Mondi plc

(Incorporated in England and Wales)
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31 July 2025

Results for the six months ended 30 June 2025

Mondi, a global leader in the production of sustainable packaging and paper, today announces results for the six months ended 30 June 2025 ("first half" or "H1 2025").

Highlights

- Underlying EBITDA of €564 million, including €18 million forestry fair value gain, comparable to the first half of 2024 (H1 2024: €565 million including €49 million forestry fair value gain)
- Solid performance in our two packaging businesses supported by higher average selling prices
    - Corrugated Packaging underlying EBITDA of €203 million, 42% ahead of comparable period (H1 2024: €143 million)
    - Flexible Packaging underlying EBITDA of €302 million, 9% ahead of comparable period (H1 2024: €276 million)
- Uncoated Fine Paper delivered underlying EBITDA of €81 million, including a forestry fair value gain of €18 million (H1 2024: €166 million including a forestry fair value gain of €49 million)
- Good progress delivering key strategic initiatives
    - Production and sales ramping up for all major capacity expansion projects
    - Completed the acquisition of the Western Europe Packaging Assets of Schumacher Packaging ("Schumacher") on 31 March 2025 with integration and delivery of synergies on track
- Increased cash generated from operations of €416 million (H1 2024: €372 million)
- Leverage (net debt to underlying EBITDA) of 2.5 times at 30 June 2025, higher following investments to further enhance our portfolio (31 December 2024: 1.7 times)
- Interim ordinary dividend of 23.33 euro cents per share declared – in line with H1 2024 (H1 2024: 23.33 euro cents per share)

€ million, except where noted	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 31 December 2024
Group revenue	**3,909**	3,739	3,677
Underlying EBITDA[1]	**564**	565	484
Forestry fair value gain / (loss)	**18**	49	(42)
Underlying EBITDA excluding forestry fair value gain / (loss)	**546**	516	526
Underlying EBITDA margin[1]	**14.4%**	15.1%	13.2%
Profit before tax	**247**	296	82
Basic underlying earnings per share (euro cents)[1]	**42.7**	50.5	32.2
Basic earnings per share (euro cents)	**38.6**	44.5	4.6
Interim dividend per share (euro cents)	**23.33**	23.33	
Cash generated from operations	**416**	372	598
Net debt to underlying EBITDA (times)[1]	**2.5**	1.5	1.7
Return on capital employed (ROCE)[1]	**8.4%**	10.8%	9.6%

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

Andrew King, Mondi Group Chief Executive Officer, commented:

"In a challenging trading environment we delivered a solid performance with underlying EBITDA of €564 million. Volume growth, price increases and good cost control effectively mitigated currency headwinds and inflationary pressures, a testament to our ongoing focus on proactive margin management and our culture of continuous improvement. These actions, together with good cash flow management resulted in improvements in cash generation in the period.

"We continued to make good progress on our key strategic initiatives. All our major capacity expansion projects are now operational and ramping up production and sales, and the integration of Schumacher is on track.

"Looking ahead, ongoing geopolitical and macroeconomic uncertainties look set to continue impacting trading conditions into the second half of the year. In this environment, we remain focused on delivery of our ongoing productivity, cost and cash flow optimisation initiatives, while ensuring we are well positioned for long-term value creation in structurally growing markets, supported by our integrated, high quality and well invested asset base."

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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_0XrzORj8Tw-aa5ZUwMnVPA

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.

Group performance review

Mondi delivered a solid performance in the first half of 2025 in a challenging macroeconomic environment, reporting an underlying EBITDA of €564 million, comparable to the same period last year (H1 2024: €565 million).

Our performance was driven by higher sales volumes and higher average selling prices coupled with good cost control, offsetting labour cost inflation, currency headwinds and a reduced forestry fair value gain. In addition, our results in H1 2024 included a one-off loss from the devaluation of the Egyptian pound.

There was limited direct impact on our operations from announced tariffs in the period. While only 2-3% of our revenue is generated from exports into the US, we remain mindful of the second order impacts affecting trade flows, consumer confidence and supply chains.

Corrugated Packaging delivered an improved performance with underlying EBITDA up 42% to €203 million, driven by increased volumes, supported by the ramp up of capacity from recently completed projects, and higher average containerboard selling prices. Flexible Packaging delivered an underlying EBITDA of €302 million, which was in line with H1 2024 after taking into account the prior period's one-off loss from the devaluation of the Egyptian pound. Flexible Packaging saw higher average sales prices but modestly lower sales volumes in the period. Uncoated Fine Paper continued to win market share, however market conditions remained muted with sharply lower average selling prices for both uncoated fine paper and pulp. A reduced forestry fair value gain was recorded when compared to H1 2024 (H1 2025: €18 million; H1 2024: €49 million). Underlying EBITDA was €81 million (H1 2024: €166 million).

Basic underlying earnings per share were 42.7 euro cents per share (H1 2024: 50.5 euro cents per share) reflecting higher depreciation and higher finance costs, as expected, due to a higher average net debt balance.

Our net debt to underlying EBITDA (leverage) increased to 2.5 times at 30 June 2025 (31 December 2024: 1.7 times) as we invested to enhance our customer product offering and expand our network.

Return on capital employed was 8.4% (31 December 2024: 9.6%) calculated on a rolling 12-month basis. This result was diluted by the recent investments to grow our Flexible and Corrugated packaging businesses which are in the early stage of their three year earnings ramp up, and the acquisition of Schumacher.

An interim ordinary dividend of 23.33 euro cents per share has been declared – in line with the prior year (H1 2024: 23.33 euro cents per share).

Delivering value accretive growth, sustainably

Mondi has a unique packaging platform which has been significantly enhanced in recent years and is well positioned to deliver value accretive growth, sustainably.

Over a number of years, we have invested to adapt to our customers' evolving packaging and paper requirements, creating a robust, cost-advantaged packaging Group that prioritises customer-centric growth. These investments have expanded our footprint, paper-making capabilities, and converting capacity while enhancing productivity, efficiency, and sustainability performance. This strategic focus allows us to meet increasing customer demand for innovative packaging solutions that are sustainable by design, especially within key end-use markets like eCommerce, FMCG, home care and pet food. By embedding ourselves deeper into our customers' supply chains, we are further strengthening our value proposition.

