

Mondi plc

(Incorporated in England and Wales)

(Registered number: 6209386)

LEI: 213800LOZA69QFDC9N34

LSE share code: MNDI

ISIN: GB00B1CRLC47

JSE share code: MNP

4 August 2022

Results for the six months ended 30 June 2022

Highlights

- **Strong performance across the business**
 - Margin expansion in all continuing businesses, supported by good selling price realisation and solid operating performance in challenging conditions
 - Key capital investments contributing to performance
 - Underlying EBITDA from continuing operations (excluding Russian operations) of €942 million, up 66% year-on-year
 - Total EBITDA including discontinued Russian operations (prior to special items) of €1,170 million, up 65% year-on-year
- **Around €1 billion of expansionary projects underway, approved or under advanced evaluation – capturing growth in our packaging markets, building on our leading market positions and adding to our strong track record of disciplined capital allocation**
- **Completed sale of the Personal Care Components business for an enterprise value of €615 million, delivering greater focus**
- **Process to dispose Russian operations ongoing - now reported as discontinued operations held for sale**
- **Continued progress on sustainability roadmap, Mondi Action Plan 2030 (MAP2030)**
- **Balance sheet at 0.8x net debt to underlying EBITDA (continuing operations)**
- **Interim dividend declared of 21.67 euro cents per share, up 8% year-on-year**
- **Well-positioned for the future, with unique portfolio of leading sustainable packaging solutions, cost-advantaged asset base, culture of continuous improvement and strong financial position**

Financial summary

As at 30 June 2022, the Group's operations in Russia are reported as discontinued operations held for sale.

€ million, except for percentages and per share measures	Six months ended 30 June 2022	Six months ended 30 June 2021	Change %
From continuing operations (excluding Russian operations)			
Group revenue	4,505	3,283	37%
Underlying EBITDA ¹	942	566	66%
Profit before tax	933	354	164%
Cash generated from operations	519	407	28%
Basic underlying earnings per share ¹ (euro cents)	98.7	53.4	85%
Basic earnings per share (euro cents)	148.4	54.4	173%
Interim dividend per share (euro cents)	21.67	20.00	8%
Underlying EBITDA margin ¹	20.9%	17.2%	
Return on capital employed (ROCE) ¹	19.2%	12.8%	
Net debt ¹	1,220	1,926	
From continuing and discontinued operations (including Russian operations)			
Total EBITDA (prior to special items) ¹	1,170	709	65%

Basic total earnings per share (prior to special items) ¹ (euro cents)	129.3	70.7	83%
Return on capital employed (ROCE) ¹	22.5%	14.8%	

Note:

¹ The Group presents certain measures of financial performance, position or cash flows that are not defined or specified according to International Financial Reporting Standards (IFRS). These measures, referred to as Alternative Performance Measures (APMs), are defined at the end of the full announcement and where relevant, reconciled to IFRS measures in the notes to the condensed consolidated financial statements (see link to the full announcement below).

Andrew King, Mondi Group Chief Executive Officer, said:

"Performance was strong across the Group in the first half of 2022, with underlying EBITDA from continuing operations of €942 million, up 66% year-on-year. Our vertical integration, the agility of our organisation and strong collaboration with our customers ensured we delivered at a time when supply chains continued to be disrupted around the world. We achieved strong price realisation while maintaining tight cost control against a backdrop of strong inflationary pressures.

My sincere thanks goes to the teams across Mondi for their dedication and ongoing commitment, delivering so strongly in these challenging times.

Sustainable packaging continues to be a key priority for our customers and wider society. We are well placed to support our customers to achieve their environmental goals with circular driven solutions that are sustainable by design, a unique product portfolio, superior technical know-how, expertise in understanding the best material choices and leading innovation capabilities.

Our capital investments continue to generate value-accretive growth, enhance our cost competitiveness and drive sustainability benefits. We have an ambitious expansionary capital investment programme to further capture growth in our packaging markets, building on our leading market positions and long track record of disciplined capital allocation. Our pipeline currently includes around €1 billion of expansionary projects in our continuing operations already approved or under advanced evaluation, which we anticipate will generate mid-teen returns when in full operation. We continue to actively consider further capital investments for growth in the packaging markets in which we operate.

