



Statement regarding possible all share combination with DS Smith plc

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Mondi plc

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 February 2024

Statement regarding possible all share combination with DS Smith plc

Mondi plc ("Mondi") notes the recent announcement by DS Smith plc ("DS Smith").

Mondi confirms that it is in the early stages of considering a possible all share combination with DS Smith.

Mondi routinely considers various options within its disciplined capital allocation framework aimed at accelerating its growth in the structurally growing packaging sectors in which it operates.

Mondi believes that a possible all share combination with DS Smith represents an exciting opportunity to create an industry leader in European paper-based sustainable packaging solutions:

- well positioned to benefit from structural growth trends in sustainable packaging;
- benefitting from enhanced vertical integration, bringing with it a balanced paper position, greater earnings resilience through the cycle and enhanced security of paper supply, for the benefit of both shareholders and customers; and
- benefitting from substantial synergies as a result of vertical integration alongside highly complementary positions and expertise in containerboard, corrugated solutions and flexible packaging, in addition to expected benefits from economies of scale and efficiencies across a combined supply chain and administration.

Mondi's strategy is to deliver value accretive growth and, as noted above, adopts a disciplined approach to acquisitions and investment within its capital allocation framework. Any transaction with DS Smith would be assessed against this framework. Mondi remains committed to maintaining a strong and stable financial position supported by a solid investment grade credit rating and a dividend policy aimed at offering shareholders long-term dividend growth within the context of its stated cover policy.

There can be no certainty that an offer will be made to acquire DS Smith.

In accordance with Rule 2.6(a) of the Code, Mondi is required, by not later than 5.00 p.m. on 7 March 2024, to either announce a firm intention to make an offer for DS Smith in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer for DS Smith, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can only be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code. For the purposes of Rule 2.5(a) of the Code, Mondi reserves the right to vary the form and mix of the consideration and/or introduce other forms of consideration.

A further announcement will be made as and when appropriate.

Important Notices

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position disclosure or a dealing disclosure.

Rule 26.1 disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at www.mondigroup.com by no later than 12 noon (London time) on 9 February 2024.

The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Rule 2.9 information

In accordance with Rule 2.9 of the Code, Mondi confirms that as at the date of this announcement, its issued share capital consisted of 441,412,530 ordinary shares of EUR 0.22 each that are admitted to trading on the LSE and the JSE. No ordinary shares are held in treasury. The International Securities Identification Number (ISIN) of the ordinary shares is GB00BMWC6P49.

Rule 2.4 information

In accordance with Rule 2.4(c)(iii) of the Code, Mondi confirms that it is not aware of any dealings in DS Smith shares that would require it to offer a minimum level, or a particular form, of consideration under Rule 6 or Rule 11 of the Code. However, it has not been practicable for Mondi to make enquiries of all persons acting in concert with it prior to the date of this announcement in order to confirm whether any details are required to be disclosed under Rule 2.4(c)(iii) of the Code. To the extent that any such details are identified following such enquiries, Mondi shall make an announcement disclosing such details as soon as practicable, and in any event by no later than the time it is required to make its Opening Position Disclosure under Rule 8.1 of the Code.

Other

Rothschild & Co is acting as financial adviser to Mondi.

N.M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Mondi and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Mondi for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

Linklaters LLP is acting as legal adviser to Mondi.

The person responsible for arranging release of this announcement on behalf of Mondi is Jenny Hampshire, Company Secretary.

This announcement and the information within it is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, or subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. In particular, this announcement is not an offer of securities for sale into the United States. No offer of securities shall be made in the United States absent registration under the Securities Act of 1933, as amended, or pursuant to an exemption from, or in a transaction not subject to, such registration requirements. No statement contained or referred to in this announcement is intended to be a profit forecast.

This announcement has been prepared in accordance with English law and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The distribution of this announcement in jurisdictions other than the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders of Mondi or DS Smith who are not resident in the United Kingdom will need to inform themselves about, and observe, any applicable requirements. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

Editor's 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).

Sponsor in South Africa: Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities.