

Mondi plc

(Incorporated in England and Wales)

(Registered number: 6209386)

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23 February 2023

Full year results for the year ended 31 December 2022

"Strong performance in 2022; delivering our strategy"

Mondi, a global leader in sustainable packaging and paper, today announces its results for the 12 months to 31 December 2022. Performance from the Group's continuing operations exclude its Russian operations.

Highlights

- **Strong financial performance from continuing operations**
 - Underlying EBITDA of €1,848 million, up 60% (2021: €1,157 million), with underlying EBITDA margin of 20.8% (2021: 16.6%)
 - Profit before tax of €1,560 million, up 119% (2021: €712 million)
 - Basic underlying earnings per share of 195.6 euro cents, up 78% (2021: 110.1 euro cents per share)
 - Cash generated from operations of €1,292 million, up 29% (2021: €1,001 million); strong balance sheet with leverage (net debt to underlying EBITDA) of 0.5 times
 - Return on capital employed (ROCE) of 23.7% (2021: 13.9%)
- **€1 billion expansionary capital investment pipeline on track to deliver growth across our packaging businesses**
- **Good progress made on our sustainability roadmap, Mondi Action Plan 2030 (MAP2030)**
 - Science-based Net-Zero targets validated
- **Completed sale of the Personal Care Components business**
- **Agreed sale of Russian assets, with regulatory approval process ongoing**
- **Recommended full year dividend of 70.0 euro cents per share, up 8% (2021: 65.0 euro cents per share)**
- **Our unique platform, cash generation and strong balance sheet positions us to meet growing customer demand for sustainable packaging and invest to strengthen our leading market positions, in line with our strategy to deliver sustainable value accretive growth.**

Financial summary^{1,2}

€ million, except for percentages and per share measures	Year ended 31 December 2022	Year ended 31 December 2021	Change %
From continuing operations (excluding Russian operations)			
Group revenue	8,902	6,974	28
Underlying EBITDA ¹	1,848	1,157	60
Underlying operating profit ¹	1,443	782	85
Operating profit	1,685	789	114
Profit before tax	1,560	712	119
Per share measures			
Basic underlying earnings per share ¹ (euro cents)	195.6	110.1	78
Basic earnings per share (euro cents)	244.5	112.0	118

Total dividend per share (euro cents)	70.0	65.0	8
Cash generated from operations	1,292	1,001	29
Net debt ¹	1,011	1,689	
Underlying EBITDA margin ¹	20.8%	16.6%	
Return on capital employed (ROCE) ¹	23.7%	13.9%	
From continuing and discontinued operations (including Russian operations)			
Total EBITDA (prior to special items) ¹	2,338	1,503	56
Basic total earnings per share (prior to special items) ¹ (euro cents)	250.4	154.0	63
Basic headline earnings per share ¹ (euro cents)	264.3	155.3	70
Return on capital employed (ROCE) ¹	26.0%	16.9%	

Notes:

- 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).
- 2 The Group's operations in Russia have been classified as discontinued operations and reported as held for sale. The measures presented based on continuing operations therefore exclude the Group's Russian operations. Refer to note 15 in the condensed consolidated financial statements for further information.

Andrew King, Mondi Group Chief Executive Officer, said:

"Mondi delivered a strong performance across the business in 2022. Underlying EBITDA from continuing operations of €1,848 million was up 60% as we continue to successfully partner with our customers to deliver innovative and sustainable packaging and paper solutions. Our integrated business model and strong operational performance enabled us to manage inflationary pressures and expand margins through price increases.

My sincere thanks go to all our colleagues for their excellent delivery and continued professionalism, agility and commitment in what has been a year impacted by significant external challenges.

Cash generated from continuing operations of €1,292 million, up 29% on 2021, led to a further strengthened balance sheet, ending the year with leverage of 0.5 times. This gives us the strength and strategic flexibility to continue to invest through the cycle, in turn reflecting our confidence in the long-term growth of the markets in which we operate and our leading positions within them.

