

Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2022

Registered no. 05024245

Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2022

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Mondi Investments Limited

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For the year ended 31 December 2022

Officers and professional advisers

Directors

J L Hampshire
A C W King
J C Paterson
M A Powell

Company secretary

J L Hampshire

Registered Office

Ground Floor, Building 5
The Heights
Brooklands
Weybridge
Surrey KT13 0NY

Bankers

Deutsche Bank AG
Winchester House
1 Great Winchester Street
London EC2N 2DB

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
United Kingdom
WC2N 6RH

Mondi Investments Limited

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For the year ended 31 December 2022

Strategic report

The directors, in preparing this Strategic report, have complied with section 414C of the Companies Act 2006.

Review of the business and future developments

Mondi Investments Limited (“the Company”) is an investment holding company. The directors have the present intention of maintaining its business in the current form and believe the Company’s future prospects to be satisfactory. The purpose of the Company is to hold investments for the Mondi Group (the “Group”). The performance of the Company’s investments are discussed in the Group’s Integrated report and financial statements 2022. The Company’s directors believe that further key performance indicators of the Company are neither necessary nor appropriate for an understanding of the performance or position of the business.

To streamline the Mondi Group legal structure a restructuring of the Mondi Investments Limited shareholdings was carried out during 2022. Prior to the restructuring Mondi Investments Limited held shares in Mondi US Holdings LLC indirectly, via its shareholdings in Mondi International Holdings BV. The restructuring resulted in Mondi Investments Limited holding the shares in Mondi U.S. Holdings LLC directly. For more information see Note 10.

The profit for the financial year after tax was €574,591,533 (2021: loss of €1,234,805,777). The profit in the current year is due to the dividend income received from investments and the loss in prior year is due to an impairment of investments. A dividend of €574,700,000 (2021: €730,800,000) was paid during the year. The Directors do not recommend the payment of a final dividend for the current financial year.

Section 172 Statement

This section of the Strategic report describes how the directors have had regard to the matters set out in Section 172 (1) of the Companies Act 2006 (“s172”) when performing their duty to promote the success of the Company for the benefit of its shareholders. As the Company is a wholly-owned subsidiary of the Group, its parent company and other members of the Group are key stakeholders of the Company. Accordingly, the interests of the Group have been taken into account by the directors and decisions have been made in agreement with the Board of Mondi plc, the ultimate parent entity of the Group.

For more information on the Group, please see the s172 statement on pages 32 to 35 of the Group’s Integrated report and financial statements 2022, which does not form part of this report but provides details of the consideration given to stakeholders by the Group.

Risk management

The directors considered the risks attached to the Company’s financial instruments, which principally comprise trade and other receivables, trade and other payables and loans to and from other group companies. The Company’s activities expose it primarily to foreign exchange and interest risk. Both risks are actively monitored on a regular basis and managed through the use of foreign exchange contracts and interest swaps as appropriate. Material balance sheet exposures are hedged. The Company’s exposure to credit risk and liquidity risk is not material for the assessment of assets, liabilities and the financial statements. The directors aim to maintain an appropriate capital structure and to conservatively manage the Company’s financial risk exposures in compliance with all laws and regulations. For more information on the Group, please see the principal risks and risk management on pages 72 to 81 of the Group’s Integrated report and financial statements 2022, which does not form part of this report but provides details of the consideration given to stakeholders by the Group.

The directors’ policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. At 31 December 2022 the Company recognised a total derivative assets of €8,767 (2021: liability of €10,137). This amount relates to the economic hedging of foreign exchange exposures on a deposit in trade and other receivables.

The Company holds investments within the Mondi Group. The underlying performance of these investments could impact the carrying value of the investments.

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Strategic report

Approved by the board of directors on 9 May 2023 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'J Paterson', written in a cursive style.

J C Paterson
Director

Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2022

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2022.

Company registered number

05024245

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

J L Hampshire
A C W King
J C Paterson
M A Powell
C M Valera Jacques (resigned 23 September 2022)

Directors' indemnities

The Company, via its ultimate parent company, has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Information set out in the Strategic report

Disclosures relating to the following items have been included in the Strategic report which can be found on page 2:

- dividend payments and recommendations;
- financial risk management objectives, policies and related exposures to interest rate, currency, credit and liquidity risk; and
- likely future developments in the business of the Company.

Employee engagement

Engaging and motivating employees to reach their full potential and providing opportunities for their development ensures the business continues to grow and succeed and is integral to the culture of the Mondi Group. More detail can be found on pages 41 to 43 of the Group's Integrated report 2022, which does not form part of this report but provides details of the engagement undertaken with employees.

Going concern

The directors believe that the Company will continue to act as a holding company for the Mondi Group.

The Company's ultimate holding company, Mondi plc, has confirmed that it will provide continued support for the Company to meet its obligations as they fall due for a period of not less than 12 months from the signing of the Company's annual financial statements.

As a result, the directors believe that the Company will continue to be a going concern into the foreseeable future and have adopted the going concern basis of accounting.

Russian operations

The company has an indirect interest in the Group's Russian businesses. In May 2022, the Board of the Group decided to divest the Group's Russian assets. The disposals are conditional on the approval of the Russian Federation's Government Sub-Commission for the Control of Foreign Investments and customary antitrust approvals. The Syktyvkar disposal is also subject to the approval of Mondi's shareholders at a General Meeting. These approvals remain outstanding. As the disposals are being undertaken in an evolving political and regulatory environment, there can be no certainty as to when they will be completed

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For the year ended 31 December 2022

Directors' report

Events occurring after 31 December 2022

On 12 January 2023, the Group completed the acquisition of the Duino mill near Trieste (Italy) from the Burgo Group for a total consideration of €40 million. The mill operated one paper machine producing lightweight coated mechanical paper. Mondi plans to convert this paper machine to produce around 420,000 tonnes per annum of high-quality recycled containerboard for an estimated investment of around €200 million.

