

Mondi plc

Prospectus

March 2019



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This document, which comprises a prospectus relating to Mondi plc and the admission of the new ordinary shares in Mondi plc (the "New Mondi plc Shares") to the premium listing segment of the Official List (the "Official List") of the Financial Conduct Authority ("FCA") and to trading on the main market of the London Stock Exchange plc (the "LSE") for listed securities, which shares will also be listed and traded on the main board of the Johannesburg Stock Exchange (the "JSE") (together, "Admission"), has been prepared in accordance with the Prospectus Rules of the FCA made under section 73A of the Financial Services and Markets Act 2000 (as amended) (the "FSMA"). This Prospectus has been approved by the FCA in accordance with section 87A of FSMA and has been filed with the FCA and made available to the public in accordance with Prospectus Rule 3.2. This Prospectus is not (and is not issued as) a prospectus pursuant to the South African Companies Act 2008 ("SA Companies Act"). This Prospectus has been prepared in order to provide details of the New Mondi plc Shares to be issued and allotted pursuant to the Simplification, on the assumption that the Simplification will become effective as proposed.

The Mondi plc directors (the "Mondi plc Directors") whose names appear in Part XI: "*Directors, Senior Management and Corporate Governance*" and Mondi plc accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Mondi plc Directors and Mondi plc (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and this Prospectus does not omit anything likely to affect the import of such information.

The release, publication or distribution of this Prospectus, in whole or in part, into or from jurisdictions other than the UK and South Africa may be restricted by the laws of those jurisdictions and, therefore, persons into whose possession this Prospectus comes should inform themselves about and observe any applicable requirements. Any failure to comply with these restrictions may constitute a violation of the securities laws of one or more of such jurisdictions. To the fullest extent permitted by applicable law, Mondi plc disclaims any responsibility or liability for the violation of such restrictions or requirements by any person.

YOU SHOULD READ THE WHOLE OF THIS PROSPECTUS (INCLUDING ALL THE INFORMATION INCORPORATED BY REFERENCE HEREIN) CAREFULLY AND IN ITS ENTIRETY. IN PARTICULAR, YOU SHOULD TAKE ACCOUNT OF PART II: "RISK FACTORS", WHICH CONTAINS A DISCUSSION OF THE RISKS WHICH MAY MATERIALLY AFFECT THE VALUE OF AN INVESTMENT IN MONDI PLC AND/OR THE NEW MONDI PLC SHARES. YOU SHOULD NOT RELY SOLELY ON THE INFORMATION SUMMARISED IN PART I: "SUMMARY INFORMATION".



Mondi plc

(incorporated with limited liability in England and Wales)

Prospectus

Admission of up to 118,312,975 New Mondi plc Shares of €0.20 each to the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange, which shares will also be listed and traded on the main board of the Johannesburg Stock Exchange

Sponsor

UBS

The existing Mondi plc ordinary shares (the "Existing Mondi plc Ordinary Shares") are listed on the premium listing segment of the Official List and traded on the LSE's main market for listed securities and are listed and traded on the main board of the JSE. Applications will be made to: (i) the FCA for the New Mondi plc Shares to be admitted to the premium listing segment of the Official List; (ii) the LSE for the New Mondi plc Shares to be admitted to trading on its main market for listed securities; and (iii) the JSE for the New Mondi plc Shares to be admitted to listing and trading on its main board for listed securities. It is expected that, subject to the satisfaction or waiver (if capable of waiver) of certain Conditions (but not including a waiver of Admission), the New Mondi plc Shares will be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the LSE, and to listing and trading on the main board of the JSE on a date presently indicatively expected to be on Monday, 1 July 2019. From the first trading day after the Scheme Last Day to Trade (presently indicatively expected to be on Wednesday, 26 June 2019) and until Admission of the New Mondi plc Shares to the JSE on the first trading day after the Scheme Effective Time (presently indicatively expected to be Monday, 1 July 2019), these dealings reflect the expectation of the New Mondi plc Shares to be received pursuant to the Scheme, which will be issued on the Mondi plc SA Register. During this period, there cannot be any transfers of Mondi plc Ordinary Shares between the Mondi plc SA Register and the Mondi plc UK Register. Such dealings may also be limited or restricted by the rules of Strate, and the applicable mandate between a Mondi Limited Shareholder and its CSDP or Broker, as applicable from time to time, and are effected entirely at the Mondi Limited Shareholders' risk. Dealings in the New Mondi plc Shares will then commence by 8:00 a.m. (UK time) on the main market of the LSE and 9:00 a.m. (SA time) on the main board of the JSE on a date presently indicatively expected to be on Monday, 1 July 2019.

The New Mondi plc Shares will be issued, credited as fully paid, and will rank *pari passu* in all respects with the Existing Mondi plc Ordinary Shares at the time of such issue, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Mondi plc, the right to receive and retain any dividends and other distributions declared, made or paid by reference to a record date falling on or after the date on which the South African scheme of arrangement (the "Scheme") becomes effective (the "Scheme Effective Time") and the right to participate in the assets of Mondi plc upon a winding-up of Mondi plc.

You should only rely on the information contained in this Prospectus in relation to investing in and holding the New Mondi plc Shares. No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by Mondi plc, the Mondi plc Directors, UBS, UBS SA or any other person involved in the Simplification. In particular, unless otherwise stated, the contents of Mondi's website, the contents of any website accessible from hyperlinks on such website or any other website referred to in this Prospectus do not form part of this Prospectus and you should not rely on them. Without prejudice to any legal or regulatory obligation on Mondi plc to publish a supplementary prospectus pursuant to section 87G of FSMA and Prospectus Rule 3.4, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of Mondi plc since the date of this Prospectus or that the information in it is correct as of any time after the date of this Prospectus. Mondi plc will comply with its obligation to publish supplementary prospectuses containing further updated information as required by law or by a regulatory authority and, in particular, its obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules (as appropriate) but assumes no further obligation to publish additional information.

UBS, which is authorised and regulated by the Financial Market Supervisory Authority in Switzerland, and is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the UK, is acting exclusively as sponsor and financial adviser to Mondi plc and no one else in connection with the Simplification, Admission and other matters referred to in this Prospectus. UBS SA, which is registered with the Financial Services Board in South Africa, is acting as sponsor in South Africa to Mondi Limited and Mondi plc and no one else in connection with the Simplification, Admission and other matters referred to in this Prospectus. UBS and UBS SA will not be responsible to anyone other than Mondi Limited and Mondi plc for providing the protections afforded to their clients or for providing any advice and will not regard any other person (whether or not a recipient of this Prospectus) as their client in relation to the Simplification, the contents of this Prospectus or any other matter referred to in this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on UBS by FSMA or the regulatory regime established thereunder, or on UBS SA by the Financial Sector Conduct Authority and the Prudential Authority of South Africa or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, UBS, UBS SA and each of their respective affiliates assume no responsibility whatsoever for and make no representation or warranty, express or implied, in respect of the contents of this Prospectus including its accuracy, completeness or verification or for any other statement made or purported to be made by them or on their behalf or by or on behalf of Mondi plc or Mondi Limited in connection with Mondi plc, Mondi Limited, the Group, Admission and the Simplification and nothing in this Prospectus shall be relied upon as a promise or representation in this respect whether as to the past, present or future. UBS and UBS SA and their respective subsidiaries, branches and affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have to any person, other than Mondi plc or Mondi Limited, in respect of this Prospectus or any such statement or otherwise.

Persons accessing this Prospectus are authorised solely to use it for the purpose of considering the terms of the Simplification and are prohibited from reproducing or distributing this Prospectus, in whole or in part, disclosing any of its contents or using any information herein for any purpose other than considering the terms of the Simplification and an investment in the New Mondi plc Shares.

Neither the contents of this Prospectus nor any subsequent communication from Mondi plc, the Mondi plc Directors, UBS, UBS SA or any other person involved in the Simplification or any of their respective affiliates, officers, directors, employees, agents or advisers are to be construed as legal, financial or tax advice or as constituting any form of investment advice or recommendation, guidance or proposal of a financial nature by any of them and they are not, or may not be, financial services providers licensed as such under the South African Financial Advisory and Intermediary Services Act, 37 of 2002 (as amended from time to time), and nothing in this Prospectus should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. If you are in any doubt about the contents of this Prospectus or the action you should take, it is recommended that you seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser (who is, if you are resident in the UK, duly authorised under FSMA or, if you are not resident in the UK, an appropriately authorised independent financial adviser).

NOTICE TO OVERSEAS SHAREHOLDERS

The release, publication or distribution of this Prospectus in jurisdictions other than the UK and South Africa may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the UK or South Africa should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdiction. To the fullest extent permitted by applicable law, Mondi plc disclaims any responsibility or liability for the violation of such restrictions or requirements by any person. This Prospectus and any accompanying documents have been prepared to comply with UK law and the information disclosed may not be the same as that which would have been disclosed if this Prospectus had been prepared in accordance with the laws and regulations of any jurisdiction outside the UK.

NOTICE TO INVESTORS IN THE UNITED STATES

This Prospectus is not an offer of securities for sale in the United States. The New Mondi plc Shares to be issued under the Scheme will not be, and are not required to be, registered under the US Securities Act of 1933 (the "US Securities Act") or under the applicable securities laws or the regulations of any state or other jurisdiction of the United States, and will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 4(a)(2) thereof, which is available for an offer and sale of securities not involving any public offering in the United States.

Accordingly, the New Mondi plc Shares to be issued under the Scheme will be issued to Scheme Participants with a registered address in the United States ("US Shareholders") only if such US Shareholders have demonstrated to Mondi plc and/or their relevant CSDP, Broker, custodian or nominee (as applicable) that they are a "qualified institutional buyer" ("QIB") as such term is defined in the US Securities Act and agreed to certain transfer restrictions applicable to the New Mondi plc Shares delivered to QIBs. Accordingly, each US Shareholder that is a QIB and that wishes to receive New Mondi plc Shares in terms of the Scheme will be required to execute an investor letter ("US Investor Letter") in the format set out in Annex VII of the Mondi Limited circular dated 26 March 2019 ("Mondi Limited Circular"), and deliver such letter to their CSDP or Broker. The US Investor Letter must be received by, in the case of: (i) Dematerialised Shareholders, the relevant CSDP, Broker, custodian or nominee, with a copy to Link Market Services South Africa Proprietary Limited (the "Transfer Secretary") (at the following e-mail address: specialprojects@linkmarketservices.co.za); and (ii) Certificated Shareholders, the Transfer Secretary (at the following e-mail address: specialprojects@linkmarketservices.co.za) (the "Required Notice Recipient"), before the QIB Notification Time (presently indicatively expected to be 5:00 p.m. (SA time) on Tuesday, 25 June 2019), failing which any such US Investor Letter will not be effective and will be disregarded. The US Investor Letter will require the relevant US Shareholder to represent and agree, among other things, that (i) it is a QIB and (ii) for so long as the New Mondi plc Shares are "restricted securities" within the meaning of the US Securities Act, it will only offer, sell, transfer, assign, pledge or otherwise dispose of the New Mondi plc Shares (a) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A under the US Securities Act, (b) in accordance with Rule 144 under the US Securities Act (if available), (c) in accordance with another applicable exemption from the registration requirements of the US Securities Act, or (d) in an offshore transaction complying with the provisions of Regulation S under the US Securities Act (including, for the avoidance of doubt, a *bona fide* sale on the LSE or the JSE), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Any Scheme Participant who is a US Shareholder who is not a QIB or in respect of which no US Investor Letter is received by the Required Notice Recipient before the QIB Notification Time, will be deemed to be an "Excluded US Shareholder" and will be treated as set out in "*Additional Information—Notice to Investors in the United States—Excluded US Shareholders*".

The New Mondi plc Shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Mondi plc does not intend to take any action to facilitate a market in the New Mondi plc Shares in the United States. Consequently, it is unlikely that an active trading market in the United States will develop for the New Mondi plc Shares.

US Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Simplification in their particular circumstances.

NEITHER THE US SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES NOR ANY OTHER US REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED OF THE NEW MONDI PLC SHARES OR PASSED UPON OR ENDORSED THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO CUSTODIANS AND NOMINEES HOLDING MONDI LIMITED SHARES IN DEMATERIALIZED FORM ON BEHALF OF US SHAREHOLDERS

Each US Shareholder that is a QIB and wishes to receive New Mondi plc Shares under the Scheme will be required to execute a US Investor Letter to be received by the Required Notice Recipient before the QIB Notification Time.

Any custodian or nominee holding Mondi Limited Shares in Dematerialised form on behalf of any US Shareholder must either:

- in respect of such US Shareholder that is a QIB, receive an executed US Investor Letter from such US Shareholders before the QIB Notification Time, with a copy to the Transfer Secretary before the QIB Notification Time, in which case it may accept New Mondi plc Shares (or a beneficial entitlement thereto) on behalf of such US Shareholders in the same manner as for any other Scheme Participant that is not an Excluded US Shareholder; or
- in respect of such US Shareholder that is an Excluded US Shareholder, transfer such New Mondi plc Shares (or a beneficial entitlement thereto) to the Transfer Secretary. Should you have any questions as to how to facilitate the transfer, please contact your CSDP or Broker.

