2	69.3	(42.2)	1,117.5
Belgium	466.1	31.7	46.6	(2.3)	542.1
UK*	-	-	-	-	-
France	-	-	27.1	-	27.1
Other	-	-	17.2	-	17.2
Total revenue	1,397.3	190.9	160.2	(44.5)	1,703.9

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

Revenue from continuing operations recognised at a point in time amounted to €1,460.3m (2023: €1,483.1m) with the remainder recognised over time. The majority of the Commercial Waste and Specialities revenue is recognised at a point in time, whereas for Mineralz & Water 70% of revenue (2023: 62%) is recognised over time.

5. Non-trading and exceptional items

To improve the understanding of the Group's financial performance, items which are not considered to reflect the underlying performance are presented as non-trading and exceptional items. Items classified as non-trading and exceptional are disclosed separately due to their size or incidence to enable a better understanding of performance. These include, but are not limited to, significant impairments, significant restructuring of the activities of an entity including employee associated severance costs, acquisition and disposal related transaction costs, significant fires, onerous contracts arising from restructuring activities or if significant in size, profit or loss on disposal of properties or subsidiaries as these are irregular, the impact of terminating hedge derivatives, ineffectiveness of derivative financial instruments, the impact of changing the discount rate on provisions, amortisation of acquisition related intangibles and one-off tax credits or charges. The amortisation charge on acquisition related intangible assets is excluded from underlying results due to its non-trading nature in the same way as other significant items from M&A activity are excluded. The performance of the acquired business is assessed as part of the Group's underlying revenue and EBIT. By excluding this amortisation charge there is comparability across divisions and reporting periods.

	2024 €m	Restated* 2023 €m
Renewi 2.0 improvement programme	1.0	3.7
Portfolio management activity:		
Merger and acquisition related activity	1.0	-
Prior years disposals	(2.1)	(1.7)
Business line closure in the Mineralz & Water division	5.5	-
Disposal of business assets in the Mineralz & Water division	-	(3.8)
	4.4	(5.5)
Changes in long-term provisions:		
Changes in discount rate	(1.5)	4.1
Release of legal provision relating to the alleged State Aid claim in Belgium	-	(15.1)
	(1.5)	(11.0)
Other items:		
Restructuring programme	5.8	-
Property disposals and other	(7.9)	-
Reversal of prior year property, plant and equipment impairment	-	(2.0)
	(2.1)	(2.0)
Amortisation of acquisition related intangibles	6.1	5.0
Non-trading and exceptional items in profit before tax	7.9	(9.8)
Tax on non-trading and exceptional items	(1.2)	(1.8)
Total non-trading and exceptional items in profit after tax (continuing operations)	6.7	(11.6)
Discontinued operations:		
Changes in discount rate	(3.2)	(5.8)
Impairment of non-current assets within disposal group & other related expenses	64.5	-
UK Municipal reassessment of onerous contract provisions	-	27.1
Ineffectiveness and impact of termination of cash flow hedges	(0.2)	(0.9)
Non-trading and exceptional items in profit before tax	61.1	20.4
Tax on non-trading and exceptional items (see note 12)	11.5	0.2
Total non-trading and exceptional items in profit after tax (discontinued operations)	72.6	20.6
Total non-trading and exceptional items in profit after tax	79.3	9.0

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

Renewi 2.0 improvement programme

As noted in the year to March 2023 financial statements, the programme is now completed with final costs of €1.0m coming through and the €20m run rate of savings have now been delivered. The costs in the year of €1.0m (2023: €3.7m) were recorded in administrative expenses.

Portfolio management activity

During the year certain operations in the Mineralz & Water division were ceased, generating a loss of €5.5m, including impairment charge of €2.3m. The current year M&A related activity costs of €1.0m (2023: €nil) relate to strategic initiatives. The prior years disposals credit of €2.1m (2023: €1.7m) related to the release of a provision for a previous business disposal following the closure of outstanding tax matters at 31 March 2024. The credit recognised in the prior year relates to an insurance claim recovery in relation to a prior disposal. In the prior year certain business assets in the Mineralz & Water division were sold generating a profit of €3.8m. These are all recorded in administrative expenses. The line item portfolio management and provision movements in non-trading and exceptional items in the Statement of Cash Flows includes an add back of €2.0m credit (2023: €5.5m) and the line item disposal of subsidiary and business assets net of acquisition of business assets includes the cash inflow of €nil (2023: €1.7m) from portfolio management activity.

Changes in long-term provisions

The credit for changes in discount rate of €1.5m is a result of the annual reassessment of risk free rates which have impacted all long-term provisions. The prior year charge of €4.1m, restated for the reclassification of discontinued operations, related to the annual reassessment of risk free rates which impacted all long-term provisions.

On 3 March 2023, the European Commission concluded its formal investigation and determined that the Belgian Walloon Region did not provide State Aid to the Group and therefore the provision of €15.1m has been released.

The total credit of €1.5m (2023: €11.0m credit) was split €1.5m (2023: €4.1m charge) to cost of sales and €nil (2023: €15.1m credit) to administrative expenses. The line item portfolio management and provision movements in non-trading and exceptional items in the Statement of Cash Flows reflects an add back of the credit of €4.7m (2023: €25.4m charge) from changes in provisions.

Other items

The €5.8m restructuring programme cost in the year relates to an ongoing SG&A cost saving programme.

The €7.9m credit for property disposals during the year includes profit from the disposal of the Hemweg site in Amsterdam and others.

In the prior year the reversal of a prior year property, plant and equipment impairment of €2.0m related to the Maltha CGU within Specialities as a result of improvement in performance.

The total credit of €2.1m (2023: €2.0m) was split €nil (2023: €2.0m) in cost of sales and €2.1m (2023: €nil) in administrative expenses. The line item portfolio management and provision movements in non-trading and exceptional items in the Statement of Cash Flows includes an add back of the €6.5m credit (2023: €nil) in respect of other items.

Amortisation of acquisition related intangibles

Amortisation of intangible assets acquired in business combinations of €6.1m (2023: €5.0m) is all recorded in cost of sales.

Other

In addition to the non-trading and exceptional items, outlined above, each year there may be other one-off operating items that are considered part of the underlying performance, as they do not meet the definition of non-trading and exceptional items per our accounting policy. There is a c€5m favourable impact this year of one-off items arising from some accrual releases and other settlements.

Included within discontinued operations (note 12)

The credit for changes in discount rate of €3.2m (2023: €5.8m) is a result of the annual reassessment of risk free rates which have impacted all long-term provisions.

The carrying value of the disposal group has been assessed against the anticipated capitalisation as well as the disposal costs and this has resulted in a pre-tax loss on remeasurement of €63.5m plus disposal costs already incurred of €1.0m.

The €0.2m credit (2023: €0.9m) relates to the ineffectiveness of the Cumbria PPP project interest rate swaps as a result of a revised repayment programme for the PPP non-recourse debt.

In the prior year there was a reassessment of onerous contract provisions in UK Municipal of €27.1m due to revised assumptions on both life cycle spend and cost inflation, combined with lower volumes at the ELWA contract partially offset by the indexation of customer pricing.