Furthermore, Mondi AG acquired 100% of the shares in Mondi Neusiedler GmbH and Ybbstaler Zellstoff GmbH for a purchase price of €10 each from Mondi SCP a.s. and Obaly SOLO s.r.o. respectively on 27 February 2023.

There have been no other material reportable events since 31 December 2022.

Statement as to disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as independent auditors and in accordance with the Companies Act 2006 are deemed to remain in office as independent auditors of the Company.

Approved by the board of directors on 9 May 2023 and signed by order of the board by:



J L Hampshire
Company secretary

Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2022

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Mondi Investments Limited

Independent auditors' report to the member of Mondi Investments Limited

Report on the audit of the financial statements

Opinion

In our opinion, Mondi Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2022; the Profit and loss account, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency

Mondi Investments Limited

Independent auditors' report to the member of Mondi Investments Limited

or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

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Independent auditors' report to the member of Mondi Investments Limited

- Discussions with management, including consideration of potential instances of non-compliance with laws and regulations and fraud;
- Identifying and testing a sample of journal entries in relation to unexpected account combinations and post close period journals; and
- Reviewing board meeting minutes up to the date of the audit report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

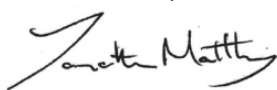
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jonathan Matthews (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
9 May 2023

Mondi Investments Limited

Profit and loss account

for the year ended 31 December 2022

	Note	2022 €	2021 €
Other operating expenses	5	(1,499,117)	(1,051,873)
Impairment of investments	6	-	(1,965,344,144)
Loss from operations		(1,499,117)	(1,966,396,017)
Investment income	7	576,204,885	731,630,673
Interest payable and similar expenses	8	(114,235)	(40,433)
Profit/(loss) before tax		574,591,533	(1,234,805,777)
Tax on profit/(loss)	9	-	-
Profit/(loss) for the financial year		574,591,533	(1,234,805,777)

All amounts derive from continuing operations.

Statement of comprehensive income

for the year ended 31 December 2022

	Note	2022 €	2021 €
Profit/(loss) for the financial year		574,591,533	(1,234,805,777)
Items that will not subsequently be reclassified to the Profit and loss account			
Dividend income treated as unrealised profit	7	363,800,000	6,903,000,001
Other comprehensive income for the year		363,800,000	6,903,000,001
Total comprehensive income for the year		938,391,533	5,668,194,224

The notes of pages 13 to 32 form an integral part of these financial statements

Mondi Investments Limited

Balance sheet

As at 31 December 2022

	Note	2022 €	2021 €
Fixed assets			
Investments	10	9,123,227,927	8,759,427,927
		<u>9,123,227,927</u>	<u>8,759,427,927</u>
Current assets			
Trade and other receivables	11	837,715	819,084
Amounts owed by group undertakings	12	170,999	-
Derivative financial instruments	14	8,767	-
		<u>1,017,481</u>	<u>819,084</u>
Current liabilities			
Trade and other payables	13	(1,365,330)	(1,048,329)
Derivative financial instruments	14	-	(10,137)
		<u>(347,849)</u>	<u>(239,382)</u>
Net current liabilities			
		<u>9,122,880,078</u>	<u>8,759,188,545</u>
Net assets			
Equity			
Called up share capital	16	15,311	15,311
Share premium account		50,000,000	50,000,000
Other reserves		5,301,455,857	4,937,655,857
Profit and loss account		3,771,408,910	3,771,517,377
		<u>9,122,880,078</u>	<u>8,759,188,545</u>
Total shareholders' funds			
		<u>9,122,880,078</u>	<u>8,759,188,545</u>

The financial statements on pages 10 to 32 were approved by the board of directors and authorised for issue on 30 April 2023.

Signed on behalf of the board of directors



J C Paterson
Director

Company registered number: 05024245

Mondi Investments Limited

Statement of changes in equity

For the year ended 31 December 2022

	Called up share capital €	Share premium account €	Other reserves €	Profit and loss account €	Total €
At 1 January 2021	15,311	50,000,000	-	3,771,779,010	3,821,794,321
Loss for the year	-	-	-	(1,234,805,777)	(1,234,805,777)
Other comprehensive income	-	-	6,903,000,001	-	6,903,000,001
Total comprehensive income for the year	-	-	6,903,000,001	(1,234,805,777)	5,668,194,224
Dividend paid	-	-	-	(730,800,000)	(730,800,000)
Reserves transfer ¹	-	-	(1,965,344,144)	1,965,344,144	-
At 31 December 2021	15,311	50,000,000	4,937,655,857	3,771,517,377	8,759,188,545
Profit for the year	-	-	-	574,591,533	574,591,533
Other comprehensive income	-	-	363,800,000	-	363,800,000
Total comprehensive income for the year	-	-	363,800,000	574,591,533	938,391,533
Dividend paid	-	-	-	(574,700,000)	(574,700,000)
At 31 December 2022	15,311	50,000,000	5,301,455,857	3,771,408,910	9,122,880,078

Note:

- Following the impairment charged to profit or loss, an equivalent amount has been transferred from the merger reserve to the profit and loss account reserve in accordance with section 3.9(f) of Tech 02/17, 'Guidance on realised and distributable profits under the Companies Act 2006'. See Note 10 for further details.

