Enviri Corporation announces sale of Reed Minerals

August 29, 2024

PHILADELPHIA, Aug. 29, 2024 (GLOBE NEWSWIRE) -- Enviri Corporation (NYSE: NVRI) announced today that it has sold its Reed Minerals business to Speyside Equity for $45 million in cash, subject to post-closing adjustments. Enviri expects to use the net cash proceeds from the transaction to reduce debt and further strengthen its balance sheet. Importantly, the Company has now surpassed its 2024 asset sale goal of $50 to $75 million of proceeds with this transaction.

Speyside Equity is a global private equity firm with $1.6 billion under management. It invests in industrial and manufacturing companies and has successfully invested in markets relevant to Reed Minerals in the past.

“Divesting Reed Minerals is yet another noteworthy transaction for Enviri as we continue to transform our business portfolio to focus on core markets and reduce our financial leverage,” said Enviri Chairman and CEO Nick Grasberger. “As with our other business transactions, the sale of Reed Minerals will further enable Enviri to focus on specific growth areas with increased financial flexibility. I want to recognize and thank our Reed Minerals colleagues for their leadership, diligence, and contributions to this strong business. I am confident that under Speyside’s ownership and its experience in relevant markets, Reed Minerals will benefit from enhanced innovation and growth.” Erik Wiklendt, Managing Director at Speyside Equity, said, “We look forward to working with the Enviri and Reed Minerals management teams and employees to build on this great company. Given Speyside’s demonstrated strengths, and with the addition of Speyside’s market experience, operational and financial resources, and focus on innovation, an ideal foundation for Reed Minerals future success will be created.”

Fifth Third Securities served as financial advisor to Enviri, and Squire Patton Boggs (US) LLP served as the Company’s legal advisor.

Forward-Looking Statements
The nature of the Company's business, together with the number of countries in which it operates, subject it to changing economic, competitive, regulatory and technological conditions, risks and uncertainties. In accordance with the "safe harbor" provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, the Company provides the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the results contemplated by forward-looking statements, including the expectations and assumptions expressed or implied herein. Forward-looking statements contained herein could include, among other things, statements about management's confidence in and strategies for performance; expectations for new and existing products, technologies and opportunities; and expectations regarding growth, sales, cash flows, and earnings. Forward-looking statements can be identified by the use of such terms as "may," "could," "expect," "anticipate," "intend," "believe," "likely," "estimate," "outlook," "plan," "contemplate," "project," "target" or other comparable terms.

Factors that could cause actual results to differ, perhaps materially, from those implied by forward-looking statements include, but are not limited to: (1) the Company's ability to successfully enter into new contracts and complete new acquisitions, divestitures, or strategic ventures in the time-frame contemplated or at all, including the Company's ability to divest the Rail business in the future; (2) the Company’s inability to comply with applicable environmental laws and regulations; (3) the Company’s inability to obtain, renew, or maintain compliance with its operating permits or license agreements; (4) various economic, business, and regulatory risks associated with the waste management industry; (5) the seasonal nature of the Company's business; (6) risks caused by customer concentration, the long-term nature of customer contracts, and the competitive nature of the industries in which the Company operates; (7) the outcome of any disputes with customers, contractors and subcontractors; (8) the financial condition of the Company's customers, including the ability of customers (especially those that may be highly leveraged or have inadequate liquidity) to maintain their credit availability; (9) higher than expected claims under the Company’s insurance policies, or losses that are uninsurable or that exceed existing insurance coverage; (10) market and competitive changes, including pricing pressures, market demand and acceptance for new products, services and technologies; changes in currency exchange rates, interest rates, commodity and fuel costs and capital costs; (11) the Company's ability to negotiate, complete, and integrate strategic transactions and joint ventures with strategic partners; (12) the Company’s ability to effectively retain key management and employees, including due to unanticipated changes to demand for the Company’s services, disruptions associated with labor disputes, and increased operating costs associated with union organizations; (13) the Company's inability or failure to protect its intellectual property rights from infringement in one or more of the many countries in which the Company operates; (14) failure to effectively prevent, detect or recover from breaches in the Company's cybersecurity infrastructure; (15) changes in the worldwide business environment in which the Company operates, including changes in general economic and industry conditions and cyclical slowdowns; (16) fluctuations in exchange rates between the U.S. dollar and other currencies in which the Company conducts business; (17) unforeseen business disruptions in one or more of the many countries in which the Company operates due to changes in economic conditions, changes in governmental laws and regulations, including environmental, occupational health and safety, tax and import tariff standards and amounts; political instability, civil disobedience, armed hostilities, public health issues or other calamities; (18) liability for and implementation of environmental remediation matters; (19) product liability and warranty claims associated with the Company’s operations; (20) the Company’s ability to comply with financial covenants and obligations to financial counterparties; (21) the Company’s outstanding indebtedness and exposure to derivative financial instruments that may be impacted by, among other factors, changes in interest rates; (22) tax liabilities and changes in tax laws; (23) changes in the performance of equity and bond markets that could affect, among other things, the valuation of the assets in the Company's pension plans and the accounting for pension assets, liabilities and expenses; (24) risk and uncertainty associated with intangible assets; and the other risk factors listed from time to time in the Company's SEC reports. A further discussion of these, along with other potential risk factors, can be found in Part I, Item 1A, “Risk Factors” of the Company’s most recently filed Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, which are filed with the Securities and Exchange Commission. The Company cautions that these factors may not be exhaustive and that many of these factors are beyond the Company's ability to control or predict. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. The Company undertakes no duty to update forward-looking statements except as may be required by law.

About Enviri
Enviri is transforming the world to green, as a trusted global leader in providing a broad range of environmental services and related innovative solutions. The Company serves a diverse customer base by offering critical recycle and reuse solutions for their waste streams, enabling customers to

address their most complex environmental challenges and to achieve their sustainability goals. Enviri is based in Philadelphia, Pennsylvania and operates in more than 150 locations in over 30 countries. Additional information can be found at www.enviri.com.

About Speyside Equity
Speyside Equity makes control investments in middle-market industrial manufacturing businesses with histories of profitability. Targeted deals often possess transactional complexity such as carve-outs of large multinational companies, industry consolidations, family-owned businesses, and other special situations. Target investments typically have revenues of up to $500 million, but can exceed that range on a case-by-case basis. The firm's senior investment team members have extensive transactional, operations, and performance improvement experience from their roles at Speyside and prior positions.

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