

Mondi plc

(Incorporated in England and Wales)
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1 August 2024

Results for the six months ended 30 June 2024

Mondi, a global leader in the production of sustainable packaging and paper, today announces its results for the six months to 30 June 2024 ("first half" or "H1 2024").

H1 2024 - key points

- **Robust performance with underlying EBITDA of €565 million - trading in line with our expectations**
- **Second quarter underlying EBITDA benefitted from rescheduled maintenance shuts and a higher than expected forestry fair value gain, together totalling approx. €40 million**
- **Continued progress delivering organic growth investments - on track and on budget**
- **Supporting shareholder distributions through ordinary and special dividends**

Andrew King, Mondi Group Chief Executive Officer, commented:

"Our underlying EBITDA of €565 million in the first six months, although lower than the comparable period last year, reflected an encouraging performance, supported by improving market conditions resulting in stronger order books and higher sales volumes. This enabled us to implement a number of price increases across our paper grades. Alongside lower input costs, we delivered a sequential improvement in underlying EBITDA when compared to the second half of 2023. The benefit of the price increases will continue into the second half of the year. The second half is expected to be impacted by higher planned maintenance shuts and a likely forestry fair value loss.

"We continue to invest through-cycle to grow our business, enhancing our unique packaging and paper platform and broad product offering. Of our €1.2 billion organic growth investments, we will have invested around 80% by the end of this year, with operations currently ramping up following the modernisation of our Kuopio mill, the debottlenecking of our Świecie mill and the two expanded box plants in Poland. Overall, our organic growth investments are expected to deliver a meaningful EBITDA contribution from 2025."

€ million, except where noted	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 31 December 2023
From continuing operations			
Group revenue	3,739	3,881	3,449
Underlying EBITDA ¹	565	680	521
Underlying EBITDA margin ¹	15.1%	17.5%	15.1%
Profit before tax	296	418	264
Basic underlying earnings per share (euro cents) ^{1,2}	50.5	67.0	40.8
Basic earnings per share (euro cents) ²	44.5	63.7	39.8
Interim dividend per share (euro cents) ²	23.33	23.33	
Special dividend per share (euro cents) ²	160.00		
Cash generated from operations	372	554	758
Net debt to underlying EBITDA (times) ¹	1.5	0.8	0.3
Return on capital employed (ROCE) ¹	10.8%	19.1%	12.8%

Notes:

1 The Group presents certain measures that are not defined or specified according to International Financial Reporting Standards. Refer to the Alternative Performance Measures (APMs) section at the end of this document for further detail.

2 Per share metrics for the six months ended 30 June 2024 (except for the special dividend) include the impact of the share consolidation effective in January 2024. Refer to notes 7, 8 and 10 in the condensed consolidated financial statements for further information.

Mondi delivered a robust performance in the first half of 2024 on the back of improving market conditions. This performance was supported by our continued focus on quality, reliability and offering our customers a broad range of sustainable packaging and paper solutions.

Underlying EBITDA of €565 million with margin of 15.1% was below the comparable period (H1 2023: €680 million, 17.5%) primarily due to lower average selling prices and inflationary personnel and operating cost pressures despite the improvement in sales volumes and the reduction in input costs.

Whilst improving market demand and customer restocking led to an increase in our volumes in the first half of the year, prices were, on average, lower than the first half of 2023 as a result of the substantial price declines seen throughout 2023. However, the improving market conditions enabled a number of price increases to be implemented across all our paper grades over the course of the first half of the year. The full benefit of these increases are expected to come through in the second half of this year.

Overall, input costs were lower in the period compared to the first half of 2023, mostly due to lower wood and energy prices. As we enter the second half of 2024, overall input costs are stable despite recent increases in paper for recycling prices.

Return on capital employed was lower at 10.8% (31 December 2023: 12.8%), calculated on a rolling 12-months basis.

The Group continues to generate good cash flows and maintains a strong financial position, which provides the platform to continue investing in the business through-cycle alongside paying dividends to shareholders. Cash generated from operations of €372 million was lower than the prior year (H1 2023: €554 million) mainly due to an increase in working capital in line with the improving market environment.

Net debt to underlying EBITDA at 30 June 2024 was 1.5 times due to ongoing investment in the business and payment of a special dividend.

An interim dividend of 23.33 euro cents per share has been declared (H1 2023: 23.33 euro cents per share).

Further progress on delivering our strategy

Mondi has a clear strategy to deliver value accretive growth, sustainably. This includes extending our market leadership positions and scale in our key packaging markets. For Flexible Packaging, our focus is on leveraging our unique platform by building on our global leadership positions in kraft paper and paper bags and developing our niche positions in consumer flexibles, while bringing together the capabilities from across the platform to deliver innovative, sustainable packaging solutions. For Corrugated Packaging, our focus remains on growing in Europe and adjacent markets given our strong and integrated positions in these regions. In Uncoated Fine Paper we continue to optimise our existing assets and market leading positions in selected regional markets.

We continue to invest in upstream and downstream assets to deliver organic growth, enhance cost competitiveness, improve environmental performance and drive synergistic benefits of our integrated business model. This enables us to further strengthen our broad range of innovative sustainable solutions, and partner with customers to contribute to a circular economy. Our people are at the heart of our business, and we are committed to fostering a safe, motivating and inclusive work environment, aligned with our values of Performance, Care and Integrity.

Delivering organic growth investments - on track and on budget

We seek to invest through-cycle, by leveraging our strong financial position, leading market positions and confidence in the long-term structural growth of the packaging markets we operate in.

We are making good progress on our organic growth investments. Our €1.2 billion of organic growth investments remain on track and on budget. These projects are diversified across our value chain, products and geographic reach and comprise €0.6 billion of investments in Corrugated Packaging and €0.6 billion of investments in Flexible Packaging. By the end of 2024, we will have invested around 80% of the €1.2 billion.

Our projects are expected to take two to three years to achieve full production following their start-up, and deliver mid-teen returns through-cycle when fully operational. We expect these projects to deliver a meaningful EBITDA contribution from 2025.

Advancing our sustainability performance through the Mondi Action Plan 2030

We have a long track record of delivering sustainably and continue to be recognised as a leader in sustainable practices. During the period, we maintained our top 'A' scores for forestry and water security and an 'A-' score in climate change in CDP's 2023 disclosures. We also achieved Platinum status in EcoVadis' Corporate Social Responsibility (CSR) ratings, placing us among the top 1% of global companies assessed for the eighth consecutive year. These achievements, alongside other awards and recognitions, underscore our continued dedication to sustainable practices and transparent reporting towards achieving our ambitious commitments set out in the Mondi Action Plan 2030 (MAP2030).

We are making good progress delivering circular solutions to our customers as we continue to develop innovative packaging and paper products that are sustainable by design. For example, we developed TrayWrap, a secondary paper packaging solution made with Mondi's kraft paper that replaces plastic shrink film for wrapping bundles of food and drinks. This new solution is being used by a coffee brand to securely transport its coffee packages across Sweden. Another innovation includes FlexiBag Reinforced, a recyclable and cost-effective mono-material plastic packaging solution incorporating post-consumer recycled content offering high barrier protection, making it the ideal solution for German pet food producer mera's 'pure green' dry pet food packaging range.

Our relentless focus on employee safety, wellbeing and personal development continues to be a top priority for the Group. Our initiatives support and provide opportunities for our people to build skills that support long-term employability, empower decision making and provide purposeful employment in a diverse and inclusive workplace.

We continue to take action on climate and make good progress towards achieving our 2030 milestone in support of our Net-Zero commitment by 2050. Our investments to reduce our reliance on fossil fuels and make our operations more energy efficient are progressing well, most notably the modernisation investment at our Dynäs mill (Sweden) and the installation of a power boiler at our Richards Bay mill (South Africa).

Business unit review

Corrugated Packaging

Mondi is a leading producer of corrugated packaging with a cost-competitive asset base and strong customer offering focused on quality and reliability. We are the leading virgin containerboard producer in Europe and the largest containerboard producer in emerging Europe. Our virgin containerboard is a high-quality product with excellent properties for specialised end-use applications, ideal to meet our customers' needs around the globe.

We are also a leading corrugated solutions producer across central and emerging Europe. We leverage our integrated production network and partner with our customers to create fully recyclable corrugated boxes and packaging.

€ million, except for percentages	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 31 December 2023
Segment revenue	1,103	1,187	1,093
Underlying EBITDA	143	188	122
Underlying EBITDA margin	13.0%	15.8%	11.2%
ROCE	5.2%	15.8%	7.7%

Corrugated Packaging delivered underlying EBITDA of €143 million with a margin of 13.0%. This was down on the prior year (H1 2023: €188 million, 15.8%) mainly due to lower average containerboard selling prices and inflationary personnel and operating cost pressures exceeding the benefit of lower input costs. Corrugated Solutions delivered a stable financial performance.

In Containerboard, our sales volumes were broadly flat compared to the comparable prior year period as the business continued to deliver its strong customer offering with its broad range of high-quality paper grades. Selling price increases were successfully achieved during the period across all paper grades. Average prices for the period were however below average prices in the first half of 2023 and at similar levels to the second half of 2023. As we enter the second half of the year, prices are now higher than the first half of 2024.

Corrugated Solutions achieved 3% box volume growth compared to H1 2023 supported by the growing demand for eCommerce and sustainable packaging solutions, together with improving demand in consumer end-use applications. We anticipate recent paper price increases to be passed through our converting operations as we progress through the second half of the year.