Mondi has completed all major capacity expansion projects on time and on budget and is now focused on driving returns from these projects. Our newly started up paper machines at Štětí (Czech Republic) and Duino (Italy) are showing excellent results in terms of paper quality and production volumes, and we are making good progress executing our commercial strategy. Our new converting capacity is supporting the growth in eCommerce and FMCG which is underpinned by customers seeking sustainable packaging alternatives. We remain confident all our major capacity expansion projects will deliver mid-teen returns on a through-cycle basis. The incremental underlying EBITDA contribution in 2025 is expected to be in the range of €50-75 million taking into account current prices with the larger part of the contribution coming in the second half of 2025.

We believe we currently have the right capacity, in the right markets, with room for growth so our customers can receive the high-quality packaging products they require. We therefore expect a reduction in the amount of capital required to support organic growth in the near term.

We continue to invest in our assets to drive efficiency, productivity and sustainability and maintain our cost advantage. Included in our current capital expenditure plans we have two such projects. At our integrated Ružomberok mill (Slovakia), we are investing €120 million, net of subsidies, to replace the existing boiler with a new biomass powerplant. This will increase the mill's energy self-sufficiency from 75% to 90% and reduce costs. At our Richards Bay mill (South Africa) we are investing €150 million to replace the existing coal-fired boilers with a new biomass boiler in order to increase our energy self-sufficiency and reduce GHG emissions by up to 350,000 tonnes per annum.

We are very excited by the opportunity that the Schumacher acquisition brings to Mondi. We welcomed our new colleagues across sites in Germany, the Netherlands and the UK. The acquisition positions us to better serve customers across Northern Europe, expands our FMCG and eCommerce offering and opens up innovation opportunities.

In the three months we have owned Schumacher, we have made good progress implementing our integration plan and initiating the actions needed to deliver the €22 million of run rate cost synergies to be achieved over three years. Commercial ramp up of the combined offering to leverage the under-utilised Schumacher plants is another cornerstone of the value creation opportunity. While trading conditions in Northern European corrugated packaging markets are challenging, we are excited by the commercial opportunities presented by the enlarged, well-invested business. Our expectations for an underlying EBITDA contribution this year remain in the region of €30 million.

Corrugated Packaging

Mondi is a leading producer of corrugated packaging with a cost-competitive asset base and strong customer offering focused on quality, reliability and service. 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 in Europe. We leverage our integrated production network and partner with our customers to create fully recyclable corrugated boxes.

€ million, except for percentages	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 31 December 2024
Segment revenue	**1,298**	1,103	1,148
Underlying EBITDA	**203**	143	185
Underlying EBITDA margin	**15.6%**	13.0%	16.1%
Capital employed	**3,275**	2,512	2,609
ROCE	**7.8%**	5.2%	7.2%

Corrugated Packaging delivered an improved performance compared to the first half of 2024 with underlying EBITDA of €203 million and a margin of 15.6% (H1 2024: €143 million, 13.0%). The business delivered sales volume growth and achieved higher average containerboard selling prices following the implementation of price increases during the period.

In Containerboard, our sales volumes were up on the prior year as we continue to meet the growing demand from our customers for our broad range of paper grades. This volume growth was supported by delivering higher volumes at our Świecie mill (Poland) following the completion of the debottlenecking project at the mill last year, alongside the start up in April 2025 of the 420,000 tonne per annum recycled containerboard machine in Duino (Italy). In addition, we continue to ramp up production at our Kuopio mill (Finland) following the modernisation project at the mill. Following some paper quality issues at the mill during the period, we are again delivering high-quality products to our customers with the focus now on ramping up to full capacity.

Excluding the sales volumes from the acquired Schumacher plants, Corrugated Solutions achieved box volume growth in H1 2025 compared to H1 2024 driven by improved demand for sustainable packaging solutions for consumer and eCommerce end-use applications. Recent investments at our Simet and Warsaw plants in Poland have transformed them into state-of-the-art corrugated packaging facilities, increasing capacity and efficiency.

Flexible Packaging

We are a global flexible packaging producer with a unique portfolio of solutions. Our products serve a broad range of customers with around 50% of our revenue generated from industrial end-use applications and the remaining 50% from consumer end-use applications. As the global leader in kraft paper and paper bag production, and together with our high level of integration, our customers come to us for scale, security of supply and global reach. We are also a leading producer of complex consumer packaging solutions across a range of substrates with distinct competitive advantages and leadership positions in our chosen markets.

€ million, except for percentages	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 31 December 2024
Segment revenue	**2,044**	2,024	1,940
Underlying EBITDA	**302**	276	282
Underlying EBITDA margin	**14.8%**	13.6%	14.5%
Capital employed	**3,531**	3,321	3,418
ROCE	**11.5%**	12.1%	11.5%

Flexible Packaging's underlying EBITDA was higher at €302 million with margin of 14.8% (H1 2024: €276 million, 13.6%). Higher average selling prices, good cost control and the non-recurrence of the prior year's one-off loss from the devaluation of the Egyptian pound were mitigated by currency headwinds and modestly lower sales volumes.

In Kraft Paper, sales volumes were lower than H1 2024 while average selling prices were higher following the implementation of price increases during the period. We achieved kraft paper sales volume growth at our Štětí mill (Czech Republic) primarily due to the new 210,000 tonne per annum machine that successfully started up at the end of last year. However, this growth was more than offset by the reduced volumes previously produced at our Stambolijski mill (Bulgaria) following the site's closure in the second half of 2024. We continue to ramp up production at Štětí supported by improvements in market demand and the drive for more sustainable solutions.

Paper Bags achieved good sales volume growth supported by the growing demand for traditional building material and cement applications, as well as increasing demand for eCommerce solutions.

Consumer Flexibles and Functional Paper and Films continued to provide our customers with a broad range of innovative and sustainable packaging solutions, supported by a number of recently completed investments which enhance our capabilities and consolidate our leading positions in our chosen markets.

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 2025	Six months ended 30 June 2024	Six months ended 31 December 2024
Segment revenue	**619**	669	648
Underlying EBITDA	**81**	166	32
Forestry fair value gain / (loss)	**18**	49	(42)
Underlying EBITDA excluding forestry fair value gain / (loss)	**63**	117	74
Underlying EBITDA margin	**13.1%**	24.8%	4.9%
Capital employed	**1,121**	1,222	1,133
ROCE	**3.6%**	20.1%	11.1%

In the first half of 2025, Uncoated Fine Paper continued to gain market share while focusing on strong cost control in the face of softer market demand. Underlying EBITDA of €81 million and margin of 13.1% were however below the comparable prior year period (H1 2024: €166 million, 24.8%) due to lower average uncoated fine paper and pulp selling prices as well as a lower forestry fair value gain of €18 million compared to €49 million in H1 2024.