NOTICE TO INVESTORS IN CANADA

The New Mondi plc Shares have not been nor will they be qualified for distribution to the public under applicable Canadian securities laws and, accordingly, any distribution of the New Mondi plc Shares in Canada will be made on a basis which is exempt from the prospectus requirements of Canadian securities laws. Any resale of the New Mondi plc Shares must be made in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of those laws. In addition, in order to comply with the dealer registration requirements of Canadian securities laws, any resale of the New Mondi plc Shares must be made either by a person not required to register as a dealer under applicable Canadian securities laws, or through an appropriately registered dealer or in accordance with an exemption from the dealer registration requirements. These Canadian resale restrictions may in some circumstances apply to resales made outside Canada. Investors in New Mondi plc Shares are advised to seek Canadian legal advice prior to any resale of New Mondi plc Shares. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the information contained herein or the merits of the New Mondi plc Shares, and any representation to the contrary is an offence.

Certain terms used in this Prospectus have the meanings ascribed to them in Part XIII: "*Definitions*".

The date of this Prospectus is 26 March 2019.

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PART I SUMMARY INFORMATION

Section A – Introduction and warnings

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in sections A to E (A.1 to E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

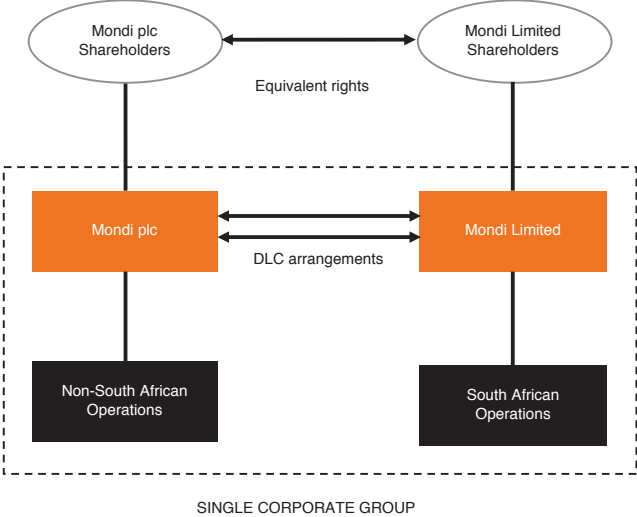
Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “not applicable”.

Annex and Element		Disclosure requirement
A.1	Introduction and warnings to investors	<p>This summary must be read as an introduction to this Prospectus only.</p> <p>Any decision to invest in the new Mondi plc Shares (“New Mondi plc Shares”) should be based on consideration of this Prospectus as a whole.</p> <p>Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the New Mondi plc Shares.</p>
A.2	Resale or final placement of securities through financial intermediaries	Not applicable. No consent has been given by Mondi plc or any person responsible for drawing up this Prospectus to use this Prospectus for subsequent resale or final placement of the New Mondi plc Shares by financial intermediaries.

Section B – Issuer

Annex and Element		Disclosure requirement
B.1	Legal and commercial name	Mondi plc.
B.2	Domicile/legal form/legislation under which Mondi plc operates/country of incorporation	Mondi plc is a public limited company incorporated under the laws of England and Wales with registered number 6209386 and its registered office situated at Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG. Mondi plc operates principally under the Companies Act 2006 and the regulations made thereunder.

Annex and Element		Disclosure requirement
B.3	Current operations and principal activities and markets	<p>Mondi Limited, Mondi plc and their respective subsidiaries and subsidiary undertakings (together, the “Group” or “Mondi”) is an international packaging and paper group with around 100 production sites across more than 30 countries and revenue of €7,481 million for the year ended 31 December 2018. The key operations of the Group are located in central Europe, Russia, North America and South Africa, and as at the end of 2018, Mondi employed around 26,100 people.</p> <p>The Group is organised into three business units: the Fibre Packaging Business (the “Fibre Packaging Business”), the Consumer Packaging Business (the “Consumer Packaging Business”) and the Uncoated Fine Paper Business (the “UFP Business”).</p> <p>The Fibre Packaging Business manufactures and sells a broad range of containerboard, speciality and sack kraft paper as well as converted corrugated packaging, industrial bags and extrusion-coated products for a variety of consumer and industrial applications.</p> <p>The Consumer Packaging Business develops, manufactures and sells innovative flexible plastic-based consumer goods packaging solutions, personal care product components, technical films and release liner.</p> <p>The UFP Business is a vertically integrated business, managing forests and manufacturing pulp as well as uncoated fine paper that is converted into office papers (cut size) and professional printing papers sold in folio form or large reels.</p>
B.4a	Significant recent trends affecting the Company and the industries in which it operates	<p>The Group delivered a strong performance in 2018, with underlying EBITDA up 19 per cent. to €1,764 million for the year ended 31 December 2018 from €1,482 million for the year ended 31 December 2017 (on a restated basis). Mondi benefited from good demand across its Fibre Packaging Business, higher average selling prices and the contribution from recently completed acquisitions. The Group reported a robust operating performance, delivering productivity gains and strong cost containment, mitigating the inflationary pressures on its cost base.</p> <p>Looking ahead, while there are macro-economic uncertainties, Mondi remains confident in the structural growth drivers in the packaging sectors in which the Group operates. Pricing is mixed going into 2019, with recent price reductions in containerboard grades and market pulp and stronger pricing in its kraft paper markets. During 2019, the Group is planning longer maintenance and project related shuts, while looking forward to the incremental contribution from recently completed major capital projects and acquisitions.</p> <p>Management believes Mondi is uniquely positioned to develop sustainable packaging solutions. With its robust business model, strong balance sheet, focus on leveraging key industry trends of sustainability, e-commerce and enhancing brand value, and culture of continuously driving performance, the Group continues to look to the future with confidence.</p>

Annex and Element	Disclosure requirement
<p>B.5 Group structure</p>	<p>Current pre-Simplification structure</p> <p>Mondi is an integrated corporate group established under a dual listed company (“DLC”) structure. Mondi plc is a UK incorporated company listed on the London Stock Exchange (“LSE”) with a secondary listing on the Johannesburg Stock Exchange (“JSE”), and Mondi Limited is a South African incorporated company listed on the JSE.</p> <p>The following is a simplified illustration of the current pre-Simplification DLC structure.</p>  <p>Mondi operates as a single corporate group. As Mondi Limited and Mondi plc are separate corporate entities, each has a separate board of directors (together, the “Boards”), but these Boards comprise the same persons. The Boards, in addition to their duties to the company concerned, have regard to the interests of the shareholders of both Mondi Limited and Mondi plc as if the two companies were a single economic enterprise.</p> <p>Ordinary shareholders of Mondi Limited and Mondi plc have economic and voting interests in Mondi. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests represented by an ordinary share in the other company are determined by reference to a ratio known as the Equalisation Ratio (the “Equalisation Ratio”). As at the date of this Prospectus, the Equalisation Ratio is 1:1 (i.e. an ordinary share in either Mondi Limited or Mondi plc gives the holder an equivalent effective economic and voting interest in Mondi).</p>

Annex and Element	Disclosure requirement
	<p>Post-Simplification structure</p> <p>The Simplification will be effected by actions authorised under the resolutions approving the Simplification and by a South African scheme of arrangement (the “Scheme”) proposed by the Mondi Limited board between Mondi Limited and the ordinary shareholders of Mondi Limited pursuant to which Mondi plc will become the holding company of the Group and former Mondi Limited ordinary shareholders will become ordinary shareholders of Mondi plc. The Scheme will provide for two alternative structures at the election of the Mondi Limited ordinary shareholders to achieve the Simplification: an acquisition structure (Option A – default position); or a buyback structure (Option B – alternative position). The default option is the acquisition of the Mondi Limited ordinary shares by Mondi plc (Option A), with the alternative being the elective buyback structure (Option B). There is no obligation on Mondi Limited Shareholders to make an election. If no election is made, their Mondi Limited ordinary shares will be dealt with by way of the acquisition structure (Option A). If the Mondi Limited Shareholders elect to have only some of their Mondi Limited ordinary shares bought back, their remaining Mondi Limited ordinary shares will be acquired by Mondi plc by way of the acquisition structure (Option A). Mondi plc will also be bound by the Scheme.</p> <p><i>Option A – default position: acquisition by Mondi plc of the Mondi Limited ordinary shares in consideration for the issue of New Mondi plc Shares</i></p> <ul style="list-style-type: none"> ● The default position under the terms of the proposed Scheme is that if the Scheme becomes effective, the Mondi Limited shareholders that participate in the Scheme will transfer 100 per cent. of their Mondi Limited ordinary shares to Mondi plc in consideration for the issue of New Mondi plc Shares to such shareholders (on the basis of one New Mondi plc Share being issued for each Mondi Limited ordinary share so acquired). ● The New Mondi plc Shares will be listed and admitted to trading on the LSE with a secondary listing on the JSE. The listing of the Mondi Limited ordinary shares on the JSE will consequently be cancelled.

Annex and Element	Disclosure requirement
	<p><i>Option B – alternative position: buyback by Mondi Limited of the Mondi Limited ordinary shares satisfied by the issuance of New Mondi plc Shares</i></p> <ul style="list-style-type: none"> • Instead of transferring their Mondi Limited ordinary shares to Mondi plc under Option A, the Scheme will contain an option for Mondi Limited shareholders that participate in the Scheme to elect to have some or all of their Mondi Limited ordinary shares bought back by Mondi Limited in consideration for the issue of New Mondi plc Shares to such shareholders (on the basis of one New Mondi plc Share being issued for each Mondi Limited ordinary share bought back). Such Mondi Limited Ordinary Shares will be automatically cancelled. • In consideration for Mondi plc agreeing to discharge the consideration for the buyback under the Scheme, Mondi Limited will issue new Mondi Limited ordinary shares to Mondi plc (on the basis of one new Mondi Limited ordinary share for each New Mondi plc Share issued by Mondi plc pursuant to the buyback). • The New Mondi plc Shares will be listed and admitted to trading on the LSE with a secondary listing on the JSE. The listing of the Mondi Limited ordinary shares on the JSE will consequently be cancelled. • The buyback option is subject to Mondi Limited satisfying the statutory requirements in relation to solvency and liquidity under the South African Companies Act 2008 (“SA Companies Act”). If, for any reason, the buyback option is unable to be implemented, the transfer option will apply. <p><i>Simplified post-Simplification structure</i></p> <p style="text-align: center;">Simplified Post-Simplification Structure</p> <pre> graph TD A([Mondi plc Shareholders and former Mondi Limited Shareholders]) --- B[Mondi plc (UK)] B --- C[Non-South African Operations] B --- D[Mondi Limited (SA)] D --- E[South African Operations] B -.-> 100% D </pre>

Annex and Element		Disclosure requirement																														
B.6	Major Shareholders	<p>As far as Mondi plc is aware, on the basis of information as at the latest practicable date prior to publication of this Prospectus (the “Latest Practicable Date”) from notifications to Mondi plc in accordance with Disclosure Guidance and Transparency Rule 5, the following persons held the following direct and/or indirect interests in the voting rights of Mondi plc:</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Number of Existing Mondi plc Ordinary Shares</th> <th>% of Existing Mondi plc Ordinary Shares</th> </tr> </thead> <tbody> <tr> <td>BlackRock, Inc.....</td> <td>21,530,677</td> <td>5.86%</td> </tr> <tr> <td>Coronation Asset Management Proprietary Limited.....</td> <td>18,505,096</td> <td>5.04%</td> </tr> <tr> <td>Public Investment Corporation Limited.....</td> <td>18,390,224</td> <td>5.01%</td> </tr> <tr> <td>Investec Asset Management Limited.....</td> <td>18,352,708</td> <td>4.99%</td> </tr> <tr> <td>AXA S.A.....</td> <td>17,210,471</td> <td>4.69%</td> </tr> <tr> <td>Standard Life Investments Limited</td> <td>16,476,021</td> <td>4.49%</td> </tr> <tr> <td>Norges Bank.....</td> <td>14,424,171</td> <td>3.93%</td> </tr> <tr> <td>Old Mutual Plc.....</td> <td>11,978,984</td> <td>3.26%</td> </tr> <tr> <td>Sanlam Investment Management Proprietary Limited..</td> <td>10,936,128</td> <td>3.00%</td> </tr> </tbody> </table> <p>The percentage interests stated above are as disclosed at the date on which the interests were notified to Mondi plc. None of the major shareholders in Mondi plc have different voting rights attached to the existing Mondi plc ordinary shares that they hold.</p> <p>Mondi plc is not aware of any persons who, as at the Latest Practicable Date, directly or indirectly, jointly or severally, exercise or could exercise control over Mondi plc nor is it aware of any arrangements the operation of which may, at a subsequent date, result in a change of control of Mondi plc.</p>	Name	Number of Existing Mondi plc Ordinary Shares	% of Existing Mondi plc Ordinary Shares	BlackRock, Inc.....	21,530,677	5.86%	Coronation Asset Management Proprietary Limited.....	18,505,096	5.04%	Public Investment Corporation Limited.....	18,390,224	5.01%	Investec Asset Management Limited.....	18,352,708	4.99%	AXA S.A.....	17,210,471	4.69%	Standard Life Investments Limited	16,476,021	4.49%	Norges Bank.....	14,424,171	3.93%	Old Mutual Plc.....	11,978,984	3.26%	Sanlam Investment Management Proprietary Limited..	10,936,128	3.00%
Name	Number of Existing Mondi plc Ordinary Shares	% of Existing Mondi plc Ordinary Shares																														
BlackRock, Inc.....	21,530,677	5.86%																														
Coronation Asset Management Proprietary Limited.....	18,505,096	5.04%																														
Public Investment Corporation Limited.....	18,390,224	5.01%																														
Investec Asset Management Limited.....	18,352,708	4.99%																														
AXA S.A.....	17,210,471	4.69%																														
Standard Life Investments Limited	16,476,021	4.49%																														
Norges Bank.....	14,424,171	3.93%																														
Old Mutual Plc.....	11,978,984	3.26%																														
Sanlam Investment Management Proprietary Limited..	10,936,128	3.00%																														
B.7	Selected historical key financial information	<p>Financial information in relation to the Group</p> <p>The Group has two separate legal parent entities, Mondi Limited and Mondi plc, which operate under a DLC structure. The substance of the DLC structure is such that Mondi Limited and its subsidiaries, and Mondi plc and its subsidiaries, operate together as a single economic entity through a sharing agreement, with neither parent entity assuming a dominant role. Accordingly, Mondi Limited and Mondi plc are reported on a combined and consolidated basis as a single reporting entity.</p> <p>The Group’s combined and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”); the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the SA Companies Act.</p> <p>Selected historical financial information which summarises the results of operations and financial condition of the Group for the three financial years ended 31 December 2018, 31 December 2017 and 31 December 2016, prepared in accordance with IFRS issued by the IASB as adopted by the European Union, is set out in the following tables.</p>																														