6. Net finance charges

	2024 €m	Restated* 2023 €m
Finance charges		
Interest on borrowings	20.1	14.0
Lease liabilities interest	9.2	7.6
Unwinding of discount on provisions (note 14)	4.1	4.2
Interest charge on retirement benefit schemes (note 15)	0.3	-
Other finance costs	5.8	1.9
Total finance charges	39.5	27.7
Finance income		
Interest income on retirement benefit schemes (note 15)	-	(0.2)
Other finance income	(1.5)	(0.7)
Total finance income	(1.5)	(0.9)
Net finance charges	38.0	26.8

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

7. Taxation

The tax charge based on the profit for the year from continuing operations is made up as follows:

	2024 €m	Restated* 2023 €m
Current tax		
UK corporation tax		
- Current year	2.0	3.7
- Adjustment in respect of prior years	(2.7)	(1.2)
Overseas tax		
- Current year	20.7	26.4
- Adjustment in respect of prior years	(1.7)	0.2
Total current tax charge	18.3	29.1
Deferred tax		
- Origination and reversal of temporary differences in the current year	(3.4)	(1.5)
- Adjustment in respect of prior years	-	1.4
Total deferred tax credit	(3.4)	(0.1)
Total tax charge for the year	14.9	29.0

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation. The current tax charge increased by €1.5m and deferred tax credit reduced by €1.0m.

Uncertain tax positions

As referenced in the March 2023 financial statements, the Dutch Tax Authorities have issued assessments adjusting the interest rate applied for tax purposes on some intra group loans from the UK to the Netherlands. The assessments have been appealed by the Group given that the interest rate charged of 5.9% is based on a detailed transfer pricing study and the Group intends to file an application under a Mutual Agreement Procedure ("MAP"). No net provision (2023: €1.4m) is included in the accounts, with the prior year provision being released, as the potential adjustment in the Netherlands is now expected to be offset by a compensating adjustment in the UK. At the expected outcome, there is a potential benefit of an additional deferred tax asset of €3.5m in the UK which will not be recognised until the MAP process is completed and the outcome is certain. It is noted that the maximum exposure in respect of this topic is calculated to be €6.1m (current tax charge €2.1m, deferred tax charge €4.0m) should the Group be wholly unsuccessful in its defence, which is reduced from the prior year amount of €11.6m (current tax charge €2.1m, deferred tax charge €9.5m) due to additional compensating adjustments in the UK.

Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules

The Group has adopted the amendments to IAS 12 for the first time in the current year. The IASB amended the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions that the Group operates, with effect from 1 January 2024. An assessment of the potential exposure to Pillar Two income taxes has been performed, and based on this assessment, the Group primarily operates in jurisdictions where Pillar Two effective tax rates are higher than 15%. There may be a limited number of jurisdictions where the transitional safe harbour relief may not be available, however, the Group does not expect a significant exposure to Pillar Two income taxes in respect of these jurisdictions.

Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, amendments were issued to IAS 12, which narrow the scope of the initial recognition exemption under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments are effective from 1 January 2023 and have no material impact on the Group, in particular since the Group did not apply the initial recognition exemption in the context of leases under IFRS 16.

8. Earnings per share

Underlying basic and diluted earnings per share exclude non-trading and exceptional items, net of related tax. Non-trading and exceptional items are those items that are disclosed separately on the face of the Income Statement, because of their size or incidence, to enable a better understanding of performance. The Directors believe that adjusting earnings per share in this way enables comparison with historical data calculated on the same basis to reflect the business performance in a consistent manner and reflect how the business is managed and measured on a day to day basis.

	2024			Restated* 2023		
	Basic	Dilutions	Diluted	Basic	Dilutions	Diluted
Weighted average number of shares (million)	79.7	-	79.7	79.4	0.2	79.6
(Loss) profit after tax (€m)	(30.9)	-	(30.9)	66.6	-	66.6
Non-controlling interests (€m)	(3.2)	-	(3.2)	(3.7)	-	(3.7)
(Loss) profit after tax attributable to ordinary shareholders (€m)	(34.1)	-	(34.1)	62.9	-	62.9
Basic (loss) earnings per share (cents)	(43)	-	(43)	79	-	79
(Loss) profit after tax attributable to ordinary shareholders (€m)	(34.1)	-	(34.1)	62.9	-	62.9
Add back loss from discontinued operations (€m)	76.1	-	76.1	19.4	-	19.4
Profit after tax attributable to ordinary shareholders from continuing operations (€m)	42.0	-	42.0	82.3	-	82.3
Basic earnings per share (cents) – continuing operations	53	-	53	104	-	104

The reconciliation between underlying earnings per share and basic earnings (loss) per share is as follows:

	2024		Restated* 2023	
	Cents	€m	Cents	€m
Underlying basic & diluted earnings per share/Underlying profit after tax attributable to ordinary shareholders	57	45.2	90	71.9
Adjustments:				
Non-trading and exceptional items (continuing & discontinued)	(87)	(69.0)	(13)	(10.6)
Tax on non-trading and exceptional items (continuing & discontinued)	(13)	(10.3)	2	1.6
Basic & diluted (loss) earnings per share/(Loss) earnings after tax attributable to ordinary shareholders	(43)	(34.1)	79	62.9
Underlying basic & diluted earnings per share/Underlying profit after tax attributable to ordinary shareholders from continuing operations	61	48.7	89	70.7
Adjustments:				
Non-trading and exceptional items from continuing operations	(10)	(7.9)	13	9.8
Tax on non-trading and exceptional items from continuing operations	2	1.2	2	1.8
Basic & diluted earnings per share/Earnings after tax attributable to ordinary shareholders from continuing operations	53	42.0	104	82.3
Underlying basic & diluted earnings per share/Underlying profit after tax attributable to ordinary shareholders from discontinued operations	(4)	(3.5)	1	1.2
Adjustments:				
Non-trading and exceptional items from discontinued operations	(77)	(61.1)	(26)	(20.4)
Tax on non-trading and exceptional items from discontinued operations	(15)	(11.5)	-	(0.2)
Basic & diluted (loss) earnings per share/Loss after tax attributable to ordinary shareholders from discontinued operations	(96)	(76.1)	(25)	(19.4)

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

The weighted average number of shares takes into account the movements in the Renewi Employee Share Trust. The Trust owns 600,326 £1 shares (0.7%) (2023: 853,223 £1 shares (1.1%)) of the issued share capital of the Company in trust for the benefit of employees of the Group. During the year, 544,967 (2023: 400,597) £1 shares were transferred to individuals under the LTIP and DAB schemes for proceeds of €0.7m (2023: €0.6m). During the year, 292,070 £1 shares (2023: 700,969 £1 shares) were purchased by the Trust at a cost of €1.7m (2023: €5.3m).

9. Dividends

The Directors have proposed a final dividend of 5 pence per share, being 5.8 cents per share at the year end exchange rate, totalling €4.7m for the year ended 31 March 2024 (2023: nil).

