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Making a sustainable future possible together

Cleanaway Waste Management Limited

Australia's leading total waste management services provider

FY24 half-year results presentation for the six months ended 31 December 2023

16 February 2024

Presenters

Mark Schubert, CEO and Managing Director

Paul Binfield, CFO

Disclaimer

This presentation contains summary information about the current activities of Cleanaway Waste Management Limited ("CWY") and its subsidiaries that should be read in conjunction with CWY's Consolidated Financial Report for the 6 months ended 31 December 2023 and associated results announcement released today as well as CWY's other periodic and continuous disclosure announcements lodged with the ASX which are available at www.asx.com.au.

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We use various Non-IFRS financial information to reflect our underlying performance. Unless otherwise stated, all earnings measures in this presentation relate to underlying earnings. Underlying earnings are categorised as non-IFRS financial information. Refer to CWY's Directors' Report for further information regarding "Underlying earnings". For further information, the reconciliation of non-IFRS financial information to our statutory measures, reasons for usefulness and calculation methodology, please refer to Non-IFRS Information set out on page 26 of this presentation. All non-IFRS information has not been subject to audit by CWY's external auditor.

Agenda

1. 1H FY24 Overview
2. Financial Performance
3. Segment Review
4. Strategy Progress & FY24 Outlook
5. Q&A

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Highlights

Continued strong EBIT growth and strategic momentum

- **Delivered strong financial performance** driven by new business, organic growth, the recovery of QLD Solids and emerging turnaround in Health Services, and operational discipline
- **Expanded EBIT margin** through embedding a branch-led culture with data analytics improving transparency and enabling improved performance
- **Progressed strategic growth** including the launch of VIC CDS operations, mobilisation of IWS Santos contract, and acceleration of transition of Eastern Creek Organics (GRL) to FOGO aligned to customer demand
- **Reduced GHG emissions** with landfill gas methane reduction tracking 15% ahead of the FY24 target emissions trajectory
- **Reaffirming FY24 EBIT guidance** of approximately $350 million
- **Continued strategic momentum** that will deliver our Blueprint 2030 mid-term ambition of more than $450 million EBIT in FY26, while steadily improving ROIC

Financial Highlights

Strong financial result driven by underlying business improvement, strategy execution and headwinds resolving

Net Revenue
$ 1,587.1m

↑ 7.9%
on 1H23

Net revenue growth $116.0m

Underlying EBITDA
$ 356.5m

↑ 10.6%
on 1H23

EBITDA margin 22.5%, ↑ 60 bp on 1H23

Underlying EBIT
$ 173.9m

↑ 25.7%
on 1H23

EBIT margin 11.0%, ↑ 160 bp on 1H23

Underlying NPAT
$ 82.7m

↑ 23.6%
on 1H23

Underlying EPS 3.7 cps, up ↑ 23.3% on 1H23

NOCF
$ 229.6m

↑ 12.9%
on 1H23

Leverage : 1.98x vs 1.94x as at end 1H23

Underlying ROIC 5.3%

↑ 90bps
on 1H23

Interim dividend 2.45 cps (unchanged)
Unfranked[1]

1: Cleanaway expects to resume dividend franking for the FY24 final dividend

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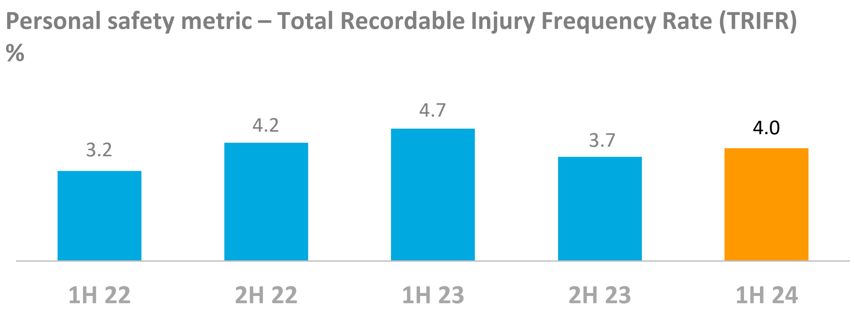
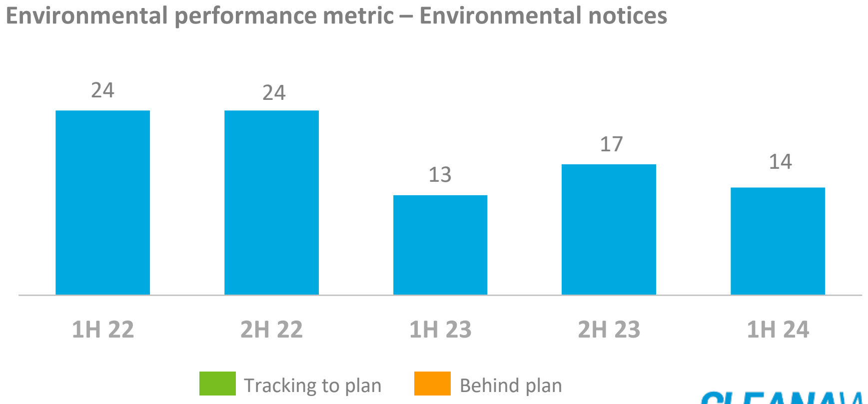
Foundations: Safety and Environment