Annex and Element	Disclosure requirement			
	Combined and consolidated income statement of the Group			
	Year ended 31 December			
	2016	2017 Reported	2017 Restated⁽¹⁾	2018
	<i>(€ million)</i>			
Group revenue	6,662	7,096	7,096	7,481
Materials, energy and consumables used.....	(3,249)	(3,456)	(3,452)	(3,526)
Variable selling expenses.....	(499)	(525)	(525)	(534)
Gross margin.....	2,914	3,115	3,119	3,421
Maintenance and other indirect expenses	(301)	(319)	(319)	(346)
Personnel costs.....	(1,009)	(1,062)	(1,062)	(1,054)
Other net operating expenses	(256)	(313)	(279)	(302)
Depreciation, amortisation and impairments	(405)	(464)	(491)	(527)
Operating profit	943	957	968	1,192
Net profit from equity accounted investees	1	1	1	1
Total profit from operations and equity accounted investees	944	958	969	1,193
Net finance costs.....	(101)	(71)	(85)	(88)
Profit before tax.....	843	887	884	1,105
Tax charge.....	(157)	(173)	(173)	(239)
Profit for the year	686	714	711	866
Attributable to:				
Non-controlling interests	48	43	43	42
Shareholders	638	671	668	824
Note:	(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.			
	Alternative performance measures			
	Year ended 31 December			
	2016	2017 Reported	2017 Restated⁽¹⁾	2018
	<i>(€ million, except percentages)</i>			
ROCE ⁽²⁾ (%).....	20.3	19.7	19.3	23.6
Underlying EBITDA ⁽³⁾	1,366	1,444	1,482	1,764
Underlying operating profit ⁽⁴⁾	981	1,018	1,029	1,318
Notes:	(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.			
	(2) Return on capital employed ("ROCE") is defined as trailing 12-month underlying operating profit, including share of equity accounted investees' net profit/(loss), divided by trailing 12-month average capital employed. Capital employed is adjusted for spend on major capital expenditure projects which are not yet in production. Segments' 12-month average capital employed has been extracted from management reports. ROCE provides a measure of the efficient and effective use of capital in the business.			
	(3) Underlying EBITDA is defined as operating profit before special items, depreciation, amortisation and impairments not recorded as special items. Underlying EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year. The table below presents a reconciliation of underlying EBITDA and underlying operating profit to profit before tax.			
	(4) Underlying operating profit is defined as operating profit before special items. Underlying operating profit provides a measure of operating performance that is comparable from year to year.			

Annex and Element	Disclosure requirement			
	Reconciliation of alternative performance measures			
	Year ended 31 December			
	2016	2017 Reported	2017 Restated⁽¹⁾	2018
	<i>(€ million)</i>			
Underlying EBITDA	1,366	1,444	1,482	1,764
Depreciation and impairments	(356)	(393)	(420)	(412)
Amortisation	(29)	(33)	(33)	(34)
Underlying operating profit	981	1,018	1,029	1,318
Special items ⁽²⁾	(38)	(61)	(61)	(126)
Net profit from equity accounted investees	1	1	1	1
Net finance costs	(101)	(71)	(85)	(88)
Profit before tax	843	887	884	1,105
	Notes:			
	(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.			
	(2) Special items are those financial items which the Group considers should be separately disclosed on the face of the combined and consolidated income statement to assist in understanding the underlying financial performance achieved by the Group. Such items are generally material by nature and exceed €10 million and the Group, therefore, excludes these items when reporting underlying earnings and related measures in order to provide a measure of the underlying performance of the Group on a basis that is comparable from year to year. Subsequent adjustments to items previously recognised as special items continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold.			

Annex and Element	Disclosure requirement			
	Combined and consolidated statement of financial position of the Group			
	As of 31 December			
	2016	2017 Reported	2017 Restated⁽¹⁾	2018
	(€ million)			
Property, plant and equipment.....	3,788	3,962	4,128	4,340
Goodwill	681	698	698	942
Intangible assets.....	120	111	111	91
Forestry assets.....	316	325	325	340
Investment in equity accounted investees	9	3	3	9
Financial instruments	25	23	23	21
Deferred tax assets	26	25	26	49
Net retirement benefits asset.....	1	7	7	6
Total non-current assets	4,966	5,154	5,321	5,798
Inventories.....	850	867	867	968
Trade and other receivables.....	1,049	1,106	1,106	1,190
Current tax assets	32	29	29	22
Financial instruments.....	8	14	14	9
Cash and cash equivalents	404	38	38	52
Assets held for sale	1	1	1	3
Total current assets.....	2,344	2,055	2,055	2,244
Total assets	7,310	7,209	7,376	8,042
Short-term borrowings	(651)	(267)	(291)	(268)
Trade and other payables.....	(1,100)	(1,074)	(1,074)	(1,186)
Current tax liabilities	(95)	(126)	(126)	(140)
Provisions	(49)	(50)	(50)	(61)
Financial instruments.....	(23)	(8)	(8)	(13)
Total current liabilities	(1,918)	(1,525)	(1,549)	(1,668)
Medium and long-term borrowings	(1,119)	(1,098)	(1,280)	(2,002)
Net retirement benefits liability	(240)	(232)	(232)	(234)
Deferred tax liabilities	(267)	(255)	(248)	(253)
Provisions	(44)	(41)	(41)	(46)
Other non-current liabilities.....	(26)	(19)	(19)	(14)
Total non-current liabilities.....	(1,696)	(1,645)	(1,820)	(2,549)
Total liabilities	(3,614)	(3,170)	(3,369)	(4,217)
Net assets.....	3,696	4,039	4,007	3,825
Equity				
Combined share capital and stated capital	542	542	542	542
Retained earnings and other reserves.....	2,850	3,172	3,141	2,943
Total attributable to shareholders	3,392	3,714	3,683	3,485
Non-controlling interests in equity	304	325	324	340
Total equity.....	3,696	4,039	4,007	3,825
Note:				
(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.				

Annex and Element	Disclosure requirement																																																					
	<p>Combined and consolidated statement of cash flows of the Group</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="3"></th> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Year ended 31 December</th> </tr> <tr> <th style="border-bottom: 1px solid black;">2016</th> <th style="border-bottom: 1px solid black;">2017 Reported</th> <th style="border-bottom: 1px solid black;">2017 Restated⁽¹⁾</th> <th style="border-bottom: 1px solid black;">2018</th> </tr> <tr> <th colspan="4" style="text-align: center; font-size: small;">(€ million)</th> </tr> </thead> <tbody> <tr> <td>Cash flows from operating activities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net cash generated from operating activities.....</td> <td style="text-align: right;">1,229</td> <td style="text-align: right;">1,175</td> <td style="text-align: right;">1,213</td> <td style="text-align: right;">1,407</td> </tr> <tr> <td>Cash flows from investing activities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net cash used in investing activities..</td> <td style="text-align: right;">(665)</td> <td style="text-align: right;">(694)</td> <td style="text-align: right;">(694)</td> <td style="text-align: right;">(1,157)</td> </tr> <tr> <td>Cash flows from financing activities</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net cash used in financing activities</td> <td style="text-align: right;">(219)</td> <td style="text-align: right;">(920)</td> <td style="text-align: right;">(958)</td> <td style="text-align: right;">(183)</td> </tr> <tr> <td>Net increase/(decrease) in cash and cash equivalents.....</td> <td style="text-align: right;">345</td> <td style="text-align: right;">(439)</td> <td style="text-align: right;">(439)</td> <td style="text-align: right;">67</td> </tr> <tr> <td>Cash and cash equivalents at end of year⁽²⁾.....</td> <td style="text-align: right;">377</td> <td style="text-align: right;">(66)</td> <td style="text-align: right;">(66)</td> <td style="text-align: right;">8</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.</p> <p>(2) Cash and cash equivalents presented in the combined and consolidated statement of cash flows are net of overdrafts.</p> <p>Certain changes to the Group's financial condition and results of operations occurred during the years ended 31 December 2016, 2017 and 2018. These changes are set out below.</p> <p>Group revenue increased by 5 per cent., to €7,481 million for the year ended 31 December 2018 from €7,096 million for the year ended 31 December 2017. The increase to group revenue during this period was mainly as a result of higher average selling prices across the business. Volumes in the Fibre Packaging Business grew, driven by the benefit of previously completed capital investment projects, operational improvements and strong organic volume growth in industrial bags. Volumes in the Consumer Packaging Business were impacted by the Group's targeted approach to exit lower margin business and a decline in volumes in personal care components. While core product volumes in the UFP Business were up year-on-year, market pulp and newsprint volumes were negatively impacted, respectively, by the extended shut at the Richards Bay mill (South Africa) and the strategic decision taken in the prior year to exit the newsprint market in South Africa.</p>		Year ended 31 December				2016	2017 Reported	2017 Restated ⁽¹⁾	2018	(€ million)				Cash flows from operating activities					Net cash generated from operating activities.....	1,229	1,175	1,213	1,407	Cash flows from investing activities					Net cash used in investing activities..	(665)	(694)	(694)	(1,157)	Cash flows from financing activities					Net cash used in financing activities	(219)	(920)	(958)	(183)	Net increase/(decrease) in cash and cash equivalents.....	345	(439)	(439)	67	Cash and cash equivalents at end of year ⁽²⁾	377	(66)	(66)	8
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Annex and Element		Disclosure requirement
		<p>Group revenue increased by 7 per cent., to €7,096 million for the year ended 31 December 2017 from €6,662 million for the year ended 31 December 2016. Excluding the impact of acquisitions, revenue increased by 4 per cent. from the year ended 31 December 2016 to the year ended 31 December 2017 due to higher average selling prices across all the businesses. While volume growth in the packaging paper business of the Fibre Packaging Business and the UFP Business was limited due to capacity constraints, the Group had growth in the converting business of the Fibre Packaging Business, most notably in corrugated packaging which achieved like-for-like growth of around 6 per cent. between the year ended 31 December 2016 and the year ended 31 December 2017. Volumes in the Consumer Packaging Business were impacted by a combination of the ongoing challenging trading conditions and a targeted approach to exiting lower margin business.</p> <p>Underlying operating profit increased by 28 per cent., to €1,318 million for the year ended 31 December 2018 from €1,029 million for the year ended 31 December 2017 (on a restated basis). The increase to underlying operating profit during this period was a result of a combination of higher selling prices, a strong operational performance, the contribution from acquisitions, and the benefits of ongoing cost reduction initiatives more than offsetting higher variable and fixed costs and negative currency effects.</p> <p>Underlying operating profit increased by 5 per cent., to €1,029 million for the year ended 31 December 2017 (on a restated basis) from €981 million for the year ended 31 December 2016. Higher selling prices and marginally higher volumes more than offset higher operating costs, a lower fair value gain on forestry assets, the impact of maintenance shuts and negative currency effects.</p> <p>Net finance costs increased by 3.5 per cent., to €88 million for the year ended 31 December 2018 from €85 million (on a restated basis) for the year ended 31 December 2017, primarily due to the benefit of a lower effective interest rate (4.2 per cent. for the year ended 31 December 2018 compared to 4.8 per cent. for the prior year), being offset by higher average net debt of €1,979 million in the year ended 31 December 2018 compared to €1,572 million in the prior year (on a restated basis).</p> <p>Net finance costs decreased by 16 per cent., to €85 million (on a restated basis) for the year ended 31 December 2017 from €101 million for the year ended 31 December 2016, primarily due to the repayment in April 2017 of the 5.75 per cent. 2017 €500 million Eurobond and lower average net debt. Save as set out above, there has been no significant change in the financial condition or operating results of the Group during or after the period covered by the historical financial information of the Group set out in this Prospectus.</p>
B.8	Selected key pro forma financial information	Not applicable. The Group is deemed as a single reporting entity for the purposes of presenting combined and consolidated annual financial statements. The Group will formally become a single reporting entity following the Simplification and the Group's financial reporting is not expected to change as a result of the Simplification.
B.9	Profit forecast and estimates	Not applicable.
B.10	Qualifications in the audit reports	Not applicable. There are no qualifications to the audit report on the historical financial information.
B.11	Explanation if insufficient working capital	Not applicable. In the opinion of Mondi plc, the working capital available to the Group is sufficient for its present requirements, that is, for at least the next 12 months following the date of this Prospectus.