The business delivered stable uncoated fine paper sales volumes compared to the first half of 2024 against a softer market demand environment, testament to our broad product portfolio and excellent service. At our integrated Ružomberok mill (Slovakia) where we produce both uncoated fine paper and selected packaging paper grades, we have approved an investment to replace the existing boiler with a new biomass powerplant which will increase the mill's energy self-sufficiency and reduce costs.

Market pulp sales volumes were higher in the period compared to H1 2024 driven by improved production at our Richards Bay mill (South Africa). We are investing in this facility, which produces market pulp and containerboard, to replace the existing coal-fired boilers with a new biomass boiler in order to increase energy self-sufficiency, drive cost efficiencies and improve environmental performance.

Finance review

Group performance

Mondi delivered Group revenue of €3,909 million and underlying EBITDA of €564 million (H1 2024: €3,739 million and €565 million, respectively). Volume growth, higher average selling prices and good cost control were impacted by labour cost inflation, currency headwinds and a reduced forestry fair value gain. In addition, our results in H1 2024 included a loss from the devaluation of the Egyptian pound which did not reoccur in H1 2025.

Input costs were broadly stable compared to the prior year with our procurement cost-saving initiatives offsetting the impact of higher average energy and paper for recycling prices. As we enter the second half of the year, we expect modest input cost relief, supported by our ongoing efficient procurement practices.

Maintenance costs were similar to the prior year. The underlying EBITDA impact of planned maintenance shuts was also inline with the comparable prior year period totalling around €20 million, all incurred in the second quarter. We continue to expect the impact from planned maintenance shuts in the second half of the year to be around €80 million, split relatively evenly between the third and fourth quarter of the year.

While personnel costs were higher as a result of labour cost inflation and the inclusion of the acquired Schumacher business, good cost control drove other net operating expenses lower when excluding the impact of the reduced forestry fair value gain and the prior year's one-off loss from the Egyptian pound devaluation.

Depreciation and amortisation charges of €236 million increased year-on-year (H1 2024: €210 million) as a result of starting up a number of capital investment projects and the inclusion of the Schumacher acquisition. Due to this acquisition, we expect depreciation and amortisation charges of €475-500 million in 2025 (previous guidance of €450-475 million which excluded the Schumacher acquisition).

Net finance costs of €53 million were higher than prior year (H1 2024: €31 million) driven by a higher average net debt balance. The issuance of a €600 million Eurobond in March 2025 further strengthens the Group's liquidity position and extends our debt maturity profile. Our full year expectation for net finance costs in 2025 has increased from around €90 million to around €110 million due to the debt-financed acquisition of Schumacher.

The underlying tax charge for the half year was €61 million giving an effective tax rate of 22.4% (H1 2024: €71 million, 22.0%). We continue to expect the full year's effective tax rate to remain at around 23%.

As a result, basic underlying earnings were 42.7 euro cents per share (H1 2024: 50.5 euro cents per share). After taking the after tax charge of special items into account, which totalled €18 million and mostly comprised transaction costs relating to the Schumacher acquisition (H1 2024 total special items after tax charge of €27 million), basic earnings were 38.6 euro cents per share (H1 2024: 44.5 euro cents per share).

Cash flow

Cash generated from operations was higher at €416 million (H1 2024: €372 million) which included a working capital cash outflow of €130 million (H1 2024: outflow of €160 million). This was mainly as a result of higher trade receivable balances at 30 June 2025 following price increases achieved during the period. We expect a working capital inflow in the second half of the year.

Capital expenditure cash payments in the half year were €349 million (H1 2024: €397 million). We continue to expect the full year to be €750-850 million which includes payments in respect of our investments to improve efficiency, reduce environmental impacts and increase energy self-sufficiency, as well as the final amounts due for our major growth projects. This amount also includes Schumacher's capital expenditure cash payments in the year. In 2026, we expect around €650 million capital expenditure for the Group.

Tax paid was €40 million (H1 2024: €71 million) and interest paid was €50 million (H1 2024: €43 million).

The Group returned €202 million of dividends to shareholders during the period in respect of the payment of the 2024 final ordinary dividend (H1 2024: €209 million in respect of the 2023 final ordinary dividend).

Liquidity, treasury and borrowings

Net debt at 30 June 2025 was higher at €2,639 million with net debt to underlying EBITDA at 2.5 times (31 December 2024: €1,732 million, 1.7 times) as we invested to enhance our customer product offering and expand our network.

Effective from January 2025, we increased our Syndicated Revolving Credit Facility (RCF) by €250 million from €750 million up to €1 billion. In addition, we issued a 3.75% €600 million Eurobond with an 8-year tenor in March 2025. These actions further strengthen the Group’s liquidity position and extend our debt maturity profile. At 30 June 2025, we had available liquidity of around €1 billion comprising €850 million of undrawn committed debt facilities and cash and cash equivalents of €159 million. The only significant debt maturity in the near term is our 1.625% €600 million Eurobond that is due to mature in April 2026. We expect to redeem this Eurobond from available facilities. At 30 June 2025, the weighted average maturity of our committed debt facilities was 4.0 years. Our financing agreements do not contain financial covenants.

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

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 2025, 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 60 to 69 of the Integrated report and financial statements 2024.

Our principal risks are the following:

Strategic risks:

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

Financial risks:

- Capital structure
- Currency risk
- Tax risk

Operational risks:

- 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:

- Reputational risk

Going concern

The directors have reviewed the Group’s current financial position and performance expectations for the period until 31 December 2026, including consideration of the principal risks which may impact the Group’s performance in the near term. As the Group’s debt facilities and loan agreements do not contain financial covenants, the directors have focused on liquidity in performing their going concern assessment. At 30 June 2025, the Group had available liquidity of around €1 billion comprising €850 million of undrawn committed debt facilities and cash and cash equivalents of €159 million. The only significant debt maturity in the near term is our 1.625% €600 million Eurobond that is due to mature in April 2026. We expect to redeem this Eurobond from existing available facilities.

The Group has prepared a base case forecast reflecting recent trading performance in the first half of the year and market development expectations for the period to 31 December 2026. The base case forecast was sensitised to reflect a severe but plausible downside scenario including possible future impacts from the principal risks on the Group's 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 52% to the planned underlying EBITDA in the period until 31 December 2026, 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 the event of a severe and extended revenue decline.

Following their 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 going concern period. 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 2025.

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 2025 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 2025;
- 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 2024.