We continue to invest through-cycle in our high-quality asset base. In Containerboard, we are ramping up capacity following the completion of our €125 million modernisation investment at our Kuopio mill (Finland). This project will increase semi-chemical fluting capacity by 55,000 tonnes while enhancing efficiency and improving environmental performance. We have also recently completed the €95 million debottlenecking project at our Świecie mill (Poland) which will increase kraftliner capacity by 55,000 tonnes. Our €200 million investment at our Duino mill (Italy) to convert the existing paper machine into a high-quality, cost-competitive recycled containerboard machine with an annual capacity of 420,000 tonnes is ongoing. Start-up of the machine is expected in the first half of 2025.

In our Corrugated Solutions' converting operations, we recently started up the investments at our Simet and Warsaw plants in Poland, transforming these sites into state-of-the-art corrugated packaging facilities tailored to serve the specialised needs of our customers in Poland and beyond.

Flexible Packaging

We are a global flexible packaging producer, integrated across the value chain with a unique portfolio of solutions. As a global leader in the production of kraft paper and paper bags, our well-invested mills produce high-quality kraft paper that is converted into strong, lightweight paper-based packaging. With our high level of integration across the value chain, our customers come to us for scale, security of supply and global reach.

We are also a leading producer of consumer flexible packaging in Europe and have broad coating capabilities which together provide an extensive and unique range of paper, plastic and hybrid packaging solutions.

€ million, except for percentages	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 31 December 2023
Segment revenue	2,024	2,062	1,804
Underlying EBITDA	276	343	294
Underlying EBITDA margin	13.6%	16.6%	16.3%
ROCE	12.1%	17.2%	14.4%

Flexible Packaging's underlying EBITDA was €276 million with margin of 13.6% (H1 2023: €343 million, 16.6%) as higher sales volumes and reduced input costs were offset by lower average selling prices, inflationary personnel and operating cost pressures and a €32 million one-off currency loss from the devaluation of the Egyptian pound in the period, as previously reported.

In Kraft Paper, improvements in market demand and our continued focus on innovative solutions supporting our customers seeking sustainable packaging solutions, led to higher sales volumes compared to H1 2023. As a response to stronger order books, the business successfully achieved selling price increases during the period. As we enter the second half of the year, prices are now higher than the first half of 2024.

In Paper Bags, sales volumes were at similar levels to the prior year but improved as we progressed over the period. Average pricing was however lower compared to H1 2023 mainly as a result of lower paper input costs. We anticipate recent paper price increases will be passed through our converting operations as we progress through the second half of the year.

Consumer Flexibles and Functional Paper and Films delivered good performances with improved margins compared to the H1 2023, continuing to offer customers a broad range of innovative packaging solutions.

We are making good progress on our organic growth investments across our platform. Our €400 million investment in a new 210,000 tonne per annum kraft paper machine and pulp mill upgrade at our Štětí mill (Czech Republic) is progressing well, with ramp up expected from the first half of 2025. We also have a number of investments across our converting plant network including expanding and upgrading the global reach of our paper bag network, investments to consolidate our leading position in European pet food packaging, and projects to enhance our European coating capabilities.

During the period we completed the acquisition of the Hinton Pulp mill in Alberta (Canada) for USD 5 million and have a strong leadership team in place focused on optimising the pulp mill and undertaking feasibility studies for a kraft paper machine. The mill has the capacity to produce around 250,000 tonnes of pulp per annum and provides the Group with access to local, high-quality fibre from a well-established wood basket.

Uncoated Fine Paper

Our Uncoated Fine Paper business produces a wide range of home, office, converting and professional printing papers at our mills in central Europe and South Africa. We have strong customer relationships, leveraging our leading positions in these regions. We also produce and sell market pulp to customers around the world.

€ million, except for percentages	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 31 December 2023
Segment revenue	669	690	602
Underlying EBITDA	166	168	121
Forestry fair value gain	49	86	42
Underlying EBITDA excluding forestry fair value gain	117	82	79
Underlying EBITDA margin	24.8%	24.3%	20.1%
ROCE	20.1%	33.2%	20.6%

In Uncoated Fine Paper, underlying EBITDA was €166 million with margin of 24.8%. The business delivered higher sales volumes and exhibited good cost control, however lower average selling prices and a lower forestry fair value gain resulted in a similar underlying EBITDA to the prior year (H1 2023: €168 million).

European uncoated fine paper market conditions improved while in South Africa, market demand was lower than the comparable prior year period.

Uncoated fine paper price increases were implemented at the start and during the period. As we enter the second half of the year, prices are broadly in line with H1 2024 average prices. Pulp prices increased sharply during the period and were on average similar to the comparative prior year period.

The forestry fair value gain was €49 million in the first half of 2024 (H1 2023: €86 million). Due to the decrease in wood prices in South Africa since the balance sheet date, current prices would likely lead to a forestry fair value loss in the second half of 2024.

Our Uncoated Fine Paper business remains well placed, with strong customer relationships, underpinned by a broad product portfolio, integrated asset base and excellent service.

Finance review

Group performance

Mondi delivered Group revenue of €3,739 million and underlying EBITDA of €565 million (H1 2023: €3,881 million and €680 million, respectively). Lower average selling prices and inflationary personnel and operating cost pressures mitigated by a reduction in input costs led to an underlying EBITDA margin of 15.1% (H1 2023: 17.5%).

Personnel, maintenance and other net operating expenses were higher compared to H1 2023 driven by inflationary cost pressures, a lower forestry fair value gain, a one-off currency loss in the period from the devaluation of the Egyptian pound and income received in the prior year from an insurance claim.

The impact of maintenance shuts during the period was lower than previously expected due to the rescheduling of the maintenance shut at our Richards Bay mill (South Africa) from the second quarter of the year to the third quarter. We therefore expect the underlying EBITDA impact from shuts in the second half of the year to be around €80 million when compared to around €20 million impact in the first half of the year.

Depreciation and amortisation charges of €210 million were up year-on-year (H1 2023: €199 million) as a result of the Group's ongoing capital investment programme. We continue to expect the full year's charges at €425-450 million.

Net finance costs of €31 million were lower than the comparable period (H1 2023: €43 million) driven mainly by currency mix effects. Following the issuance of a €500 million Eurobond in May 2024, further strengthening the liquidity position and extending the maturity profile of the Group's debt, our full year expectation for net finance costs is around €80 million.

The underlying tax charge for the year was €71 million giving an effective tax rate of 22.0% (H1 2023: €102 million, 23.2%). We expect the full year's effective tax rate to remain around 22-23%.

The Group paid a €1.60 per share special dividend to shareholders during the period, returning the net proceeds received from the sale of all the Group's Russian assets as planned. The special dividend was accompanied by a share consolidation whereby shareholders received 10 new ordinary shares for every 11 existing ordinary shares held. Including the impact of the share consolidation, basic underlying earnings were 50.5 euro cents per share (H1 2023: 67.0 euro cents per share based on weighted average number of shares prior to consolidation).

After taking the effect of special items into account, which comprised the closure of a paper bags plant in Maastricht, Netherlands (€14 million) and costs relating to the aborted all-share combination with DS Smith plc (€13 million), basic earnings were 44.5 euro cents per share (H1 2023: 63.7 euro cents per share, special items after tax charge of €16 million).

Return on capital employed was 10.8% (31 December 2023: 12.8%), calculated on a rolling 12-months basis.

Cash flow

Cash generated from operations was €372 million (H1 2023: €554 million), which included an increase in working capital of €160 million in line with the improving market environment in the period (H1 2023: €37 million). As a percentage of revenue, working capital was broadly in line with the first half of last year at 17.9% (H1 2023: 17.0%). We expect this to reduce over the second half of the year and end the year towards our 12-14% through-cycle range.

Capital expenditure cash payments were €397 million (H1 2023: €310 million) as we progress with our organic growth investment projects. Our total capital expenditure cash payments in 2024 are expected to be towards the upper end of our previously guided range at around €900 million due to the timing of expected cash payments.

Tax paid was €71 million (H1 2023: €91 million) and interest paid was €61 million (H1 2023: €68 million) including derivative interest.

The Group returned €978 million of dividends to shareholders during the period. This comprised the payment of the 2023 final ordinary dividend in May 2024 totalling €209 million (H1 2023: €231 million) and a €1.60 per share special dividend in February 2024 from the disposal of the Group's Russian operations in 2023 totalling €769 million.

Liquidity, treasury and borrowings

The Group continues to maintain a strong financial position. Net debt at 30 June 2024 was €1,603 million, up from €419 million at 31 December 2023, due to the ongoing investment in the business and the payment of dividends to shareholders. Net debt at 31 December 2023 included the proceeds received in 2023 from the disposal of the Group's previously owned Russian operations, which were subsequently distributed to shareholders in February 2024. As a result, net debt to underlying EBITDA at 30 June 2024 was 1.5 times (31 December 2023: 0.3 times).

In April 2024, the Group redeemed a €500 million Eurobond on maturity and in May 2024, issued a 3.750% €500 million Eurobond with an 8-year tenor, thereby extending the Group's maturity profile and further strengthen our liquidity position. At 30 June 2024, we had available liquidity of €1.2 billion comprising €754 million of undrawn committed debt facilities and cash and cash equivalents of €411 million. The weighted average maturity of our committed debt facilities was 3.9 years at 30 June 2024 with no significant short-term debt maturities. Our financing agreements do not contain financial covenants.