10. Goodwill, intangible assets, property, plant and equipment, right-of-use assets

	Goodwill €m	Intangible Assets €m	Property, plant and equipment €m	Right-of-use assets €m	Total €m
Net book value at 1 April 2022	551.6	41.2	553.6	213.8	1,360.2
Additions/modifications	-	8.7	117.9	57.4	184.0
Acquisitions through business combinations	17.4	27.9	19.0	38.4	102.7
Disposals	-	-	(4.9)	(5.4)	(10.3)
Transferred to Assets held for sale	-	-	(0.1)	-	(0.1)
Transfer from right-of-use assets to property, plant and equipment	-	-	2.0	(2.0)	-
Amortisation and depreciation charge	-	(10.5)	(69.8)	(47.3)	(127.6)
Impairment charge	-	-	(1.7)	(2.3)	(4.0)
Reversal of a prior year's impairment charge	-	-	2.0	0.5	2.5
Exchange rate changes	-	-	(0.1)	-	(0.1)
Net book value at 31 March 2023	569.0	67.3	617.9	253.1	1,507.3
Additions/modifications	-	11.7	82.6	66.6	160.9
Acquisitions through business combinations	0.7	0.9	-	0.1	1.7
Disposals	(1.4)	(1.5)	(10.0)	(6.4)	(19.3)
Transferred to Assets held for sale	-	-	(5.4)	-	(5.4)
Transfer from right-of-use assets to property, plant and equipment	-	-	5.0	(5.0)	-
Amortisation and depreciation charge	-	(12.4)	(69.3)	(52.1)	(133.8)
Impairment charge	-	-	(2.8)	(1.1)	(3.9)
Reversal of a prior year's impairment charge	-	-	0.8	-	0.8
Transferred to disposal group classified as held for sale	-	(0.9)	(0.1)	(1.4)	(2.4)
Exchange rate changes	-	0.1	-	0.1	0.2
Net book value at 31 March 2024	568.3	65.2	618.7	253.9	1,506.1

At 31 March 2024, the Group had property, plant and equipment commitments of €45.0m (2023: €53.1m), right-of-use asset commitments of €21.9m (2023: €17.7m) and intangible asset commitments of €7.8m (2023: €7.6m).

11. Cash and borrowings

Cash and cash equivalents are analysed as follows:

	2024 €m	2023 €m
Cash at bank and in hand - core	79.0	43.7
Cash at bank - restricted relating to PPP contracts*	-	19.0
Total cash and cash equivalents	79.0	62.7

* The current year balance of €22.9m has been transferred to assets held for sale as part of the UK Municipal disposal group, so is no longer part of the above disclosure – see note 12.

Borrowings are analysed as follows:

	2024 €m	2023 €m
Non-current borrowings		
Retail bonds – fixed interest rates	124.7	199.5
Bank loans and private placements – fixed interest rates	89.6	89.6
Revolving credit facility – floating interest rates	152.6	101.1
Lease liabilities	207.5	208.3
PPP non-recourse debt	-	83.1
	574.4	681.6
Current borrowings		
Retail bonds – fixed interest rates	75.0	-
Bank loans and private placements – fixed interest rates	-	15.0
Bank overdrafts – floating interest rates	0.1	0.1
Lease liabilities	45.5	46.5
PPP non-recourse debt	-	5.2
	120.6	66.8

PPP non-recourse debt was transferred during the year to a disposal group classified as held for sale (see note 12).

Retail bonds

At 31 March 2024, the Group had two issues of green retail bonds. The green retail bonds of €75m (2023: €75m) maturing in July 2024 have an annual gross coupon of 3.00% and the green retail bonds of €125m (2023: €125m) maturing in July 2027 have an annual gross coupon of 3.00%. The green retail bonds are unsecured and have cross guarantees from members of the Group.

Bank loans – fixed interest rates and floating interest rates

At 31 March 2024, the Group had a Euro denominated multicurrency green finance facility of €455m (2023: €470m) including a €400m (2023: €400m) revolving credit facility (RCF) and €55m (2023: €70m) European private placements (EUPP).

In August 2023, the Group completed the renewal of its revolving credit facility of €400m for an initial five year term with two one-year extension options together with a €150m accordion option to increase the facility subject to lender approval at that time. The extension option does not give rise to an embedded derivative. At 31 March 2024 €155.0m (2023: €102.5m) of the RCF was drawn for borrowings in Euros with floating interest rates. The remaining €245.0m (2023: €297.5m) was available for drawing of which €48.5m (2023: €48.5m) was allocated for ancillary overdraft and guarantee facilities. The RCF qualifies as green financing as per the Green Finance Framework and is aligned to the International Capital Market Association Green Bond Principles and the Loan Market Association Green Loan Principles. There are three green KPIs which result in an interest rate margin adjustment dependent upon performance against pre-determined targets that were agreed with the Lenders. The green KPIs are non-financial and specific to the performance of the Group in the following areas: recycling and recovery rate, carbon avoidance, lost time injury frequency. The impact of the margin adjustment is insignificant, and therefore the IFRS 9 Financial instruments solely principal payments and interest criteria are met and it is appropriate to account for the RCF on an amortised cost basis.

The EUPP has a maturity of December 2025 for €10m with a fixed interest rate of 2.916% and November 2029 for €45m at a fixed interest rate of 4.676%.

The Group has a bank loan of €10m loan repayable in one lump sum on 10 November 2027 at a fixed interest rate of 4.22% and a finance contract with the European Investment Bank for a facility of €40m of which €25m is drawn at a fixed interest rate of 3.572% repayable in seven equal annual instalments commencing on 15 December 2025.

Movement in total net debt

	At 1 April 2023 €m	Cash flows €m	Acquired (Note 13) €m	Other non-cash changes €m	Transferred to disposal group held for sale (Note 12) €m	Exchange movements €m	At 31 March 2024 €m
RCF and overdrafts – floating interest rates	(101.2)	(52.4)	-	0.9	-	-	(152.7)
Bank loans and private placements – fixed interest rates	(104.6)	15.0	-	-	-	-	(89.6)
Retail bonds	(199.5)	-	-	(0.2)	-	-	(199.7)
Lease liabilities	(254.8)	55.3	-	(60.0)	6.8	(0.3)	(253.0)
Debt excluding PPP non-recourse debt	(660.1)	17.9	-	(59.3)	6.8	(0.3)	(695.0)
PPP non-recourse debt	(88.3)	5.3	-	-	85.4	(2.4)	-
Total gross debt	(748.4)	23.2	-	(59.3)	92.2	(2.7)	(695.0)
Cash and cash equivalents – core	43.7	35.8	0.7	-	(1.6)	0.4	79.0
Cash and cash equivalents – restricted relating to PPP contracts	19.0	3.3	-	-	(22.9)	0.6	-
Total net debt	(685.7)	62.3	0.7	(59.3)	67.7	(1.7)	(616.0)
Analysis of total net debt:							
Net debt excluding PPP non-recourse net debt	(616.4)	53.7	0.7	(59.3)	5.2	0.1	(616.0)
PPP non-recourse net debt	(69.3)	8.6	-	-	62.5	(1.8)	-
Total net debt	(685.7)	62.3	0.7	(59.3)	67.7	(1.7)	(616.0)

At 31 March 2024 the balance of interest accrued relating to total borrowings was €6.1m (2023: €5.9m) and was included within the accruals and other payables balance. This balance was after finance charges of €41.8m (2023: €29.1m) (including the finance charges impact of the interest rate swaps) net of a cash outflow of €41.9m (2023: €31.3m) (excluding €2.8m (2023: €0.4m) of loan fees) and €0.2m (2023: €0.2m) relating to exchange rate changes.