Section C – Shares

Annex and Element		Disclosure requirement
C.1	Type and class of securities	When admitted to trading, the New Mondi plc Shares will consist of up to 118,312,975 Mondi plc ordinary shares of €0.20 each in the capital of Mondi plc. The New Mondi plc Shares will be registered with ISIN number GB00B1CRLC47, LSE SEDOL number B1CRLC4 and JSE SEDOL number B1YCDP4, and will be traded on the LSE and JSE, together with existing Mondi plc ordinary shares, under the ticker symbols: LSE MNDI; and JSE MNP. The New Mondi plc Shares will, on admission, together with the existing Mondi plc shares, comprise the entire issued share capital of Mondi plc.
C.2	Currency of issue	The New Mondi plc Shares will be denominated in euro, and will trade (i) in pound sterling on the LSE and (ii) in rand on the JSE.
C.3	Shares issued and par value	<p>As at the Latest Practicable Date, the nominal value of the total issued ordinary share capital of Mondi plc is €73,448,161 divided into 367,240,805 ordinary shares of €0.20 each, which are issued fully paid.</p> <p>Based on the number of Mondi plc ordinary shares and Mondi Limited ordinary shares in issue at the Latest Practicable Date, the number of New Mondi plc Shares that will be issued on completion of the Simplification is up to 118,312,975, resulting in an enlarged share capital of up to 485,553,780 for Mondi plc.</p> <p>The number of New Mondi plc Shares to be allotted to Mondi Limited shareholders that participate in the Scheme will depend on the number (if any) of Mondi Limited ordinary shares in respect of which Mondi Limited shareholders fully exercise their appraisal rights under the SA Companies Act.</p>
C.4	Description of the rights attaching to the securities	<p>The New Mondi plc Shares will be issued, credited as fully paid and will rank <i>pari passu</i> in all respects with the existing Mondi plc ordinary shares at the time of such issue, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Mondi plc, the right to receive and retain any dividends and other distributions declared, made or paid by reference to a record date falling on or after the date on which the Scheme becomes operative (“Scheme Effective Time”) and to participate in the assets of Mondi plc upon a winding-up of Mondi plc.</p> <p>Following the Simplification, the DLC structure will be collapsed and the arrangements governing the DLC structure to maintain parity between the economic and voting rights of the Mondi Limited shareholders and Mondi plc shareholders will be terminated.</p>
C.5	Restrictions on the free transferability of the securities	Not applicable. The New Mondi plc Shares will be freely transferable and there are no restrictions on the transferability of the New Mondi plc Shares.
C.6	Admission/ regulated markets where the securities are traded	<p>Applications will be made to: (i) the Financial Conduct Authority (“FCA”) for the New Mondi plc Shares to be admitted to the premium listing segment of the official list; (ii) the LSE for the New Mondi plc Shares to be admitted to trading on its main market for listed securities; and (iii) the JSE for the New Mondi plc Shares to be admitted to listing and trading on its main board for listed securities.</p> <p>No application has been made or is currently intended to be made for the New Mondi plc Shares to be admitted to listing or trading on any other exchange.</p>
C.7	Dividend policy	The Group pursues a dividend policy that reflects its strategy of disciplined and value-creating investment and growth, with the aim of offering shareholders long-term ordinary dividend growth. The Group targets an ordinary dividend cover range of two to three times underlying earnings on average over the business cycle, although the payout ratio in each year will vary in accordance with the business cycle. The current dividend policy will not change as a result of the Simplification.

Section D – Risks

Annex and Element		Disclosure requirement
D.1	Key information on the key risks that are specific to Mondi plc or its industry	<p>You should carefully consider the following key risks:</p> <ul style="list-style-type: none"> ● product prices and raw material costs in the packaging and paper industry are subject to significant fluctuations; ● failure to compete successfully could result in a reduction in sales and profitability and have a material adverse effect on the Group's business, financial condition and/or results of operations; ● a period of high raw materials, energy or consumables costs could negatively affect the Group's profitability; ● adverse economic and credit market conditions may have a material adverse effect on the Group's ability to raise future debt or equity; ● the Group could be adversely affected by economic conditions in the markets in which it operates; ● exchange rate and/or interest rate fluctuations may have a material adverse effect on the Group's financial results; ● the Group's operations and the value of its investments in certain countries may be adversely affected by political, economic and legal developments in these countries; ● changes in consumer preferences and the Group's failure to develop new products to meet changing consumer demand could adversely affect demand for the Group's products; ● the Group is exposed to the risk of default by its customers and suppliers; ● significant interruption to the operations of any of the Group's major facilities could have an adverse impact on the Group's financial results; ● the Group is exposed to information technology security risk; ● the Group's intellectual property rights may not be adequately protected under current laws in some jurisdictions, which may adversely affect its results and its ability to grow; ● capital investment in projects may require substantial funds and carry risks which might adversely affect the Group's business; ● the Group is subject to a growing number of environmental, health and safety laws and regulations, and the cost of compliance with, and any liabilities under, current and future laws and regulations could reduce profit margins and earnings; ● cost of compliance with the laws and regulations in the jurisdictions in which the Group operates could have a material adverse effect on the Group's business, financial condition and/or results of operations; ● the Group may be adversely affected by changes in tax laws; ● adverse land claim rulings or adverse changes in legislation governing land ownership in South Africa could have a material adverse effect on the Group's business, financial condition and/or results of operations; ● the Group may not be able to attract or retain high quality management resources; ● relocation of the Group's packaging customers to lower-cost production regions where the Group does not have operations in close proximity could negatively affect the Group's profitability;

		<ul style="list-style-type: none"> ● the Group may be adversely affected by increasing costs to maintain its required level of workforce; ● failure to maintain good employee relations may affect the Group's operations and the success of its business; ● failure to integrate successfully and manage acquired operations may adversely affect the Group's business; ● forests are exposed to a number of natural risks and hazards which could cause disruptions to the Group; ● the Group could be adversely affected by the application of competition laws; and ● the Group's insurance coverage may be insufficient to cover losses or it could be subject to uninsured liabilities which could materially affect its business, results of operations or financial conditions.
D.3	Key information on the key risks relating to the securities	<p>You should carefully consider the following key risks:</p> <ul style="list-style-type: none"> ● Mondi plc may decide to offer additional Mondi plc ordinary shares in the future, diluting the interests of Mondi plc shareholders (including any new Mondi plc shareholders) and potentially adversely affecting the market price of the Mondi plc ordinary shares (including any New Mondi plc Shares); ● there is no guarantee that dividends will be paid on the New Mondi plc Shares; and ● the ability of the Mondi plc shareholders who reside outside the UK to bring actions or enforce judgments against Mondi plc or the Mondi plc Directors may be limited.

Section E – Offer

Annex and Element		Disclosure requirement
E.1	Net proceeds and expenses of the Simplification	<p>Not applicable. There are no proceeds receivable by Mondi plc as a result of the Simplification.</p> <p>The aggregate costs of the Simplification are not expected to be material to the Group.</p>
E.2a	Reasons for the offer, use of proceeds, estimated net amount of the proceeds	<p>The Boards of the Group believe the Simplification will simplify cash and dividend flows, increase transparency, remove the complexity associated with the current DLC structure and enhance strategic flexibility.</p> <p>Since its formation in 2007, Mondi has been an integrated corporate group established under a DLC structure with dual holding companies. Operating as a combined group, the Group is governed by complex arrangements to maintain parity between the economic and voting rights of the Mondi Limited shareholders and Mondi plc shareholders. At the time of its formation, the DLC structure reflected the fact that the majority of Mondi’s business was located in Europe, whilst recognising its South African heritage and its significant ongoing operations in the country. The ordinary shares in Mondi Limited and Mondi plc currently represent approximately 24 per cent. and 76 per cent. respectively, of the Group’s combined ordinary share capital.</p> <p>As the Group has evolved, its non-South African operations have grown faster than its South African operations, reflecting the relative scale of opportunities in each respective market. For the year ended 31 December 2018, over 90 per cent. of the Group’s underlying earnings were generated outside South Africa. This results in an imbalance between the share of the Group dividend which Mondi Limited is required to support, being approximately 24 per cent., and the contribution of Mondi Limited to the Group’s profit available for distribution. The Simplification will simplify cash and dividend flows. Streamlining the corporate structure will also facilitate continued investment in the South African operations, estimated at over 8 billion rand over the next five years, including the ongoing investment in forestry assets and modernisation of the Group’s pulp, containerboard, and paper assets in the country.</p> <p>The Simplification will not result in any changes to the management, operations, locations, activities or staffing levels of the Group, nor is it expected to have any significant impact on the reported profits or net assets of the Group.</p> <p>Following the Simplification, and the resulting exchange of each Mondi Limited Ordinary Share for a New Mondi plc Share, each Mondi plc ordinary shareholder will have the same voting and capital interests in the Group as each Mondi plc ordinary shareholder and Mondi Limited ordinary shareholder currently has. Mondi plc will continue to have a premium listing on the LSE quoted in pound sterling and will have an inward secondary listing on the JSE quoted in rand.</p> <p>The proposed issue of the New Mondi plc Shares to which this Prospectus relates is being made in connection with the proposed Scheme, which will result in Mondi plc becoming the sole parent company of the Group. Mondi Limited shareholders that participate in the Scheme will receive one New Mondi plc Share in exchange for each Mondi Limited ordinary share held at the Scheme Effective Time.</p> <p>There are no proceeds (and, therefore, no estimated net amount of the proceeds) receivable by Mondi plc as a result of the Simplification.</p>

Annex and Element		Disclosure requirement
E.3	Terms and conditions of the offer	<p>The implementation of the Scheme and, in turn, the Simplification, will be subject to the fulfilment or, if applicable, waiver (in whole or in part), on or before the Longstop Date 31 December 2019 or such later date, being as Mondi Limited and Mondi plc agree in writing from time to time ("Longstop Date"), of the conditions, which are as follows:</p> <ol style="list-style-type: none"> 1 the resolutions effecting the Simplification are declared adopted by the requisite shareholders of the Group; 2 the resolution effecting the Scheme is declared adopted by the requisite Mondi Limited shareholders, which resolution is a special resolution approving the Scheme pursuant to section 115(2)(a) of the SA Companies Act, and in the event of the provisions of section 115(2)(c) of the SA Companies Act becoming applicable: <ol style="list-style-type: none"> 2.1 the High Court of South Africa approves the Scheme; and 2.2 if applicable, Mondi Limited not treating the resolution effecting the Scheme as a nullity as contemplated in section 115(5)(b) of the SA Companies Act; 3 all regulatory consents from the relevant authorities are received on an unconditional basis, or to the extent that any such regulatory consents are subject to any obligation, undertaking, condition or qualification, Mondi Limited and Mondi plc confirm in writing to each other that the obligation, undertaking, condition or qualification is acceptable to them; 4 with regard to Mondi Limited ordinary shareholders exercising their appraisal rights (if any), either: <ol style="list-style-type: none"> 4.1 Mondi Limited ordinary shareholders give notice objecting to the Scheme as contemplated in section 164(3) of the SA Companies Act and vote against the Scheme at the annual general meeting of Mondi Limited at 11:30 a.m. (SA time) on Thursday, 9 May 2019 ("Mondi Limited Annual General Meeting") in respect of less than or equal to 5 per cent. of all of the Mondi Limited Ordinary Shares; or 4.2 if Mondi Limited ordinary shareholders give notice objecting to the Scheme and vote against the Scheme at the Mondi Limited Annual General Meeting in respect of more than 5 per cent. of all of the Mondi Limited Ordinary Shares, then, within the time period permitted in terms of the SA Companies Act, shareholders in dissent to the Scheme have exercised appraisal rights, by giving valid demands in terms of sections 164(5) to 164(8) of the SA Companies Act, in respect of less than or equal to 5 per cent. of all the Mondi Limited Ordinary Shares, or not at all, <p>provided that, this condition will not fail unless and until Mondi Limited or Mondi plc give the other written notice that not all of the conditions have been fulfilled or waived on or before the Longstop Date;</p> 5 the amendments to the existing Mondi Limited memorandum of incorporation approved as part of the resolutions effecting the Simplification are filed with, and accepted by, the South African Companies and Intellectual Property Commission; 6 the JSE and the LSE have given in principle approval to admit the New Mondi plc Shares to trading and the FCA has given in principle approval to admit the New Mondi plc Shares to the Official List, each such approval being on terms and/or conditions satisfactory to Mondi Limited and Mondi plc, or Mondi Limited and Mondi plc otherwise being satisfied that the New Mondi plc Shares have been or will be admitted to trading on the LSE and JSE and admitted to the Official List on or before the first trading day after the Scheme Effective Time; and

Annex and Element		Disclosure requirement
		<p>7 the notice of Simplification being given by either Mondi plc to Mondi Limited or vice versa.</p> <p>All of the conditions are for the benefit of Mondi Limited and Mondi plc. The conditions set out above in items 3, 4 and 5 may be waived, in whole or in part, by written agreement between Mondi Limited and Mondi plc on or before the date for fulfilment of such conditions; provided that Mondi Limited and Mondi plc will not be entitled to waive the requirement for the issue by the South African Takeover Regulation Panel of a compliance certificate without the prior written consent of the South African Takeover Regulation Panel. The conditions in items 1, 2, 6 and 7 may be waived, in whole or in part, by written agreement between Mondi Limited and Mondi plc on or before the date for fulfilment of such conditions but only to the extent that such waiver results in an outcome which is not materially adversely different to the position which would have prevailed had such condition been wholly fulfilled.</p> <p>The dates and times for the fulfilment or waiver of any one or more of the conditions may be extended by written agreement between Mondi Limited and Mondi plc from time to time.</p> <p>The Scheme will be unconditional for all purposes upon the issue on the South African Stock Exchange News Service of the finalisation announcement jointly approved by Mondi Limited and Mondi plc.</p> <p>The South African Minister of Finance has granted approval for the Simplification, subject to certain conditions as set out in full below, that Mondi Group be permitted to:</p> <ul style="list-style-type: none"> • Cancel the dual listing structure and simplify the Mondi Dual Listing Company Structure into a standard structure under a single holding company, Mondi plc. • Mondi plc shall retain its premium listing on the London Stock Exchange and secondary listing on the JSE Limited (JSE). • Mondi Limited shall delist from the JSE and become a wholly-owned subsidiary of Mondi plc. • The condition for all future acquisitions in Africa (ex-South Africa) to be structured under Mondi Limited (the South African Operation), is lifted. • Mondi plc undertakes to appoint at least one South African resident as a member of its board of directors. • Mondi Limited may not provide guarantees on any new debt raised by Mondi plc. • Mondi Limited shall have its permanent establishment in South Africa and be liable for any South African taxes due on any South African income from its South African operations. • All South African shareholders in Mondi plc will be required to hold their shares on the JSE. • Normal inward listing conditions as stipulated in section H. of the Currency and Exchanges Manual for Authorised Dealers will remain applicable to Mondi plc and normal exchange control conditions will apply to Mondi Limited.
E.4	Material interests to the Simplification	So far as the board of Mondi plc is aware, no person involved in the Simplification has any interest, including any conflicting interest, which is material to the Simplification.
E.5	Selling shareholders and lock-ups	Not applicable. The New Mondi plc Shares will be newly issued in connection with the Simplification; there will be no selling shareholders.
E.6	Dilution resulting from the Simplification	Not applicable. The Simplification will not dilute the relative economic ownership interests of the Mondi plc shareholders.
E.7	Estimated expenses charged to the investor by Mondi plc or the selling shareholders	Not applicable. There are no commissions, fees or expenses to be charged to investors by Mondi plc in relation to the issue of the New Mondi plc Shares.