The notes of pages 13 to 32 form an integral part of these financial statements

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

1. General information

Mondi Investments Limited is a private company limited by shares and incorporated and domiciled in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 2.

These financial statements are separate financial statements. The Company is exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006, because it is consolidated in the consolidated financial statements of Mondi plc. The consolidated financial statements are available to the public and can be obtained as set out in note 19.

2. Significant accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100. Accordingly, in the year ended 31 December 2022, the financial statements have therefore been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101").

The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using FRS 101. As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, financial instruments, capital management, presentation of a cash-flow statement, standards not yet effective, and related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements of Mondi plc. The consolidated financial statements are available to the public and can be obtained as set out in note 19.

The financial statements are prepared on the historical cost basis, with derivative financial instruments held at fair value through profit or loss. The principal accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

New accounting policies, early adoption and future requirements

Amendments to published Standards effective during 2022

The following amendments to Standards have been adopted for the financial year beginning on 1 January 2022, and have had no significant impact on the Group's results:

- Annual improvements to IFRS Standards 2018-2020 cycle
- Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IFRS 3 – Business Combinations – References to the Conceptual Framework

Amendments to published Standards effective for the financial year beginning on 1 January 2023

The following amendments to Standards will be effective for the financial year beginning on 1 January 2023 and were adopted by the UK Endorsement Board in December 2022. The amendments are not expected to have a significant impact on the Group's results:

- Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 12 – Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

2. Significant accounting policies (continued)

Going concern

After making enquiries, the directors have formed a judgement that, at the time of approving the financial statements, and having considered the Company's forecasts and projections, there is a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. The Company's ultimate holding company, Mondi plc, has confirmed that it will provide continued support for the Company to meet its obligations as they fall due for a period of not less than 12 months from the signing of the Company's annual financial statements. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Dividend and interest income

Dividend income from investments is recognised as investment income in the profit and loss account when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably). Where the receipt of a dividend from a share in group undertakings results in an impairment of the investment in that undertaking, the Company's policy is to present the dividend received and the resulting impairment charge gross if the dividend represents a return on investment. The factors considered by the Directors when determining whether a distribution represents a return on investment or return of investment include the following:

- The amount of the distribution relative to the original investment value;
- The legal form of the distribution; and
- The future operating plans for the subsidiary after the distribution.

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend payments

Dividend distributions to the Company's shareholders are recognised as a liability in the period in which the dividend is declared and approved.

Taxation

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

2. Significant accounting policies (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Foreign currency

The financial statements are presented in euros, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies have been translated at the rates of exchange prevailing at the reporting date. All exchange differences were accounted for in the Profit and loss account.

Investments in subsidiaries

Investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows. Prior impairments (other than goodwill) are reviewed for possible reversal at each reporting date.

The investments are recorded at cost less any accumulated impairment.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments of a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value.

Debtors and creditors

Trade debtors and creditors are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Significant accounting estimate – Impairment of investments

Fixed asset investments are stated at cost, less, where appropriate, provisions for impairment. Any potential impairment is evaluated based on the net carrying value of the investment against its recoverable amount which has been determined based on current business plans. Any change in future intentions could result in a change in the recoverable amount which may lead to further impairment. See Note 10 'Investments' for the relevant disclosures.

Significant accounting estimate – Valuation of investments

Fixed asset investments are measured at fair value on initial recognition. Refer to note 10 for the approach and key assumptions used in measuring the fair value of the investments in Mondi U.S. Holdings LLC on the relevant transaction date.

The directors do not consider any of the judgements as critical accounting judgements as defined in IAS 1.

4. Directors and employees

The Company had no employees during the year (2021: none). The directors received no remuneration or emoluments in respect of the services provided to the Company during the year (2021: nil).

5. Other operating expenses

The audit fee for the audit of the Company's financial statements of £27,760 (2021: £118,079) has been borne by the Company in both years. No lease payments (2021: £610,569) were borne by Mondi Services (UK) Limited on behalf of Mondi Investments Limited.

6. Impairment of investments

	2022	2021
	€	€
Impairment of investments	-	1,965,344,144

Further details on the impairment of investments is provided in note 10.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

7. Investment income

	2022 €	2021 €
Recognised in the profit and loss account:		
Interest receivable from group undertakings	187,533	-
Other interest income	84,659	-
Dividends received	575,900,000	731,600,000
Foreign exchange gain	32,693	30,673
	<hr/>	<hr/>
Total recognised in the profit and loss account	576,204,885	731,630,673
	<hr/>	<hr/>
Recognised in other comprehensive income		
Dividends received (see note 10)	363,800,000	6,903,000,001
	<hr/>	<hr/>
Total recognised in the other comprehensive income	363,800,000	6,903,000,001
	<hr/>	<hr/>

8. Interest payable and similar expenses

	2022 €	2021 €
Interest payable to group undertakings	67,346	2,747
Foreign exchange losses	46,889	37,686
	<hr/>	<hr/>
	114,235	40,433
	<hr/>	<hr/>

Interest on amounts owing to group undertakings is charged at market rates and amounts owing are payable on demand.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

9. Tax on profit/(loss)

(a) Analysis of tax charge for the year

	2022	2021
	€	€
Current tax		
UK Corporation tax	-	-
Total tax on profit/(loss)	<u>-</u>	<u>-</u>

(b) Factors affecting tax charge for the year

The current tax assessed for both years differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2022	2021
	€	€
Profit/(loss) before tax	<u>574,591,533</u>	<u>(1,234,805,777)</u>
Profit/(loss) before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	109,172,391	(234,613,098)
Effects of:		
Non-taxable dividend income	(109,421,000)	(139,004,000)
Expenditure not deductible for tax purposes	257,944	373,415,387
Group relief (claimed)/surrendered for no payment	(9,335)	201,711
Total tax charge/(credit) for the year	<u>-</u>	<u>-</u>