Analysis of movement in total net debt

	2024 €m	2023 €m
Net increase in cash and cash equivalents	39.8	0.4
Net decrease (increase) in borrowings and lease liabilities	23.2	(3.8)
Cash flows in total net debt	63.0	(3.4)
Bank loans and lease liabilities acquired through a business combination	-	(37.7)
Lease liabilities entered into during the year	(60.0)	(57.4)
Lease liabilities cancelled during the year	-	5.4
Capitalisation of loan fees	2.8	0.3
Amortisation of loan fees	(2.1)	(1.0)
Transferred to disposal group classified as held for sale (note 12)	67.7	-
Exchange (loss) gain	(1.7)	2.6
Movement in net debt	69.7	(91.2)
Total net debt at beginning of year	(685.7)	(594.5)
Total net debt at end of year	(616.0)	(685.7)

12. Assets classified as held for sale, discontinued operations and disposal group

The Group had €137.7m (2023: €0.6m) of assets classified as held for sale at 31 March 2024, €132.3m (2023: €nil) relates to assets classified as held for sale within the UK Municipal disposal group and €5.4m (2023: €0.6m) relates to land and buildings in the Mineralz & Water Division which are expected to be sold within the next 12 months.

The intended UK Municipal disposal meets the definition of a discontinued operation as stated in IFRS 5 Non-current assets held for sale and discontinued operations, therefore the net results and the loss on remeasurement to fair value less cost of sale are presented as discontinued operations in the Income Statement and the prior year Income Statement and Statement of Cash Flows have been restated. The UK Municipal business was previously reported within the Specialities segment, as disclosed in note 3.

Income statement in relation to the discontinued operations:

	2024			2023		
	Underlying €m	Non-trading & exceptional items €m	Total €m	Underlying €m	Non-trading & exceptional items €m	Total €m
Revenue	179.9	-	179.9	188.4	-	188.4
Cost of sales	(172.1)	3.2	(168.9)	(177.4)	(21.3)	(198.7)
Gross profit (loss)	7.8	3.2	11.0	11.0	(21.3)	(10.3)
Administrative expenses	(6.5)	(1.0)	(7.5)	(9.8)	-	(9.8)
Loss on remeasurement fair value less costs to sell	-	(63.5)	(63.5)	-	-	-
Operating profit (loss)	1.3	(61.3)	(60.0)	1.2	(21.3)	(20.1)
Finance income	9.0	0.2	9.2	8.9	0.9	9.8
Finance charges	(12.4)	-	(12.4)	(11.3)	-	(11.3)
Share of results from associates and joint ventures	0.4	-	0.4	(0.3)	-	(0.3)
Loss before taxation	(1.7)	(61.1)	(62.8)	(1.5)	(20.4)	(21.9)
Taxation	(1.8)	(11.5)	(13.3)	2.7	(0.2)	2.5
(Loss) profit for the year	(3.5)	(72.6)	(76.1)	1.2	(20.6)	(19.4)

Details of the non-trading & exceptional items are set out in note 5. The taxation charge of €11.5m includes the de-recognition of a deferred tax asset of €11.7m previously recognised where the future recoverability of these losses is now considered uncertain. Finance income line above includes €8.1m (2023: €8.6m) of interest receivable on financial assets relating to PPP contracts.

	2024 €m	2023 €m
Other comprehensive income from discontinued operations		
Exchange differences on translation of discontinued operations	(7.8)	10.5
Fair value movement on cash flow hedges of discontinued operations	1.1	12.3
Deferred tax on fair value movement on cash flow hedges of discontinued operations	(0.3)	(1.6)
Share of Other Comprehensive Income of investments of discontinued operations accounted for using the equity method	0.1	0.3
Total other comprehensive (loss) income from discontinued operations	(6.9)	21.5

Cash flow information in relation to the discontinued operations

Net cash outflow from operating activities	(11.4)	(10.4)
Net cash inflow from investing activities	16.1	17.0
Net cash outflow from financing activities	(13.4)	(18.4)
Net movement in cash	(8.7)	(11.7)

On 28 September 2023, the Group announced that a comprehensive review of the UK Municipal business, part of the Specialities operating segment, was being undertaken and it was exploring a range of options to achieve an exit from this segment. Towards the end of March 2024, the Board decided to pursue a conclusion with the preferred party and as a result, on 30 May 2024, the Group has entered into a binding agreement to sell UK Municipal to Biffa Limited, a leading UK-wide integrated waste management business. A nominal cash consideration will be received for the divestment and UK Municipal will be transferred with the appropriate assets and capitalisation to ensure fulfilment of its contractual obligations. Capitalisation is expected to require a cash injection of approximately £125m (€146m) into the disposal group on completion. The divestment is expected to complete before 31 December 2024, subject to receipt of a limited suite of regulatory and other consents. The criteria for asset held for sale have been met after the Board meeting in March 2024 and therefore the UK Municipal assets and liabilities are presented as held for sale.

Assets classified as held for sale and related liabilities are as follows:

	Amounts transferred into disposal group €m	Remeasurement under IFRS 5 €m	Disposal Group at 31 March 2024 €m
Assets classified as held for sale			
Intangible assets (note 10)	0.9	(0.9)	-
Property, plant and equipment (note 10)	0.1	(0.1)	-
Right-of-use assets (note 10)	1.4	(1.4)	-
Investments in joint ventures and associates	2.8	(2.8)	-
Financial assets relating to PPP contracts	127.6	(58.3)	69.3
Trade and other receivables	31.6	-	31.6
Inventories	3.0	-	3.0
Cash – core	1.6	-	1.6
Cash – restricted	22.9	-	22.9
Deferred tax assets	0.6	-	0.6
Current tax receivable	1.6	-	1.6
Derivative financial instruments	1.7	-	1.7
Total assets of disposal group held for sale	195.8	(63.5)	132.3
Liabilities directly associated with assets classified as held for sale			
External borrowings – Lease liabilities	(6.8)	-	(6.8)
External borrowings – PPP debt	(85.4)	-	(85.4)
Provisions: OCPs & Others	(129.6)	-	(129.6)
Deferred tax liabilities	(1.8)	-	(1.8)
Current tax payable	(0.5)	-	(0.5)
Derivative financial instruments	(1.7)	-	(1.7)
Trade and other payables	(59.2)	-	(59.2)
Total liabilities of disposal group held for sale	(285.0)	-	(285.0)
Net liabilities held for sale/Carrying value	(89.2)	(63.5)	(152.7)

The carrying value of the disposal group has been assessed against the anticipated capitalisation as well as the disposal costs and this has resulted in a pre-tax loss on remeasurement of the assets held for sale of €63.5m. This remeasurement is first allocated to all in IFRS 5 scope non-current assets. As outlined in the critical judgements and estimates section of the basis of preparation, a policy has been adopted where the excess impairment is allocated to the non-current financial assets relating to PPP contracts. The charge has been recognised in the Income Statement in relation to the discontinued operation as an exceptional administrative expense, leading to the charge being recognised within the non-trading and exceptional items column in the loss for the year from discontinued operations line in the Consolidated Income Statement.

The UK Municipal disposal group has recognised cumulative exchange differences on translation through other comprehensive income totalling a loss of €2.9m and cumulative fair value movements on cash flow hedges of a loss of €0.8m at 31 March 2024, which will be recognised in the final loss on sale on completion of the transaction.

13. Acquisitions and disposals

Acquisitions

In February 2024 Commercial Waste Belgium acquired Aannemingen Jef Meeus BV an entity which processes rockwool for a cash consideration of €2.1m. The assets acquired were €0.1m plant and equipment, other assets and liabilities of €0.3m (including €0.7m of cash acquired) with €0.9m allocated to an acquisition related intangible for customer relationships and the balance of €0.7m to goodwill. In the period from the acquisition to 31 March 2024 the contribution to the Group's revenue and profit before tax was limited, given the seasonality of the business, and the entity was merged into the main Commercial Waste Belgium trading entity. If the acquisition had been completed on the first day of the financial year, the business would have contributed €0.8m to the Group's revenue and a profit of €0.2m to the Group's profit before tax. Acquisition related costs are minimal and have been recognised within administrative costs.