The Group maintains its investment grade credit ratings and has an A- (stable outlook) credit rating from Standard & Poor's and a Baa1 (stable outlook) credit rating from Moody's Investors Service.

Principal risks and uncertainties

The Board is responsible for the effectiveness of the Group's risk management activities and internal control processes. It has put procedures in place for identifying, evaluating, and managing the risks faced by the Group. In combination with the Audit Committee, the Board conducted, in 2024, a robust assessment of the Group's principal and emerging risks to which Mondi is exposed and it is satisfied that the Group has effective systems and controls in place to manage these risks within the risk appetite levels established.

There were no changes to the Group's principal risks as set out on pages 69 to 79 of the Integrated report and financial statements 2023.

Risk management is by its nature a dynamic and ongoing process. Risk management is of key importance given the diversity of the Group's locations, markets and production processes. Our internal controls aim to provide reasonable assurance as to the accuracy, reliability and integrity of our financial information, non-financial disclosures and the Group's compliance with applicable laws, regulations and internal policies as well as the effectiveness of internal processes.

Strategic risks

The industries and geographies in which we operate expose us to specific long-term risks which are accepted by the Board as a consequence of the Group's chosen strategy and operating footprint.

We continue to monitor recent capacity announcements, demand developments and how consumers are demanding more sustainable packaging. We continue to develop our understanding of climate change risks and its impact whilst continuing to improve our disclosures and improve our responses.

The Executive Committee and Board monitor our exposure to these risks and evaluate investment decisions against our overall exposures so that our strategic capital allocation takes advantage of the opportunities arising from our deliberate exposure to such risks.

Our principal strategic risks relate to the following:

- Industry productive capacity
- Product substitution
- Fluctuations and variability in selling prices or gross margins
- Country risk
- Climate change risks

Financial risks

We aim to maintain an appropriate capital structure and to manage our financial risk exposures in compliance with all laws and regulations.

An attentive approach to financial risk management remains in response to tax risks and ongoing short-term currency volatility.

Our principal financial risks relate to the following:

- Capital structure
- Currency risk
- Tax risk

Operational risks

As a Group we focus on operational excellence and investment in our people and are committed to the responsible use of resources.

Our investments to improve our energy efficiency, engineer out our most significant safety risks and improve operating efficiencies reduce the likelihood of operational risk events.

Our principal operational risks relate to the following:

- Cost and availability of raw materials
- Energy security and related input costs
- Technical integrity of our operating assets
- Environmental impact
- Employee and contractor health and safety
- Attraction and retention of key skills and talent
- Cyber security risk

Compliance risk

We have a zero tolerance approach to non-compliance. Our strong culture and values underpin our approach. These are emphasised in every part of our business with a focus on integrity, honesty and transparency.

Our principal compliance risk relates to Reputational risk.

Going concern

The directors have reviewed the Group's current financial position and performance expectations for the period until 31 December 2025, including consideration of the principal risks which may impact the Group's performance in the near term.

The Group continues to maintain a strong financial position. Net debt at 30 June 2024 was €1,603 million, up from €419 million at 31 December 2023, due to the ongoing investment in the business and the payment of dividends to shareholders. Net debt at 31 December 2023 included the proceeds received in 2023 from the disposal of the Group's previously owned Russian operations, which were subsequently distributed to shareholders in February 2024. As a result, net debt to underlying EBITDA at 30 June 2024 was 1.5 times (31 December 2023: 0.3 times).

In April 2024, the Group redeemed a €500 million Eurobond on maturity and in May 2024, issued a 3.750% €500 million Eurobond with an 8-year tenor, thereby extending the Group's maturity profile and further strengthen our liquidity position. At 30 June 2024, we had available liquidity of €1.2 billion comprising €754 million of undrawn committed debt facilities and cash and cash equivalents of €411 million. The weighted average maturity of our

committed debt facilities was 3.9 years at 30 June 2024 with no significant short-term debt maturities. Our financing agreements do not contain financial covenants.

The Group has prepared a base case forecast reflecting recent trading performance in the first half of the year and expectations for market developments over the period to 31 December 2025. The base case forecast was sensitised to reflect a severe but plausible downside scenario including possible future impacts of the principal risks on Group performance. In such a scenario, there remains significant liquidity headroom.

In addition to its modelled downside going concern scenario, the Board has reverse stress tested the model to determine the extent of downturn which would result in no liquidity headroom. A decline of 73% to the planned underlying EBITDA in the period until 31 December 2025, well in excess of that contemplated in the severe but plausible downside scenario, would need to persist throughout the observed period to result in no liquidity headroom, which is considered very unlikely. This reverse stress test also does not incorporate mitigating actions such as reductions and deferrals of capital and operational expenditure or cash preservation responses, which the Group would implement in such an event.

Following its assessment, the directors have formed a judgement, at the time of approving the condensed consolidated financial statements, that there are no material uncertainties that cast doubt on the Group's going concern status and that it is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Group continues to adopt the going concern basis in preparing the condensed consolidated financial statements for the six months ended 30 June 2024.

Enquiries

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Results presentation details

A webinar will be held today at 09:00 (BST), 10:00 (CET/SAST).

Event registration link: https://storm-virtual-uk.zoom.us/webinar/register/WN_0pBI29kYTziAvbIBWkSXBw

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

A replay will be available on our website within a couple hours after the end of the live results presentation at: <https://www.mondigroup.com/investors/results-reports-and-presentations/>

For any queries, please e-mail ir@mondigroup.com.

Directors' responsibility statement

The directors confirm that to the best of their knowledge:

- the condensed consolidated financial statements of the Group have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted for use in the United Kingdom and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the half-year results announcement includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:
- the half-year results announcement includes a fair review of the significant events during the six months ended 30 June 2024 and their impact on the condensed consolidated financial statements and a description of the principal risks and uncertainties for the remaining six months of the year ending 31 December 2024;
- there have been no significant individual related party transactions during the first six months of the financial year; and
- there have been no significant changes in the Group's related party relationships from those reported in the Integrated report and financial statements 2023.

The Group's condensed consolidated financial statements, and related notes, were approved by the Board and authorised for issue on 31 July 2024 and were signed on its behalf by:

Andrew King
Director

Mike Powell
Director

31 July 2024

Independent review report to Mondi plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Mondi plc's condensed consolidated interim financial statements (the "interim financial statements") in the half year results announcement of Mondi plc for the six month period ended 30 June 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the condensed consolidated statement of financial position as at 30 June 2024;
- the condensed consolidated income statement and the condensed consolidated statement of comprehensive income for the period then ended;
- the condensed consolidated statement of cash flows for the period then ended;
- the condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half year results announcement of Mondi plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the half year results announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The half year results announcement, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the half year results announcement in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the half year results announcement, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the half year results announcement based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
31 July 2024

Condensed consolidated income statement

for the six months ended 30 June 2024

€ million	Notes	Six months ended 30 June 2024			Six months ended 30 June 2023		
		Underlying	Special items (Note 4)	Total	Underlying	Special items (Note 4)	Total
From continuing operations							
Group revenue	3	3,739	—	3,739	3,881	—	3,881
Materials, energy and consumables used		(1,859)	—	(1,859)	(2,113)	—	(2,113)
Variable selling expenses		(331)	—	(331)	(333)	—	(333)
Gross margin		1,549	—	1,549	1,435	—	1,435
Maintenance and other indirect expenses		(180)	—	(180)	(170)	—	(170)
Personnel costs		(612)	(12)	(624)	(554)	(7)	(561)
Other net operating expenses		(192)	(15)	(207)	(31)	(11)	(42)
EBITDA	3	565	(27)	538	680	(18)	662
Depreciation, amortisation and impairments		(210)	—	(210)	(199)	(3)	(202)
Operating profit	3	355	(27)	328	481	(21)	460
Net loss from joint ventures		(2)	—	(2)	(2)	—	(2)
Net monetary gain arising from hyperinflationary economies		1	—	1	3	—	3
Investment income		19	—	19	14	—	14
Foreign currency losses		(3)	—	(3)	—	—	—
Finance costs		(47)	—	(47)	(57)	—	(57)
Profit before tax		323	(27)	296	439	(21)	418
Tax (charge)/credit	6	(71)	—	(71)	(102)	5	(97)
Profit from continuing operations		252	(27)	225	337	(16)	321
From discontinued operations							
Loss from discontinued operations ¹				—			(4)
Profit for the period				225			317
Attributable to:							
Non-controlling interests				26			12
Shareholders				199			305
Earnings per share (EPS) attributable to shareholders²							
euro cents							
From continuing operations							
Basic EPS	7			44.5			63.7
Diluted EPS	7			44.5			63.7
Basic underlying EPS	7			50.5			67.0
Diluted underlying EPS	7			50.5			67.0
From continuing and discontinued							
Basic EPS	7			44.5			62.9
Diluted EPS	7			44.5			62.9

Notes:

1 Discontinued operations represent the Group's Russian packaging operations and the Syktyvkar mill until the disposal completed on 30 June 2023 and 4 October 2023, respectively. Details on the transaction and information on the financial performance and cash flows of the discontinued operations for the year ended 31 December 2023 were disclosed in note 28 of the Group's Integrated report and financial statements 2023.

2 On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to its shareholders by way of a special dividend. In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares for every 11 existing ordinary shares. Further details are provided in notes 7, 8 and 10.