The UK corporation tax main rate is due to rise to 25% from 1 April 2023, which was substantively enacted on 24 May 2021. The increase does not have an impact on Mondi Investments Ltd, as the gross temporary differences are not recognised for deferred tax purposes.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments

	2022	2021
	€	€
Cost		
At 1 January	11,389,713,924	4,486,713,923
Additions	363,800,000	6,903,000,001
At 31 December	<u>11,753,513,924</u>	<u>11,389,713,924</u>
Provisions for impairment		
At 1 January	(2,630,285,997)	(664,941,853)
Impairment	-	(1,965,344,144)
At 31 December	<u>(2,630,285,997)</u>	<u>(2,630,285,997)</u>
Net book value - 1 January	<u>8,759,427,927</u>	<u>3,821,772,070</u>
Net book value - 31 December	<u>9,123,227,927</u>	<u>8,759,427,927</u>

Disclosure 2022

To streamline the Mondi Group legal structure a restructuring of the Mondi Investments Limited shareholdings was carried out during 2022. Prior to the restructuring Mondi Investments Limited held shares in Mondi U.S. Holdings LLC indirectly, via its shareholdings in Mondi International Holdings BV.

The restructuring resulted in Mondi Investments Limited holding the shares in Mondi U.S. Holdings LLC directly. Mondi Investments Limited purchased 100% shares in Mondi U.S. Holdings LLC from Mondi International Holdings BV for €363,800,000.

The dividend received from Mondi International Holdings BV in the amount of €363,800,000 is recognised as a return on investment in other comprehensive income, as it represents an unrealised profit that arose out of the sale of 100 % shares of Mondi U.S. Holdings LLC from Mondi International Holdings BV to Mondi Investments Limited. The amount of unrealised profit has been presented in equity in other reserves.

The most important key assumptions for determining the fair value of the subsidiary acquired as part of the restructuring were as follows:

- cash flow forecasts were derived from the budget most recently approved by the Board of Mondi plc covering the period up to 31 December 2024;
- sales volumes, sales prices and variable input cost assumptions in the budget period were derived from a combination of economic forecasts, industry forecasts, internal management projections, historical performance, and announced industry capacity changes;
- a 10.0% pre-tax discount rate was derived based on the Group's weighted average cost of capital;
- a growth rate of 1.5% to 2.0% were applied to the perpetuity based on the business segment in which the Company operates; and
- capital expenditure forecasts were based on historical experience and include expenditure necessary to maintain the projected cash flows from operations at current operating levels.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

The valuation of Mondi U.S. Holdings LLC was based on the discounted cash flow calculation methodology. The enterprise value of €409,400,000 was calculated from the cash flow forecasts. The equity value of EUR €363,800,000 was derived by deducting the net debt value of €45,600,000 as per 30 June 2022 from the enterprise value.

Impairment trigger assessment 2022

For Mondi Investments Limited's investments in subsidiaries as at 31 December 2022, impairment indicators have been identified for Mondi Holdings Austria GmbH, Mondi International Holdings BV, Mondi Corrugated Poland BV, Mondi Finance plc and Mondi Holding Deutschland GmbH. Based on the tests performed, it was concluded that there was no requirement for an impairment; and no possible reversal of a previously recognised impairment was identified.

Disclosure 2021

To streamline the Mondi Group legal structure a restructuring of the Mondi Investments Limited direct shareholdings was carried out. Prior to the restructuring Mondi Investments Limited held shares in Mondi Holdings Austria GmbH, Mondi Corrugated Poland BV and Mondi Packaging UK Holdings Limited indirectly, via its shareholdings in Mondi Sarl and Mondi Packaging Sarl. The restructuring resulted in Mondi Investments Limited holding the shares in Mondi Holdings Austria GmbH (for €5,995,000,000), Mondi Corrugated Poland BV (for €908,000,000) and Mondi Packaging UK Holdings Limited (for €1) directly. As a result of the Luxembourg holding companies restructure, Mondi Investments Limited recognised a dividend received from, and a subsequent impairment of, its investment in Mondi Sarl.

The dividend received from Mondi Sarl in the amount of €6,903,000,001 is recognised as a return on investment in other comprehensive income, as it represents an unrealised profit that arose out of a series of transactions related to the Luxembourg holding companies' restructure. Having been recognised within other comprehensive income, the amount of unrealised profit has been presented as a separate reserve in equity, 'other reserve'.

The dividend received has been presented in other comprehensive income gross of the subsequent impairment recognised in the profit and loss account. The presentation of this transaction is considered a critical accounting judgement (see note 3, Critical accounting judgements and key sources of estimation uncertainty).

The realised impairment loss of €1,965,344,144 gave rise to an equal amount of unrealised profit arising from the dividend received being treated as realised and, therefore, this amount was transferred from the 'other reserve' to the profit and loss reserve in the statement of changes in equity in accordance with section 3.9(f) of Tech 02/17, 'Guidance on realised and distributable profits under the Companies Act 2006'.