The Group's condensed consolidated financial statements, and related notes, were approved by the Board and authorised for issue on 30 July 2025 and were signed on its behalf by:

Andrew King
Director

Mike Powell
Director

30 July 2025

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 2025 (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 2025;
- 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
30 July 2025

Condensed consolidated income statement
for the six months ended 30 June 2025

€ million	Notes	Six months ended 30 June 2025 Underlying	Special items (Note 4)	Total	Six months ended 30 June 2024 Underlying	Special items (Note 4)	Total
Group revenue	3	**3,909**	**—**	**3,909**	**3,739**	**—**	**3,739**
Materials, energy and consumables used		(1,957)	—	(1,957)	(1,859)	—	(1,859)
Variable selling expenses		(348)	—	(348)	(331)	—	(331)
Gross margin		1,604	—	1,604	1,549	—	1,549
Maintenance and other indirect expenses		(184)	—	(184)	(180)	—	(180)
Personnel costs		(673)	(1)	(674)	(612)	(12)	(624)
Other net operating expenses		(183)	(24)	(207)	(192)	(15)	(207)
EBITDA	3	**564**	**(25)**	**539**	**565**	**(27)**	**538**
Depreciation, amortisation and impairments		(236)	—	(236)	(210)	—	(210)
Operating profit	3	**328**	**(25)**	**303**	**355**	**(27)**	**328**
Net loss from joint ventures		—	—	—	(2)	—	(2)
Net finance costs		(53)	—	(53)	(31)	—	(31)
Investment income		6	—	6	19	—	19
Foreign currency gains/(losses)		1	—	1	(3)	—	(3)
Finance costs		(60)	—	(60)	(47)	—	(47)
Net monetary (loss)/gain arising from hyperinflationary economies		(3)	—	(3)	1	—	1
Profit before tax		272	(25)	247	323	(27)	296
Tax (charge)/credit		(61)	7	(54)	(71)	—	(71)
Profit for the period		**211**	**(18)**	**193**	**252**	**(27)**	**225**
Attributable to:							
Non-controlling interests		**23**	**—**	**23**	**26**	**—**	**26**
Shareholders		**188**	**(18)**	**170**	**226**	**(27)**	**199**

Earnings per share (EPS) attributable to shareholders euro cents							
Basic EPS	5			**38.6**			**44.5**
Diluted EPS	5			**38.6**			**44.5**
Basic underlying EPS	5			**42.7**			**50.5**
Diluted underlying EPS	5			**42.7**			**50.5**

Condensed consolidated statement of comprehensive income
for the six months ended 30 June 2025

€ million	Six months ended 30 June 2025	Six months ended 30 June 2024
Profit for the period	**193**	**225**
Items that may subsequently be or have been reclassified to the condensed consolidated income statement		
Fair value gains/(losses) arising from cash flow hedges	2	(2)
Exchange differences on translation of foreign non-euro operations	(81)	52
Items that will not subsequently be reclassified to the condensed consolidated income statement		
Remeasurements of retirement benefits plans	4	4
Tax effect thereof	(1)	(1)
Other comprehensive (expense)/income for the period	**(76)**	**53**
Attributable to:		
Non-controlling interests	**(10)**	**7**
Shareholders	**(66)**	**46**
Total comprehensive income for the period	**117**	**278**
Attributable to:		
Non-controlling interests	**13**	**33**
Shareholders	**104**	**245**

Condensed consolidated statement of financial position
as at 30 June 2025

€ million	Notes	As at 30 June 2025	As at 31 December 2024
Property, plant and equipment		5,542	5,160
Goodwill	9	956	767
Intangible assets		72	70
Forestry assets	7	471	503
Investments in joint ventures		11	5
Financial instruments		24	29
Deferred tax assets		23	22
Net retirement benefits asset		1	3
Other non-current assets		2	3
Total non-current assets		**7,102**	**6,562**
Inventories		1,253	1,194
Trade and other receivables		1,520	1,275
Current tax assets		18	22
Financial instruments		12	10
Cash and cash equivalents	10b	168	278
Total current assets		**2,971**	**2,779**
Total assets		**10,073**	**9,341**
Short-term borrowings	8	(671)	(63)
Trade and other payables		(1,356)	(1,281)
Current tax liabilities		(68)	(67)
Provisions		(43)	(65)
Financial instruments		(8)	(9)
Total current liabilities		**(2,146)**	**(1,485)**
Medium and long-term borrowings	8	(2,139)	(1,952)
Net retirement benefits liability		(154)	(161)
Deferred tax liabilities		(343)	(342)
Non-current tax liabilities		(4)	—
Provisions		(33)	(32)
Other non-current liabilities		(20)	(19)
Total non-current liabilities		**(2,693)**	**(2,506)**
Total liabilities		**(4,839)**	**(3,991)**
Net assets		**5,234**	**5,350**
Equity			
Share capital		97	97
Own shares		(16)	(20)
Retained earnings		4,555	4,582
Other reserves		123	198
Total attributable to shareholders		**4,759**	**4,857**
Non-controlling interests in equity		475	493
Total equity		**5,234**	**5,350**

The Group's condensed consolidated financial statements, including related notes 1 to 13, were approved by the Board and authorised for issue on 30 July 2025 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 2025

€ million	Equity attributable to shareholders	Non-controlling interests	Total equity
At 1 January 2025	4,857	493	**5,350**
Total comprehensive income for the period	104	13	**117**
Profit for the period	170	23	**193**
Other comprehensive expense	(66)	(10)	**(76)**
Hyperinflation monetary adjustment	1	—	**1**
Transactions with shareholders in their capacity as shareholders			
Dividends	(202)	(31)	**(233)**
Purchases of own shares	(8)	—	**(8)**
Other	7	—	**7**
At 30 June 2025	**4,759**	**475**	**5,234**

€ 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**

Equity attributable to shareholders

€ million	As at 30 June 2025	As at 31 December 2024
Share capital	97	97
Own shares	(16)	(20)
Retained earnings	4,555	4,582
Cumulative translation adjustment reserve	(527)	(456)
Post-retirement benefits reserve	(58)	(59)
Share-based payment reserve	13	19
Cash flow hedge reserve	1	—
Merger reserve	667	667
Other sundry reserves	27	27
Total	**4,759**	**4,857**