Progressing our 5-year HS&E strategy and execution of transformation plan

1H FY24 achievements

- Culture: Introduced robust HSE performance improvements and cultural change framework
- Leadership capability: Commenced new Stronger Together HSE leaders program
- Critical risk program: Advanced the verification of controls and simplification of standards and tools
- Process safety: Delivered and commenced the roll out of a new computerised maintenance management solution for fixed assets
- Environmental compliance toolkits: Rolled out at over 90% of our sites
- Fire detection/suppression: Invested $6.3m in fire systems including installing 78 monitors at 40 high risk sites





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Foundations: People

Evolving our culture to deliver Blueprint 2030 as focus shifts to improving retention and productivity

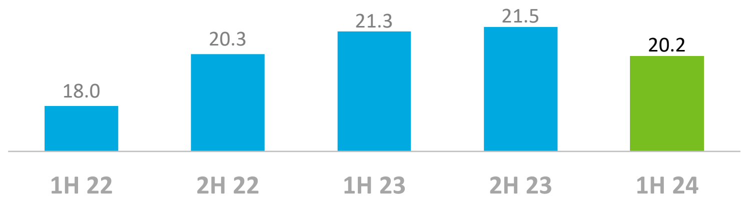
Stabilised workforce will increase productivity

- Vacancies slightly above historical run rate of 300 - 400
- Focus on onboarding and supporting new starters to become proficient
- Further labour productivity benefits to follow

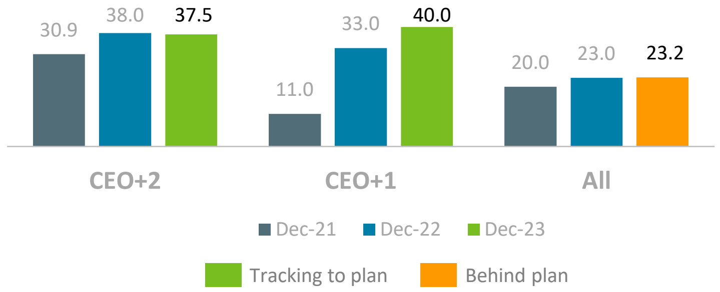
Building a safe, inclusive, high-performing culture

- Ongoing focus on gender diversity across the organisation
  - Women's Driver Academy delivered 27 drivers YTD with an additional ~75 drivers expected in 2H FY24
- Rolled out Respect@Cleanaway
  - Foundational, company-wide cultural change program
  - Introduced mandatory training for all employees
- Introducing a deeper leadership incentive plan aligned to the Executive FY26 'stretch' LTI
  - Creating an owner's mentality for 650 leaders
- New employee values to be launched in 2H FY24

12-month rolling voluntary turnover
%



Female participation
%



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Financial Performance

Financial Performance Summary

Strong financial result driven by underlying business improvement, strategy execution and headwinds resolving

	Underlying			Statutory		
$ (million)	1H24	1H23	Variance	1H24	1H23	Variance
Gross Revenue	1,871.6	1,777.9	5.3%	1,871.6	1,777.9	5.3%
Net Revenue	1,587.1	1,471.1	7.9%	1,587.1	1,471.1	7.9%
EBITDA	356.5	322.2	10.6%	344.5	298.5	15.4%
EBITDA Margin	*22.5%*	*21.9%*	*60 bps*	*21.7%*	*20.3%*	*140 bps*
EBIT	173.9	138.3	25.7%	161.9	114.6	41.3%
EBIT Margin	*11.0%*	*9.4%*	*160 bps*	*10.2%*	*7.8%*	*240 bps*
NPAT	82.7	66.9	23.6%	74.3	49.0	51.6%
NPATA[1]	88.2	72.6	21.5%	79.8	54.7	45.9%
Earnings Per Share[2]	3.7	3.0	23.3%	3.3	2.2	50.0%
ROIC	5.3%	4.4%	90 bps	4.9%	3.6%	130 bps

	1H24	1H23	Variance
Interim dividend per share (cents)	2.45	2.45	-
Cash from operating activities ($ million)	229.6	203.4	12.9%
Cash conversion ratio	88.2%	92.4%	(420) bps
Leverage ratio[3]	1.98x	1.94x	0.04x

1: Excludes tax effected amortisation of acquired customer and license intangibles. 2: Underlying EPS attributable to ordinary equity holders (OEH) based on NPAT attributable to ordinary equity holders of $81.6 m (1H23: $65.8) and 2,227.5m weighted average ordinary shares (1H23: 2,174.7m). 3: Ratios presented are for finance agreements covenant testing purposes. Refer to page 31.

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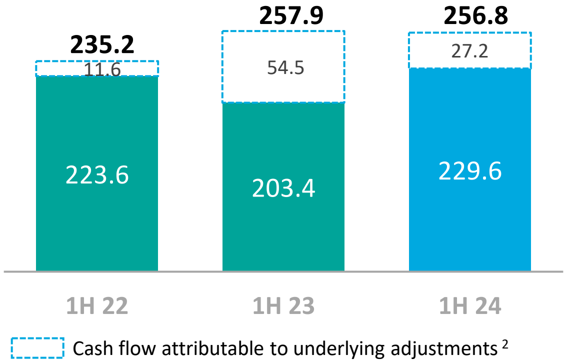
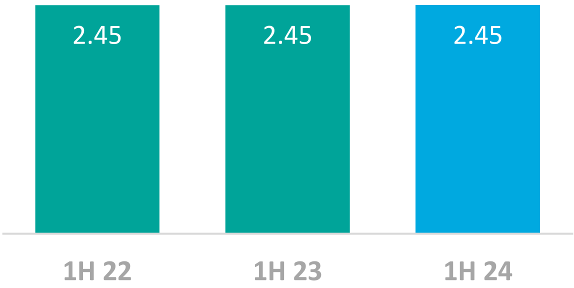
Net Operating Cash Flow