The most important key assumptions for determining the fair value of the subsidiaries acquired as part of the restructuring were as follows:

- 30 April 2021 was set as the valuation date, as no significant changes in the circumstances of the business and market from then until the transaction occurred were expected;
- Relevant balance sheet positions were used as of 30 April 2021;
- EBITDA was derived from the budget 2021; and
- The allocation of the calculated total fair value in the subsidiaries Mondi Holdings Austria GmbH, Mondi Corrugated Poland BV, Mondi Packaging UK Holdings Limited was based on the equity value of the respective subsidiary derived from a bottom-up model.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

The following methodology was applied:

The accounting standard IFRS 13 “Fair Value Measurement” was considered in determining the fair value of Mondi Holdings Austria GmbH, Mondi Corrugated Poland BV and Mondi Packaging UK Holdings Limited. The valuation is based on a market capitalisation model. The market capitalisation of Mondi plc was calculated based on the 3 months weighted average share price as of 30 April 2021. The fair values of the entities not held (neither directly nor indirectly) by Mondi Packaging Sarl/Mondi Sarl were determined by applying the EV/EBITDA multiples of appropriate peers (or group of peers) or Mondi itself in the absence of a proper peer. The values of those entities were deducted from the market capitalisation of Mondi plc to derive the fair value of Mondi Holdings Austria GmbH, Mondi Corrugated Poland BV and Mondi Packaging UK Holdings Limited.

The parameters used were as follows:

- 3 months weighted average share price as of 30 April 2021 (£18.51 or €21.40) was used in order to mitigate fluctuations within the period.
- 3 months average number of shares of 485m.
- Most recently available EV/EBITDA multiples were used

The total fair value of Mondi Packaging Sarl/Mondi Sarl derived from the market capitalisation valuation amounts to €6,903,000,001. The total amount was split between the subsidiaries Mondi Holdings Austria GmbH (€5,995,000,000), Mondi Corrugated Poland BV (€908,000,000) and Mondi Packaging UK Holdings Limited (€1) with the allocation as described above.

Impairment trigger assessment 2021

For Mondi Investments Limited’s investments in subsidiaries as of 31 December 2021 it was concluded that there were no indicators of impairment; and no possible reversal of a previously recognised impairment was identified.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Subsidiaries

The Company's subsidiaries and associated undertakings as at 31 December 2022 were as follows. All shares are held indirectly through a subsidiary or associated undertaking except where noted. Except where stated, the shares held are ordinary shares.

Company	Registered office	% of shares held
<u>Austria</u>		
Mondi AG	Marxergasse 4A, 1030 Vienna	100
Mondi Coating Zeltweg GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100
Mondi Consumer Packaging GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Corrugated Holding Österreich GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Corrugated Services GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Engineered Materials GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Finance Europe GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi FlexPack Trading GmbH ⁴	Marxergasse 4A, 1030 Vienna	100
Mondi Frantschach GmbH	Frantschach 5, 9413 St. Gertraud	100
Mondi Grünburg GmbH	Steyrtalstrasse 5, 4594 Grünburg	100
Mondi Holdings Austria GmbH ²	Marxergasse 4A, 1030 Vienna	100
Mondi Industrial Bags GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Korneuburg GmbH	Erwin Schrödinger Strasse 2, 2100 Korneuburg	100
Mondi Neusiedler GmbH	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	51
Mondi Oman Holding GmbH	Marxergasse 4A, 1030 Vienna	70
Mondi Paper Sack Zeltweg GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100
Mondi Paper Sales GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Release Liner Austria GmbH	Waidhofnerstrasse 11, 3331 Hilm	100
Mondi Styria GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100
Mondi Uncoated Fine & Kraft Paper GmbH	Marxergasse 4A, 1030 Vienna	100
Papierholz Austria GmbH ⁶	Frantschach 5, 9413 St. Gertraud	25
Ybbstaler Zellstoff GmbH	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	51
<u>Belgium</u>		
Mondi Poperinge N.V.	Nijverheidslaan 11, 8970 Poperinge	100
<u>Bulgaria</u>		
Mondi Stambolijski E.A.D.	1 Zavodska Street, Stambolijski 4210, Plovdiv Region	100

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Columbia</u>		
Mondi Cartagena SAS	LT No CA-4 Zona Franca la Candelaria, Sector Cospique, Zona Industrial Mamonal, Cartagena, Bolivar	100
<u>Czech Republic</u>		
EURO WASTE, a.s.	Litoměřická 272, 41108 Štětí	100
Labe wood s.r.o. ⁶	Litoměřická 272, 41108 Štětí	24.99
Mondi Bags Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Bupak s.r.o.	Papírenská 41, 37052 České Budějovice	100
Mondi Coating Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Štětí White Paper s.r.o	Litoměřická 272, 41108 Štětí	100
Wood & Paper a.s. ⁶	c.p.138, 66491 Hlina	46.50
<u>Egypt</u>		
Mondi Cairo for Packaging Material S.A.E	El-motawer El-turky (Polaris) Plots No. 7, 6 th of October, Giza	100
Suez Bags Company (S.A.E.)	K30 Maadi, Ein Soukhna Road, 1002 Cairo	98.30
<u>Finland</u>		
Harvestia Oy	Selluntie 142, 70420 Kuopio	100
Mondi Finland Services Oy	Selluntie 142, 70420 Kuopio	100
Mondi Powerflute Oy	Selluntie 142, 70420 Kuopio	100
<u>France</u>		
Mondi Gournay Sarl	5 rue Vernet, 75008 Paris	100
Mondi Lembacel SAS	11 rue de Reims, 51490 Bétheniville	100
Mondi Paper Sales France Sarl	5, rue Vernet, 75008 Paris	100
<u>Germany</u>		
Mondi Bad Rappenau GmbH	Wilhelm-Hauff-Strasse 41, 74906 Bad Rappenau	100
Mondi Consumer Packaging International GmbH	Wielandstrasse 2, 33790 Halle	100
Mondi Eschenbach GmbH	Am Stadtwald 14, 92676 Eschenbach	100
Mondi Estonteco GmbH	Wielandstrasse 2, 33790 Halle	100
Mondi Halle GmbH	Wielandstrasse 2, 33790 Halle	100
Mondi Hammelburg GmbH ²	Thüringenstrasse 1-3, 97762 Hammelburg	100
Mondi Holding Deutschland GmbH ²	Wielandstrasse 2, 33790 Halle	100
Mondi Innocoat GmbH ²	Angererstrasse 25, 83064 Raubling	100
Mondi Jülich GmbH ²	Rathausstrasse 29, 52428 Jülich	100
Mondi Paper Sales Deutschland GmbH	Oberbaumbrücke 1, 20457 Hamburg	100
Mondi Sendenhorst GmbH ²	Thüringenstrasse 1-3, 97762 Hammelburg	100