Condensed consolidated statement of cash flows

for the six months ended 30 June 2025

€ million	Notes	Six months ended 30 June 2025	Six months ended 30 June 2024
Cash flows from operating activities			
Cash generated from operations	10a	416	372
Income tax paid		(40)	(71)
Net cash generated from operating activities		**376**	**301**
Cash flows from investing activities			
Investment in property, plant and equipment		(349)	(397)
Investment in intangible assets		(6)	(8)
Investment in forestry assets	7	(24)	(23)
Proceeds from the disposal of property, plant and equipment		14	3
Acquisition of businesses, net of cash and cash equivalents	9	(497)	(6)
Loans advanced to related and external parties		(1)	(1)
Interest received		5	22
Other investing activities		7	11
Net cash used in investing activities		**(851)**	**(399)**
Cash flows from financing activities			
Proceeds from issue of Eurobond	8	592	496
Repayment of Eurobond		—	(500)
Proceeds from medium and long-term borrowings	10c	177	215
Repayment of medium and long-term borrowings	10c	(16)	(215)
Proceeds from short-term borrowings	10c	7	8
Repayment of short-term borrowings	10c	(67)	(11)
Repayment of lease liabilities	10c	(15)	(13)
Interest paid	10c	(50)	(43)
Dividends paid to shareholders	6	(202)	(978)
Dividends paid to non-controlling interests		(31)	(4)
Purchases of own shares		(8)	(5)
Injection from non-controlling interests		—	3
Net cash outflow from debt-related derivative financial instruments	10c	(15)	(23)
Net cash generated from/(used in) financing activities		**372**	**(1,070)**
Net decrease in cash and cash equivalents		**(103)**	**(1,168)**
Cash and cash equivalents at beginning of period		269	1,592
Cash movement in the period	10c	(103)	(1,168)
Effects of changes in foreign exchange rates	10c	(7)	(13)
Cash and cash equivalents at end of period	10b	**159**	**411**

Notes to the condensed consolidated financial statements
for the six months ended 30 June 2025

1 Basis of preparation

These condensed consolidated financial statements as at and for the six months ended 30 June 2025 comprise Mondi plc and its subsidiaries (together 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 2024, 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’ which is incorporated by reference into these condensed consolidated financial statements.

The condensed consolidated financial statements have been prepared under the historical cost basis of accounting, 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 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 2024 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.

The preparation of the 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 significant accounting estimates were the same as those identified in the Group’s Integrated report and financial statements 2024.

2 Accounting policies

The same accounting policies and Alternative Performance Measures (APMs), as defined at the end of this document, methods of computation and presentation have been followed in the preparation of the condensed consolidated financial statements for the six months ended 30 June 2025 as were applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2024.

Income tax expense is recognised based on management’s estimate of the weighted average effective income tax rate before special items, an APM as defined at the end of this document, expected for the full financial year.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability became effective for the financial period beginning on 1 January 2025, but the Group did not have to change its accounting policies or make any retrospective adjustments as a result of adopting these amendments.

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.

Six months ended 30 June 2025[1]

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Group
Segment revenue	1,298	2,044	619	—	(52)	**3,909**
Internal revenue	(12)	(11)	(29)	—	52	**—**
External revenue	1,286	2,033	590	—	—	**3,909**
Underlying EBITDA	203	302	81	(22)	—	**564**
Depreciation, amortisation and impairments	(95)	(107)	(34)	—	—	**(236)**
Underlying operating profit/(loss)	108	195	47	(22)	—	**328**
Special items before tax	(23)	(2)	—	—	—	**(25)**
Capital employed	3,275	3,531	1,121	(54)	—	**7,873**
Trailing 12-month average capital employed	2,600	3,211	1,124	(70)	—	**6,865**
Additions to non-current non-financial assets	632	179	74	—	—	**885**
Capital expenditure cash payments	119	183	47	—	—	**349**
Underlying EBITDA margin (%)	15.6	14.8	13.1	—	—	**14.4**
Return on capital employed (%)	7.8	11.5	3.6	—	—	**8.4**
Average number of employees (thousands)[2]	7.1	11.9	2.7	0.1	—	**21.8**

Six months ended 30 June 2024[1]

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Group
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, amortisation and impairments	(78)	(99)	(33)	—	—	**(210)**
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**
Underlying EBITDA margin (%)	13.0	13.6	24.8	—	—	**15.1**
Return on capital employed (%)	5.2	12.1	20.1	—	—	**10.8**
Average number of employees (thousands)[2]	6.5	11.9	2.7	0.1	—	**21.2**

Notes:
1 See definitions of APMs at the end of this document.
2 Presented on a full time employee equivalent basis.

3 Operating segments (continued)

Year ended 31 December 2024[1]

€ million, unless otherwise stated	Corrugated Packaging	Flexible Packaging	Uncoated Fine Paper	Corporate	Intersegment elimination	Group
Segment revenue	2,251	3,964	1,317	—	(116)	**7,416**
Internal revenue	(22)	(37)	(57)	—	116	**—**
External revenue	2,229	3,927	1,260	—	—	**7,416**
Underlying EBITDA	328	558	198	(35)	—	**1,049**
Depreciation, amortisation and impairments	(167)	(203)	(72)	(1)	—	**(443)**
Underlying operating profit/(loss)	161	355	126	(36)	—	**606**
Special items before tax	(5)	(132)	—	(13)	—	**(150)**
Capital employed	2,609	3,418	1,133	(78)	—	**7,082**
Trailing 12-month average capital employed	2,224	3,051	1,134	(126)	—	**6,283**
Additions to non-current non-financial assets	346	565	160	—	—	**1,071**
Capital expenditure cash payments	321	518	94	—	—	**933**
Underlying EBITDA margin (%)	14.6	14.1	15.0	—	—	**14.1**
Return on capital employed (%)	7.2	11.5	11.1	—	—	**9.6**
Average number of employees (thousands)[2]	6.4	12.0	2.7	0.1	—	**21.2**

Notes:
1 See definitions of APMs at the end of this document.
2 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 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Western Europe				
Austria	632	657	83	85
Germany	372	284	546	478
United Kingdom	7	1	111	100
Rest of western Europe	381	336	932	839
Western Europe total	1,392	1,278	1,672	1,502
Emerging Europe				
Czech Republic	394	370	133	130
Poland	724	648	359	366
Türkiye	200	225	227	254
Rest of emerging Europe	442	474	275	269
Emerging Europe total	1,760	1,717	994	1,019
Africa				
South Africa	302	322	204	249
Rest of Africa	41	46	171	186
Africa total	343	368	375	435
North America	360	325	456	423
South America	2	5	76	43
Asia and Australia	52	46	336	317
Group revenue	**3,909**	**3,739**	**3,909**	**3,739**

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 2025	Six months ended 30 June 2024
Operating special items		
Restructuring and closure costs:		
Personnel costs	(1)	(12)
Other restructuring and closure costs	(1)	(2)
Costs relating to the acquisition of the Western Europe Packaging Assets of Schumacher Packaging	(23)	—
Costs relating to the aborted all-share combination with DS Smith plc	—	(13)
Total special items before tax	**(25)**	**(27)**
Tax credit	7	—
Total special items	**(18)**	**(27)**

The operating special items resulted in a cash outflow from operating activities for the six months ended 30 June 2025 of €28 million (six months ended 30 June 2024: €18 million).