PART II RISK FACTORS

Any investment in, or holding of, the New Mondi plc Shares is subject to a number of risks. You should consider carefully the factors and the risks associated with any investment in the New Mondi plc Shares, the business of the Group and the industry in which it operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below, and should consult your professional advisers before making any investment decision in respect of the New Mondi plc Shares. The majority of the risks set out below (not including those specific to the Simplification) will not be new risks which arise only on completion of the Simplification, but will be existing material risks which are also relevant in the context of the Simplification.

You should note that the risks summarised in Part I: "Summary Information" are the risks that the Mondi plc Directors believe to be the most essential to an assessment by a prospective investor of whether to invest in the New Mondi plc Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, you should consider not only the information on the key risks summarised in Part I: "Summary Information" but also, among other things, the risks and uncertainties described below.

The following is not an exhaustive list or explanation of all the risks which may affect the New Mondi plc Shares and/or the Group. Additional risks and uncertainties relating to the New Mondi plc Shares and the Group, that are not currently known to the Mondi plc Directors or that the Mondi plc Directors currently deem immaterial may, individually or cumulatively, also have a material adverse effect on the business, financial results or financial condition and prospects of the Group and, if any such risk should materialise, the price of the New Mondi plc Shares may decline and you could lose all or part of your investment in Mondi plc.

The order in which the following risk factors are presented does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential material adverse effect on the Group's business, financial results, financial condition and/or prospects or the market price of the New Mondi plc Shares.

You should carefully consider whether an investment in the New Mondi plc Shares is suitable for you in light of the information in this Prospectus and your personal circumstances.

Risks Related to the Simplification

The Group may choose to abandon the Simplification or the Simplification may not complete

Completion of the Simplification is subject to the satisfaction (or waiver) of a number of conditions, including, among others: (i) the approval of the resolutions required for the Simplification by the Mondi plc Shareholders at the Mondi plc Annual General Meeting and of the Mondi Limited Shareholders at the Mondi Limited Annual General Meeting, each acting separately. If the Mondi plc Shareholders do not approve the resolutions required for the Simplification at the Mondi plc Annual General Meeting and/or the Mondi Limited Shareholders do not approve the Simplification at the Mondi Limited Annual General Meeting, the Simplification will not complete; and (ii) regulatory approvals under competition laws in South Africa and Morocco, which may be granted unconditionally or with conditions which could negatively impact certain of the Group's affected business, financial condition and/or results of operation.

It is currently anticipated that the Simplification will become effective in the second or third quarter of 2019, although the Boards may decide to postpone or abandon the Simplification at any point prior to its completion, including after obtaining the approval of the Mondi Limited Shareholders and/or Mondi plc Shareholders. If the Simplification does not complete, the Group may not realise the benefits it anticipates from the Simplification.

Risks Related to the Group and its Business

Product prices and raw material costs in the packaging and paper industry are subject to significant fluctuations

Prices for the Group's products are affected by overall changes in capacity and production and by demand for packaging and paper products which is in turn influenced by general economic conditions, changes in consumer spending and inventory levels maintained by its customers. Changes in these factors have, in the past, resulted in significant fluctuations in the prices for the Group's products and can be expected to have a similar effect in the future. Changes in price differ between products and

geographic regions and the timing and magnitude of such changes have varied significantly over time and are unpredictable. There can be no assurance that prices for the Group's products will increase or even remain at present levels. Any deterioration in prices, or an increase in raw material costs without a corresponding increase in the price the Group is able to realise, could have a material adverse effect on the Group's business, financial condition and/or results of operations.

In particular, the creation of additional production capacity either by the Group or its competitors building new mills or plants, expanding existing mills or plants or converting existing machines to a grade of paper in which the Group operates could have a disruptive influence in the market as additional capacity can lead to excess supply. This is a particular risk for the Group's pulp and paper producing facilities, where the incremental capacity of a single new facility can be significant relative to the size of the market it serves. The impact on product prices brought about by additional capacity could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Failure to compete successfully could result in a reduction in sales and profitability and have a material adverse effect on the Group's business, financial condition and/or results of operations

The markets for packaging and paper products are highly competitive with many participants. Competition in the markets in which the Group operates is based principally on some or all of the following factors, depending on the product and market involved: price, quality, product specifications and design, location, overall product performance and service. The Group principally competes with several large multinational manufacturers. The Group also competes with numerous regional and/or specialised manufacturers in the markets for most of its products. Some of these competitors may have greater market presence, lower production costs, governmental support and/or financial and other resources than the Group, allowing them to sell at lower prices and make product developments or investments in manufacturing facilities at levels that the Group may not be able to match. Any failure by the Group to compete successfully with other producers of packaging or paper products could result in a reduction in its sales and profitability and have a material adverse effect on the Group's business, financial condition and/or results of operations.

In addition to competition from other manufacturers of paper and film-based packaging products, the Group also faces competition from producers of alternative packaging materials, such as folding cartons, rigid plastic packaging, glass and metal. If the increasing use of such alternative materials for certain applications results in a corresponding decrease in demand for paper and film-based packaging products, or if the Group is unable to compete successfully with producers of these competitive products, it could have a material adverse effect on the Group's business, financial condition and/or results of operations.

A period of high raw materials, energy or consumables costs could negatively affect the Group's profitability

Raw materials, energy and consumables used by the Group include significant amounts of wood, pulp, paper for recycling, packaging papers, plastic resins, plastic films and chemicals. Over the last three years, raw materials, energy and consumables accounted for approximately 60 per cent. of the Group's total operating costs. The prices for many of these raw materials generally fluctuate in correlation with global commodity cycles. There can be no assurance that the Group will be able to secure all of its future resource requirements at acceptable prices or that the Group's margins for some or all of its products will not decline due to an inability to pass on the full impact of increased costs associated with resource inputs. An increase in the cost of the Group's raw materials, to the extent not reflected in the prices for the Group's products, could have a material adverse effect on the Group's business, financial condition and/or results of operations. Furthermore, wood prices and availability may be adversely affected in some of the countries where the Group is active due to reduced quantities of available wood supply or further initiatives to promote increased use of wood as a renewable energy source. It may also be difficult to procure sufficient wood or other raw materials which meet changing legislative and regulatory requirements and/or customer requirements for the use of fibre from sustainable sources or sources which meet chain-of-custody requirements. Any difficulties in procuring wood or sustained increase in wood prices could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group is a significant consumer of electricity and it both purchases electricity from external suppliers and generates it internally. To the extent that the Group generates its own electricity other than from biomass and other by-products of the pulp and paper production process, it is dependent on outside suppliers for raw materials such as gas, oil and coal used in the production of electricity.

Consequently, increases in the prices of electricity and/or the raw materials used in the production of internally generated electricity could have a material adverse effect on the Group's business, financial condition and/or results of operations. There can be no assurance that the Group will be able to secure all of its future energy requirements at price levels that are comparable to those that have prevailed in the past or that the Group's margins for some or all of its products will not decline due to an inability to pass on the full impact of costs associated with resource inputs. To the extent the Group generates electricity internally in excess of its own requirements, it may sell such surplus electricity externally.

The Group may also generate revenues from the sale of green energy credits by certain of its operations. Consequently, decreases in prices of electricity or green energy credits could have a material adverse effect on the Group's business, financial condition and/or results of operations.

To the extent that the Group relies on purchasing electricity from external suppliers, it may not be able to purchase a sufficient supply to meet its operational requirements. In particular, South Africa has faced, and continues to face, periodic shortages of electricity and increases in electricity prices in excess of consumer price index are forecast. The implementation of measures arising for general shortages in electricity supply (including load shedding and reduced electricity consumption programs) may result in electricity interruptions and shortages and possibly also increases in spot electricity prices. As a result, the Group may suffer significant price increases and/or interruptions of electricity supply, which could have a material adverse effect on its business, financial condition and/or results of operations.

Adverse economic and credit market conditions may have a material adverse effect on the Group's ability to raise future debt or equity

The Group's ability to raise debt and/or equity financing in the medium and longer term will be significantly influenced by, among other things, general economic conditions, developments in the credit markets, volatility in the equity markets, investors' desire to maintain cash and to assume additional levels of risk and its credit rating. There can be no assurance that the Group will be able to raise debt and/or equity finance on attractive terms, or at all, and it may need to seek additional financing from alternative sources, which could be on unfavourable terms or at a higher cost than it currently pays. If this were to occur, it could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Moreover, incurrence of additional debt financing would increase the Group's interest expense and reduce cash available for other purposes and could involve restrictive covenants that could have a negative impact on its ability to operate its business in the desired manner. A failure to obtain funds could prevent the Group from realising its strategy and could, in turn, have a negative impact on the Group's competitive position and a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group could be adversely affected by economic conditions in the markets in which the Group operates

The Group is an international packaging and paper group with more than 100 production operations across more than 30 countries. Consequently, the Group's business, financial condition and/or results of operations are affected by changes in global economic conditions. Uncertainties exist concerning the future economic environment, including concerns over the consequences of central banks increasing interest rates, increased trade protectionism, the use of trade tariffs, political and economic structural weaknesses in the Eurozone's single currency framework, and the uncertainty over the consequences of the UK's decision to exit from the European Union.

Although the timing around the UK's exit from the EU is uncertain, if the UK leaves the EU with no withdrawal agreement in place, this may result in significant macroeconomic deterioration, including, but not limited to, trade wars, increased foreign exchange volatility, further sovereign credit downgrades and further decreases in global stock exchange indices. The Group has a limited exposure to the UK, but a very significant exposure to the remaining member states of the EU.

Exchange rate and/or interest rate fluctuations may have a material adverse effect on the Group's financial results

As a result of the global nature of the Group's business, changes in foreign currency rates could have an adverse impact upon its business, financial condition and/or operating results. Currency fluctuations affect the Group because of mismatches between the currencies in which operating costs are incurred and those in which revenues are received. Key operating cost currencies that are not fully offset by local

currency denominated revenues include the South African rand, Polish zloty, Swedish krona and Czech koruna, while the revenues generated in U.S. dollar, Russian rouble, Turkish lira and UK pound sterling are greater than operating costs incurred in those currencies.

The Group's reported earnings may also be affected by fluctuations between the euro, which is its reporting currency, and the non-euro currencies in which many of its various subsidiaries report their results of operations. In addition, appreciation of the euro compared with the currencies of the other key paper producing regions or paper pricing currencies, notably the U.S. dollar, would reduce the competitiveness of the products the Group produces in Europe compared to imports from such key paper producing regions which could potentially lead to lower revenues and earnings.

In addition, the Group primarily funds its businesses in their local currencies to minimise currency translation risk. This exposes the Group to interest rate risks associated with these currencies, the principal ones being the euro, Czech koruna, Russian rouble and Polish zloty. The Group aims to manage this interest rate risk through interest rate swaps and borrowing at fixed interest rates. However, it is not the Group's policy to hedge all of its interest rate exposure.

The Group's net debt of EUR 2,220 million as at 31 December 2018 after taking into account foreign exchange swaps is denominated in a number of currencies, the three largest positions being the euro (54 per cent.), Polish zloty (13 per cent.) and Czech koruna (18 per cent.).

As a result, a change in exchange rates or interest rates could have a material adverse effect upon Mondi's business, financial condition and/or results of operations.

The Group's operations and the value of its investments in certain countries may be adversely affected by political, economic and legal developments in these countries

The Group has manufacturing operations in a number of countries where the political, economic and legal systems are less predictable than in countries with more developed institutional structures. Political or economic upheaval, inflation, changes in laws, nationalisation or expropriation of privately-held assets and other factors may have a material adverse effect on the Group's operations in these countries and, in turn, the amount of income received from, and the value of, the investments the Group has made in relation to its operations in such countries.