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Germany (continued)</u>		
Mondi Trebsen GmbH	Erich-Hausmann-Strasse 1, 04687 Trebsen	100
Mondi Wellpappe Ansbach GmbH	Robert-Bosch-Strasse 3, 91522 Ansbach	100
Wood2M GmbH ⁶	Hauptstrasse 16, 07366 Blankenstein	50
<u>Greece</u>		
Mondi Thessaloniki A.E.	Sindos Industrial Zone - Block 18, 57022 Thessaloniki	100
<u>Hungary</u>		
Mondi Bags Hungária Kft.	Tünde u. 2, 4400 Nyíregyháza	100
Mondi Békéscsaba Kft	Tevan Andor u. 2, 5600 Békéscsaba	100
Mondi Szada Kft.	Vasút u. 13, 2111 Szada	100
<u>Iraq</u>		
Mondi Kaso Iraq Industrial Bags Ltd.	Takya, Bazian, Sulaimaniyah	34.55
<u>Italy</u>		
Mondi Gradisac S.r.l.	Via dell'Industria 11, 34072 Gradisca d'Isonzo, Gorizia	100
Mondi Italia S.r.l.	Via Balilla 32, 24058 Romano di Lombardia, Bergamo	100
Mondi Padova S.r.l.	Via Mazzini 21, 35010 San Pietro in Gu, Padua	100
Mondi Paper Sales Italia S.r.l	Via A. Locatelli 2, 20124, Milano	100
Mondi Silicart S.r.l.	Via Mazzini 21, 35010 San Pietro in Gu, Padua	100
Mondi Tolentino S.r.l.	Via Giovanni Falcone 1, 62029 Tolentino, Macerata	100
NATRO TECH S.r.l.	Via Copernico snc, 24053 Brignano Gera d'Adda	100
Powerflute Italia S.r.l in liquidazione.	Via Giacomo Matteotti 2, 21013 Gallarate	100
<u>Japan</u>		
Mondi Tokyo KK	7th floor 14-5, Akasaka 2-chrome, Minato-ku, Tokyo	100
<u>Jordan</u>		
Jordan Paper Sacks Co. Ltd	Al Salt, Industrial Area, P.O. Box 119, 19374, Ain Al Basha	67.74
<u>Republic of Korea</u>		
Krauzen Co., Ltd. ²	48-29, 439 Hongandaero, Dongang-gu, Anyang-si, Gyunggi-do	100
Mondi KSP Co., Ltd. ²	48-29, 439 Hongandaero, Dongang-gu, Anyang-si, Gyunggi-do	95
<u>Lebanon</u>		
Mondi Lebanon SAL	7 th Floor, Bloc C, Kassis Building, Antelias Highway Antelias	66

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Luxembourg</u>		
Mondi Packaging S.à r.l	1, rue Hilegard von Bingen. 1282	100
Mondi S.à r.l. ²	1, rue Hilegard von Bingen. 1282	100
Mondi Services S.à r.l.	1, rue Hilegard von Bingen. 1282	100
<u>Malaysia</u>		
Mondi Kuala Lumpur Sdn.Bhd.	Lot Nos.PT 5034 & 5036, Jalan Teluk Datuk 28/40, 40000 Shah Alam, Selangor	62
<u>Mexico</u>		
Caja de Ahorro de Personal de Mond	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San	100
Mexico Servicios A.C.	Nicolás de los Garza, Nuevo León, 66450	
Mondi Mexico S. de R.L. de C.V.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San	100
	Nicolás de los Garza, Nuevo León, 66450	
<u>Morocco</u>		
Ensachage Moderne Sarl	Km 16, Route d'El Jadida, Casablanca	80.64
Mondi Tanger S.A	Lot N 28 Zone D'exploitation de la Zone Franche, D.Exploitation de Tanger Automobile Cite Dite Tac 2, Tanger, Joumaa Province Fahsanjra	100
Pap Sac Maghreb SA	Km 16, Route d'El Jadida, Casablanca	80.64
<u>Netherlands</u>		
Mondi Coating B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Consumer Bags & Films B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Consumer Bags & Films Benelux B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Corrugated B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Corrugated Poland B.V. ²	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Heerlen B.V.	Imstenraderweg 15, 6422 PM Heerlen	100
Mondi Industrial Bags B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi International Holdings B.V. ²	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Maastricht N.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi MENA B.V.	Fort Willemweg 1, 6219 PA Maastricht	70
Mondi Packaging Paper B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Paper Sales Netherlands B.V.	Bruynvisweg 14, 1531 AZ, Wormer	100
Mondi SCP Holdings B.V. ²	Fort Willemweg 1, 6219 PA Maastricht	100
<u>Norway</u>		
Mondi Moss AS	Rådmann Sirasvei 1, 1712, Grålum	100
<u>Oman</u>		
Mondi Oman LLC	Rusayl Industrial Estate Road 20, P.O. Box 20, 124, Muscat Governorate, Rusayl	49