In the prior year, the Netherlands Commercial division acquired 100% of the share capital of GMP Exploitatie B.V. and its subsidiaries (subsequently renamed Renewi Westpoort Holding B.V.) for cash consideration of €53.5m. The asset identification and fair value allocation processes were finalised in the same year and resulted in a final fair value of the net identifiable assets acquired of €36.4m including €27.6m intangible assets, €18.0m property, plant and equipment, €38.4m right-of-use assets, €7.0m bank loan and €30.7m lease liabilities with resultant goodwill arising on acquisition of €17.1m. In addition, the division completed a business assets acquisition for cash consideration of €1.6m, the fair value of net assets acquired was €1.3m (including intangible assets of €0.3m and €1.0m of plant and machinery) resulting in €0.3m of goodwill.

Disposals

On 1 September 2023, the Netherlands Commercial division disposed of 100% of the share capital of Buro ontwerp & omgeving B.V. to GMP Groep B.V. for a cash consideration of €2.3m. The net assets of the entity sold totalled €2.3m including €1.4m of goodwill, €0.7m cash and €0.1m of lease liabilities resulting in no profit or loss on disposal.

In the prior year, the Mineralz & Water division disposed of net liabilities totalling €3.6m in relation to its North business for a cash consideration of €0.2m generating a profit on sale of €3.8m which has been recorded as a non-trading and exceptional item in line with the Group's policy due to the significant value of the profit. In addition, the Specialities division sold its Maltha Hungary entity. Net liabilities of €0.8m were sold for a cash consideration net of cash sold of €0.1m which generated a profit on sale of €0.9m. The profit on sale which included the impact of a recycled cumulative currency translation has been recorded in underlying EBIT.

14. Provisions

	Site restoration and aftercare €m	Onerous contracts €m	Legal and warranty €m	Restructuring €m	Other €m	Total €m
At 1 April 2023	164.5	141.9	7.5	3.0	25.0	341.9
Acquisition through business combinations	-	-	-	-	0.3	0.3
Provided in the year	4.0	1.0	0.2	7.8	4.2	17.2
Released in the year	(2.3)	(0.9)	(2.4)	(0.9)	(2.1)	(8.6)
Finance charges – unwinding of discount	4.2	5.4	-	-	0.1	9.7
Utilised in the year	(7.0)	(16.9)	(0.6)	(4.6)	(2.0)	(31.1)
Exceptional impact of change in discount rates	(1.6)	(3.1)	-	-	-	(4.7)
Transferred to disposal group classified as held for sale (note 12)	-	(129.5)	-	(0.1)	-	(129.6)
Exchange rate changes	0.1	3.7	0.1	-	-	3.9
At 31 March 2024	161.9	1.6	4.8	5.2	25.5	199.0
Within one year	10.3	0.9	1.1	5.2	4.0	21.5
Between one and five years	51.6	0.5	0.7	-	6.9	59.7
Between five and ten years	48.0	0.2	0.4	-	4.2	52.8
Over ten years	52.0	-	2.6	-	10.4	65.0
At 31 March 2024	161.9	1.6	4.8	5.2	25.5	199.0
Within one year	11.3	18.9	4.0	3.0	6.5	43.7
Between one and five years	40.6	62.3	0.4	-	6.0	109.3
Between five and ten years	61.9	32.8	0.5	-	3.3	98.5
Over ten years	50.7	27.9	2.6	-	9.2	90.4
At 31 March 2023	164.5	141.9	7.5	3.0	25.0	341.9

Site restoration and aftercare

The Group's unavoidable costs have been reassessed at the year end and the NPV fully provided for. The site restoration provisions at 31 March 2024 relate to the cost of final capping and covering of the landfill and mineral extraction sites. These site

restoration costs are expected to be paid over a period of up to 27 years (2023: 28 years) from the balance sheet date. Aftercare provisions cover post closure costs of landfill sites which include such items as monitoring, gas and leachate management and licensing. For aftercare provisions relating to Dutch landfill sites where the province administers and controls the aftercare fund, payments are made to the province at predetermined dates over a period of up to 10 years. Where the Group is responsible for the aftercare the dates of payments of these aftercare costs are uncertain but are anticipated to be over a period of at least 30 years from closure of the relevant landfill site. All site restoration and aftercare costs have been estimated by management based on current best practice and technology available and may be impacted by a number of factors including changes in legislation and technology.

Onerous contracts

Onerous contract provisions arise when the unavoidable costs of meeting contractual obligations exceed the cash flows expected. They are provided for at the lower of the NPV of either exiting the contracts or fulfilling our obligations under the contracts. The provisions have been calculated on the best estimate of likely future cash flows over the contract term based on the latest projections, including assumptions on inflationary increases, tonnage inputs, off-take availability and recyclates pricing. The provisions are to be utilised over the period of the contracts to which they relate with the latest date being 2040. The majority of these contracts are now treated as part of the disposal group classified as held for sale, see note 12.

Legal and warranty

Legal and warranty provisions relate to legal claims, warranties and indemnities. Under the terms of the agreements for the disposal of certain businesses, the Group has given a number of warranties and indemnities to the purchasers which may give rise to payments. The Group has a liability until the end of the contractual terms in the agreements. The Group considers each warranty provision based on the nature of the business disposed of and the type of warranties provided with judgement used to determine the most likely obligation.

On 6 February 2020 the European Commission announced its decision to initiate a formal investigation in which it alleges that the Walloon Region of Belgium provided state aid to the Group in relation to the Cetem landfill. An adverse judgement would have required the Walloon Region to seek repayment from the Group and a provision of €15.1m was recognised. On 3 March 2023 the European Commission concluded its formal investigation and determined that the Belgian Walloon Region did not provide State Aid to the Group. As a result the provision was released during the year ended 31 March 2023 and there is no longer a contingent liability.

Restructuring

The restructuring provision primarily relates to redundancy and related costs incurred as a result of restructuring initiatives. The provision is expected to be spent in the following twelve months as affected employees leave the business.

Other

Other provisions includes dilapidations €10.0m (2023: €10.9m), long-service employee awards €6.2m (2023: €6.0m) and other environmental liabilities €9.3m (2023: €8.1m). The dilapidations provisions are determined on a site-by-site basis using internal expertise and experience and are calculated as the most likely cash outflow at the end of the contracted obligation. The provisions will be utilised over the period up to 2072.

15. Defined benefit pension schemes

The Group has the legacy Shanks UK defined benefit scheme which provides pension benefits for pensioners, deferred members and eligible UK employees which is closed to new entrants and to future benefit accrual. In addition there are a number of defined benefit pension schemes eligible for certain employees in both the Netherlands and Belgium.