The United States, the European Union and the United Kingdom have imposed sanctions on persons and corporate entities in Russia and Ukraine. As at 31 December 2018, the Group had approximately 10 per cent. of its net operating assets in Russia and a limited presence in Ukraine. The political situation relating to Russia and Ukraine is unstable and unpredictable. Although the Group believes it is in compliance with all applicable sanctions restrictions imposed by the United States, the European Union and the United Kingdom, and intends to maintain such compliance, any possible future or additional sanctions and/or other measures on the countries where the Group operates could have a material adverse effect on the Group's business, financial condition and/or results of operations.

A further risk of operating in emerging market countries arises from the establishment or enforcement of foreign exchange restrictions, which could effectively prevent the Group from receiving profits from, or selling its investments in, these countries. Other than China, South Africa, Thailand, Egypt or Ukraine, which have exchange controls that regulate the movement of currency in and out of the country, none of the countries in which the Group's operations are located currently has foreign exchange controls that have a significant effect on the Group. However, various of these countries have imposed foreign exchange controls in the past, and no assurance can be given that these countries will not reinstate or initiate such controls in the future.

Significant assets of the Group in certain countries, including Russia, Poland, Slovakia and the Czech Republic, were previously owned by state-owned entities and have been acquired after a privatisation procedure. Privatisations may be vulnerable to challenge, particularly to the extent that privatisation legislation is vague, inconsistent or in conflict with other legislation. No assurance can be given that any relevant privatisation procedure has been properly conducted, and therefore claims may be raised in the future concerning such privatisation procedures to the extent that applicable statutes of limitation have not expired. To the extent that the Group is not successful in defeating any such claim, the Group risks losing its ownership interest in the relevant assets, which could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Changes in consumer preferences and the Group's failure to develop new products to meet changing consumer demand could adversely affect demand for the Group's products

Changes in consumer preferences caused by changing global socio-economic and demographic trends and consumption patterns, and increased public awareness of sustainability challenges, affect the demand for packaging and paper products in general, and demand for specific grades of packaging and paper products in particular. For example, there is increased public and stakeholder focus on the impact of plastic-based packaging on ocean and land ecosystems. Factors that may affect the demand for the Group's products include reduced weight of packaging materials, increased use of recycled materials, electronic substitution of paper products, substitution of plastic packaging, substitution of rigid plastic by flexible packaging, increased demand for high-quality printed material, certified and responsibly produced goods, and specific material qualities.

In addition, customers may substitute packaging products currently produced by the Group for products that the Group does not currently produce.

The Group's ability to meet shifts in consumer demand will depend upon its ability to correctly anticipate changes in consumer preferences and its ability to develop and produce new products on a sustainable, competitive and cost-effective basis. There can be no assurances that the Group will be able to meet changes in consumer preferences in the future, and the failure to do so could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group is exposed to the risk of default by its customers and suppliers

The Group has entered into a number of financial and other agreements with customers, suppliers and other counterparties. The Group is exposed to the risk of default by customers who have agreed to purchase products from the Group, suppliers who have agreed to supply goods or services to the Group and others with whom the Group has entered into financial and other arrangements. The Group's customers and suppliers may be adversely affected by economic conditions, disruptions to the capital and credit markets and decreased demand for their products and services. The Group's exposure to default by counterparties may increase if economic conditions deteriorate. If any of the Group's key customers or suppliers, or a significant number of smaller customers and suppliers, are further adversely affected by these risks, the Group may face further reductions in demand for its products, failure of customers to pay invoices when due and disruptions in supply or distribution channels which may have a material adverse effect on the Group's business, financial condition and/or results of operations.

Significant interruption to the operations of any of the Group's major facilities could have an adverse impact on the Group's financial results

The Group has five major mills which together account for approximately 75 per cent. of the total pulp and paper production capacity of the Group as of 31 December 2018. These are the Štětí mill in the Czech Republic, the Świecie mill in Poland, the Syktyvkar mill in Russia, the Ružomberok mill in Slovakia and the Richards Bay mill in South Africa. The Group also has a significant consumer packaging manufacturing facility located in Gronau, Germany. If operations at any of these key facilities were interrupted for any significant length of time for any reason, including fires, drought, explosions or large machinery breakdowns, planned or unplanned maintenance, or work stoppages due to labour disputes, it could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group is exposed to IT security risk

The Group's operations are dependent on the availability of its IT systems. The threat posed by cyber-attacks continues to grow and potential attacks are increasingly sophisticated and wider in scope. The Group has an IT security policy in place and carries out regular risk assessments. The occurrence of one or more cyber-attacks may result in loss of data, financial fraud and the shutdown of production. Failure to adequately manage cyber security risk could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Capital investment in projects may require substantial funds and carry risks which might adversely affect the Group's business

The Group's business is capital intensive and therefore requires ongoing capital investment to expand, maintain or upgrade existing facilities, to develop new facilities and to ensure compliance with new regulatory requirements. Projects that require significant capital expenditure carry risks that include,

but are not limited to, failure to complete a project within the prescribed project timetable and/or within budget, failure of the project to perform according to prescribed operating specifications following its completion and significant, unforeseen changes in input costs or inability to sell the envisaged volumes or achieve envisaged price levels.

Due to the significant amount of capital required and the long lead time between planning and completion of these projects, project failure could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Climate change, or legal, regulatory or market measures to address climate change, may negatively affect the Group's business or operations

There is a growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. Increased severity of extreme weather events could lead to reduced fibre supply as a consequence of drought or fire. In water-scarce countries, production capacity could decrease and fibre supply chain interruptions could occur. Sustained higher temperatures may increase vulnerability of forests to pests and diseases. The effects of climate change could have a material adverse effect on the Group's business, financial condition and/or results of operations.

As countries explore options to transition to low carbon economies in order to achieve international commitments to respond to the risk of climate change, laws are being implemented to enforce both mitigation and adaptation measures to deal with and reverse the effects of climate change. These measures, which include carbon taxes and emission trading schemes, may negatively affect the Group's operations and the cost of doing business.

The Group is subject to a growing number of environmental, health and safety laws and regulations, and the cost of compliance with, and any liabilities under, current and future laws and regulations could reduce profit margins and earnings

The Group's operations generate hazardous and non-hazardous waste and emissions into the air and water. The Group is subject to a wide range of international, national, state and local environmental, health and safety laws and regulations in all the jurisdictions where it operates or where the relevant waste or emission occurs, including those governing the discharge of pollutants into the air and water, the use, storage and disposal of hazardous substances and waste and the clean-up of contaminated properties. Other applicable environmental laws relate to, among other things, forestry management, the use of recycled material and extended product responsibility principles. The Group could incur significant costs, including fines, penalties, civil and criminal sanctions, investigation and clean-up costs and third-party claims for property damage or personal injury, as a result of violations of or liabilities under environmental laws and regulations or otherwise. These requirements are complex, frequently change and have tended to become more stringent over time. The costs of complying with such laws and regulations, or future environmental laws and regulations, could have a material adverse effect on the Group's business, financial condition and/or results of operations.

While the Group has procedures to comply with applicable environmental and health and safety requirements, there can be no assurance that it will be at all times in compliance with such requirements, that it will not incur material costs or liabilities in connection with such requirements in the future or that it will be able to obtain and maintain all licences, consents or other permits necessary to operate its business. Similarly, there can be no assurance that it will not experience an environmental spill or accident or discover or otherwise become liable for environmental contamination in the future (including such liability for contamination resulting from historical activities relating to properties or businesses that it has sold). The Group may incur significant expenditure in connection with the required remediation of past environmental conditions at both currently-owned and formerly-owned facilities.

Cost of compliance with the laws and regulations in the jurisdictions in which the Group operates could have a material adverse effect on the Group's business, financial condition and/or results of operations

The Group is subject to a wide range of laws and regulations in all the jurisdictions in which it operates, including international, national, state and local laws and regulations. These include laws and regulations relating to environmental protection, including the management of natural resources and use of hazardous substances, greenhouse gas emissions, exports, price controls, import controls, including tariffs and quotas, repatriation of capital and exchange controls, sanctions, anti-bribery, data protection,

human rights, labour standards and occupational health and safety. These requirements are complex, frequently changing and have tended to become more stringent over time. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations or changes to existing laws and regulations could require the Group to incur additional expenses or capital expenditures or result in restrictions on or suspensions of the Group's operations, or, in the case of import tariffs, affect the competitiveness of the Group's products in those markets. Any such cost increases or changes in tariffs could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group may be adversely affected by changes in tax laws

The Group operates in a number of countries and its earnings are subject to tax in those countries. Tax laws and regulations of the countries in which the Group operates may be subject to change, varying or adverse interpretation or inconsistent enforcement in a manner that is adverse to the Group. For example, whilst arm's length principles are applied in the pricing of all intra group transactions in accordance with Organisation for Economic Co-operation and Development guidelines, these are subject to review during tax audits. The amount of tax paid could be changed or increased in a manner which is adverse to the Group. Any changes in tax laws could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Adverse land claim rulings or adverse changes in legislation governing land ownership in South Africa could have a material adverse effect on the Group's business, financial condition and/or results of operations

In South Africa, the Group has forestry operations in the KwaZulu-Natal and Mpumalanga provinces. Of the 254,000 hectares managed by the Group, 188,000 hectares are owned and 66,000 hectares are leased mainly from third parties. Of the total 254,000 hectares of owned and leased land in South Africa, 174,000 hectares are forested while the remainder is an open area set aside as part of the criteria for the Forestry Stewardship Council Certification and infrastructure. In South Africa, the Land Claims Act provides remedies for persons who were dispossessed of rights in land as a result of past racially discriminatory laws or practices. The Land Claims Court is empowered to make orders requiring the restoration of land (or any portion thereof), the payment of compensation (including to the landowner), compelling the state to include a claimant as a beneficiary in the state support programme for housing or granting the claimant an appropriate right in alternatively designated state land or any alternative or appropriate relief. The Group is aware that a number of land claims have been lodged in relation to its owned and leased South African properties. As at 31 December 2018, 21 claims regarding the Group's holdings have been settled, with 37,000 hectares transferred to community beneficiaries. Under the settlements, structured as sale and leaseback arrangements in most cases, the Group retains ownership of the forests while ownership of the land is transferred to the claimant communities. It is anticipated that the claims settled to date can continue to provide a framework for settling future land claims. With the settlement of these 21 land claims, approximately a further 82,000 hectares of the Group's owned forestry land in South Africa remains subject to 45 unresolved land claims, of which 28 claims covering 45,000 hectares have been published in the South African Government Gazette. The Group is permitted to continue maintaining and harvesting the forests throughout the settlement process for the land claims. Management believes, based on precedent in the agricultural sector in South Africa that up to half of the land the Group leases may also be subject to land claims. Under current South African law, these leases will remain unaffected by the land claims, and the Group will continue as lessee of the properties regardless of whether or not the land claims are successful. In certain instances, where feasible, the Group is facilitating land claims settlements relating to the leased land on similar terms to those included in its own land claims settlements. The Group can give no assurance that these land claims, or any other land claims of which it is not aware, will not have an adverse effect on the Group's rights to the properties that are subject to the land claims. Furthermore, following recent amendments to the Land Claims Act, the land claims process was reopened with claimants having until June 2019 to lodge their claims. A court challenge led to a decision by the South African Constitutional Court that the amendments were not in line with the South African Constitution, and ordering the preparation of new legislation requiring that all existing land claims lodged before 31 December 1998 be finalised before any claims lodged under the amendments to the Land Claims Act are processed. From the date of the judgment, no new claims may be lodged, pending the enactment of a new amendment to the Land Claims Act correcting the constitutional shortcomings. The new amendment to the Land Claims Act is expected to be published for comment during the first half of 2019. The Group is not aware of the exact number of, or the full extent of, claims which may implicate the Group's land. Adverse land claim rulings or limitations on the amount

of land ownership could have a material adverse effect on the Group's business, financial condition and/or results of operations.

In February 2018, a motion was passed in the National Assembly in South Africa for Section 25 of the South African Constitution to be reviewed and potentially amended to make it possible for the state to expropriate land in the public interest without compensation. A constitutional review committee considered extensive presentations received from institutions and individuals and, in its report to the South African Parliament, recommended that Section 25 of the South African Constitution be amended to make expropriation of land without compensation explicit. The National Assembly and the National Council of Provinces adopted the report at the end of 2018. A process may therefore start to have the South African Constitution amended accordingly. Following these developments, on 21 December 2018, the South African Minister of Public Works published a draft expropriation bill (the "Expropriation Bill"), providing that it may be just and equitable for nil compensation to be paid where land is expropriated in the public interest, having regard to all relevant circumstances. The Expropriation Bill does not include any amendment to the South African Constitution. The Expropriation Bill had a 60-day comment period (which expired in February 2019) and it may not be promulgated in its current draft form, or at all. Any adverse changes in legislation or regulations governing land ownership in South Africa, whether through constitutional amendments, adoption of new legislation or otherwise, could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group may not be able to attract or retain high-quality management resources

The Group's continued success is dependent on the experience, skills and knowledge of its Executive Directors, senior management and key employees who provide expertise crucial to the Group's business and the implementation of the Group's strategy. The failure of the Group to recruit and retain Executive Directors, senior management and key personnel may cause a significant disruption to the Group's business, including its ability to implement the Group's strategy, which could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Relocation of the Group's packaging customers to lower-cost production regions where the Group does not have operations in close proximity could negatively affect the Group's profitability

The manufacturing industry is an important customer segment for the Group's packaging products. In recent years, there has been a trend towards moving manufacturing into emerging markets with lower production costs, such as eastern Europe (including Turkey) ("Emerging Europe"), Russia and Asia. There can be no assurance that the Group will be able to adjust its operations to keep pace with such changes. As the Group's customers relocate, the Group may face additional competition from regional participants located in its customers' new geographic markets. This may affect the selling prices of the Group's products or may result in the Group losing customers to competitors. Should any of these risks materialise, it could have a material adverse effect on the Group's business, financial condition and/or results of operations.