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Poland</u>		
Agromasa Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Fredonia Investments Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Bags Mielec Sp. z o.o.	ul. Wojska Polskiego 12, 39-300 Mielec	100
Mondi Bags Świecie Sp. z o.o.	ul. Bydgoska 12, 86-100 Świecie	100
Mondi BZWP Sp z o.o.	ul. Zamenhofska 36, 57-500 Bystrzyca Kłodzka	100
Mondi Corrugated Świecie Sp. z o.o.	ul. Tucholska 9, 86-100 Świecie	100
Mondi Dorohusk Sp. z o.o.	ul. Swierkowa 8, 22-174 Brzezno	100
Mondi Krapkowice Sp. z o.o.	ul. Opolska 103, 47-300, Krapkowice	100
Mondi Poznań Sp. z o.o.	ul. Wyzwolenia 34/36, 62-070 Dopiewo	100
Mondi Recykling Polska Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Simet Sp. zo.o.	Grabonóg 77, 63-820 Piaski	100
Mondi Solec Sp. z o.o.	Solec 143, 05-532 Baniocha	100
Mondi Świecie S.A.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Szczecin Sp. z o.o.	ul. Słoneczna 20, 72-123 Kliniska Wielkie	100
Mondi Warszawa Sp. z o.o.	ul. Tarczyńska 98, 96-320 Mszczonów	100
Mondi Wierzbica Sp. z o.o.	Kolonia Rzeków 76, 26-680 Wierzbica	100
PLWD Sp. z o.o. ⁶	ul. Bydgoska 1, 86-100 Świecie	50.67
Swiecie Rail Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Świecie Recykling Sp. z o.o.	ul. Bydgoska 1/417, 86-100 Świecie	100
<u>Romania</u>		
Mondi Bucharest S.R.L.	Olympia Tower, 25-29, Decebal Blvd, 3 rd Floor (Level 4), 030971 Bucharest	100
<u>Russia</u>		
LLC Mondi Aramil	25 Klubnaya Street, 62400 Aramil, Sverdlovskii Region	100
LLC Mondi Lebedyan	Lva Tolstogo, Building 80, Office 52, 399612 Lebedyan, Lipetsk Region	100
LLC Mondi Pereslavl	Mendeleeva sq. 2, Building 55, 152025 Pereslavl-Zalesski	100
LLC Mondi Sales CIS	1st Tverskaya-Yamskaya, 21, 123047, Moscow	100
LLC Mondi Syktyvkar Energy Company	pr. Bumazhnikov 2, 167026 Syktyvkar, Komi Republic	100
OJSC Mondi Syktyvkar ¹	pr. Bumazhnikov 2, 167026 Syktyvkar, Komi Republic	100
<u>Serbia</u>		
Mondi Šabac d.o.o. Šabac	Severna 4 No.2, 15000 Šabac	100
<u>Singapore</u>		
Mondi Packaging Paper Sales Asia Pte. Limited	77 Robinson Road, #13-00, Robinson 77, Singapore, 068896	100

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Slovakia</u>		
East Paper, spol. s.r.o. ⁶	Rastislavova 98, 04346 Kosice	26.01
Mondi SCP, a.s.	Tatranská cesta 3, 03417 Ružomberok	51
Obaly Solo, s.r.o.	Tatranská cesta 3, 03417 Ružomberok	51
RECOPAP, s.r.o. ⁶	Bratislavská 18, 90051 Zahor	25.5
Sloppaper Collection s.r.o.	Tatranská cesta 3, 03417 Ružomberok	51
Sloppaper Recycling s.r.o.	Tatranská cesta 3, 03417 Ružomberok	51
SLOWOOD Ruzomberok a.s.	Tatranská cesta 3, 03417 Ružomberok	33.66
STRÁŽNA SLUŽBA VLA-STA s.r.o	Tatranská cesta 3, 03417 Ružomberok	51
<u>Spain</u>		
Mondi Bags Ibérica S.L.U.	Autovía A-2, Km 582, 08630 Abrera	100
Mondi Ibersac S.L.U.	Calle La Perenal 4, 48840 Güeñes, Bizcaia	100
Mondi Sales Ibérica S.L.	Calle Blasco Garay nº94 5D, 28003 Madrid	100
<u>Sweden</u>		
Mondi Dynäs AB	87381 Väja	100
Mondi Örebro AB	Pappersbruksallen 3A, Box 926, 70130 Örebro	100
<u>Switzerland</u>		
Dipeco AG	Bruehlstrasse 5, 4800 Zofingen	100
<u>Thailand</u>		
Mondi Bangkok Company, Limited. ²	789/10 Moo 9 Bang Pla Sub-District, Bang Phli District, Bangkok, Samut Prakan Province	100
Mondi Coating (Thailand) Co. Ltd.	Nr 888/100-101 Soi Yingcharoen Moo 19, Bangplee-Tamru Road, Bangpleeyai, Bangplee, Samutprakam 10540	100
Mondi TSP Company Limited. ³	110, Moo 3, Nong Chumpon Nuea, Khao Yoi District, Petchaburi Province, 76140	97.55
<u>Trinidad and Tobago</u>		
TCL Packaging Limited ⁵	Southern Main Road, Claxton Bay	20