Strength of underlying business evident in steady cashflow during a period of higher interest rate payments

Net Operating Cash Flow ($ million)



Dividend (cents per share)



Commentary

- Net cash from operating activities increased by $26.2 million
  - \+ Underlying EBITDA
  - \+ Lower cash outflows attributable to underlying adjustments
  - – Higher interest payments due to higher interest rates
- Tight control over working capital maintained
- Cash conversion[1] 88.2% (pcp: 92.4%)
- Directors declared an interim unfranked dividend of 2.45 cents per share
- Ability to pay franked dividends temporarily impacted by beneficial Federal Government tax incentives reducing tax payable in FY23 and FY24
- Expect to resume dividend franking for the FY24 final dividend

1: Calculated as net cash from operating activities before remediation of landfills, underlying adjustments, net interest and tax divided by underlying EBITDA before share of profits from equity accounted investments. 2: Including a payment of $3.7 million (H1 23: $8.9 million) that was made relating to an outstanding uncertain tax matter in NZ dating back to 2011, which was clarified by a judgement of the NZ Supreme Court on a matter with circumstances similar to Cleanaway

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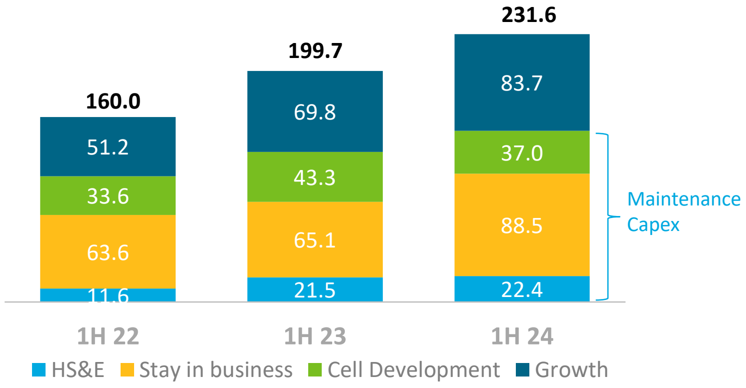
Capital Expenditure

FY24 total capital expenditure guidance remains $430-$450m, with D&A expected to be $370-$390m

Total capital expenditure[1] ($m)



Investing in a sustainable business

- Maintenance capex[2] sustainable run rate c.75% of D&A
- 1H FY24 HS&E capex included further development of landfill gas infrastructure, and fire detection and suppression equipment
- 1H FY24 SIB capex included contract renewals and extensions, fleet replacement and the insourcing of landfill operations at Kemps Creek

Investing in a growing business

- FY24 growth capex guidance remains $150 million
- Continually enhancing our capital allocation processes
  - Increased hurdle rates to reflect higher interest rate environment
  - Prioritising capital light options where appropriate
- FY24 growth capex projects to deliver continued efficiency and earnings growth include:
  - VIC CDS operations
  - CustomerConnect
  - Western Sydney MRF
  - Santos IWS contract
  - Energy-from-Waste
  - Eastern Creek Organics (GRL) FOGO transition
  - New (Muni and C&I) contract wins

1. Includes $24.9m of finance leases in 1H24 ($24.0m in 1H23 and $29.3 in 1H22) 2. Refers to total capex excluding growth

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Segment Review

Cleanaway comprises three segments, encompassing ten strategic business units, designed to create value through customer proximity while leveraging centralised enterprise services

Solid Waste Services

- New South Wales/ACT
- Queensland
- Victoria/Tasmania
- Western Australia/Northern Territory/ South Australia
- Construction & Demolition (C&D)
- Container Deposit Schemes (CDS)

Liquid Waste & Health Services

- Liquid & Technical Services (LTS)
- Health Services
- Hydrocarbons

Industrial & Waste Services

- Industrial & Waste Services (IWS)

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Solid Waste Services

Strong growth in NSW/ACT and QLD Solids, lower volumes in C&D and landfills

Financial performance

- \+ NSW/ACT Solids driven volume growth and actioned initiatives
- \+ QLD Solids recovery exceeding expectations
- \+ Pricing discipline
- \+ OCC price recovery and market stabilised
- \+ Landfill EBIT up on pcp, despite lower volumes
- ≈ Vacancies reduced, voluntary turnover improving and financial efficiencies starting to materialise
- – Repair and maintenance costs
- – Lower volumes from construction industry

Operational updates

- ✓ Successfully launched VIC CDS operations in over 140 locations
- ✓ Accelerated Eastern Creek Organics (GRL) FOGO transition
- ✓ On track to commission Western Sydney MRF in FY25
- ✓ Commenced operations of Victoria's largest PET plastic recycling facility at Altona

1: Financial results are presented on an underlying basis. Underlying is a non-IFRS measure that excludes non-recurring items. 2: Net revenue excludes landfill levies collected.