We continue to accelerate our growth ambitions, making good progress with our significant expansionary capital investment pipeline. Projects focus on expanding capacity to serve growing markets, productivity improvements, enhancing cost competitiveness and delivering sustainability benefits.

Particularly pleasing is the strong growth we are seeing in our market-leading Flexible Packaging business. Our innovative product offering means we can use paper where possible and plastic when useful to provide customers with a uniquely broad choice of flexible packaging solutions to meet their needs.

We are widely recognised as a leader in sustainability including maintaining our AAA rating from MSCI, being recognised in CDP's A List for leading practices in forestry and water security, and among the top 10 ranked companies globally in the World Benchmarking Alliance's inaugural nature benchmark. We continue to make good progress across our Mondi Action Plan 2030 (MAP2030) sustainability framework. We are developing fit-for-purpose solutions, set apart by our broad product offering and innovative capabilities, as we work towards making all our packaging and paper solutions reusable, recyclable or compostable by 2025. We have accelerated our climate ambition, being among the first packaging and paper companies to have Net-Zero targets validated by the Science Based Targets initiative. Engaging, developing and safeguarding our people continues to be a priority as we look to build skills and promote a diverse and inclusive work culture, while ensuring everyone returns home safely every day.

With our strong financial position and confidence in the future of the business, the Board has recommended an increase in the final dividend to 48.33 euro cents per share. This represents a total dividend of 70.00 euro cents per share, an increase of 8% over last year."

Dividend

We have a disciplined capital allocation policy ensuring we can invest in the business through the cycle for long-term growth and deliver attractive returns, while supporting the ordinary dividend within a targeted dividend cover range of two to three times over the cycle.

With our strong financial position and confidence in the future of the business, the Board has recommended an increase in the final 2022 dividend to 48.33 euro cents per share. The final dividend, together with the interim dividend, amount to a total dividend for the year of 70.00 euro cents per share, an increase of 8% on the 2021 total dividend.

The final dividend is subject to the approval of the shareholders of Mondi plc at the Annual General Meeting scheduled for 4 May 2023 and, if approved, is payable on 12 May 2023 to shareholders on the register on 31 March 2023.

The proposed final dividend for the year ended 31 December 2022 of 48.33 euro cents per share will be paid in accordance with the following timetable:

Last date to trade shares cum-dividend	
JSE Limited	Tuesday 28 March 2023
London Stock Exchange	Wednesday 29 March 2023
Shares commence trading ex-dividend	
JSE Limited	Wednesday 29 March 2023
London Stock Exchange	Thursday 30 March 2023
Record date	Friday 31 March 2023
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections by Central Securities Depository Participants	Thursday 6 April 2023
Last date for DRIP elections to UK Registrar and South African Transfer Secretaries	
South African Register	Tuesday 11 April 2023
UK Register	Tuesday 18 April 2023
Payment date	Friday 12 May 2023
DRIP purchase settlement date (subject to market conditions and the purchase of shares in the open market)	
UK Register	Tuesday 16 May 2023
South African Register	Thursday 18 May 2023
Currency conversion date	
ZAR/euro	Thursday 23 February 2023
Euro/sterling	Thursday 20 April 2023

Share certificates on Mondi plc's South African register may not be dematerialised or rematerialised between Wednesday 29 March 2023 and Friday 31 March 2023, both dates inclusive, nor may transfers between the UK and South African registers of Mondi plc take place between Wednesday 22 March 2023 and Friday 31 March 2023, 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 23 February 2023.

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 23 February 2023 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. The full announcement is derived from the Group annual financial statements which have been audited by PricewaterhouseCoopers LLP. The unmodified audit report is available for inspection at the Group's registered office.

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/2023/jse/isse/MNP/FY2022.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 (GMT), 10:00 (CET), 11:00 (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 23 February 2023.

Dial-in conference call

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

<https://register.vevent.com/register/BI05574318313e4db4accfb88dfe2079a0>

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 centre of our strategy, with our ambitious commitments to 2030 focused on circular driven solutions, created by empowered people, taking action on climate.

In 2022, Mondi had revenues of €8.9 billion and underlying EBITDA of €1.8 billion from continuing operations, and employed 22,000 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.