The special items during the period ended 30 June 2025 comprised:

- Corrugated Packaging
  - Transaction costs of €23 million were recognised relating to the acquisition of the Western Europe Packaging Assets of Schumacher Packaging. €5 million were recognised in the second half of 2024 with total costs accumulating to €28 million (see note 9).
- Flexible Packaging
  - In H1 2024 management announced the closure of a paper bags plant in Maastricht (Netherlands). Release of restructuring and closure provision of €2 million were recognised during H1 2025. Total costs accumulate to €11 million.
  - In H2 2024 management announced the closure of a paper bags plant in Pine Bluff (USA). Additional restructuring and closure costs of €3 million were recognised during H1 2025. Total costs accumulate to €12 million.
  - Closure of Stambolijski paper mill (Bulgaria) following a fire in September 2024. Additional restructuring and closure costs of €1 million were recognised during H1 2025. Total costs accumulate to €111 million.

Details of the special items for the year ended 31 December 2024 were disclosed in note 3 of the Group's Integrated report and financial statements 2024.

5 Earnings per share (EPS)

	EPS attributable to shareholders	
euro cents	Six months ended 30 June 2025	Six months ended 30 June 2024
Basic EPS	38.6	44.5
Diluted EPS	38.6	44.5
Basic underlying EPS	42.7	50.5
Diluted underlying EPS	42.7	50.5
Basic headline EPS	37.2	41.8
Diluted headline EPS	37.2	41.8

5 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 2025	Earnings Six months ended 30 June 2024
Profit for the period attributable to shareholders	**170**	**199**
Special items (see note 4)	25	27
Related tax (see note 4)	(7)	—
Underlying earnings	**188**	**226**
Gain on disposal of property, plant and equipment	(3)	(2)
Insurance reimbursements for property damages	(4)	—
Restructuring and closure costs (see note 4)	(2)	(14)
Costs relating to the aborted all-share combination with DS Smith plc (see note 4)	—	(13)
Costs relating to the acquisition of the Western Europe Packaging Assets of Schumacher Packaging (see note 4)	(23)	—
Gain on purchase of business before transaction-related costs	—	(13)
Loss arising from sale and leaseback transaction	—	3
Related tax	8	—
Headline earnings for the period	**164**	**187**

Underlying earnings 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 2025	Weighted average number of shares Six months ended 30 June 2024
Basic number of ordinary shares outstanding	440.7	447.2
Diluted number of ordinary shares outstanding	440.7	447.2

The weighted average number of shares was prospectively adjusted from 13 February 2024 to reflect the impact of the share consolidation and special dividend, which together were accounted for as a share repurchase at fair value, as described in note 9 of the Group's Integrated report and financial statements 2024.

6 Dividends

The interim ordinary dividend for the year ending 31 December 2025 of 23.33 euro cents per ordinary share will be paid on Friday 26 September 2025 to those shareholders on the register of Mondi plc on Friday 22 August 2025. The dividend will be paid from distributable reserves of Mondi plc, as presented in the annual financial statements for the year ended 31 December 2024. The interim ordinary dividend is not recognised as a liability at 30 June 2025.

	Six months ended 30 June 2025		Year ended 31 December 2024	
	euro cents per share	€ million	euro cents per share	€ million
Final ordinary dividend in respect of prior year	46.67	202	46.67	209
Special dividend	—	—	160.00	769
Interim ordinary dividend in respect of current year	23.33	103	23.33	103

The interim ordinary dividend declared for the year ended 31 December 2024 of 23.33 euro cents per ordinary share was paid in September 2024.

6 Dividends (continued)

Dividend timetable
The interim ordinary dividend for the year ending 31 December 2025 will be paid in accordance with the following timetable:

Last date to trade shares cum-dividend	
JSE Limited	Tuesday 19 August 2025
London Stock Exchange	Wednesday 20 August 2025
Shares commence trading ex-dividend	
JSE Limited	Wednesday 20 August 2025
London Stock Exchange	Thursday 21 August 2025
Record date	Friday 22 August 2025
Last date for receipt of Dividend Reinvestment Plan (DRIP) elections by Central Securities Depository Participants	Thursday 28 August 2025
Last date for DRIP elections to UK Registrar and South African Transfer Secretaries	
South African Register	Friday 29 August 2025
UK Register	Monday 8 September 2025
Payment Date	Friday 26 September 2025
DRIP purchase settlement dates (subject to market conditions and the purchase of shares in the open market)	
UK Register	Tuesday 30 September 2025
South African Register	Thursday 2 October 2025
Results of Dividend Reinvestment Plan announcement released	Friday 10 October 2025
Currency conversion dates	
ZAR/euro	Thursday 31 July 2025
Euro/sterling	Friday 12 September 2025

Share certificates on Mondi plc's South African register may not be dematerialised or rematerialised between Wednesday 20 August 2025 and Friday 22 August 2025, both dates inclusive, nor may transfers between the UK and South African registers of Mondi plc take place between Wednesday 13 August 2025 and Friday 22 August 2025, 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 31 July 2025.

7 Forestry assets

€ million	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
At 1 January	503	519	519
Investment in forestry assets	24	23	48
Fair value gains	18	49	7
Disposal of assets	(1)	—	—
Felling costs	(44)	(47)	(92)
Currency movements	(29)	23	21
At 30 June / 31 December	**471**	**567**	**503**

The fair value of forestry assets is determined using a market-based approach and is a level 3 measure in terms of the fair value measurement hierarchy (see note 11), consistent with prior year. The valuation process and key observable inputs, including the sensitivity analyses, were largely in line with those applied for the year ended 31 December 2024, as described in note 15 of the Group's Integrated report and financial statements 2024.

8 Borrowings

Financing facilities

The primary sources of the Group's liquidity include its €3 billion Guaranteed Euro Medium Term Note Programme, its Syndicated Revolving Credit Facility (RCF), which was increased from €750 million to €1 billion effective from 2 January 2025, and financing from various banks and other credit agencies, thus providing the Group with access to diverse sources of debt financing. The principal loan arrangements in place are the following:

€ million	Maturity	Interest rate %	As at 30 June 2025	As at 31 December 2024
Financing facilities				
Syndicated Revolving Credit Facility	June 2028	EURIBOR + margin	1,000	750
€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	500
€600 million Eurobond	May 2033	3.750%	600	—
Long-Term Facility Agreements	December 2026-June 2031	Various	24	13
Total committed facilities			**3,474**	**2,613**
Drawn			(2,624)	(1,863)
Total committed facilities available			**850**	**750**

The Group's Eurobonds incur a fixed rate of interest. Foreign exchange 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.