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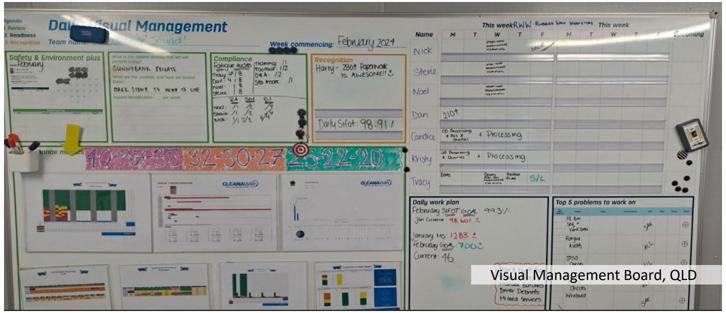
Solid Waste Services (cont'd)

Branch-led initiatives delivering earnings growth and enables frontline managers to focus on returns

QLD Solids turned around earlier than expected

- ✓ New management team and fleet[1] post 2022 floods
- ✓ Business set up to operate without New Chum
- ✓ Branch-led initiatives have delivered:
  - Reduced vacancies and overtime, lower turnover of drivers and mechanics
  - Increased profitability through cost control and data driven operational efficiency initiatives (e.g visual management boards)
  - Significant uplift in customer service (December 2023 SIFOT[2] 99.2% up from 97.7% December 2022)



Visual Management Board, QLD

1H24 landfill EBIT up on pcp, despite lower volumes

- Revenue and EBITDA lower than pcp, EBIT up on pcp as lower volumes were offset by price discipline, mix shift, as well as maximising compaction resulting in more efficient use of airspace (which lowers D&A)
- **MRL (VIC):** Market highly competitive. EBIT flat on pcp as prices were maintained and new, higher-margin waste codes offset the impact of lower volumes from softer C&D market and FOGO diversion
- **Kemps Creek (NSW):** EBIT up on pcp, driven by pricing discipline and cost control (including the insourcing of landfill operations to improve compaction and density) which more than offset lower volumes from softer C&D market
- **Lucas Heights (NSW):** Revenue base highly contracted. EBIT slightly down on pcp

1: Significant portion of the SE QLD solids fleet, 2: Service in Full and On Time

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Liquid Waste & Health Services

Continued growth in LTS; Health Services returned to profitability

Financial performance

+ LTS growth underpinned by large scale mining rehabilitation projects, and recycling of expired hand sanitiser for government agencies
+ Health Services transformation continued with the operation of the VIC autoclaves driving a return to profitability in Q2

≈ Hydrocarbons EBIT marginally down as the focus on driving higher quality base oil sales domestically mitigated the impact of lower oil prices

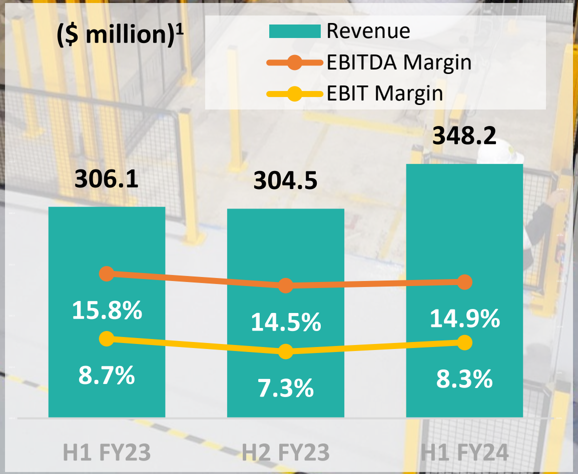
Operational updates

✓ LTS: Integration of Scanline (Australian Eco Oils) complete and delivering in line with business case

✓ Health Services: On track to deliver target annualised run rate of $15m EBIT in Q4 FY24

✓ Hydrocarbons: Investigating options to leverage the circular nature of this business

Net revenue	EBITDA	EBIT
$348.2m	$52.0M	$28.9m
UP 13.8%	UP 7.7%	UP 8.6%
(PCP $306.1m)	(PCP $48.3m)	(PCP $26.6m)



1: Financial results are presented on an underlying basis. Underlying is a non-IFRS measure that excludes non-recurring items