The Group may be adversely affected by increasing costs to maintain its required level of workforce

The Group's workforce constitutes a significant proportion of its cost base. In addition, the Group operates in certain jurisdictions where wages are typically significantly below levels in more mature markets. As the economies of such emerging markets develop, it is possible that there will be above inflationary pressures on wages. The Group is forecasting above inflation wage increases in some of its operations based in emerging markets. Any inflationary pressures, as well as changes in applicable laws and regulations or other factors resulting in increased labour costs, could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Failure to maintain good employee relations may affect the Group's operations and the success of its business

Whilst the Group believes that relations with its employees and work councils are currently satisfactory, there can be no assurance that future developments in relation to the Group's businesses could not affect such relationships. A sustained labour dispute leading to a substantial interruption to the overall business of the Group could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Failure to integrate successfully and manage acquired operations may adversely affect the Group's business

To the extent that the Group seeks further growth through acquisitions of, or mergers with, other companies, it faces risks, including unidentified liabilities of the companies which it may acquire or merge with, the possible inability to integrate successfully and manage acquired operations and personnel and the potential failure to achieve the economies of scale, synergies or other benefits sought. Any difficulties or delays in achieving successful integration of new acquisitions could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Forests are exposed to a number of natural risks and hazards which could cause disruptions to the Group

Forests are exposed to a number of natural risks and hazards which are outside the control of the Group, including fire, insect infestation, diseases, epidemics, extreme weather, droughts or floods and other natural events which, in each case, may have an adverse impact on the timing of harvests, reduce the volume and value of wood harvested from the Group's forests or impact the Group's ability to produce wood internally. Any need to purchase additional wood from third parties could adversely affect the Group's business, financial condition and/or results of operations.

The Group could be adversely affected by the application of competition laws

In recent years, in a number of jurisdictions, such as the European Union, antitrust investigations and actions have been launched against companies in industries in which the Group participates. For example, on 7 March 2017, the Group announced that the European Commission conducted an inspection at its Vienna, Austria office in relation to kraft paper and industrial bags. Although the Group is fully co-operating with ongoing investigations, it is not aware of any wrongdoing, and cannot predict the outcome of ongoing investigations or their impact with certainty. The Group faces the risk that its business could be adversely affected by the application of competition laws to any agreements or practices in which the Group may have been engaged or to which it is party.

If the Group is found to be, or to have been, party to any agreements or practices which infringe competition law, the relevant agreements could be void and unenforceable in whole or in part. A finding of infringement of competition law could have an impact on the manner in which the Group conducts its business and could lead, among other things, to substantial fines being imposed and/or damages claims from third parties.

The Group's insurance coverage may be insufficient to cover losses or it could be subject to uninsured liabilities which could materially affect its business, results of operations or financial condition

There are circumstances where insurance will not cover or be adequate to cover the consequences of an event, or where the Group may become liable for costs incurred in events or incidents against which it either cannot insure or may have elected not to have insured (whether on account of prohibitive premium costs or for other commercial reasons). Although the Group maintains insurance that it considers to be adequate, liabilities might exceed policy limits. Insurance fully covering environmental risks (including potential liability for pollution or other hazards as a result of disposal of waste products occurring from production and processing) is not generally available to the Group. An uninsured loss could have a material adverse effect on the Group's business, financial condition and/or results of operations.

Risks Relating to the New Mondi plc Shares

Mondi plc may decide to offer additional Mondi plc Ordinary Shares in the future, diluting the interests of Mondi plc Shareholders (including the new Mondi plc Shareholders) and potentially adversely affecting the market price of the Mondi plc Ordinary Shares (including any New Mondi plc Shares)

If Mondi plc decides to offer additional shares of Mondi plc or other securities convertible into Mondi plc Ordinary Shares in the future, this could dilute the interests of Mondi plc Shareholders (including the new Mondi plc Shareholders) and/or have an adverse impact on the market price of Mondi plc Ordinary Shares (including the New Mondi plc Shares). An additional offering by Mondi plc, or the public perception that an offering may occur, could have an adverse impact on the market price of the Mondi plc Ordinary Shares (including the New Mondi plc Shares).

There is no guarantee that dividends will be paid on the New Mondi plc Shares

Mondi plc may determine not to pay dividends. If it determines that it will pay dividends, there can be no assurance that it will be able to pay dividends in the future. Under UK company law, a company can only pay cash dividends to the extent that it has distributable reserves and cash available for this purpose. As a holding company, Mondi plc's ability to pay dividends in the future will be affected by a number of factors, including having sufficient distributable reserves and its ability to receive sufficient dividends from subsidiaries.

The ability of Overseas Shareholders to bring actions or enforce judgments against Mondi plc or the Mondi plc Directors may be limited

The ability of a shareholder outside the UK (an "Overseas Shareholder") to bring an action against Mondi plc may be limited under law. Mondi plc is a public limited company incorporated in England and Wales. The rights of holders of the New Mondi plc Shares will be governed by English law and by Mondi plc's articles of association. These rights may differ from the typical rights of shareholders in other jurisdictions. An Overseas Shareholder may not be able to enforce a judgment against Mondi plc, the Group or some or all of Mondi plc's Directors and senior managers. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon Mondi plc or the Mondi plc Directors and senior managers within the Overseas Shareholder's country of residence or to enforce against Mondi plc or the Mondi plc Directors and senior managers judgments of courts of securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against Mondi plc or the Mondi plc Directors or senior managers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on Mondi plc or the Mondi plc Directors or senior managers in any original action based solely on foreign securities laws brought against Mondi plc or the Mondi plc Directors in a court of competent jurisdiction in England or other countries.

PART III PRESENTATION OF INFORMATION

Notice to all investors

You should only rely on the information contained in this Prospectus in relation to investing in and holding the New Mondi plc Shares (for the avoidance of doubt, none of the Announcement or either Circular has been incorporated by reference into this Prospectus). No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by Mondi plc, the Mondi plc Directors, UBS, UBS SA or any other person involved in the Simplification. No representation or warranty, express or implied, is made by Mondi plc, the Mondi plc Directors, UBS, UBS SA or any other person involved in the Simplification as to the accuracy or completeness of such information or representation.

Without prejudice to any legal or regulatory obligation on Mondi plc to publish a supplementary Prospectus pursuant to section 87G of FSMA and Prospectus Rule 3.4, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group taken as a whole since the date of this Prospectus or that the information in it is correct as of any time after the date of this Prospectus. Mondi plc will comply with its obligation to publish supplementary prospectuses containing further updated information as required by law or by a regulatory authority and, in particular, its obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules (as appropriate), but assumes no further obligation to publish additional information.

The contents of this Prospectus or any subsequent communications from Mondi plc, UBS, UBS SA or any of their respective affiliates, officers, directors, employees, agents or advisers are not to be construed as legal, financial or tax advice or as constituting any form of investment advice or recommendation, guidance or proposal of a financial nature by any of them and they are not, or may not be, financial services providers licensed as such under the South African Financial Advisory and Intermediary Services Act, 37 of 2002 (as amended from time to time), and nothing in this Prospectus should be construed as constituting the canvassing for, or marketing or advertising of financial services in South Africa. If you are in any doubt about the contents of this Prospectus or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser (who is, if you are resident in the UK, duly authorised under FSMA or, if not, from another appropriately authorised independent financial adviser). You should consult with such advisers as needed to make any decision in relation to the Simplification and the New Mondi plc Shares and to determine whether it is legally permitted to hold shares under applicable legal investment requirements or similar laws or regulations. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

Investing in and holding the New Mondi plc Shares involves financial risk. Prior to investing in the New Mondi plc Shares, you should carefully consider all of the information contained in this Prospectus, paying particular attention to Part II: “*Risk Factors*”. You should consider carefully whether an investment in the New Mondi plc Shares is suitable for you in light of the information contained in this Prospectus and your personal circumstances. You acknowledge that you have not relied on UBS, UBS SA or any of their respective affiliates with it in connection with any investigation of the accuracy of any information contained in this Prospectus or any decision in relation to the Simplification and the New Mondi plc Shares. Nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by UBS or UBS SA as to the past, present or future.

UBS, UBS SA and their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to Mondi plc, for which they would have received customary fees. UBS, UBS SA and their respective affiliates may provide such services to Mondi plc and any of its affiliates in the future.

Website and media information

Unless otherwise stated, the contents of the Group’s website (www.mondigroup.com), the contents of any website accessible from hyperlinks on such websites or any other website referred to in this Prospectus do not form part of this Prospectus and you should not rely on them.

Furthermore, Mondi plc does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, or the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Simplification and/or the Group. Mondi plc, the Mondi plc Directors, UBS, UBS SA or other persons involved in the Simplification make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

No forecasts or estimates

No statement in this Prospectus is intended as a profit forecast, and no statement in this Prospectus should be interpreted to mean that earnings per share for the current or future financial years would necessarily match or exceed the historical published earnings per share.

Presentation of financial information

All financial information relating to the Group contained in this Prospectus, unless otherwise stated, has been extracted or derived, without material adjustment, from the Group Integrated Report and Financial Statements 2018, Group Integrated Report and Financial Statements 2017 and Group Integrated Report and Financial Statements 2016.

The audited combined and consolidated annual financial statements of the Group as of and for the years ended 31 December 2018, 31 December 2017 and 31 December 2016, included in the Group Integrated Report and Financial Statements 2018, Group Integrated Report and Financial Statements 2017 and Group Integrated Report and Financial Statements 2016, together with the auditors' reports thereon and notes thereto, are incorporated by reference into this Prospectus as set out in Part XII: "Additional information" and available for inspection as set out in Part XII: "Additional information". Each of these combined and consolidated annual financial statements was prepared in accordance with IFRS as issued by the IASB and adopted by the EU; the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the SA Companies Act. The combined and consolidated annual financial statements as of and for the years ended 31 December 2018 and 31 December 2017 were audited by PricewaterhouseCoopers LLP and PricewaterhouseCoopers Inc and the audit report for each such financial year was unqualified. The combined and consolidated annual financial statements as of and for the year ended 31 December 2016 were audited by Deloitte & Touche and Deloitte LLP, and the audit report for such financial year was unqualified.

Non-IFRS financial measures

This Prospectus contains non-IFRS measures that are not required by, or presented in accordance with, IFRS. There are no generally accepted principles governing the calculation of these measures, and the criteria upon which these measures are based require a level of judgement and can vary from company to company. These non-IFRS measures are:

- Return on capital employed ("ROCE"): defined as trailing 12-month underlying operating profit, including share of equity accounted investees' net profit/(loss), divided by trailing 12-month average capital employed. Capital employed is adjusted for spend on major capital expenditure projects which are not yet in production. Segments' 12-month average capital employed has been extracted from management reports. ROCE provides a measure of the efficient and effective use of capital in the business.
- Underlying earnings before interest, tax, depreciation and amortisation ("Underlying EBITDA"): defined as operating profit before special items, depreciation, amortisation and impairments not recorded as special items. Underlying EBITDA provides a measure of the cash generating ability of the business that is comparable from year to year.
- Underlying operating profit: defined as operating profit before special items. Underlying operating profit provides a measure of operating performance that is comparable from year to year.
- Net debt: Net debt is defined as a measure comprising short, medium, and long-term interest-bearing borrowings and the fair value of debt-related derivatives less cash and cash equivalents and current financial asset investments. Net debt provides a measure of the Group's net indebtedness or overall leverage ("Net Debt").

Certain “special items” are excluded from the calculation of underlying operating profit and underlying EBITDA. “Special items” are defined in Note 3 to the 2018 combined and consolidated annual financial statements as those financial items which the Group considers should be separately disclosed on the face of the combined and consolidated income statement to assist in the understanding of the underlying financial performance achieved by the Group. Such items are generally material by nature and exceed €10 million, and the Group, therefore, excludes these items when reporting underlying earnings and related measures in order to provide a measure of the underlying performance of the Group on a basis that is comparable from year to year. Subsequent adjustments to items previously recognised as special items continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold.

The Group has presented these non-IFRS measures because it believes that they provide useful information when read alongside the Group’s IFRS results. The non-IFRS measures may not be comparable to similarly titled measures of other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group’s operating results as reported under IFRS. In particular, there is no guarantee that the Group will continue to present these non-IFRS measures in the future, and therefore, historical performance presented under these non-IFRS measures may not be comparable to future measures of financial performance that the Group may present going forward. Non-IFRS measures such as those listed above are not measurements of the Group’s performance under IFRS or any other generally accepted accounting principles.

A reconciliation of underlying EBITDA to its nearest IFRS measure is included in Part VIII: “*Financial information in relation to the Group—Part A: Selected historical financial information relating to the Group*”.

The Group presents additional non-IFRS measures that are not described in this Prospectus in its integrated annual report and financial statements. For more information on such non-IFRS measures, see pages 212 to 213 of the Group Integrated Report and Financial Statements 2018, which is incorporated by reference into this Prospectus.

Market and industry information

Market data and certain industry forecasts used in this Prospectus were obtained from internal surveys, reports and studies, where appropriate, as well as publicly available information, third party market research and industry publications. The Group confirms that all third party information, data and statistics contained in this Prospectus have been accurately reproduced and, so far as the Group is aware and able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third party information has been used in this Prospectus, the source of such information has been identified. The main industry publication sources used in this Prospectus are: Fastmarkets - RISI, Pöyry, Henry Poole Consulting, Eurosac, Freedonia, Alexander Watson Associates, PCI Wood Mackenzie, EMGE, EURO-GRAPH and eastconsult. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy or completeness of such information is not guaranteed. Similarly, internal surveys, reports and studies and market research, while believed by the Group to be reliable and accurately extracted by the Group for the purposes of this Prospectus, have not been independently verified, and the Group makes no representation as to the accuracy of such information. The industry forecasts are forward-looking statements. See cautionary note regarding “*Forward-looking statements*” below.