The 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.

In March 2025, the Group issued a new €600 million 8-year Eurobond maturing in May 2033 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.

Short-term liquidity needs are met by cash and the RCF. As at 30 June 2025, 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 negative).

	As at 30 June 2025			As at 31 December 2024		
€ million	Current	Non-current	Total	Current	Non-current	Total
Secured						
Lease liabilities	36	140	176	24	104	128
Total secured	**36**	**140**	**176**	**24**	**104**	**128**
Unsecured						
Bonds	600	1,836	2,436	—	1,842	1,842
Bank loans and overdrafts	35	163	198	39	6	45
Total unsecured	**635**	**1,999**	**2,634**	**39**	**1,848**	**1,887**
Total borrowings	**671**	**2,139**	**2,810**	**63**	**1,952**	**2,015**
Committed facilities drawn			2,624			1,863
Uncommitted facilities drawn			186			152

9 Business combinations

To 30 June 2025
On 31 March 2025, the Group completed the acquisition of Schumacher Packaging's Western European corrugated converting and solid board operations (Schumacher) for a consideration of €506 million fully paid in cash.

The acquisition complements Mondi's Corrugated Packaging operations in Europe. It includes two state-of-the-art mega-box plants in Germany and secures significant capacity for Mondi to continue to meet growing demand for sustainable packaging, particularly for eCommerce end-use applications.

Since the date of acquisition, Schumacher's revenue of €99 million and loss for the period of €7 million have been included in the condensed consolidated income statement. If the acquisition had occurred on 1 January 2025, the Group's consolidated revenue and profit for the period (after special items) for the six months ended 30 June 2025 would have been €4,016 million and €193 million respectively.

The provisional fair values of the net assets acquired are as follows:

€ million	Provisional fair value
Net assets acquired	
Property, plant and equipment	303
Intangible assets	2
Inventories	54
Trade and other receivables	105
Cash and cash equivalents	9
Assets held for sale	1
Total assets	**474**
Trade and other payables	(42)
Deferred tax liabilities	(2)
Other provisions	(1)
Total liabilities	**(45)**
Short-term borrowings	(73)
Medium and long-term borrowings	(43)
Debt assumed	**(116)**
Net assets acquired	**313**
Goodwill arising on acquisition	194
Non-controlling interests in equity	(1)
Cash acquired net of overdrafts	(9)
Net cash paid per condensed consolidated statement of cash flows	**497**

The Group incurred total transaction costs of €28 million, with €23 million recognised in 2025 and €5 million in the second half of 2024. The transaction costs were treated as a special item within other net operating expenses in the condensed consolidated income statement (see note 4).

The acquisition included several legal entities and was executed through a combination of share and asset deals. The acquisition constitutes a business accounted for under IFRS 3, 'Business Combinations'. The share deals involved 100% of the shares in the entities with the exception of a few immaterial entities with non-controlling interest. The non-controlling interest for these entities was recognised as the proportion of the provisional fair values of the assets and liabilities recognised at acquisition.

The fair value accounting of this acquisition is provisional pending the completion of the purchase price allocation due to the size and complexity of the transaction, and the acquisition date being in close proximity to the reporting date. The provisional fair values of the net assets acquired will be adjusted within the 12 months measurement period, as permitted under IFRS 3, which is expected to occur in the second half of 2025.

On this basis, goodwill of €194 million was determined based on the provisional fair values of the net assets acquired and was fully allocated to the Corrugated Packaging operating segment. The goodwill is attributable to identified cost synergies, broad range of capabilities in production and associated services, and the expansion of the product range and geographic reach of the Group's corrugated packaging business.

9 Business combinations (continued)

Goodwill reconciliation

€ million	As at 30 June 2025
Net carrying value	
At 1 January	767
Acquired through business combinations	194
Hyperinflation monetary adjustments	5
Currency movements	(10)
At 30 June 2025	**956**

To 31 December 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. Details of this business combination were disclosed in note 26 of the Group's Integrated report and financial statements 2024.

10 Consolidated cash flow analysis

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

€ million	Six months ended 30 June 2025	Six months ended 30 June 2024
Profit before tax	247	296
Depreciation, amortisation and impairments	236	210
Share-based payments	7	6
Net pre-tax cash flow effect of current and prior period special items	(3)	9
Net finance costs	53	31
Net monetary loss/(gain) arising from hyperinflationary economies	3	(1)
Net loss from joint ventures	—	2
(Decrease)/increase in provisions	(11)	8
Decrease in net retirement benefits	(2)	(5)
Movement in working capital	(130)	(160)
Increase in inventories	(17)	(50)
Increase in operating receivables	(220)	(275)
Increase in operating payables	107	165
Fair value gains on forestry assets	(18)	(49)
Felling costs	44	47
Net gain on disposal of property, plant and equipment	(3)	(2)
Insurance reimbursements for property damages	(4)	(11)
Other adjustments	(3)	(9)
Cash generated from operations	**416**	**372**

(b) Cash and cash equivalents

€ million	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
Cash and cash equivalents per condensed consolidated statement of financial position	168	415	278
Bank overdrafts included in short-term borrowings	(9)	(4)	(9)
Cash and cash equivalents per condensed consolidated statement of cash flows	**159**	**411**	**269**

The cash and cash equivalents of €168 million (as at 31 December 2024: €278 million) include money market funds of €nil (as at 31 December 2024: €50 million) valued at fair value through profit and loss, with the remaining balance carried at amortised cost with fair values approximate to the carrying values presented.

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.