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Industrial & Waste Services

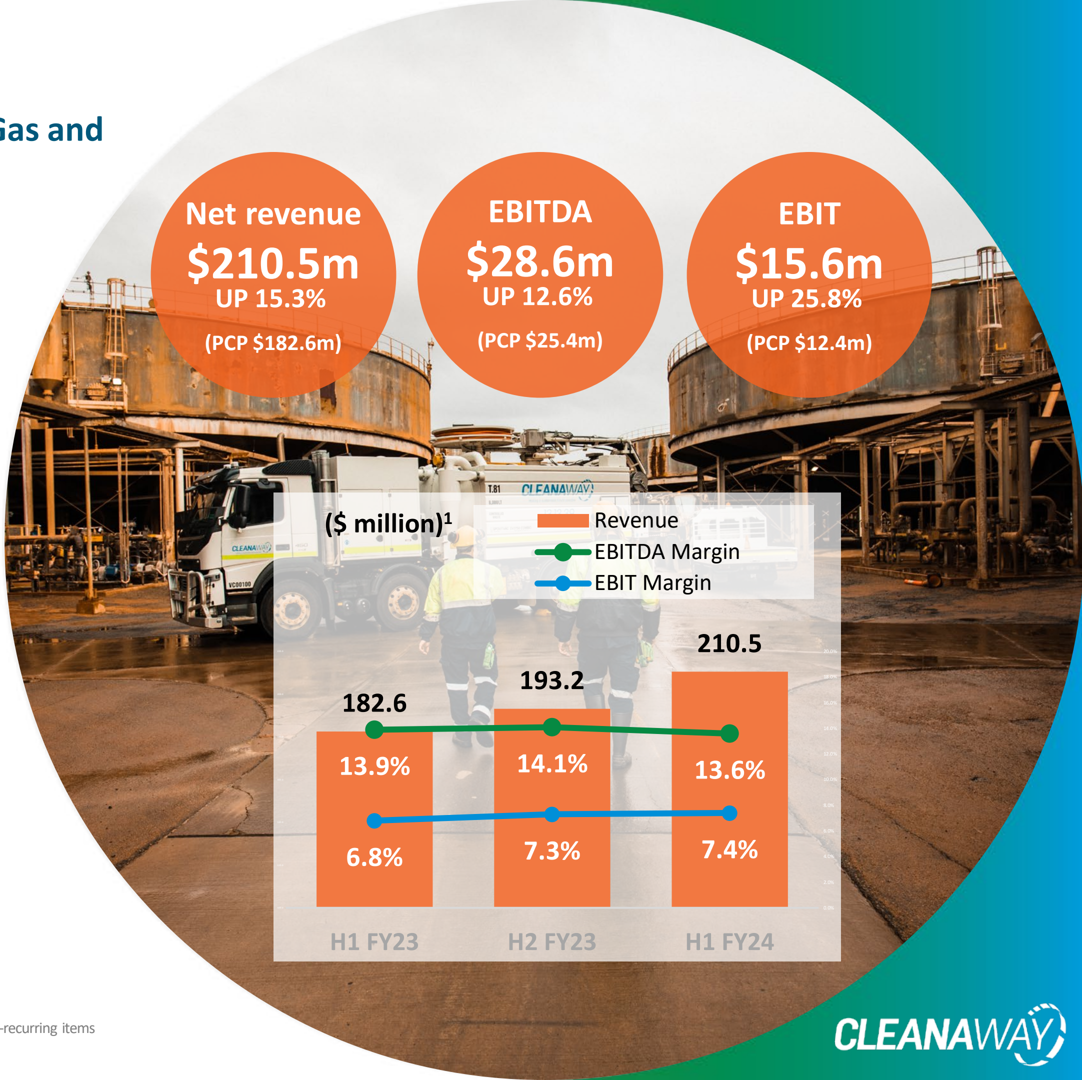
Doubled proportion of earnings from Tier 1 Oil & Gas and Resources companies

Financial performance

+ Strong revenue and EBIT growth driven by increased activity with existing customers and recently acquired key customers
+ Cost recovery through contract escalation clauses and rate card price increases
+ Focusing on larger, more complex , higher value tenders and renewals to drive further improvement in returns

Operational updates

✓ Continued strong re-sign win rate
✓ Established Project Management Office (PMO) to optimise project delivery and returns
✓ Exceeding growth targets for the proportion of earnings from the Oil & Gas sector



1: Financial results are presented on an underlying basis. Underlying is a non-IFRS measure that excludes non-recurring items

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Strategy Progress and FY24 Outlook



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Blueprint 2030 Growth Strategy

Building a safe and resilient platform to deliver sustainable customer solutions and growth

Footprint

GDP+ Growth

Operational Excellence

+ Improved Profitability

Strategic Infrastructure Growth

+ Accretive Investments

Sustainable Customer Solutions

+ Greater Market Share

FY23 EBIT $302m

Restoration EBIT ~$50m + Operational efficiency EBIT >$50m

Accretive investments EBIT ~$50m

A safe and resilient platform delivering more than $450m EBIT and improved ROIC in FY26

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Operational Excellence: Restoration of Performance

Foundations in place to restore performance in QLD Solids, Health Services and labour

QLD Solids

- **FY22:** SE QLD floods closed New Chum landfill and a portion of the fleet destroyed
- **FY23:** Tight labour market**,** reduced fleet and associated inefficiencies, decision to close New Chum landfill

ACTIONS

- ✓ New management team and fleet
- ✓ Reduced vacancies, increased employee retention and labour efficiency (VMBs[1])
- ✓ Improved customer experience, network efficiency and undertook cost control

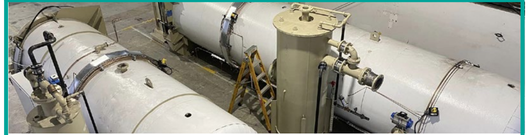
1H FY24 STATUS

- Recovery exceeding expectations. Business repositioned to operate without New Chum

NEXT STEPS

- Continue to drive remaining performance improvement plan

Health Services



- **FY20 - FY22:** COVID
- **FY22:** Hammermill outage
- **FY23:** Strained network, labour shortage, higher costs, poor customer experience

ACTIONS

- ✓ Two new autoclaves operational
- ✓ Increased sales practices and pricing discipline
- ✓ Focused on process optimisation and network efficiency

1H FY24 STATUS

- Recovery on track with return to profitability in Q2

NEXT STEPS

- Deliver target annualised run rate of $15m EBIT in Q4 FY24

Labour

- **FY22 - FY23:** Tight market conditions led to greater use of overtime and labour hire and sub-contractors

ACTIONS

- ✓ Filled vacancies through Women's Driver Academy, immigration and temporary Recruitment Process Outsourcing office
- ✓ Drove efficiency via labour KPI's, installed VMBs and implemented PowerBi reporting
- ✓ Progressive resolution of EAs[2]

1H FY24 STATUS

- Labour headwinds normalised, vacancies slightly above historical run rate ~ 300 – 400
- Some financial benefits emerging

NEXT STEPS

- Focus on first year retention
- Drive alignment of value drivers and roles
- Improve management of sub-contractors

1: Visual Management Board, 2 Enterprise Agreement

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Operational Excellence: Operational Efficiency

Data & Analytics: enabling branch and sales leaders to drive efficiencies and financial returns in real time

Customer Profitability

Provides transparency on customer and site profitability within our SWS business, giving our teams the opportunity to improve profitability through either efficiency initiatives or price.