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>Turkey</u>		
Doğal Kağıt Hammaddeleri Sanayi ve Ticaret Limited Şirketi	Esentepe Mahallesi Harman 1sk.Nida Kule Levent Ap. No:7/9/54 Şişli, Istanbul	84.65
Mondi Istanbul Ambalaj Limited Şti.	No. 12A Türkgücü OSB Mah. Yılmaz Alpaslan Caddesi Corlu, Tekirdag, 59870	100
Mondi Kale Nobel Ambalaj Sanayi Ve Ticaret A. Ş.	Sevketiye Cobancesme Kavsagi, A2 Blok, No. 229/230 Yeşilköy, Bakirköy/Istanbul	100
Mondi Turkey Oluklu Mukavva Kağıt Ve Ambalaj Sanayi A.Ş.	Toki Mahallesi, Hasan Tahsin Caddesi, No. 28, Tire, Izmir 35900	84.65
<u>Ukraine</u>		
Mondi Packaging Bags Ukraine LLC	Fabrychna Street 20, Zhydachiv, Lviv Region, 81700	100
<u>United Kingdom</u>		
Frantschach Holdings UK Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Hypac Limited ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Medway Packaging Pension Trustee Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Aberdeen Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Consumer Goods Packaging UK Ltd ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Finance plc ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Holcombe Limited ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Packaging (Delta) Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Packaging Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Packaging UK Holdings Limited ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Scunthorpe Limited ¹	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Mondi Services (UK) Limited ²	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100
Powerflute Group Holdings Limited	Ground Floor, Building 5, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY	100

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

10. Investments (continued)

Company	Registered office	% of shares held
<u>United States of America</u>		
Mondi Bags USA, LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Jackson LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Minneapolis, Inc.	220 South Sixth Street, Suite 2200, Minneapolis 55402	100
Mondi Romeoville LLC.	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Tekkote LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi U.S. Holdings LLC ²	251 Little Falls Drive, Wilmington DE 19808	100

¹ These companies have ordinary and preference shares.

² These companies are held directly.

³ 49% of this company is held directly.

⁴ % of shares held in 2021: nil

⁵ Associate

⁶ Joint venture

11. Trade and other receivables

	2022	2021
	€	€
Other receivables	837,715	819,084

12. Amounts owed by group undertakings

	2022	2021
	€	€
Amounts owed by group undertakings	170,999	-

Interest on amounts owed by group undertakings is earned at current market rates and amounts owing are payable on demand.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

13. Trade and other payables

	2022	2021
	€	€
Amounts owed to group undertakings	1,334,015	1,021,894
Other payables	2	2
Accruals	31,313	26,433
	<u>1,365,330</u>	<u>1,048,329</u>

Interest on amounts due to group undertakings is charged at current market rates and amounts due are payable on demand. The amounts owed to group undertakings relate to deposits that are held within a group cash pool account for which a cash pooling arrangement is in place and to intercompany payables for recharged services.

14. Derivative financial instruments

	2022	2021
	€	€
Derivatives carried at fair value through profit or loss that are not designated in hedge accounting relationships:		
Foreign exchange contracts		
- Asset	8,767	-
- Liability	-	(10,137)
	<u>8,767</u>	<u>(10,137)</u>

15. Deferred tax

The Company has the following amounts in respect of which no deferred tax asset has been recognised due to the unpredictability of future profit streams or gains against which these could be utilised:

	2022	2021
	€	€
Tax losses – trading		
At 1 January	478,387	261,002
Loss true-up for prior year filed tax return	140,062	217,385
At 31 December	<u>618,449</u>	<u>478,387</u>

The tax losses have no expiry date as at 31 December 2022 (2021: none) and may be carried forward indefinitely.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

16. Called up share capital

	2022	2021
	€	€
Issued, called up and fully paid		
1 share (2021: 1) of £1	2	2
20,677 (2021: 20,677) shares of \$1	15,309	15,309
	<u>15,311</u>	<u>15,311</u>

The holder of the sterling share shall not be entitled to receive notice of, attend or vote at General Meetings, to receive any dividends or to any return of capital on a winding-up.

17. Dividends

	2022	2021
	€	€
Dividend paid during the year	<u>574,700,000</u>	<u>730,800,000</u>
Dividend per share (€ per share)	<u>27,794.17</u>	<u>35,343.62</u>

18. Events occurring after 31 December 2022

On 12 January 2023, the Group completed the acquisition of the Duino mill near Trieste (Italy) from the Burgo Group for a total consideration of €40,000,000. The mill operated one paper machine producing lightweight coated mechanical paper. Mondi plans to convert this paper machine to produce around 420,000 tonnes per annum of high-quality recycled containerboard for an estimated investment of around €200,000,000.

Furthermore, Mondi AG acquired 100% of the shares in Mondi Neusiedler GmbH and Ybbstaler Zellstoff GmbH for a purchase price of €10 each from Mondi SCP a.s. and Obaly SOLO s.r.o. respectively on 27 February 2023.

There have been no other material reportable events since 31 December 2022.

19. Ultimate parent company

The immediate and ultimate parent company and controlling entity is Mondi plc, a company incorporated in the United Kingdom and registered in England and Wales. Mondi plc is the parent company of the largest and smallest group which includes the Company and for which consolidated financial statements are prepared. The consolidated financial statements of Mondi plc may be obtained from the Company Secretary, Building 5, Ground Floor, The Heights, Brooklands, Weybridge, Surrey KT13 0NY.

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2022

20. Contingent liabilities

Mondi Investments Limited has issued financial guarantees for €54,047,645 (2021: €7,000,000) in the ordinary course of business for the borrowings of other Group undertakings. The likelihood of these financial guarantees being called is considered to be remote and, therefore, the estimated financial effect of issuance is €nil (2021: €nil). The fair value of these issued financial guarantees is deemed to be immaterial.