The amounts recognised in the Income Statement were as follows:

	2024 €m	2023 €m
Current service cost	1.6	1.7
Curtailment	-	(0.3)
Interest expense (credit) on scheme net liabilities (note 6)	0.3	(0.2)
Net defined benefit pension schemes charge before tax	1.9	1.2

The amounts recognised in the balance sheet were as follows:

	2024 €m	2023 €m
Present value of deferred benefit obligations	(211.4)	(201.1)
Fair value of plan assets	198.5	191.8
Defined benefit pension schemes net deficit	(12.9)	(9.3)
Related deferred tax asset	3.2	2.4
Net defined pension schemes liability	(9.7)	(6.9)

Classified as:

Defined benefit pension schemes deficit - included in non-current liabilities	(12.9)	(9.3)
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The legacy Shanks UK defined benefit scheme moved by €3.3m from a deficit of €4.3m at 31 March 2023 to a deficit of €7.6m at 31 March 2024. This was due to lower returns on pension scheme assets which were only partly offset by an increase in the discount rate assumption on scheme liabilities.

16. Financial instruments at fair value

The Group uses the following hierarchy of valuation techniques to determine the fair value of financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

During the year ended 31 March 2024, there were no transfers between level 1 and level 2 fair value measurements, but there has been a transfer from level 2 to level 3.

The other unlisted non-current investments, comprising unconsolidated companies, were included in level 2 for the year ended 31 March 2023, as the fair value approximated to observable book values, being the original purchase price. In the current year there has been a movement in the valuation of these investments, such that they are now carried at a fair value that is not based on observable market data. The fair value of these investments has been calculated through discounting future cash flows, being the best estimate of future dividend income streams discounted using the applicable cost of equity.

The significant unobservable inputs used in the level 3 fair value measurements were the risk adjusted discount rate and the expected cash inflows from dividends. The risk adjusted discount rate of 12.19% (2023: 16.34%) has been used in the fair value measurement. Increasing either the discount rate or cash inflows by +/- 5% leads to changes in fair values that are less than €1.0m, and it is concluded that no reasonably possible change to either of these assumptions would result in a material change to the fair value of the investment.

Valuation techniques used to derive level 2 fair values:

- In the prior year, other unlisted non-current investments comprise unconsolidated companies where the fair value approximates the book value.
- Valuations for investment funds are provided by the fund manager.
- Derivative financial instruments are determined by discounting the future cash flows using the applicable period-end yield curve.
- The fair values of the fixed interest rate bank loans and private placements are determined by discounting the future cash flows using the applicable period-end yield curve.
- The fair value of retail bonds is based on indicative market pricing.

Valuation techniques used to derive level 3 fair values:

- In the current year, the unlisted non-current investments, comprising unconsolidated companies, have been fair valued by discounting the expected future cash flows from dividend income streams using a pre-tax expected market rate of return.

The table below presents the Group's assets and liabilities measured at fair values. The Group considers that the fair value of all other financial assets and financial liabilities are not materially different to their carrying value.

	Level 2		Level 3		Total	
	2024 €m	2023 €m	2024 €m	2023 €m	2024 €m	2023 €m
Assets						
Unlisted non-current investments	-	4.6	6.4	-	6.4	4.6
Short-term investments	11.3	10.9	-	-	11.3	10.9
Derivative financial instruments	1.4	1.6	-	-	1.4	1.6
	12.7	17.1	6.4	-	19.1	17.1
Liabilities						
Derivative financial instruments	-	4.5	-	-	-	4.5
Bank loans and private placements – fixed interest rates	95.0	110.6	-	-	95.0	110.6
Retail bonds	195.4	196.5	-	-	195.4	196.5
	290.4	311.6	-	-	290.4	311.6

17. Contingent liabilities

Since 2017 ATM has faced challenges in the offtake of thermally treated soil. There are discussions ongoing on the application of thermally treated soil in certain areas in the Netherlands and it cannot be ruled out that this could result in liability for damages resulting from third-party claims in the future.

All sites need to operate in alignment with the related permits and when new regulatory requirements come into force, the Group may need to undertake additional expenditure to align to new standards. No account is taken of any potential changes until the new obligations are fully defined and enforceable.

Due to the nature of the industry in which the business operates, from time to time the Group is made aware of claims or litigation arising in the ordinary course of the Group's business. Provision is made for the Directors' best estimate of all known claims and all such legal actions in progress. The Group takes legal advice as to the likelihood of success of claims and actions and no provision is made where the Directors consider, based on that advice, that the action is unlikely to succeed or a sufficiently reliable estimate of the potential obligation cannot be made. None of these other matters are expected to have a material impact.

Under the terms of sale agreements, the Group has given a number of indemnities and warranties relating to businesses sold in prior periods. Different warranty periods are in existence and it is assumed that these will expire within 15 years. Based on management's assessment of the most likely outcome appropriate warranty provisions are held.

In respect of contractual liabilities the Group and its subsidiaries have given guarantees and entered into counter indemnities of bonds and guarantees given on their behalf by sureties and banks totalling €231.4m (2023: €229.2m).

18. Alternative performance measures (APMs) and reconciliations

In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority, and considering the thematic reviews undertaken by AFM (MarketWatch – February 2024) and the Financial Reporting Council (October 2021), additional information is provided on the APMs used by the Group below. The Directors use APMs as they believe these measures provide additional useful information on the underlying trends, performance and position of the Group. These measures are used for internal performance analysis. These terms are not defined terms under IFRS and may therefore not be comparable with similarly titled measures used by other companies. These measures are not intended to be a substitute for, or superior to, IFRS measurements.

During the year the Directors have removed underlying EBITDA margin from the APMs, as it is no longer a key internal metric being used within the business, with the main focus being on underlying EBIT margin, the figure is also easily derived from the financial statements should users wish to calculate it for continuity or comparability. The Directors have also changed the calculation of free cash flow conversion to be based on underlying EBITDA rather than underlying EBIT, as adding back depreciation and amortisation removes some significant non-cash items from the calculation.

Financial Measure	Closest GAAP measure or equivalent calculation	How we define it	Why we use it
Underlying EBIT	Operating profit	Operating profit excluding non trading and exceptional items which are defined in note 5. The adjustments made between underlying and statutory figures can also be seen on the face of the Consolidated Income Statement	Provides insight into profit generation and is the measure used by management to make decisions as it provides consistency and comparability of the ongoing performance between periods
Underlying EBIT margin	Operating profit margin	Underlying EBIT as a percentage of revenue	Provides insight into margin development and trends
Underlying EBITDA	Operating profit	Underlying EBIT before depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets, intangible assets and investments, profit or loss on disposal of property, plant and equipment, intangible assets and subsidiaries	Measure of earnings and cash generation to assess operational performance
Underlying profit before tax	Profit before tax	Profit before tax excluding non trading and exceptional items	Facilitates underlying performance evaluation
Underlying EPS	EPS	Earnings per share excluding non-trading and exceptional items	Facilitates underlying performance evaluation
Underlying effective tax rate	Effective tax rate on profit before tax	The effective tax rate on underlying profit before tax	Provides a more comparable basis to analyse the tax rate
Return on operating assets	Operating profit divided by net assets	Last 12 months underlying EBIT divided by a 13-month average of net assets excluding core net debt, IFRS 16 lease liabilities, derivatives, tax balances, goodwill and acquisition related intangibles	Provides a measure of the return on assets across the Divisions and the Group excluding goodwill and acquisition related intangible balances
Underlying post-tax return on capital employed	Profit after tax divided by net assets	Last 12 months underlying EBIT as adjusted by the Group effective tax rate divided by a 13-month average of net assets excluding core net debt, IFRS 16 lease liabilities and derivatives	Provides a measure of the Group return on assets taking into account the goodwill and acquisition related intangible balances
Adjusted free cash flow	Total of net cash inflow from operating activities plus net outflow from investing activities	Net cash generated from operating activities including interest, tax and replacement capital spend and excluding cash flows from non-trading and exceptional items, Covid-19 tax deferral payments, settlement of	Measure of cash generation in the underlying business available to fund growth capital projects and invest in acquisition. We classify our capital spend into general replacement expenditure and growth capital projects.