- ✓ Enables fast detection of poor performing accounts
- ✓ Can **review and improve profitability at a site or portfolio level**

Labour Management

Provides daily labour productivity and efficiency metrics to our leaders to help manage our workforce.

- ✓ Tracks and reports **hours worked and overtime**
- ✓ Provides leading turnover indicators such as **absenteeism and leave**

Route Optimisation

Provides key metrics for our teams to manage route efficiency. Provides leads to the Sales Team to enable targeted business development.

- ✓ **Improves density which reduces the cost/lift** of the overall route

Subcontracted Services

Provides central oversight to business unit leaders of the profitability of our outsourced services, connecting supplier charges to customer revenue.

- ✓ Identifies margin erosion
- ✓ Allows for better decision-making and more informed supplier negotiations

Delivering Low Carbon, High Circularity Solutions

Pursuing emissions reduction for the benefit of Cleanaway and our customers

Strategic Infrastructure Growth

Sustainable Customer Solutions

Landfill gas capture

- Maximising capture of landfill gas to reduce **CO_2–e emissions** as well as increasing the **generation** of **renewable electricity sales** and **renewable gas** for our customers
- Over 480 wells drilled since Jul-22
- Reduces methane emissions
- Reduces **our Scope 1 emissions and reduces customer's Scope 3 emissions**

HVO100

- HVO100 is a renewable diesel alternative that can be made from used cooking oil (UCO)
- Greenhouse gas **emissions reduced by up to 91% vs fossil fuel diesel**
- As an **emissions reduction fuel source** allows us to **reduce our Scope 1 emissions** and our **customers' Scope 3 emissions**
- Scaling will require supportive policy

Energy-from-waste

- Well positioned to **leverage existing waste streams and national network** as feedstock
- Acquired sites in Wollert (VIC), Bromelton (QLD)
- Continuing to progress long lead time activities
- Combined landfill diversion and electricity generation from Efw reduces societal carbon footprint
- Sending customer waste to EfW facility offers a potential to reduce customers' **combined Scope 2 & 3 emissions**

Circular Plastics Australia (PET)[1]

- Opened Altona facility capable of **recycling 1bn PET plastic bottles** p.a. to produce 20kt of recycled PET resin
- Accepts feedstock all from Victoria CDS operators and MRF's
- **Recycled resin used to make new PET bottles**
- Joins our pelletising facility in Albury, NSW and HDPE/PP recycling facility in Laverton North
- Provides an Australian circular solution for bottlers

VIC CDS

- Launched Victorian CDS November 2023 with **over 140 collection points** across 28 LGA's **covering ~2m Victorians**
- Tomra Cleanaway JV awarded West Zone
- High quality commodities supports circular solutions

Driving value from recycling

1: Circular Plastics Australia (PET) is a joint venture partnership between Pact Group, Cleanaway Waste Management Ltd, Asahi Beverages, and Coca-Cola Europacific Partners (CCEP)

FY26 Financial Ambition and Scorecard

Blueprint 2030 aligned priorities	Capex	Dec-23
• Driving operational efficiency across SBU's including:		
– Growth in productivity of Queensland Network (slide 14 and 19)	Low	On track
– Restoration of Health performance and business transformation (slide 15 and 19)	Low	On track
– Deliver group-wide labour efficiency and productivity (slide 7 and 19)	Low	Behind target
• Deliver Data & Analytics major margin program (slide 20)	Low	On track
• Deliver "best of the best" facility/asset type operations	Low	On track
• Implement landfill gas capture and monetisation program (slide 21)	Med	On track
• Grow footprint and services including Western Sydney MRF, Vic CDS, FOGO transition, PFAS processing, etc. (slide 13 and 21)	High	On track
• Deliver CustomerConnect	High	On track

Foundations	Dec -23
People: Deliver cultural shift by embedding values and behaviours leading to improved engagement and employee retention (slide 7 and 19)	On track
Safety: Deliver 5-year strategy with continuous reduction in injury frequency and severity. Fewer significant process safety incidents (slide 6)	Behind target
Environment: No significant environmental incidents (slide 6)	On track
Carbon: Reduce emissions in line with targets (slide 21)	On track

Financial	Dec-23
• FY26 **EBIT** ambition of greater than $450m[1]	On track
• Steadily improving **ROIC**[1]	On track
• FY24-26 annual **capex** within envelope (slide 11)	On track
• Maintain investment grade credit profile	On track
• **Dividend policy:** 50-75% of underlying NPAT	On track

Other initiatives not included in FY26 financial ambition

- Material M&A or significant (>$50m) capex items (e.g. organics, resource recovery/recycling facilities) for which timing is unpredictable
- Financial benefits from People and HS&E strategies