10 Consolidated cash flow analysis (continued)

(c) Movement in net debt

The Group's net debt position is as follows:

€ million	Cash and cash equivalents	Debt due within one year[1]	Debt due after one year	Debt-related derivative financial instruments	Total net debt
At 1 January 2025	269	(54)	(1,952)	5	**(1,732)**
Cash flow	(103)	75	(753)	15	**(766)**
Cash movement in the period	(103)	—	—	—	**(103)**
Proceeds from issue of Eurobond	—	—	(592)	—	**(592)**
Proceeds from borrowings	—	(7)	(177)	—	**(184)**
Repayment of borrowings	—	67	16	—	**83**
Repayment of lease liabilities	—	15	—	—	**15**
Net cash outflow from debt-related derivative financial instruments	—	—	—	15	**15**
Additions to lease liabilities	—	(5)	(9)	—	**(14)**
Disposal of lease liabilities	—	1	3	—	**4**
Acquisitions excluding cash and overdrafts	—	(73)	(43)	—	**(116)**
Movement in unamortised loan costs	—	—	(2)	—	**(2)**
Net movement in fair value of derivative financial instruments	—	—	—	(17)	**(17)**
Reclassification	—	(615)	615	—	**—**
Currency movements	(7)	9	2	—	**4**
At 30 June 2025	**159**	**(662)**	**(2,139)**	**3**	**(2,639)**

Note:

1 Excludes bank overdrafts of €9 million (as at 31 December 2024: €9 million), which are included in cash and cash equivalents (see note 10b).

The Group incurred interest expense of €64 million in relation to bank overdrafts, loans and lease liabilities (six months ended 30 June 2024: €52 million), before the capitalisation of interest. Included in this expense is €20 million (six months ended 30 June 2024: €18 million) relating to forward exchange rates on derivative contracts. Interest paid on borrowings was €50 million (six months ended 30 June 2024: €43 million).

11 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 7 and certain assets acquired or liabilities assumed in business combinations as set out in note 9.

As at 30 June 2025, the fair value of level 2 derivative financial assets is €12 million (as at 31 December 2024: €10 million), whereas the fair value of level 2 derivative financial liabilities is €8 million (as at 31 December 2024: €9 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 2025, the level 1 fair valued money market funds are valued at €nil (as at 31 December 2024: €50 million).

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2025. 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.

11 Fair value measurement (continued)

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.

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.

	Carrying amount		Fair value	
€ million	**As at 30 June 2025**	**As at 31 December 2024**	**As at 30 June 2025**	**As at 31 December 2024**
Financial liabilities				
Borrowings	**2,810**	**2,015**	**2,814**	**2,010**

12 Other disclosures

The write-down of inventories to net realisable value for the six months ended 30 June 2025 was €36 million (six months ended 30 June 2024: €43 million) while the aggregate reversal of previous write-downs of inventories, relating to goods that had been written down to net realisable value and were subsequently sold above their carrying value, was €33 million for the six months ended 30 June 2025 (six months ended 30 June 2024: €34 million).

Capital expenditure contracted for but not recognised as liabilities is €416 million as at 30 June 2025 (as at 31 December 2024: €372 million).

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 2024.

There have been no significant changes to the level and nature of the Group's related party transactions as disclosed in note 32 of the Group's Integrated report and financial statements 2024.

13 Events occurring after 30 June 2025

Aside from the interim ordinary dividend declared for the current financial year (see note 6), there have been no material reportable events since 30 June 2025.

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 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. Two of the Group's APMs, underlying EBITDA and ROCE, link to the Group's strategy and 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, unless otherwise stated. The reporting segment equivalent APMs are measured in a consistent manner. Certain APMs use trailing 12-month amounts. These amounts refer to the sum or average (as applicable for trailing 12-month average capital employed and trailing 12-month average net debt) of the last 12 months.

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Special items		
Special items are generally material, non-recurring items 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. 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, costs associated with potential and achieved acquisitions, profits or losses from the disposal of businesses, and the settlement of significant litigation or claims. 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.	Note 4	None
Underlying EBITDA		
Operating profit before special items, depreciation, amortisation and impairments not recorded as special items provides a measure of the Group's cash-generating ability that is comparable from year to year.	Condensed consolidated income statement	Operating profit
Underlying EBITDA margin		
Underlying EBITDA expressed as a percentage of Group revenue (segment revenue for operating segments) provides a measure of the Group's cash-generating ability relative to revenue.		None

APM calculation:

€ million, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024
Underlying EBITDA (see condensed consolidated income statement)	564	565
Group revenue (see condensed consolidated income statement)	3,909	3,739
Underlying EBITDA margin (%)	**14.4**	**15.1**

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Underlying operating profit		
Operating profit before special items provides a measure of the Group's operating performance 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 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. A measure of the Group's tax charge relative to its profit before tax expressed on an underlying basis.		None

APM calculation:

€ million, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024
Tax charge before special items	61	71
Underlying profit before tax (see condensed consolidated income statement)	272	323
Effective tax rate (%)	**22.4**	**22.0**

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Underlying earnings (and per share measure)		
Net profit after tax before special items that is attributable to shareholders. Underlying earnings (and the related per share measure based on the basic, weighted average number of ordinary shares outstanding) provides a measure of the Group's earnings.	Note 5	Profit for the period attributable to shareholders (and per share 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 5	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. 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.	Note 3	Total equity

APM description and purpose	Financial statement reference	Closest IFRS equivalent measure
Return on capital employed (ROCE)		
Trailing 12-month underlying operating profit, including share of associates' 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.		None

APM calculation:

€ million, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 December 2024
Trailing 12-month underlying operating profit	579	664	606
Trailing 12-month underlying net loss from joint ventures	(1)	(5)	(3)
Trailing 12-month underlying profit from operations and joint ventures	578	659	603
Trailing 12-month average capital employed (see note 3)	6,865	6,088	6,283
ROCE (%)	**8.4**	**10.8**	**9.6**

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. Net debt provides a measure of the Group's net indebtedness or overall leverage. Trailing 12-month average net debt is the average monthly net debt over the last 12 months.	Note 10c	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 2025	Six months ended 30 June 2024	Year ended 31 December 2024
Net debt (see note 10c)	2,639	1,603	1,732
Trailing 12-month underlying EBITDA	1,048	1,086	1,049
Net debt to underlying EBITDA (times)	**2.5**	**1.5**	**1.7**

Production statistics

		Six months ended 30 June 2025	Six months ended 30 June 2024
Containerboard	000 tonnes	1,302	1,171
Kraft paper	000 tonnes	629	640
Uncoated fine paper	000 tonnes	467	489
Pulp	000 tonnes	1,950	1,906
Internal consumption	000 tonnes	1,593	1,579
Market pulp	000 tonnes	357	327
Corrugated solutions	million m²	1,118	935
Paper bags	million units	2,961	2,792
Consumer flexibles	million m²	939	1,006
Functional paper and films	million m²	1,609	1,637

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 24,000 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 2024, Mondi had revenues of €7.4 billion and underlying EBITDA of €1.0 billion. Mondi is listed on the London Stock Exchange in the ESCC category (MNDI), where the Group is a FTSE100 constituent. It also has a secondary listing on the JSE Limited (MNP).

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