		historic ATM soil liabilities and cash flows relating to the UK PPP contracts. Payments to fund defined benefit pension schemes are also excluded as these schemes are now closed to both new members and ongoing accrual and as such relate to historic liabilities. The Municipal contract cash flows are excluded because they principally relate to onerous contracts as reported in exceptional charges in the past and caused by adverse market conditions not identified at the inception of the contract	
Non-trading and exceptional cash flow items	N/A	Renewi 2.0 and other exceptional cash flows are presented in cash flows from operating activities and are included in the categories in note 3.3, net of opening and closing Balance Sheet positions	Provides useful information on non-trading and exceptional cash flow spend
Free cash flow	Total of net cash inflow from operating activities plus net cash outflow from investing activities	Net cash generated from operating activities, including interest, tax and replacement capital spend	Measure of cash available after regular replacement capital expenditure and historic liabilities to pay dividends, fund growth capital projects and invest in acquisitions
Free cash flow/EBITDA conversion	Total of net cash inflow from operating activities plus net cash outflow from investing activities Total of net cash inflow from operating activities plus net cash outflow from investing activities divided by operating profit	The ratio of free cash flow to underlying EBITDA	Provides an understanding of how profits convert into cash
Growth capital expenditure	N/A	Growth capital projects which include the innovation portfolio and other large strategic investments	Provides an understanding of how cash is being spent to grow the business
Total cash flow	Net movement in cash and cash equivalents	Total cash flow is the movement in net debt excluding loan fee capitalisation and amortisation, exchange movements, movement in PPP cash and PPP non-recourse debt, additions to IFRS 16 lease liabilities and lease liabilities acquired through a business combination	Provides an understanding of total cash flow of the Group
Core cash	Cash and cash equivalents	Core cash excludes cash and cash equivalents relating to UK PPP contracts	The cash relating to UK PPP contracts is not freely available to the Group and is excluded from financial covenant calculations of the main multicurrency green finance facility therefore excluding this gives a suitable measure of cash for the Group
Core net debt	Borrowings	Core net debt includes core cash excludes debt relating to the UK PPP contracts and lease liabilities as a result of IFRS 16	The borrowings relating to the UK PPP contracts are non-recourse to the Group and excluding these gives a suitable measure of indebtedness for the Group and IFRS 16 lease liabilities are excluded as financial covenants on the main multicurrency green finance facility remain on a frozen GAAP basis
Liquidity	N/A	Liquidity headroom includes core cash and undrawn committed amounts on the multicurrency green finance facility and the European Investment Bank facility.	Provides an understanding of available headroom to the Group
Net debt to EBITDA/leverage ratio	Net debt and operating profit	This is the key covenant of the Group's banking facilities which is calculated following an agreed methodology to protect the Group from potential volatility caused by accounting standard changes, sudden movements in exchange rates and exceptional items. Net debt and EBITDA are measured on a frozen GAAP basis with the main impact of this being the exclusion of IFRS 16 Lease Liabilities. Exceptional items are excluded from EBITDA and cash and debt relating to UK PPP contracts is excluded from net debt. Net debt and EBITDA are translated to Euros using average exchange rates for the period. Covenant ratios are measured semi-annually on a rolling 12-month basis at March and September.	Commonly used measure of financial leverage and consistent with covenant definition

Reconciliation of operating profit (loss) to underlying EBITDA from continuing operations

	Netherlands Commercial Waste €m	Belgium Commercial Waste €m	Mineralz & Water €m	Specialities €m	Group central services €m	Total €m
2024						
Operating profit (loss) from continuing operations	53.2	42.9	7.3	15.4	(21.2)	97.6
Non-trading and exceptional items (excluding finance items)	(0.3)	2.7	2.3	0.9	2.3	7.9
Underlying EBIT from continuing operations	52.9	45.6	9.6	16.3	(18.9)	105.5
Depreciation and impairment of property, plant and equipment and right-of-use assets*	59.4	31.4	14.9	8.1	6.6	120.4
Amortisation of intangible assets (excluding acquisition intangibles & discontinued operations)	0.6	-	0.9	-	4.7	6.2
Non-exceptional gain on disposal of property, plant and equipment, intangible assets and subsidiaries	(1.6)	(0.5)	0.2	-	-	(1.9)
Underlying EBITDA from continuing operations	111.3	76.5	25.6	24.4	(7.6)	230.2

* Includes depreciation charges, impairment charges and impairment releases relating to continuing operations, but excludes any such items recorded within non-trading and exceptional items, as these are already accounted for within underlying EBIT. Additional analysis by segment is shown in note 3.

	Netherlands Commercial Waste €m	Belgium Commercial Waste €m	Mineralz & Water €m	Restated* Specialities €m	Group central services €m	Restated* Total €m
2023						
Operating profit (loss) from continuing operations	69.4	65.3	1.0	17.1	(11.3)	141.5
Non-trading and exceptional items (excluding finance items)	7.5	(12.9)	(0.5)	(1.2)	(2.7)	(9.8)
Underlying EBIT from continuing operations	76.9	52.4	0.5	15.9	(14.0)	131.7
Depreciation and impairment of property, plant and equipment and right-of-use assets**	57.1	31.2	17.0	7.0	6.2	118.5
Amortisation of intangible assets (excluding acquisition intangibles)	0.9	-	0.9	-	3.5	5.3
Non-exceptional gain on disposal of property, plant and equipment, intangible assets and subsidiaries	(1.9)	(0.2)	(0.1)	(0.9)	-	(3.1)
Underlying EBITDA from continuing operations	133.0	83.4	18.3	22.0	(4.3)	252.4

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation, additional analysis by segment is shown in note 3.

** Includes depreciation charges, impairment charges and impairment releases relating to continuing operations, but excludes any such items recorded within non-trading and exceptional items, as these are already accounted for within underlying EBIT.

Calculation of return on operating assets from continuing operations

	Netherlands Commercial Waste €m	Belgium Commercial Waste €m	Mineralz & Water €m	Specialities excluding UK Municipal €m	Group €m
2024					
Underlying EBIT from continuing operations	52.9	45.6	9.6	16.3	105.5
13 month average of operating assets	439.4	163.5	60.0	56.9	530.6
Return on operating assets from continuing operations	12.0%	27.9%	15.9%	28.6%	19.9%
2023					Restated*
Underlying EBIT from continuing operations	76.9	52.4	0.5	15.9	131.7
13 month average of operating assets	398.2	110.8	64.4	44.9	439.5
Return on operating assets from continuing operations	19.3%	47.3%	0.8%	35.4%	30.0%

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

Calculation of underlying post-tax return on capital employed

	2024 €m	2023 €m
Operating profit (from continuing and discontinued operations)	37.6	121.4
Non-trading and exceptional items in operating profit (from continuing and discontinued operations)	69.2	11.5
Underlying EBIT (from continuing and discontinued operations)	106.8	132.9
Tax at effective rate (2024: 27.0%, 2023: 27.1%)	(28.8)	(36.0)
Post tax underlying EBIT (from continuing and discontinued operations)	78.0	96.9
13 month average of capital employed	1,013.5	915.3
Underlying post-tax return on capital employed	7.7%	10.6%

Reconciliation of statutory profit before tax to underlying profit before tax

	2024 €m	Restated* 2023 €m
Statutory profit before tax	60.1	115.0
Non-trading and exceptional items in operating profit	7.9	(9.8)
Underlying profit before tax	68.0	105.2

* The comparatives have been restated to classify the UK Municipal segment as a discontinued operation.