1. Return on Invested Capital aligned to FY24 Long Term Incentive Plan

✓ Delivered | On track | Behind target | At risk | ✗ Not delivered

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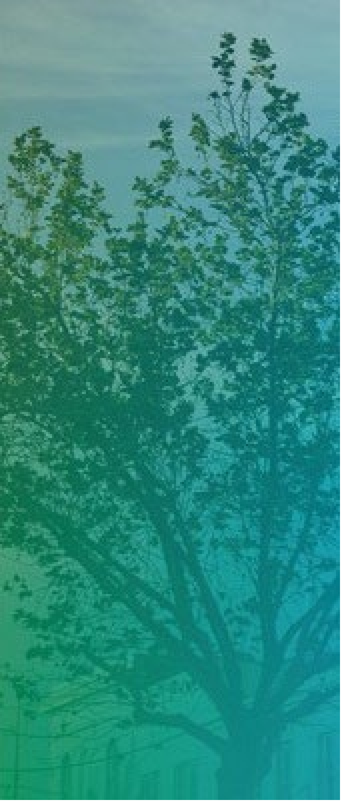

FY24 Outlook And Priorities

FY24 outlook

- Continue to expect FY24 EBIT of approximately $350m and depreciation and amortisation expenses of ~$370m - $390m.

2H FY24 priorities

- HS&E: Continue to deliver the 5-year transformation plan
- Labour: Focus on first-year retention and productivity improvement
- Operational excellence: Embed branch-led value drivers and Business Teams to drive margin expansion
- CustomerConnect: Execution of Release 1 (Q3)
- Improve capital expenditure process and project delivery

Mid-term ambition

- Remain on track to achieve FY26 EBIT ambition of more than $450m

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Questions



Appendices



Statutory NPAT to underlying NPAT reconciliation

$ (million)	H1 FY24
Statutory NPAT attributable to ordinary equity holders	**73.2**
Pre-tax adjustments:	
Integration costs	1.3
IT transformation	10.7
Total underlying adjustments to EBIT	**12.0**
Net finance cost of underlying adjustments	-
Tax impact of underlying adjustments	(3.6)
Total underlying adjustments	**8.4**
Underlying NPAT attributable to ordinary equity holders	**81.6**
Non-controlling interest	1.1
Underlying net profit after tax (NPAT)	**82.7**

Commentary

- Costs of $1.3 million associated with the integration of Global Renewables Holdings Pty Ltd were incurred during the period
- IT transformational project costs related to customisation and configuration of cloud-based software, which Cleanaway does not control and therefore the costs do not qualify for capitalisation as intangible assets

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Group Income Statement – Statutory and underlying results

$ (million)	Statutory Result		Adjustments		Underlying Result	
	H1 FY24	H1 FY23	H1 FY24	H1 FY23	H1 FY24	H1 FY23
Sales revenue external and other revenue (Gross Revenue)	1,871.6	1,777.9	-	-	1,871.6	1,777.9
Share of losses from equity accounted investments	(2.7)	0.6	-	-	(2.7)	0.6
Expenses (net of other income)	(1,524.4)	(1,480.0)	12.0	23.7	(1,512.4)	(1,456.3)
Total EBITDA	**344.5**	**298.5**	**12.0**	**23.7**	**356.5**	**322.2**
Depreciation, amortisation and write-offs	(182.6)	(183.9)	-	-	(182.6)	(183.9)
Total EBIT	**161.9**	**114.6**	**12.0**	**23.7**	**173.9**	**138.3**
Net cash interest expense	(41.6)	(31.1)	-	-	(41.6)	(31.1)
Non-cash finance costs	(15.0)	(13.9)	-	-	(15.0)	(13.9)
Changes in fair value	(0.3)	(0.4)			(0.3)	(0.4)
Profit before income tax	**105.0**	**69.2**	**12.0**	**23.7**	**117.0**	**92.9**
Income tax expense	(30.7)	(20.2)	(3.6)	(5.8)	(34.3)	(26.0)
Profit after income tax	**74.3**	**49.0**	**8.4**	**17.9**	**82.7**	**66.9**
Non-Controlling Interest	(1.1)	(1.1)	-	-	(1.1)	(1.1)
Attributable Profit after Tax	**73.2**	**47.9**	**8.4**	**17.9**	**81.6**	**65.8**
Weighted average number of shares	2,227.5	2,174.7	-	-	2,227.5	2,174.7
Basic earnings per share (cents)	**3.3**	**2.2**	**0.4**	**0.8**	**3.7**	**3.0**

Balance Sheet

$ (million)	31-Dec-23	30-Jun-23	31-Dec-22
ASSETS			
Cash and cash equivalents	60.6	102.1	124.9
Trade and other receivables	589.1	551.7	588.4
Inventories	53.3	31.2	34.3
Property, plant and equipment	1,724.1	1,577.9	1,505.5
Right-of-use assets	616.3	609.4	597.4
Intangible assets	3,085.2	3,072.5	3,096.8
Other assets	142.7	128.5	106.1
Total Assets	**6,271.3**	**6,073.3**	**6,053.4**
LIABILITIES			
Trade and other payables	496.4	495.3	506.9
Remediation and rectification provisions	636.5	639.7	543.2
Interest bearing liabilities	1,683.8	1,589.1	1,563.9
Deferred settlement liability	84.6	84.5	84.7
Other liabilities	400.6	319.3	330.3
Total Liabilities	**3,301.9**	**3,127.9**	**3,029.0**
Net Assets	**2,969.4**	**2,945.4**	**3,024.4**

