

Mondi plc

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(Incorporated in England and Wales)

(Registered number: 6209386)

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Mondi to acquire Western Europe Packaging Assets of

Schumacher Packaging

- Strengthens Mondi's corrugated converting footprint in Europe with highly complementary assets, increasing capacity by over 1 billion square meters
- Provides integration benefits with the Group's leading containerboard operations in Europe
- Includes two state-of-the-art mega-box plants in Germany, located at Ebersdorf and Greven, securing significant capacity to meet the growing demand for sustainable packaging
- Enterprise value of â,~634 million, to be financed from existing facilities.Â Earnings per share accretive in the first full financial year following completion

Mondi plc ("Mondi" or the "Group"), a global leader in the production of sustainable packaging and paper, today announces that it has entered into an agreement to acquire the German, Benelux and UK corrugated converting and solid board operations of Schumacher Packaging¹("the Acquisition"). Â This Acquisition will expand Mondi's corrugated footprint in Western Europe and add complementary fibre-based products, focused on eCommerce and FMCG, to enhance its existing customer offering.

Today's announcement is in line with Mondi's strategy to expand its Corrugated Packaging business in Europe and adjacent markets; to invest in cost advantaged assets; to further integrate upstream and downstream operations to ensure security of supply for customers and optimised operations, and to continue to partner with customers to deliver innovative solutions.Â

The Acquisition comprises seven corrugated converting plants, two solid board mills and four solid board converting plants. These operations complement Mondi's existing network of corrugated plants across Central and Eastern Europe, adding over 1 billion square meters of capacity when fully operational.Â Among the acquired sites are two state-of-the-art mega-box plants in Germany, located at Ebersdorf and Greven, which have best-in-class production speed and operational efficiency as well as a highly skilled workforce with a culture aligned with Mondi's.Â

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Expanding Mondi's eCommerce offering-particularly in Germany, the largest packaging market in Europe-presents significant opportunities to introduce the Group's unique range of products to a wider array of customers as they increasingly transition towards more sustainable packaging solutions.Â

In 2023, Schumacher Packaging's Western European Packaging Assets delivered an adjusted EBITDA of â,~66 million.Â The EBITDA contribution is expected to increase as the recently added capacity at Greven, following a significant investment programme, ramps up, and the identified â,~22 million of cost synergies are realised over the three years following completion. This excludes expected one-off cash costs to achieve of approximately â,~18 million.

Commenting on the Acquisition, **Andrew King, Mondi Group CEO**, said:

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"Our focus is on investing to meet the growing market demand for sustainable packaging while driving value for our stakeholders.Â This acquisition significantly increases our corrugated converting capacity, extends our reach across Western Europe, and offers strong downstream integration opportunities, while broadening our customer offering with a complementary fibre-based product range.Â

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"We are delighted to be acquiring these assets and look forward to welcoming our new Schumacher Packaging colleagues and customers to Mondi.Â On completion, Mondi will have an enhanced customer proposition and a strong platform for further growth."

The transaction, which is subject to certain customary regulatory approvals, is expected to close in the first half of 2025.

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Mr Bjoern Schumacher and Mr Hendrik Schumacher, co-CEOs of Schumacher Packaging who have been instrumental in the development of the business over many years, will be retained, respectively, as a strategic adviser and as Chief Operating Officer Solid Board. We welcome their continued involvement to ensure a smooth transition and support the ongoing development of the combined business.

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Mondi will publish its third quarter trading update as planned, on Thursday 17 October 2024 at 0700 hours London (0800 hours Johannesburg).

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1. Corrugated converting sites include Bielefeld, Ebersdorf, Greven, Lehrte, Sonneberg, in Germany, Breda in the Netherlands and Birmingham in the UK
Solid Board mills at Kaierde and Schwarzenberg with conversion sites at Hauenstein, Forchheim, Schwarzenberg and Leipzig-Land (all Germany)

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Conference call for analysts and investors to discuss the Acquisition

A webinar will be held today at 08:30 (BST), 09:30 (CET/SAST).

Event registration link: https://storm-virtual-uk.zoom.us/webinar/register/WN_Pr1NzHyAT0G7Z5VK3Q3fEw

Once registered, you will receive a confirmation email from 'MONDI GROUP Events' with the webinar link and ID.Â

A replay will be available on Mondi's website within a couple hours after the end of the live results presentation at:

<https://www.mondigroup.com/investors/results-reports-and-presentations/>

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FTI Consulting

Editors' notes

Mondi is a global leader in packaging and paper, contributing to a better world by producing products that are sustainable by design. We employ 22,000 people in more than 30 countries and operate an integrated business with expertise spanning the entire value chain, enabling us to offer our customers a broad range of innovative solutions for consumer and industrial end-use applications. Sustainability is at the centre of our strategy, with our ambitious commitments to 2030 focused on circular driven solutions, created by empowered people, taking action on climate.

In 2023, Mondi had revenues of â7.3 billion and underlying EBITDA of â1.2 billion. Mondi is listed on the London Stock Exchange in the ESCC category (MNDI), where the Group is a FTSE100 constituent. It also has a secondary listing on the JSE Limited (MNP).

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Sponsor in South Africa: Merrill Lynch South Africa Proprietary Limited t/a BofA Securities.

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