We are pleased to have completed the sale of the Personal Care Components business to Nitto ahead of schedule. This enables us to simplify our portfolio and focus on our strategic priority to grow in sustainable packaging.

Looking forward, pricing remains strong going into the second half, although we do anticipate continued inflationary pressures on our cost base and ongoing supply chain challenges. While significant geopolitical and macroeconomic uncertainties remain, we expect a year of good progress.

Mondi remains well-placed to deliver sustainably into the future, underpinned by our integrated cost advantaged asset base, culture of continuous improvement, portfolio of sustainable packaging solutions and the strategic flexibility offered by our strong cash generation and financial position."

Dividend

The Board aims to offer shareholders long-term ordinary dividend growth within a targeted dividend cover range of two to three times on average over the cycle.

An interim dividend of 21.67 euro cents per share, up 8% year-on-year, has been declared by the directors. The interim dividend will be paid on Thursday 29 September 2022 to those shareholders on the register of Mondi plc on Friday 26 August 2022.

Last date to trade shares cum-dividend

JSE Limited	Tuesday 23 August 2022
London Stock Exchange	Wednesday 24 August 2022

Shares commence trading ex-dividend

JSE Limited	Wednesday 24 August 2022
London Stock Exchange	Thursday 25 August 2022

Record date

Friday 26 August 2022

Last date for receipt of Dividend Reinvestment Plan (DRIP) elections by Central Securities Depository Participants

Thursday 1 September 2022

Last date for DRIP elections to UK Registrar and South African Transfer Secretaries:

South African Register	Friday 2 September 2022
UK Register	Monday 12 September 2022

Payment Date

Thursday 29 September 2022

DRIP purchase settlement dates (subject to market conditions and the purchase of shares in the open market):

UK Register

Monday 3 October 2022

South African Register

Wednesday 5 October 2022

Currency conversion dates

ZAR/euro

Thursday 4 August 2022

Euro/sterling

Friday 16 September 2022

Share certificates on Mondi plc's South African register may not be dematerialised or rematerialised between Wednesday 24 August 2022 and Friday 26 August 2022, both dates inclusive, nor may transfers between the UK and South African registers of Mondi plc take place between Wednesday 17 August 2022 and Friday 26 August 2022, 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 4 August 2022.

The dividend will be paid from distributable reserves. For further information please see the full announcement (link below).

Short form announcement

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement accessible from Thursday, 4 August 2022, via the JSE link below and also available on our website at www.mondigroup.com/en/investors/results-and-reports.

The full announcement is available at our registered office and our sponsor's office for inspection, at no charge, during office hours. Copies of the full announcement may also be requested by email: Investor.Relations@mondigroup.com

The JSE link is as follows: <https://senspdf.jse.co.za/documents/2022/jse/isse/MNP/HY2022.pdf>

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Audiocast and dial-in conference call details

Please see below details for the audiocast and conference call that will be held at 09:00 (BST) and 10:00 (CEST/SAST) today.

Audiocast:

An audiocast of the presentation will be accessible via <https://www.mondigroup.com/en/investors/>

A PDF of the slides will be available to download from the above website 30 minutes before the audiocast commences. Written questions can be submitted via the audiocast platform. If you wish to ask a question verbally, please connect via the dial-in conference call (details below).

For queries regarding access to the audiocast please e-mail group.communication@mondigroup.com.

A recording of the presentation will be available on Mondi's website during the afternoon of 4 August 2022.

Dial-in conference call:

To access the facility please register your name and contact details:

<https://register.vevent.com/register/BI4efd3654616e47ad918c2020a236e0f9>

Editors' notes

Mondi is a global leader in packaging and paper, contributing to a better world by making innovative solutions that are sustainable by design. Our business is integrated across the value chain – from managing forests and producing pulp, paper and films, to developing and manufacturing sustainable consumer and industrial packaging solutions using paper where possible, plastic when useful. Sustainability is at the center of our strategy, with our ambitious commitments to 2030 focused on circular driven solutions, created by empowered people, taking action on climate.

In 2021, Mondi had revenues of €7.0 billion and underlying EBITDA of €1.2 billion from continuing operations, and employed 21,000 people worldwide. Mondi has a premium listing on the London Stock Exchange (MNDI), where the Group is a FTSE100 constituent, and also has a secondary listing on the JSE Limited (MNP).

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