



Press release

Paris, le 24 march 2021,

## **Waste to energy Paprec integrates the O&M division of CNIM and enters exclusive negotiations with Dalkia (an EdF subsidiary) about Dalkia Wastenergy (formerly Tiru)**

**Paprec has announced the integration of teams from the CNIM Operation and Maintenance subsidiary. It has also begun exclusive negotiations with Dalkia about the acquisition of Dalkia Wastenergy (formerly Tiru). If these negotiations are successful, Paprec's new Waste-to-Energy division will employ 1,500 people at 29 waste-to-energy plants, generating revenue of nearly €300 million. The French leader in recycling would thus become the country's third-biggest waste-to-energy player. Continuing its international expansion, the group has announced clear growth in income and EBITDA despite the pandemic.**

Paprec has announced the arrival of teams from the Operation & Maintenance subsidiary of CNIM, a group it has been in exclusive negotiations with for several weeks. Until now, Paprec has operated three waste-to-energy plants via its subsidiary Inova Operations, jointly owned with Altawest since 2018. The CNIM O&M division operates eight waste-to-energy plants (four in France, three in the UK and one in Azerbaijan), together with two projects in the United Arab Emirates and Réunion. The business, based in Var, has 400 employees, over half of them in France. *"These teams have major expertise in operating these units. By integrating them into its existing operations, Paprec, already the French leader in material reuse, becomes a key player in waste-to-energy,"* explains Jean-Luc Petithuguenin, the CEO and founder of the group created in 1994.

To strengthen this portfolio and expertise still further, Paprec is now announcing that it has entered exclusive negotiations with Dalkia (an EdF subsidiary) for the acquisition of Dalkia Wastenergy (formerly Tiru). This business has 800 employees and manages 27 treatment plants, including 16 dedicated to waste-to-energy, in France, the UK and Poland. The takeover bid is first being submitted to representatives of the staff concerned for consultation. Following this consultation, the bid will be submitted for the relevant regulatory authorisations, including approval from the competent competition authorities.

Stéphane Leterrier, Executive Director of Paprec, will lead the Paprec group's Waste-to-Energy division. He declares: *"With these two companies, CNIM O&M and Tiru, Paprec will manage 29 waste-to-energy plants, becoming France's third-biggest player in the sector."*

### **Excellent 2020 results**

Paprec is publishing particularly gratifying 2020 results despite the pandemic, with EBITDA rising 17% (to nearly €280 million). *"These results confirm the strength of our business model, focused on providing tailored high-added-value services for our industrial and local authority customers, covering all their waste collection, treatment and recovery needs,"* explains

Charles-Antoine Blanc, the group's Chief Financial Officer. *"It is in times of crisis that a company's DNA is revealed. During the pandemic, as in 2008, my teams have shown their ability to adapt, which was a crucial factor in achieving these very positive results,"* observes Jean-Luc Petithuguenin, continuing: *"We are targeting revenue of €2 billion and 14,000 employees by the end of the year."*

### **2,000 jobs created in the last three years**

With a robust business model and a solid capital base, the group is growing steadily, both organically and by acquiring new companies. Paprec has created 2,000 qualified jobs in France in the last three years. With expertise in all waste activities and excellent geographical coverage thanks to its 200 sites and offices in France and Switzerland, *"the group is now set to grow outside its home country. We already had a presence in 65 countries, selling raw materials recovered through recycling. The Services branch opens a whole new chapter in our international growth,"* announces Paprec's founder. With its Waste-to-Energy division, Paprec will acquire a footing in the United Kingdom, Poland, the United Arab Emirates and Azerbaijan, having developed its recycling activities in Switzerland for nearly ten years.

### **A propos de PAPREC Group :**

*The group was founded and has been headed since its creation by Jean-Luc Petithuguenin. With the acquisition of Coved on 5 April 2017, the recycling specialist has become a specialist in the full waste management chain. Over 25 years, it has grown from 45 to 12,500 employees working at over 220 sites in France and Switzerland. It has a turnover of €2bn.*

*Active in all existing recycling sub-sectors, the group is number one in plastic, paper, cardboard, and building waste recycling, as well as selective household collections. It is number two for the recycling of electrical and electronic equipment, and number three for organic waste, wood, biomass and routine industrial waste. Following the acquisition of Coved, the group is now the third-largest player in the French waste treatment sector and the largest recycling industry player.*

*From the outset, Paprec Group has been known and acknowledged for its commitment to promoting diversity, secularism and the fight against all forms of discrimination within the company. In October 2016, the Paprec Group received the Trophée Global Axa des Entreprises Responsables (Overall trophy of responsible companies, presented by Axa). And in November 2016, Jean-Luc Petithuguenin won the Entrepreneur of the Year award at the BFM Business Awards.*

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