Condensed consolidated statement of comprehensive income
for the six months ended 30 June 2024

€ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Profit for the period	225	317
Items that may subsequently be or have been reclassified to the condensed consolidated income statement		
Fair value losses arising from cash flow hedges of continuing operations	(2)	—
Exchange differences on translation of foreign continuing non-euro operations	52	(106)
Exchange differences on translation of foreign discontinued non-euro operations	—	(192)
Reclassification of foreign currency translation reserve to the condensed consolidated income statement on disposal of business of discontinued operations	—	34
Items that will not subsequently be reclassified to the condensed consolidated income statement		
Remeasurements of retirement benefits plans of continuing operations	4	(12)
Remeasurements of retirement benefits plans of discontinued operations	—	2
Tax effect thereof	(1)	3
Other comprehensive income/(expense) for the period	53	(271)
Total comprehensive income for the period	278	46
Attributable to:		
Non-controlling interests	33	—
Shareholders	245	46
Total comprehensive income/(expense) for the period attributable to shareholders arises from:		
Continuing operations	245	206
Discontinued operations	—	(160)

Condensed consolidated statement of financial position
as at 30 June 2024

€ million	Notes	As at 30 June 2024	As at 31 December 2023
Property, plant and equipment		4,835	4,619
Goodwill		766	765
Intangible assets		70	68
Forestry assets	9	567	519
Investments in joint ventures		6	8
Financial instruments		29	28
Deferred tax assets		18	24
Net retirement benefits asset		5	5
Other non-current assets		3	5
Total non-current assets		6,299	6,041
Inventories		1,138	1,049
Trade and other receivables		1,552	1,254
Current tax assets		20	14
Financial instruments		11	14
Cash and cash equivalents	13b	415	1,592
Total current assets		3,136	3,923
Total assets		9,435	9,964
Short-term borrowings	11	(61)	(559)
Trade and other payables		(1,353)	(1,219)
Current tax liabilities		(56)	(78)
Provisions		(37)	(21)
Financial instruments		(12)	(4)
Total current liabilities		(1,519)	(1,881)
Medium and long-term borrowings	11	(1,959)	(1,460)
Net retirement benefits liability		(154)	(159)
Deferred tax liabilities		(354)	(322)
Provisions		(31)	(27)
Other non-current liabilities		(18)	(19)
Total non-current liabilities		(2,516)	(1,987)
Total liabilities		(4,035)	(3,868)
Net assets		5,400	6,096
Equity			
Share capital	10	97	97
Own shares		(14)	(17)
Retained earnings		4,663	5,434
Other reserves		181	141
Total attributable to shareholders		4,927	5,655
Non-controlling interests in equity		473	441
Total equity		5,400	6,096

The Group's condensed consolidated financial statements, and related notes 1 to 18, were approved by the Board and authorised for issue on 31 July 2024 and were signed on its behalf by:

Andrew King
Director

Mike Powell
Director

Mondi plc company registered number:

6209386

Condensed consolidated statement of changes in equity for the six months ended 30 June 2024

€ million	Equity attributable to shareholders	Non-controlling interests	Total equity
At 1 January 2024	5,655	441	6,096
Total comprehensive income for the period	245	33	278
Profit for the period	199	26	225
Other comprehensive income	46	7	53
Hyperinflation monetary adjustment	4	—	4
Transactions with shareholders in their capacity as shareholders			
Dividends	(978)	(4)	(982)
Purchases of own shares	(5)	—	(5)
Injection from non-controlling interests	—	3	3
Other	6	—	6
At 30 June 2024	4,927	473	5,400

€ million	Equity attributable to shareholders	Non-controlling interests	Total equity
At 1 January 2023	5,794	460	6,254
Total comprehensive income for the period	46	—	46
Profit for the period	305	12	317
Other comprehensive expense	(259)	(12)	(271)
Hyperinflation monetary adjustment	5	—	5
Transactions with shareholders in their capacity as shareholders			
Dividends	(231)	(4)	(235)
Purchases of own shares	(4)	—	(4)
Non-controlling interests bought out	21	(28)	(7)
Other	4	—	4
At 30 June 2023	5,635	428	6,063

Equity attributable to shareholders

€ million	As at 30 June 2024	As at 31 December 2023
Share capital	97	97
Own shares	(14)	(17)
Retained earnings	4,663	5,434
Cumulative translation adjustment reserve	(475)	(520)
Post-retirement benefits reserve	(53)	(53)
Share-based payment reserve	15	19
Cash flow hedge reserve	—	1
Merger reserve	667	667
Other sundry reserves	27	27
Total	4,927	5,655

Condensed consolidated statement of cash flows

for the six months ended 30 June 2024

€ million	Notes	Six months ended 30 June 2024	Six months ended 30 June 2023
Cash flows from operating activities			
Cash generated from continuing operations	13a	372	554
Income tax paid		(71)	(91)
Net cash generated from operating activities from discontinued operations		—	159
Net cash generated from operating activities		301	622
Cash flows from investing activities			
Investment in property, plant and equipment		(397)	(310)
Investment in intangible assets		(8)	(6)
Investment in forestry assets	9	(23)	(22)
Proceeds from the disposal of property, plant and equipment		3	2
Proceeds from the disposal of financial asset investments		—	1
Acquisition of businesses, net of cash and cash equivalents	12	(6)	(37)
Loans advanced to related and external parties		(1)	(1)
Interest received		22	12
Other investing activities		11	17
Net cash used in investing activities from discontinued operations		—	(10)
Net cash used in investing activities		(399)	(354)
Cash flows from financing activities			
Proceeds from issue of Eurobond	11	496	—
Repayment of Eurobond	11	(500)	—
Proceeds from other medium and long-term borrowings	13c	215	—
Repayment of other medium and long-term borrowings	13c	(215)	—
Proceeds from short-term borrowings	13c	8	17
Repayment of short-term borrowings	13c	(11)	(32)
Repayment of lease liabilities	13c	(13)	(11)
Interest paid		(43)	(42)
Dividends paid to shareholders	8	(978)	(231)
Dividends paid to non-controlling interests		(4)	(4)
Purchases of own shares		(5)	(4)
Injection from non-controlling interests		3	—
Non-controlling interests bought out		—	(7)
Net cash outflow from debt-related derivative financial instruments	13c	(23)	(40)
Net cash used in financing activities from discontinued operations		—	(5)
Net cash used in financing activities		(1,070)	(359)
Net decrease in cash and cash equivalents		(1,168)	(91)
Cash and cash equivalents at beginning of period		1,592	1,381
Cash movement in the period	13c	(1,168)	(91)
Effects of changes in foreign exchange rates	13c	(13)	(99)
Cash and cash equivalents at end of period	13b	411	1,191

Notes to the condensed consolidated financial statements

for the six months ended 30 June 2024

1 Basis of preparation

These condensed consolidated financial statements as at and for the six months ended 30 June 2024 comprise Mondi plc and its subsidiaries (referred to as the 'Group'), and the Group's share of the results and net assets of its associates and joint ventures.

The Group's condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted for use in the United Kingdom (UK) and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. They should be read in conjunction with the Group's Integrated report and financial statements 2023, prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The condensed consolidated financial statements have been prepared on a going concern basis as discussed in the commentary under the heading 'Going concern' on page 7, which is incorporated by reference into these condensed consolidated financial statements.

The financial information set out above does not constitute statutory accounts as defined by section 434 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2023 has been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The financial information set out above has been reviewed, not audited.

These condensed consolidated financial statements have been prepared on the historical cost basis, as modified by forestry assets, pension assets, certain financial assets and financial liabilities held at fair value through profit and loss, assets acquired and liabilities assumed in a business combination and accounting in hyperinflationary economies.

The preparation of these condensed consolidated financial statements includes the use of estimates and assumptions. Although the estimates used are based on management's best information about current circumstances and future events and actions, actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the critical accounting judgements made by management in applying the Group's accounting policies and significant accounting estimates as identified in the Group's Integrated report and financial statements 2023 were the same. Refer to note 9 for details on the valuation of forestry assets.

2 Accounting policies

The same accounting policies, methods of computation and presentation have been followed in the preparation of the condensed consolidated financial statements for the six months ended 30 June 2024 as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2023, except as follows:

- A number of amendments to IFRS Accounting Standards became effective for the financial period beginning on 1 January 2024, but the Group did not have to change its accounting policies or make any retrospective adjustments as a result of adopting these amendments.
- Consistent with previous half year reports, taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual profits or losses. The Group's assessment of the OECD Pillar 2 model rules is provided in note 6.

Alternative Performance Measures

The Group presents certain measures of financial performance, position or cash flows in the condensed consolidated financial statements that are not defined or specified according to IFRS Accounting Standards. These measures, referred to as APMs, are defined at the end of this document and where relevant reconciled to IFRS Accounting Standards.

3 Operating segments

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee, the chief operating decision-making body. The operating segments are managed based on the nature of the underlying products produced by those businesses and comprise three distinct segments. Each of the operating segments represents a reportable segment and derives its income from the sale of manufactured products.