Reconciliation of free cash flow and adjusted free cash flow as presented in the CFO's review

	2024 €m	2023 €m
Net cash generated from operating activities	168.7	188.4
Include finance charges and loan fees paid	(41.9)	(31.3)
Include finance income received	10.8	10.6
Include repayment of obligations under lease liabilities	(55.3)	(47.5)
Include purchases of replacement items of intangible assets	(13.3)	(9.9)
Include purchases of replacement items of property, plant and equipment	(64.1)	(84.2)
Include proceeds from disposals of property, plant & equipment	20.2	6.8
Include capital received in respect of PPP financial asset net of outflows	5.9	6.0
Include repayment of UK Municipal contracts PPP debt	(5.3)	(8.1)
Include movement in UK Municipal contracts PPP cash	(3.3)	1.1
Investment in own shares and other	(1.5)	(6.6)
Free cash flow	20.9	25.3
Exclude deferred Covid taxes paid	19.9	19.7
Exclude offtake of ATM soil	2.5	1.2
Exclude UK Municipal contracts	15.8	12.2
Exclude non-trading and exceptional provisions and working capital	5.5	4.4
Exclude payments to fund defined benefit pension schemes	3.5	3.5
Investment in own shares and other	1.5	6.6
Adjusted free cash flow	69.6	72.9

Reconciliation of net capital spend in the CFO's review to purchases and disposal proceeds of property, plant and equipment and intangible assets within Investing activities in the consolidated Statement of Cash Flows

	2024 €m	2023 €m
Purchases of intangible assets	(13.3)	(9.9)
Purchases of replacement property, plant and equipment	(64.1)	(84.2)
Proceed from disposals of property, plant and equipment	20.2	6.8
Net replacement capital expenditure	(57.2)	(87.3)
Growth capital expenditure	(22.0)	(30.8)
Total capital spend as shown in the cash flow in the CFO's review	(79.2)	(118.1)

	2024 €m	2023 €m
Purchases of intangible assets	(13.3)	(9.9)
Purchases of property, plant and equipment (replacement and growth)	(86.1)	(115.0)
Proceed from disposals of property, plant and equipment	20.2	6.8
Purchases and disposal proceeds of property, plant and equipment and intangible assets within Investing activities in the consolidated Statement of Cash Flows	(79.2)	(118.1)

Reconciliation of property, plant and equipment additions to replacement capital expenditure as presented in the CFO's review

	2024 €m	2023 €m
Property, plant and equipment additions (note 10)	(82.6)	(117.9)
Intangible asset additions (note 10)	(11.7)	(8.7)
Proceeds from disposals of property, plant and equipment	20.2	6.8
Movement in capital creditors (included in trade and other payables)	(5.1)	1.7
Growth capital expenditure – as disclosed in the CFO's review	22.0	30.8
Replacement capital expenditure per the CFO's review	(57.2)	(87.3)

Reconciliation of total cash flow as presented in the CFO's review to the movement in total net debt

	2024 €m	2023 €m
Total cash flow	(0.9)	(64.9)
Additions to lease liabilities net of cancelled lease liabilities	(60.0)	(52.0)
Lease liabilities acquired through a business combination	-	(30.7)
Repayment of obligations under lease liabilities	55.3	47.5
Movement in PPP non-recourse debt	5.3	8.1
Movement in PPP cash and cash equivalents	3.3	(1.1)
Capitalisation of loan fees net of amortisation	0.7	(0.7)
Less net debt transferred as part of the disposal group	67.7	-
Exchange movements	(1.7)	2.6
Movement in total net debt (note 11)	69.7	(91.2)

Reconciliation of total cash flow as presented in the CFO's review to the movement in cash

	2024 €m	2023 €m
Total cash flow	(0.9)	(64.9)
Repayment of retail bonds	-	(100.0)
Proceeds from bank borrowings	439.5	565.0
Repayment of bank borrowings	(402.1)	(405.6)
Bank loan acquired through business combination	-	7.0
Movement in PPP cash and cash equivalents	3.3	(1.1)
Less cash transferred as part of the disposal group	(24.5)	-
Exchange movements	1.0	(1.3)
Movement in total cash	16.3	(0.9)

Reconciliation of total net debt to net debt under covenant definition

	2024 €m	2023 €m
Total net debt	(616.0)	(685.7)
Exclude PPP non-recourse debt	-	88.3
Exclude PPP cash and cash equivalents	-	(19.0)
Exclude IFRS 16 lease liabilities	247.9	245.8
Net debt aligned with covenant definition	(368.1)	(370.6)

19. Events after the balance sheet date

On 27 May 2024, the Group entered into a commitment letter for a €120m bridging facility as detailed in note 2.

On 30 May 2024, the Group entered into a sale agreement with Biffa Limited for the disposal of its UK Municipal business as detailed in note 12.

APPENDIX

Principal Risks and Uncertainties affecting the Group

Product pricing, demand and quality –Market-driven developments that reduce demand, cause changes in quality or decrease value of recycled products.

Residue waste disposal costs, capacity and specification – Lack of adequate available capacity at outlets and or changing outlet demands, resulting in increased pricing or limitations for disposal of residual waste to incinerators and other residual volumes.

Input volumes, pricing and composition –Changes in availability and composition of waste volumes driven by market disruptions and/or changes in laws and regulations, that deteriorate market demand and/or pricing conditions for waste collection services and the processing of waste volumes.

Changes in law and policy – Changes in laws and policies, including environmental and compliance regulations, that do not contribute to our strategy and competitiveness in increasing the use of recycled materials and related sustainability targets.

Disruptive event – A disruptive event such as a pandemic or war with severe consequences for continuity or competitiveness of our business activities.

Health and safety – Accidents causing injury or loss of life, ensuing personal suffering, causing damage to our personnel, safety track record and reputation. Deterioration of physical and mental health in society in general and our workforce in particular that effects the employability of our employees as well as effective and efficient operations.

Ageing IT backbone – Ageing Digital backbone limits the ability to further enhance and optimise our core business processes in line with market needs, and to fully leverage the value from Digital Innovations available in the market.

Labour availability, talent development and diversity – Lack of availability of sufficient number and skillset of key personnel in markets where we operate. Access to recruiting of talented people to ensure availability of capable key personnel. Changing demands in society to ensure a safe and diverse culture in organisations.

Major operational failure or calamity – Operational failure or calamity at a key facility, leading to business interruption, loss of revenue or material damages.

Unsustainable debt – Lack of availability in the marketplace of attainable funding at competitive conditions.

Regulatory compliance – Increased complexity and changes in environmental laws and regulations that do not contribute to our sustainability targets or undermine our market competitiveness.

Long-term contracts – Enter into long-term contracts on disadvantageous terms that have significant negative impact on operations and performance.

Cyber threat and ICT failure – Cyber crime and/or ICT failure causing business interruption, loss of revenue or damages.

Climate related physical risks – extreme heat, water stress and drought, natural disasters, storms and winds, flooding.

Climate related transition risks – increasing pricing of GHG emissions, supply chain transparency, lack of developing climate policies.