Cash Flow

$ (million)	H1 FY24	H1 FY23
Underlying EBITDA	356.5	322.2
Cash flow of underlying adjustments	(23.5)	(45.6)
Other non-cash items	(2.5)	(0.6)
Payments for rectification and remediation of landfills	(19.1)	(11.1)
Other changes in working capital	(37.1)	(24.3)
Net interest paid	(40.6)	(28.7)
Tax paid	(4.1)	(8.5)
Net Cash from operating activities	**229.6**	**203.4**
Capital expenditure	(206.7)	(175.7)
Payments towards purchase of businesses [1]	(42.0)	(168.8)
Net proceeds from sale of PP&E	0.9	1.5
Net payments towards equity accounted investments	(9.6)	(1.8)
Dividends received from equity accounted investments	0.5	0.3
Net Cash used in investing activities	**(256.9)**	**(344.5)**
Net proceeds/(repayment of) from borrowings and leasing	40.1	(144.1)
Payment of debt and equity raising costs	(2.4)	(7.4)
Proceeds from issue of ordinary shares	-	400.0
Payment of ordinary dividend	(51.9)	(49.0)
Net Cash (used in)/from financing activities	**(14.2)**	**199.5**
Net (decrease)/increase in cash and cash equivalents	**(41.5)**	**58.4**
Opening Cash	**102.1**	**66.5**
Closing Cash	**60.6**	**124.9**

 Note 1: Includes fixed deferred settlement payments associated with the Melbourne Regional Landfill

Net Finance Costs

Net finance costs

$ (million)	H1 FY24	H1 FY23
Cash interest expense		
Bank interest and leases	29.6	22.2
Commitment and Guarantee fees	2.0	2.7
USPP Notes	11.6	7.6
Interest received	(1.6)	(1.4)
Net cash interest expense	**41.6**	**31.1**
Non-cash finance costs		
Amortisation of capitalised borrowing costs	0.7	0.7
Unwinding of discount on provisions	8.7	7.7
Unwinding of discount on MRL fixed payments	4.6	4.5
Amortisation of gain on modification of borrowings	1.0	1.0
Total non-cash finance costs	**15.0**	**13.9**
Changes in fair value		
Changes in fair value of derivative financial instruments and USPP Notes	0.3	0.4
Total changes in fair value	**0.3**	**0.4**
Total net finance costs	**56.9**	**45.4**

Balance Sheet, Liquidity and Covenants

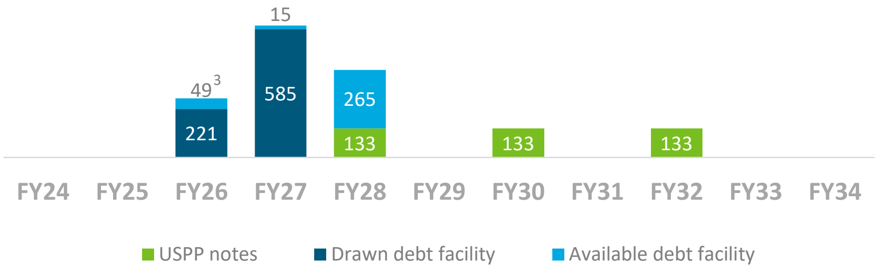
Overview

- Strong balance sheet positioned for growth
- At 31 December 2023, the Group had $320.4 million headroom under committed debt facilities
- Leverage ratio[2] of 1.98x
- The Group remains comfortably within its leverage ratio and interest cover ratio covenant limits
- Weighted average debt maturity of 3.9 years with next term loan facility not due until August 2025

Key ratios

$ million	H1 FY24	H1 FY23
Net Debt[1]	1,668.4	1,490.7
Gearing ratio	36.0%	33.0%
Leverage ratio[2]	1.98x	1.94x
Interest cover ratio[2]	10.17x	15.03x

Key finance facilities maturity profile, $ million



1. Net Debt includes cross-currency interest rate swaps (CCIRS) fair value liability of $45.2 million (31 December 2022: $51.7 million) 2. Covenant ratios under finance agreements are calculated on a pre AASB16 basis. Proforma adjustments for the Australian Eco Oil acquisition and certain other immaterial adjustments are made to the ratio calculations for covenant testing purposes. Non-cash finance costs are not included in the calculation of the interest cover ratio for covenant testing purposes. 3. Available headroom of $49m includes short term committed facilities of $9 million which can only be used for bank guarantees.

CLEANAWAY

1H 24 Underlying Segment Disclosures

$ (million)	Solid Waste Services	Industrial & Waste Services	Liquid Waste & Health Services	Equity Accounted Investments	Corporate & Other	Eliminations – Group	Group Result
Revenue							
Revenue from customers	1,329.3	203.5	311.6	-	-	-	1,844.4
Other revenue	16.5	-	10.7	-	-	-	27.2
Inter-segment sales	31.1	7.0	25.9	-	-	(64.0)	-
Gross Revenue	**1,376.9**	**210.5**	**348.2**	**-**	**-**	**(64.0)**	**1,871.6**
Net Revenue	**1,092.4**	**210.5**	**348.2**	**-**	**-**	**(64.0)**	**1,587.1**
Underlying EBITDA	**299.6**	**28.6**	**52.0**	**(2.7)**	**(21.0)**	**-**	**356.5**
Depreciation and amortisation	(140.6)	(13.0)	(23.1)	-	(5.9)	-	(182.6)
Underlying EBIT	**159.0**	**15.6**	**28.9**	**(2.7)**	**(26.9)**	**-**	**173.9**

Questions



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