Six months ended 30 June 2024¹

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Total continuing operations
Segment revenue	1,103	2,024	669	—	(57)	3,739
Internal revenue	(11)	(18)	(28)	—	57	—
External revenue	1,092	2,006	641	—	—	3,739
Underlying EBITDA	143	276	166	(20)	—	565
Depreciation	(75)	(95)	(32)	—	—	(202)
Amortisation	(3)	(4)	(1)	—	—	(8)
Underlying operating profit/(loss)	65	177	133	(20)	—	355
Special items before tax	—	(14)	—	(13)	—	(27)
Capital employed	2,512	3,321	1,222	(52)	—	7,003
Trailing 12-month average capital employed	2,074	3,039	1,097	(122)	—	6,088
Additions to non-current non-financial assets	133	219	69	—	—	421
Capital expenditure cash payments	137	218	42	—	—	397
<i>Underlying EBITDA margin (%)</i>	<i>13.0</i>	<i>13.6</i>	<i>24.8</i>	—	—	<i>15.1</i>
<i>Return on capital employed (%)</i>	<i>5.2</i>	<i>12.1</i>	<i>20.1</i>	—	—	<i>10.8</i>
Average number of employees (thousands) ³	6.5	11.9	2.7	0.1	—	21.2

Six months ended 30 June 2023¹

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Total continuing operations
Segment revenue	1,187	2,062	690	—	(54)	3,885
Internal revenue ²	(13)	(19)	(26)	—	54	(4)
External revenue	1,174	2,043	664	—	—	3,881
Underlying EBITDA	188	343	168	(19)	—	680
Depreciation	(69)	(88)	(33)	(1)	—	(191)
Amortisation	(3)	(4)	(1)	—	—	(8)
Underlying operating profit/(loss)	116	251	134	(20)	—	481
Special items before tax	—	—	(21)	—	—	(21)
Capital employed	2,217	3,161	1,077	(49)	—	6,406
Trailing 12-month average capital employed	2,092	3,045	1,064	(67)	—	6,134
Additions to non-current non-financial assets	173	176	50	—	—	399
Capital expenditure cash payments	132	154	24	—	—	310
<i>Underlying EBITDA margin (%)</i>	<i>15.8</i>	<i>16.6</i>	<i>24.3</i>	—	—	<i>17.5</i>
<i>Return on capital employed (%)</i>	<i>15.8</i>	<i>17.2</i>	<i>33.2</i>	—	—	<i>19.1</i>
Average number of employees (thousands) ³	6.5	11.7	2.9	0.1	—	21.2

Notes:

1 See definitions of APMs at the end of this document.

2 Continuing operations' internal revenue of €4 million relates to transactions with discontinued operations.

3 Presented on a full time employee equivalent basis.

3 Operating segments (continued)

Year ended 31 December 2023¹

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Total continuing operations
Segment revenue	2,280	3,866	1,292	—	(104)	7,334
Internal revenue ²	(23)	(33)	(52)	—	104	(4)
External revenue	2,257	3,833	1,240	—	—	7,330
Underlying EBITDA	310	637	289	(35)	—	1,201
Depreciation and impairments ³	(144)	(183)	(66)	(1)	—	(394)
Amortisation	(7)	(8)	(2)	—	—	(17)
Underlying operating profit/(loss)	159	446	221	(36)	—	790
Special items before tax	—	—	(27)	—	—	(27)
Capital employed	2,318	3,167	1,095	(65)	—	6,515
Trailing 12-month average capital employed	2,057	3,068	1,075	(65)	—	6,135
Additions to non-current non-financial assets	379	427	129	—	—	935
Capital expenditure cash payments	326	425	79	—	—	830
<i>Underlying EBITDA margin (%)</i>	<i>13.6</i>	<i>16.5</i>	<i>22.4</i>	<i>—</i>	<i>—</i>	<i>16.4</i>
<i>Return on capital employed (%)</i>	<i>7.7</i>	<i>14.4</i>	<i>20.6</i>	<i>—</i>	<i>—</i>	<i>12.8</i>
Average number of employees (thousands) ⁴	6.5	11.6	2.8	0.1	—	21.0

Notes:

1 See definitions of APMs at the end of this document.

2 Continuing operations' internal revenue of €4 million relates to transactions with discontinued operations.

3 Includes only impairment not classified as special items.

4 Presented on a full time employee equivalent basis.

External revenue by location of contribution and by location of customer

€ million	External revenue by location of contribution		External revenue by location of customer	
	Six months ended 30 June 2024	Six months ended 30 June 2023	Six months ended 30 June 2024	Six months ended 30 June 2023
Africa				
South Africa	322	330	249	255
Rest of Africa	46	41	186	208
Africa total	368	371	435	463
Western Europe				
Austria	657	749	85	90
Germany	284	312	478	520
United Kingdom	1	2	100	102
Rest of western Europe	336	434	839	932
Western Europe total	1,278	1,497	1,502	1,644
Emerging Europe				
Czech Republic	370	355	130	134
Poland	648	657	366	368
Türkiye	225	171	254	210
Rest of emerging Europe	474	484	269	270
Emerging Europe total	1,717	1,667	1,019	982
North America	325	302	423	444
South America	5	—	43	50
Asia and Australia	46	44	317	298
Group revenue from continuing operations	3,739	3,881	3,739	3,881

4 Special items

The Group separately discloses special items, an APM as defined at the end of this document, on the face of the condensed consolidated income statement to assist its stakeholders in understanding the underlying financial performance achieved by the Group on a basis that is comparable from year to year.

€ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Operating special items		
Impairment of assets	—	(3)
Restructuring and closure costs:		
Personnel costs	(12)	(7)
Other restructuring and closure costs	(2)	(11)
Costs relating to the aborted all-share combination with DS Smith plc	(13)	—
Total special items before tax	(27)	(21)
Tax credit (see note 6)	—	5
Total special items	(27)	(16)

The operating special items resulted in a cash outflow from operating activities for the six months ended 30 June 2024 of €18 million (six months ended 30 June 2023: €1 million).

The special items during the period ended 30 June 2024 comprised:

- Flexible Packaging
 - Closure of a paper bags plant in Maastricht (Netherlands). Restructuring and closure costs of €14 million were recognised.
- Corporate
 - €13 million of costs relating to the aborted all-share combination with DS Smith plc. On 19 April 2024, the Board announced it did not intend to make an offer for DS Smith plc following a period of due diligence and after carefully considering the value the all-share combination with DS Smith plc would deliver to Mondi's shareholders.

Details of the special items for the year ended 31 December 2023 were disclosed in note 3 of the Group's Integrated report and financial statements 2023.

5 Write-down of inventories to net realisable value

€ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Write-down of inventories to net realisable value	(43)	(50)
Aggregate reversal of previous write-downs of inventories	34	29

The reversal of previous write-downs of inventories relates to goods that had been written down to net realisable value and were subsequently sold above their carrying value.

6 Tax charge

The Group's effective tax rate before special items, an APM as defined at the end of this document, was 22.0% for the six months ended 30 June 2024 (six months ended 30 June 2023: 23.2%).

€ million	Six months ended 30 June 2024	Six months ended 30 June 2023
UK corporation tax at 25% (2023: 23.5%)	—	—
Overseas tax	48	67
Current tax in respect of prior periods	(3)	(3)
Current tax	45	64
Deferred tax in respect of the current period	26	53
Deferred tax in respect of prior periods	—	(15)
Tax charge before special items	71	102
Current tax on special items	—	(5)
Tax credit on special items (see note 4)	—	(5)
Tax charge for the period	71	97
Current tax charge	45	59
Deferred tax charge	26	38

On 24 May 2021, legislation was substantively enacted in the UK to increase the corporate tax rate from 19% to 25% with effect from 1 April 2023. In the year ended 31 December 2023, the 23.5% UK corporation tax rate referenced in the table above reflects the average tax rate that has applied during the year.

The Group is within the scope of the OECD Pillar 2 model rules as of 1 January 2024. It is expected that the effective tax rate (as calculated under the Pillar 2 rules) in the majority of countries in which the Group operates will exceed 15% for the year ending 31 December 2024. Additional Pillar 2 top-up tax of €0.3m has been included within the current tax charge for the six months ended 30 June 2024, mostly arising in a small number of jurisdictions benefiting from tax incentives on capital investments and tax holidays.

7 Earnings per share (EPS)

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to its shareholders by way of a special dividend (see note 8). In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares for every 11 existing ordinary shares (see note 10).

The special dividend approximates the amount the Group would have paid if it had repurchased the shares at market price. For calculating basic and diluted EPS measures, the Board concluded that the overall effect of the share consolidation and special dividend was a share repurchase at fair value. Therefore, the reduction in the number of shares as a result of the share consolidation was reflected in the denominator in the current year prospectively from the day the dividend was paid (i.e. 13 February 2024). The weighted average number of ordinary shares outstanding for 2023 was not restated.

euro cents	EPS attributable to shareholders	
	Six months ended 30 June 2024	Six months ended 30 June 2023
From continuing operations		
Basic EPS	44.5	63.7
Diluted EPS	44.5	63.7
Basic underlying EPS	50.5	67.0
Diluted underlying EPS	50.5	67.0
From continuing and discontinued operations		
Basic EPS	44.5	62.9
Diluted EPS	44.5	62.9
Basic headline EPS	41.8	92.8
Diluted headline EPS	41.8	92.8

7 Earnings per share (EPS) (continued)

The calculation of basic and diluted EPS, basic and diluted underlying EPS and basic and diluted headline EPS is based on the following data:

€ million	Earnings	
	Six months ended 30 June 2024	Six months ended 30 June 2023
Profit for the period attributable to shareholders	199	305
Arises from:		
Continuing operations	199	309
Discontinued operations	—	(4)
Special items (see note 4)	27	21
Related tax (see note 4)	—	(5)
Total earnings for the period (prior to special items)	226	321
Arises from:		
Continuing operations	226	325
Discontinued operations	—	(4)
Gain on disposal of property, plant and equipment	(2)	—
Restructuring costs (see note 4)	(14)	(18)
Costs relating to the aborted all-share combination with DS Smith plc (see note 4)	(13)	—
Gain on purchase of business before transaction-related costs (see note 12)	(13)	—
Loss arising from sale and leaseback transaction	3	—
Loss on disposal of business from discontinued operations	—	46
Impairments included in loss from discontinued operations	—	113
Related tax	—	(12)
Headline earnings for the period	187	450

Underlying earnings, total earnings (prior to special items) and headline earnings represent APMs which are defined at the end of this document.

million	Weighted average number of shares	
	Six months ended 30 June 2024	Six months ended 30 June 2023
Basic number of ordinary shares outstanding	447.2	485.1
Diluted number of ordinary shares outstanding	447.2	485.1

8 Dividends

The interim ordinary dividend for the year ending 31 December 2024 of 23.33 euro cents per ordinary share will be paid on Friday 27 September 2024 to those shareholders on the register of Mondi plc on Friday 23 August 2024. The dividend will be paid from distributable reserves of Mondi plc, as presented in the annual financial statements for the year ended 31 December 2023. The interim ordinary dividend is not recognised as a liability at 30 June 2024.

	Six months ended 30 June 2024		Year ended 31 December 2023	
	euro cents per share	€ million	euro cents per share	€ million
Final ordinary dividend in respect of prior year	46.67	209	48.33	231
Special dividend	160.00	769	—	—
Interim ordinary dividend in respect of current year	23.33	103	23.33	114

The interim ordinary dividend declared for the year ended 31 December 2023 of 23.33 euro cents per ordinary share was paid in September 2023.

8 Dividends (continued)

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to shareholders by way of a special dividend of €1.60 per existing ordinary share (see note 10 for further details). The final ordinary dividend for the year ended 31 December 2023 was declared after the share consolidation took effect and therefore, was declared based on the number of new ordinary shares.

Dividend timetable

The interim ordinary dividend for the year ending 31 December 2024 will be paid in accordance with the following timetable:

Last date to trade shares cum-dividend	
JSE Limited	Tuesday 20 August 2024
London Stock Exchange	Wednesday 21 August 2024
Shares commence trading ex-dividend	
JSE Limited	Wednesday 21 August 2024
London Stock Exchange	Thursday 22 August 2024
Record date	Friday 23 August 2024
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections by Central Securities Depository Participants	Thursday 29 August 2024
Last date for DRIP elections to UK Registrar and South African Transfer Secretaries	
South African Register	Friday 30 August 2024
UK Register	Monday 9 September 2024
Payment Date	Friday 27 September 2024
DRIP purchase settlement date (subject to market conditions and the purchase of shares in the open market)	
UK Register	Tuesday 1 October 2024
South African Register	Friday 4 October 2024
Results of Dividend Reinvestment Plan announcement released	Friday 11 October 2024
Currency conversion date	
ZAR/euro	Thursday 1 August 2024
Euro/sterling	Friday 13 September 2024

Share certificates on Mondi plc's South African register may not be dematerialised or rematerialised between Wednesday 21 August 2024 and Friday 23 August 2024, both dates inclusive, nor may transfers between the UK and South African registers of Mondi plc take place between Wednesday 14 August 2024 and Friday 23 August 2024, both dates inclusive.

Information relating to the dividend tax to be withheld from Mondi plc shareholders on the South African branch register will be announced separately, together with the ZAR/euro exchange rate to be applied, on or shortly after Thursday 1 August 2024.

9 Forestry assets

€ million	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
At 1 January	519	485	485
Investment in forestry assets	23	22	48
Fair value gains	49	86	128
Felling costs	(47)	(41)	(87)
Currency movements	23	(60)	(55)
At 30 June / 31 December	567	492	519

The fair value of forestry assets is a level 3 measure in terms of the fair value measurement hierarchy (see note 16), consistent with prior years. The fair value of forestry assets continues to be determined using a market-based approach. The valuation process and key observable inputs were largely consistent with those applied for the year ended 31 December 2023, as described in note 14 of the Group's Integrated report and financial statements 2023.

10 Share capital

On 13 February 2024, the Group returned the net proceeds from the sale of the Group's Russian assets to shareholders by way of a special dividend of €1.60 per existing ordinary share. In addition, in order to maintain the comparability, so far as possible, of Mondi plc's share price before and after the special dividend, the special dividend was accompanied by a share consolidation, which took effect on 29 January 2024, resulting in shareholders receiving 10 new ordinary shares with a nominal value of €0.22 each for every 11 existing ordinary shares with a nominal value of €0.20 each.

To effect the share consolidation, the Group issued 3 additional ordinary shares prior to the record date for the share consolidation, increasing the number of ordinary shares from 485,553,780 ordinary shares to 485,553,783 ordinary shares, so that the number of the existing ordinary shares in issue at the time of the consolidation was exactly divisible by 11, such that there was no remaining fraction of a share. Following the share consolidation, the total number of ordinary shares issued decreased by 44,141,253 ordinary shares from 485,553,783 ordinary shares to 441,412,530 ordinary shares, while the total nominal value of the share capital of the Group remained unchanged at €97 million.

	Number of shares	€ million
At 31 December 2023 ¹	485,553,780	97
Shares issued	3	—
Effect of share consolidation	(44,141,253)	—
At 30 June 2024	441,412,530	97

Note:

1 There were no movements in the share capital of Mondi plc in 2023.

11 Borrowings

Financing facilities

Group liquidity is provided through a range of committed debt facilities. The principal loan arrangements in place are the following:

€ million	Maturity	Interest rate %	As at 30 June 2024	As at 31 December 2023
Financing facilities				
Syndicated Revolving Credit Facility	June 2028	EURIBOR + margin	750	750
€500 million Eurobond	April 2024	1.500%	—	500
€600 million Eurobond	April 2026	1.625%	600	600
€750 million Eurobond	April 2028	2.375%	750	750
€500 million Eurobond	May 2032	3.750%	500	—
Long Term Facility Agreement	December 2026	EURIBOR + margin	17	20
Other	Various	Various	4	4
Total committed facilities			2,621	2,624
Drawn			(1,867)	(1,870)
Total committed facilities available			754	754

The Group's Eurobonds incur a fixed rate of interest. Swap agreements are utilised by the Group to raise non-euro-denominated currency to fund subsidiaries' liquidity needs, thereby exposing the Group to floating interest rates.

In April 2024, the Group repaid its €500 million Eurobond at maturity and, in May 2024, issued a new €500 million 8 year Eurobond maturing in May 2032 at a coupon of 3.750% per annum. The new Eurobond was issued under the Group's Guaranteed Euro Medium Term Note Programme and the proceeds were used for general corporate purposes.

The €750 million 5-year revolving multi-currency credit facility agreement (RCF) incorporates key sustainability targets linked to MAP2030, classifying the facility as a Sustainability Linked Loan. Under the terms of the agreement, the margin will be adjusted according to the Group's performance against specified sustainability targets.

Short-term liquidity needs are met by cash and the RCF.

As at 30 June 2024, the Group had no financial covenants in any of its financing facilities.

The Group currently has investment grade credit ratings from both Moody's Investors Service (Baa1, outlook stable) and Standard & Poor's (A-, outlook stable).

11 Borrowings (continued)

€ million	As at 30 June 2024			As at 31 December 2023		
	Current	Non-current	Total	Current	Non-current	Total
Secured						
Lease liabilities	23	109	132	21	104	125
Total secured	23	109	132	21	104	125
Unsecured						
Bonds	—	1,841	1,841	500	1,345	1,845
Bank loans and overdrafts	38	9	47	38	11	49
Total unsecured	38	1,850	1,888	538	1,356	1,894
Total borrowings	61	1,959	2,020	559	1,460	2,019
Committed facilities drawn			1,867			1,870
Uncommitted facilities drawn			153			149

12 Business combinations

To 30 June 2024

On 5 February 2024, the Group announced the completion of the acquisition of Hinton Pulp mill in Alberta (Canada) from West Fraser Timber Co. Ltd (West Fraser) for an agreed consideration of USD 5 million, before working capital adjustments. The mill has the capacity to produce around 250,000 tonnes of pulp per annum and will provide the Group with access to local, high-quality fibre from a well-established wood basket as part of a long-term partnership with West Fraser. The Group intends to invest in the mill to improve productivity and sustainability performance and, subject to pre-engineering and permitting, expand the facility primarily with a new kraft paper machine which will integrate its paper bag operations in the Americas and support future growth.

Hinton's revenue for the six months ended 30 June 2024 was €64 million with a loss after tax of €2 million. Since the date of acquisition, Hinton's revenue of €51 million and profit after tax of €2 million have been included in the condensed consolidated income statement.

Details of the net assets acquired, as adjusted from book to fair value, are as follows:

€ million	Fair value
Net assets acquired	
Property, plant and equipment	4
Inventories	15
Trade and other receivables	17
Total assets	36
Trade and other payables	(11)
Deferred tax liabilities	(4)
Other provisions	(2)
Total liabilities	(17)
Net assets acquired	19
Gain on purchase before transaction-related costs	(13)
Net cash paid per condensed consolidated statement of cash flows	6

Transaction costs of €4 million were charged to other net operating expenses in the condensed consolidated income statement.

The acquisition is a purchase of assets that constitutes a business accounted for under IFRS 3, 'Business Combinations'. The purchase price allocation resulted in a net gain on purchase of €9 million, net of transaction-related costs, as the fair value of net assets acquired was in excess of the consideration paid. The gain on purchase is attributable to the mill's loss-making operations at the time of the transaction and the need for investment to improve productivity and sustainability performance. The gain was recognised in other net operating expenses in the condensed consolidated income statement.

12 Business combinations (continued)

The fair values of assets acquired and liabilities assumed in business combinations are level 3 measures in terms of the fair value measurement hierarchy. Property, plant and equipment has been measured at fair value using relevant valuation methods accepted under IFRS 13, 'Fair Value Measurement', with related deferred tax adjustments. Management has considered the impact of environmental and climate risks on the estimated fair values of Hinton's property, plant and equipment. These considerations did not have a material impact. The fair value accounting of this acquisition is provisional pending final determination of the fair value of the assets and liabilities acquired. In particular, the fair values of the assets and liabilities disclosed above have only been determined provisionally because the independent valuations have not been finalised. If necessary, any adjustments to the fair values recognised will be made within 12 months of the acquisition date.

To 31 December 2023

On 12 January 2023, the Group completed the acquisition of the Duino mill near Trieste (Italy) from the Burgo Group. Details of this business combination were disclosed in note 25 of the Group's Integrated report and financial statements 2023.

13 Consolidated cash flow analysis

(a) Reconciliation of profit before tax from continuing operations to cash generated from continuing operations

€ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Profit before tax from continuing operations	296	418
Depreciation and amortisation	210	199
Share-based payments	6	5
Net pre-tax cash flow effect of current and prior period special items	9	20
Net finance costs	31	43
Net monetary gain arising from hyperinflationary economies	(1)	(3)
Net loss from joint ventures	2	2
Increase/(decrease) in provisions	8	(16)
Decrease in net retirement benefits	(5)	(10)
Movement in working capital	(160)	(37)
(Increase)/decrease in inventories	(50)	152
(Increase)/decrease in operating receivables	(275)	19
Increase/(decrease) in operating payables	165	(208)
Fair value gains on forestry assets	(49)	(86)
Felling costs	47	41
Net (gain)/loss on disposal of property, plant and equipment	(2)	1
Insurance reimbursements for property damages	(11)	(17)
Other adjustments	(9)	(6)
Cash generated from continuing operations	372	554

(b) Cash and cash equivalents

€ million	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
Cash and cash equivalents per condensed consolidated statement of financial position	415	857	1,592
Bank overdrafts included in short-term borrowings	(4)	(20)	—
Cash and cash equivalents held by continuing operations (see note 13c)	411	837	1,592
Cash and cash equivalents classified as assets held for sale	—	354	—
Cash and cash equivalents per condensed consolidated statement of cash flows	411	1,191	1,592

The cash and cash equivalents of €415 million (as at 31 December 2023: €1,592 million) include money market funds of €216 million (as at 31 December 2023: €840 million) valued at fair value through profit and loss, with the remaining balance carried at amortised cost.

13 Consolidated cash flow analysis (continued)

(b) Cash and cash equivalents (continued)

The Group operates in certain countries where the existence of exchange controls or access to hard currency may restrict the use of certain cash balances outside of those countries. These restrictions are not expected to have any material effect on the Group's ability to meet its ongoing obligations.

The fair value of cash and cash equivalents carried at amortised cost approximate their carrying values presented.

(c) Movement in net debt

The Group's net debt position is as follows:

€ million	Cash and cash equivalents	Current financial asset investments ¹	Debt due within one year ²	Debt due after one year	Debt-related derivative financial instruments	Total net debt
At 1 January 2024	1,592	1	(559)	(1,460)	7	(419)
Cash flow	(1,168)	—	516	(496)	23	(1,125)
Cash movement in the period	(1,168)	—	—	—	—	(1,168)
Proceeds from issue of Eurobond	—	—	—	(496)	—	(496)
Repayment of Eurobond	—	—	500	—	—	500
Proceeds from borrowings	—	—	(8)	(215)	—	(223)
Repayment of borrowings	—	—	11	215	—	226
Repayment of lease liabilities	—	—	13	—	—	13
Net cash outflow from debt-related derivative financial instruments	—	—	—	—	23	23
Additions to lease liabilities	—	—	(7)	(13)	—	(20)
Disposal of lease liabilities	—	—	—	1	—	1
Movement in unamortised loan costs	—	—	—	(1)	—	(1)
Net movement in fair value of derivative financial instruments	—	—	—	—	(29)	(29)
Reclassification	—	—	(12)	12	—	—
Currency movements	(13)	—	5	(2)	—	(10)
At 30 June 2024	411	1	(57)	(1,959)	1	(1,603)

€ million	Cash and cash equivalents	Current financial asset investments ¹	Debt due within one year	Debt due after one year	Debt-related derivative financial instruments	Total net debt
At 1 January 2023	1,061	1	(96)	(1,970)	(7)	(1,011)
Cash flow	(91)	—	27	—	40	(24)
Cash movement from continuing operations	(235)	—	—	—	—	(235)
Proceeds from borrowings	—	—	(17)	—	—	(17)
Repayment of borrowings	—	—	32	—	—	32
Repayment of lease liabilities	—	—	11	—	—	11
Net cash outflow from debt-related derivative financial instruments	—	—	—	—	40	40
Discontinued operations	144	—	1	—	—	145
Additions to lease liabilities	—	—	(7)	(11)	—	(18)
Disposal of lease liabilities	—	—	—	1	—	1
Movement in unamortised loan costs	—	—	—	(1)	—	(1)
Net movement in fair value of derivative financial instruments	—	—	—	—	(36)	(36)
Reclassification	—	—	(510)	510	—	—
Elimination of assets and liabilities previously classified as held for sale	(34)	—	(1)	(19)	—	(54)
Currency movements	(99)	—	23	23	—	(53)
At 30 June 2023	837	1	(564)	(1,467)	(3)	(1,196)

Notes:

1 Included in financial instruments in the condensed consolidated statement of financial position.

2 Excludes bank overdrafts of €4 million (as at 31 December 2023: €nil), which are included in cash and cash equivalents (see note 13b)

13 Consolidated cash flow analysis (continued)

(c) Movement in net debt (continued)

The Group incurred interest expense of €52 million in relation to bank overdrafts, loans and lease liabilities (six months ended 30 June 2023: €57 million). The Group paid €43 million (six months ended 30 June 2023: €42 million) relating to interest on borrowings and €18 million (six months ended 30 June 2023: €26 million) relating to forward exchange rates on derivative contracts. The settlement of debt-related derivatives shown as cash flow in the table above is recognised as net cash outflow from debt-related derivative financial instruments in the condensed consolidated statement of cash flows.

14 Capital commitments

As at 30 June 2024, capital expenditure contracted for but not recognised as liabilities is €635 million (as at 31 December 2023: €634 million).

15 Contingent liabilities

There have been no significant changes to the nature of the contingent liabilities as disclosed in note 30 of the Group's Integrated report and financial statements 2023.

16 Fair value measurement

Assets and liabilities that are measured at fair value, or where the fair value of financial instruments has been disclosed in the notes to the condensed consolidated financial statements, are based on the following fair value measurement hierarchy:

- level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The assets measured at fair value on level 3 of the fair value measurement hierarchy are the Group's forestry assets as set out in note 9 and certain assets acquired or liabilities assumed in business combinations as set out in note 12.

As at 30 June 2024, the fair value of level 2 derivative financial assets is €11 million (as at 31 December 2023: €13 million), whereas the fair value of level 2 derivative financial liabilities is €13 million (as at 31 December 2023: €4 million).

Cash and cash equivalents include money market funds, which are carried at fair value through profit and loss, with the remaining balance carried at amortised cost. As at 30 June 2024, the level 1 fair valued money market funds are valued at €216 million (as at 31 December 2023: €840 million).

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2024.

There have been no transfers of assets or liabilities between levels of the fair value hierarchy during the period.

The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined using generally accepted valuation techniques. These valuation techniques maximise the use of observable market data and rely as little as possible on Group specific estimates.

Specific valuation methodologies used to value financial instruments include:

- the fair values of foreign exchange contracts are calculated as the present value of expected future cash flows based on observable yield curves and exchange rates; and
- other techniques, including discounted cash flow analysis, are used to determine the fair values of other financial instruments.

16 Fair value measurement (continued)

Except as detailed below, the directors consider that the carrying values of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements are approximately equal to their fair values.

€ million	Carrying amount		Fair value	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
Financial liabilities				
Borrowings	2,020	2,019	1,969	1,983

17 Related party transactions

The Group and its subsidiaries, in the ordinary course of business, enter into various sale, purchase and service transactions with associated undertakings in which the Group has a material interest. The related party transactions entered into by the Group have been contracted on an arms-length basis. The level of these transactions is consistent with prior year.

Transactions between Mondi plc and its subsidiaries, which are related parties, and transactions between its subsidiaries have been eliminated on consolidation. There have been no significant changes to the nature of its related party transactions as disclosed in note 32 of the Group's Integrated report and financial statements 2023.

18 Events occurring after 30 June 2024

Aside from the interim ordinary dividend declared for the current financial year (see note 8), there have been no material reportable events since 30 June 2024.

Alternative Performance Measures (APMs)

The Group presents certain measures of financial performance, position or cash flows in the condensed consolidated financial statements that are not defined or specified according to IFRS Accounting Standards in order to provide additional performance-related measures to its stakeholders. These measures, referred to as Alternative Performance Measures (APMs), are prepared on a consistent basis for all periods presented in this report.

By their nature, the APMs used by the Group are not necessarily uniformly applied by peer companies and therefore may not be comparable with similarly defined measures and disclosures applied by other companies. Such measures should not be viewed in isolation or as a substitute to the equivalent IFRS Accounting Standards measure.

Internally, the Group and its operating segments apply the same APMs in a consistent manner in planning and reporting on performance to management, the Executive Committee and the Board. Three of the Group's APMs, underlying EBITDA, basic underlying EPS and ROCE, form part of the executive directors' and senior management's remuneration targets.

The most significant APMs used by the Group are described below, together with a reconciliation to the equivalent IFRS Accounting Standards measure. The reconciliations are based on Group figures and represent the continuing operations of the Group, unless otherwise stated. The reporting segment equivalent APMs are measured in a consistent manner.

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Special items		
Special items are generally material, non-recurring items from continuing operations that exceed €10 million. The Audit Committee regularly assesses the monetary threshold of €10 million on a net basis and considers the threshold in the context of both the Group as a whole and individual operating segment performance.	Note 4	None
<p>The Group separately discloses special items on the face of the condensed consolidated income statement to assist its stakeholders in understanding the underlying financial performance achieved by the Group on a basis that is comparable from year to year. Examples of special item charges or credits include, but are not limited to, significant restructuring programmes, impairment of assets or cash-generating units, profits or losses from the disposal of businesses, and the settlement of significant litigation or claims.</p> <p>Subsequent adjustments to items previously recognised as special items, including any related credits received subsequently, continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold. Subsequent adjustments to items, or charges and credits on items that are closely related, which previously did not qualify for reporting as special items, continue to be reported in the underlying result even if the cumulative net charge/credit over the years exceeds the €10 million quantitative reporting threshold.</p>		
Underlying EBITDA		
Operating profit before special items, depreciation, amortisation and impairments not recorded as special items provides a measure of the cash-generating ability of the Group's continuing operations that is comparable from year to year.	Condensed consolidated income statement	Operating profit

For the Uncoated Fine Paper business unit review on page 5, the Group has disclosed underlying EBITDA excluding forestry fair value gain to improve relative comparability.

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Underlying EBITDA margin		
Underlying EBITDA expressed as a percentage of Group revenue (segment revenue for operating segments) provides a measure of the cash-generating ability of the Group's continuing operations relative to revenue.		None
APM calculation:		
€ million, unless otherwise stated	Six months ended 30 June 2024	Six months ended 30 June 2023
Underlying EBITDA (see condensed consolidated income statement)	565	680
Group revenue (see condensed consolidated income statement)	3,739	3,881
Underlying EBITDA margin (%)	15.1	17.5
Underlying operating profit		
Operating profit before special items provides a measure of operating performance of the Group's continuing operations that is comparable from year to year.	Condensed consolidated income statement	Operating profit
Underlying profit before tax		
Profit before tax and special items. Underlying profit before tax provides a measure of the Group's continuing operations' profitability before tax that is comparable from year to year.	Condensed consolidated income statement	Profit before tax
Effective tax rate		
Underlying tax charge expressed as a percentage of underlying profit before tax.		None
A measure of the tax charge of the Group's continuing operations relative to its profit before tax expressed on an underlying basis.		
APM calculation:		
€ million, unless otherwise stated	Six months ended 30 June 2024	Six months ended 30 June 2023
Tax charge before special items (see note 6)	71	102
Underlying profit before tax (see condensed consolidated income statement)	323	439
Effective tax rate (%)	22.0	23.2
Underlying earnings (and per share measure)		
Net profit after tax before special items arising from the Group's continuing operations that is attributable to shareholders.	Note 7	Profit for the period attributable to shareholders (and per share measure)
Underlying earnings (and the related per share measure based on the basic, weighted average number of ordinary shares outstanding) provides a measure of the continuing operations' earnings.		
Total earnings (prior to special items)		
Net profit after tax before special items arising from the Group's continuing and discontinued operations that is attributable to shareholders.	Note 7	Profit for the period attributable to shareholders
Total earnings provides a measure of the Group's earnings.		

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Headline earnings (and per share measure)		
The presentation of headline earnings (and the related per share measure based on the basic, weighted average number of ordinary shares outstanding) is mandated under the Listings Requirements of the JSE Limited and is calculated in accordance with Circular 1/2023, 'Headline Earnings', as issued by the South African Institute of Chartered Accountants.	Note 7	Profit for the period attributable to shareholders (and per share measure)

Capital employed (and related trailing 12-month average capital employed)		
Capital employed comprises total equity and net debt. Trailing 12-month average capital employed is the average monthly capital employed over the last 12 months adjusted for spend on major capital expenditure projects which are not yet in production.	Note 3	Total equity

These measures provide the level of invested capital in the business. Trailing 12-month average capital employed is used in the calculation of return on capital employed.

Return on capital employed (ROCE)		
Trailing 12-month underlying operating profit, including share of associate's and joint ventures' net profit/(loss), divided by trailing 12-month average capital employed. ROCE provides a measure of the efficient and effective use of capital in the business and is presented on the basis of the Group's continuing operations for comparability.		None

APM calculation:

€ million, unless otherwise stated	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
Trailing 12-month underlying operating profit	664	1,176	790
Trailing 12-month underlying net loss from joint ventures	(5)	(4)	(5)
Trailing 12-month underlying profit from operations and joint ventures	659	1,172	785
Trailing 12-month average capital employed of continuing operations (see note 3)	6,088	6,134	6,135
ROCE (%)	10.8	19.1	12.8

Net debt (and related trailing 12-month average net debt)		
A measure comprising short, medium, and long-term interest-bearing borrowings and the fair value of debt-related derivatives less cash and cash equivalents, net of overdrafts, and current financial asset investments. Trailing 12-month average net debt is the average monthly net debt over the last 12 months.	Note 13c	None

Net debt to underlying EBITDA		
Net debt divided by trailing 12-month underlying EBITDA. A measure of the Group's net indebtedness relative to its cash-generating ability.		None

APM calculation:

€ million, unless otherwise stated	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
Net debt (see note 13c)	1,603	1,196	419
Trailing 12-month underlying EBITDA	1,086	1,586	1,201
Net debt to underlying EBITDA (times)	1.5	0.8	0.3

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure	
Working capital as a percentage of revenue			
Working capital, defined as the sum of trade and other receivables and inventories less trade and other payables, expressed as a percentage of annualised Group revenue, which is calculated based on an extrapolation of average monthly year-to-date revenue. A measure of the Group's effective use of working capital relative to revenue.		None	
APM calculation:			
€ million, unless otherwise stated	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
Inventories (see condensed consolidated statement of financial position)	1,138	1,203	1,049
Trade and other receivables (see condensed consolidated statement of financial position)	1,552	1,367	1,254
Trade and other payables (see condensed consolidated statement of financial position)	(1,353)	(1,247)	(1,219)
Working capital	1,337	1,323	1,084
Annualised Group revenue	7,478	7,762	7,330
Working capital as a percentage of revenue	17.9	17.0	14.8

Production statistics

		Six months ended 30 June 2024	Six months ended 30 June 2023
Continuing operations			
Containerboard	000 tonnes	1,171	1,178
Kraft paper	000 tonnes	640	557
Uncoated fine paper	000 tonnes	489	410
Pulp	000 tonnes	1,906	1,616
Internal consumption	000 tonnes	1,579	1,379
Market pulp	000 tonnes	327	237
Corrugated solutions	million m ²	935	916
Paper bags	million units	2,792	2,837
Consumer flexibles	million m ²	1,006	945
Functional paper and films	million m ²	1,637	1,407

Forward-looking statements

This document includes forward-looking statements. All statements other than statements of historical facts included herein, including, without limitation, those regarding Mondi's financial position, business strategy, market growth and developments, expectations of growth and profitability and plans and objectives of management for future operations, are forward-looking statements. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Mondi, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements and other statements contained in this document regarding matters that are not historical facts involve predictions and are based on numerous assumptions regarding Mondi's present and future business strategies and the environment in which Mondi will operate in the future. These forward-looking statements speak only as of the date on which they are made.

No assurance can be given that such future results will be achieved; various factors could cause actual future results, performance or events to differ materially from those described in these statements. Such factors include in particular but without any limitation: (1) operating factors, such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development plans and targets, changes in the degree of protection created by Mondi's patents and other intellectual property rights and the availability of capital on acceptable terms; (2) industry conditions, such as strength of product demand, intensity of competition, prevailing and future global market prices for Mondi's products and raw materials and the pricing pressures thereto, financial condition of the customers, suppliers and the competitors of Mondi and potential introduction of competing products and technologies by competitors; and (3) general economic conditions, such as rates of economic growth in Mondi's principal geographical markets or fluctuations of exchange rates and interest rates.

Mondi expressly disclaims a) any warranty or liability as to accuracy or completeness of the information provided herein; and b) any obligation or undertaking to review or confirm analysts' expectations or estimates or to update any forward-looking statements to reflect any change in Mondi's expectations or any events that occur or circumstances that arise after the date of making any forward-looking statements, unless required to do so by the Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation or applicable law or any regulatory body applicable to Mondi, including the JSE Limited, the FCA and the LSE.

Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's auditors.

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 €7.3 billion and underlying EBITDA of €1.2 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).

mondigroup.com

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