Forward-looking statements

This Prospectus and the information incorporated by reference into this Prospectus include statements that are, or may be deemed to be, “forward-looking statements”. All statements other than statements of historical facts included herein, including, without limitation, those regarding the Group’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 the Group, 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 Prospectus regarding matters that are not historical facts involve predictions and are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Important factors that could cause the Group's actual results to differ materially from estimates or forecasts contained in the forward-looking statements include, among others: (i) 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; (ii) 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; (iii) general economic conditions, such as rates of economic growth in Mondi's principal geographical markets or fluctuations of exchange rates and interest rates; and (iv) the failure to realise anticipated benefits from the Simplification or the occurrence of difficulties in connection with the Simplification, including obtaining the approval of the Group Shareholders.

You are advised to read this Prospectus and the information incorporated by reference into this Prospectus in their entirety, and, in particular, the section of this Prospectus headed "*Risk Factors*", for a further discussion of the factors that could affect the Group's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus and/or the information incorporated by reference into this Prospectus may not occur.

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Rules or the Market Abuse Regulation), the Group undertakes no obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

PART IV
DIRECTORS, SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISERS

Mondi plc Directors	Fred Phaswana (Joint Chair) David Williams (Joint Chair) Peter Oswald (Chief Executive Officer) Andrew King (Chief Financial Officer) Tanya Fratto (Independent Non-Executive Director) Stephen Harris (Senior Independent Director) Dominique Reiniche (Independent Non-Executive Director) Stephen Young (Independent Non-Executive Director)
Mondi plc Company Secretary	Jenny Hampshire

The business address of each of the Mondi plc Directors and the Company Secretary is Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG.

Registered office	Mondi plc Building 1, 1st Floor Aviator Park, Station Road Addlestone Surrey, KT15 2PG United Kingdom
Financial Adviser, Corporate Broker and Sponsor	UBS AG London Branch 5 Broadgate London EC2M 2QS United Kingdom UBS South Africa (Pty) Limited 64 Wierda Road East Sandton, 2196 South Africa
Legal adviser to Mondi plc and Mondi Limited on English and US law	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom
Legal adviser to Mondi plc and Mondi Limited on South African law	Webber Wentzel Attorneys 90 Rivonia Road Sandton Johannesburg, 2196 South Africa
Legal adviser to the Sponsor on English and US law	Davis Polk & Wardwell London LLP 5 Aldermanbury Square London EC2V 7HR United Kingdom
Reporting accountants	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH
United Kingdom

PricewaterhouseCoopers Inc
Waterfall City
4 Lisbon Lane
Jukskei View
Midrand, 2090
South Africa

SA Registrars

Link Market Services South Africa (Pty) Ltd
13th Floor, 19 Ameshoff Street
Braamfontein 2001
South Africa

UK Registrars

Link Asset Services
34 Beckenham Road
Beckenham BR3 4TU
United Kingdom

PART V INDICATIVE TIMETABLE OF PRINCIPAL EVENTS AND INDICATIVE STATISTICS

PART A INDICATIVE TIMETABLE OF PRINCIPAL EVENTS

Capitalised terms have the meanings ascribed to them in Part XIII: “Definitions” of this Prospectus. All dates and times are indicative only, are based on current expectations and are subject to change.

Principal events	Indicative time and/or date
Publication and posting of this Prospectus and the Circular and notice convening Annual General Meetings released on SENS and RIS.....	Tuesday, 26 March 2019
Last day to trade Mondi Limited Ordinary Shares and Mondi plc Ordinary Shares on the Mondi Limited Register or the Mondi plc SA Register (as applicable) in order to participate in the Annual General Meetings	Tuesday, 30 April 2019
Voting Record Time for Mondi Limited Shareholders and Mondi plc Shareholders on the Mondi Limited Register or the Mondi plc SA Register (as applicable) in respect of the Annual General Meetings	5:00 p.m. (SA time) on Monday, 6 May 2019
Voting Record Time for Mondi plc Shareholders on the Mondi plc UK Register in respect of the Annual General Meetings	5:00 p.m. (UK time) on Tuesday, 7 May 2019
Annual General Meetings of Mondi plc and Mondi Limited	10:30 a.m. (UK time) / 11:30 a.m. (SA time) on Thursday, 9 May 2019
Results of the Annual General Meetings in relation to the Simplification Resolutions and the Scheme Resolution released on SENS and RIS.....	Thursday, 9 May 2019
Full results of the Annual General Meetings released on SENS and RIS.....	Friday, 10 May 2019
If the Simplification Resolutions and the Scheme Resolution are passed by the requisite majority of the Group Shareholders at the Annual General Meetings	
Expected Finalisation Date ¹	Tuesday, 11 June 2019
Finalisation Date announcement expected to be released on SENS before 11:00 a.m. (SA time) and on RIS.....	Tuesday, 11 June 2019
Expected Scheme Last Day to Trade for Mondi Limited Shareholders	Tuesday, 25 June 2019
Expected suspension of listing of Mondi Limited Ordinary Shares on the JSE	9:00 a.m. (SA time) on Wednesday, 26 June 2019
Expected commencement of dealings in the anticipated holdings of New Mondi plc Shares on the JSE	9:00 a.m. (SA time) on Wednesday, 26 June 2019
Expected Election Record Time	12:00 p.m. (SA time) on Friday, 28 June 2019
Expected Scheme Record Time.....	5:00 p.m. (SA time) on Friday, 28 June 2019

¹ Under the JSE Listings Requirements, finalisation occurs once the Scheme has become unconditional. A public finalisation announcement will be made once finalisation has taken place.

Principal events**Indicative time and/or date**

Expected Scheme Effective Time.....	5:00 p.m. (SA time) on Friday, 28 June 2019
Expected Admission of the New Mondi plc Shares to the LSE and commencement of dealings in the New Mondi plc Shares on the LSE.....	8:00 a.m. (UK time) on Monday, 1 July 2019
Expected Admission of the New Mondi plc Shares to the JSE and commencement of dealings in the New Mondi plc Shares on the JSE.....	9:00 a.m. (SA time) on Monday, 1 July 2019
Expected crediting of New Mondi plc Shares to accounts in the Strate System.....	As soon as possible after 9:00 a.m. (SA time) on Monday, 1 July 2019
Expected termination of listing of Mondi Limited Ordinary Shares on the JSE.....	09:00 a.m. (SA time) on Tuesday, 2 July 2019

Notes:

- (1) All dates and times in respect of the Simplification and the Scheme are subject to change (subject to the approval of the JSE and/or the TRP, if required). The dates have been determined based on certain assumptions, including as regards the date by which certain regulatory approvals will have been obtained and that no Court approval of the special resolutions required to approve the implementation of the Scheme will be required, and the dates and times stated above will change if such circumstances change. Any change in the dates and times will be released on SENS, RIS and published in the South African press.
- (2) Mondi Limited Shareholders should note that, as transactions in Mondi Limited Ordinary Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three SA Business Days after such trade. Therefore, Mondi Limited Shareholders who acquire Mondi Limited Ordinary Shares on the JSE after the last day to trade in Mondi Limited Ordinary Shares so as to be recorded in the Mondi Limited Register on the Voting Record Time will not be entitled to vote at the Mondi Limited Annual General Meeting.
- (3) Mondi Limited Ordinary Shares may not be Dematerialised or rematerialised after the Scheme Last Day to Trade, which is presently indicatively expected to be Tuesday, 25 June 2019.
- (4) If the Scheme is approved by an insufficient number of Mondi Limited Shareholders at the Mondi Limited Annual General Meeting so that a Mondi Limited Shareholder may require Mondi Limited to obtain Court approval of the Scheme, as contemplated in section 115(3)(a) of the SA Companies Act, and a Mondi Limited Shareholder in fact delivers such a request, the dates and times set out above will not be relevant. If this is the case, Mondi Limited Shareholders will be notified separately of the applicable dates and times under this process.
- (5) If any Mondi Limited Shareholder who votes against the Scheme exercises its rights in accordance with section 115(3)(b) of the SA Companies Act and applies to Court for a review of the transaction, the dates and times set out above will not be relevant. If this is the case, Mondi Limited Shareholders will be notified separately of the applicable dates and times under this process.
- (6) It should be noted that although Mondi Limited intends to send the required notice to Dissenting Shareholders, if any, in terms of section 164(4) of the SA Companies Act on the first SA Business Day following the Mondi Limited Annual General Meeting, the last day for sending this notice is 10 SA Business Days after the date of the Mondi Limited Annual General Meeting.
- (7) If the Annual General Meetings are adjourned or postponed, forms of proxy submitted for the initial Annual General Meetings will remain valid in respect of any adjournment or postponement of the Annual General Meetings, and the dates and times stated above will change.
- (8) Although the salient dates and times are stated to be subject to change, such statement may not be regarded as consent or dispensation for any change to time periods which may be required in terms of the SA Takeover Regulations, where applicable, and any such consents or dispensations must be specifically applied for and granted.
- (9) From the first Trading Day after the Scheme Last Day to Trade and until Admission of the New Mondi plc Shares to the JSE on the first Trading Day after the Scheme Effective Time (presently indicatively expected to be Monday, 1 July 2019), the permitted dealings reflect the expectation of the New Mondi plc Shares to be received pursuant to the Scheme, which will be issued on the Mondi plc SA Register. During this period, there cannot be any transfers of Mondi plc Ordinary Shares between the Mondi plc SA Register and the Mondi plc UK Register. Such dealings may also be limited or restricted by the rules of Strate, and the applicable mandate between a Mondi Limited Shareholder and its CSDP or Broker, as applicable from time to time, and are effected entirely at the Mondi Limited Shareholders' risk. Temporary Documents of Title will not be issued.

**PART B
INDICATIVE STATISTICS**

Number of Mondi plc Ordinary Shares in issue as at the Latest Practicable Date	367,240,805
Number of Mondi Limited Ordinary Shares in issue as at the Latest Practicable Date	118,312,975
Exchange Ratio	1:1
Number of New Mondi plc Shares to be issued pursuant to Simplification	Up to 118,312,975
Proportion of Enlarged Share Capital attributable to current holders of interests in Mondi plc Ordinary Shares immediately following the Simplification, provided that such proportion will increase if and to the extent that there are any Excluded Dissenting Shareholders.....	75.6%
Proportion of Enlarged Share Capital attributable to former holders of interests in Mondi Limited Ordinary Shares immediately following the Simplification, provided that such proportion will decrease if and to the extent that there are any Excluded Dissenting Shareholders.....	24.4%
 Share identification numbers	
ISIN (on the LSE post Simplification)	GB00B1CRLC47
SEDOL (on the LSE)	B1CRLC4
SEDOL (on the JSE)	B1YCDP4

PART VI

INFORMATION ABOUT THE SIMPLIFICATION

Introduction

On 19 November 2018, the Boards announced a proposed Simplification of the existing Group corporate structure, from the current DLC structure to a single parent company under Mondi plc.

It is proposed that the Simplification will be implemented by actions authorised under the resolutions approving the Simplification and by a Scheme whereby Mondi plc will become the holder of all of the Mondi Limited Ordinary Shares. Pursuant to the Scheme, Mondi Limited Shareholders will receive one New Mondi plc Share in exchange for each Mondi Limited Ordinary Share held. Following the Simplification, and the resulting exchange of each Mondi Limited Ordinary Share for a New Mondi plc Share, each Mondi plc Shareholder will have the same voting and capital interests in the Group as each Mondi Limited Shareholder and Mondi plc Shareholder currently has.

Background to and reasons for the Simplification

The Boards believe the Simplification will simplify cash and dividend flows, increase transparency, remove the complexity associated with the current DLC structure and enhance strategic flexibility. Since its formation in 2007, Mondi has been an integrated corporate group established under a DLC structure with dual holding companies. Mondi plc is listed on the LSE with a secondary listing on the JSE, holding the Non-South African Operations of the Group, and Mondi Limited is listed on the JSE, holding the South African Operations of the Group.

Operating as a combined group, the Group is governed by complex arrangements to maintain parity between the economic and voting rights of the Mondi Limited Shareholders and Mondi plc Shareholders. At the time of its formation, the DLC structure reflected the fact that the majority of Mondi's business was located in Europe, whilst recognising its South African heritage and its significant ongoing operations in the country. The ordinary shares in Mondi Limited and Mondi plc currently represent approximately 24 per cent. and 76 per cent., respectively, of the Group's combined ordinary share capital.

As the Group has evolved, its Non-South African Operations have grown faster than its South African Operations, reflecting the relative scale of opportunities in each respective market. For the year ended 31 December 2018, over 90 per cent. of the Group's underlying earnings were generated outside South Africa. This results in an imbalance between the share of the Group dividend which Mondi Limited is required to support, being approximately 24 per cent., and the contribution of Mondi Limited to the Group's profits available for distribution. The Simplification will simplify cash and dividend flows. Streamlining the corporate structure will also facilitate continued investment in the South African Operations, estimated at over 8 billion rand over the next five years, including the ongoing investment in forestry assets and modernisation of the Group's pulp, containerboard, and paper assets in the country.

The Simplification will not result in any changes to the management, operations, locations, activities or staffing levels of the Group, nor is it expected to have any significant impact on the reported profits or net assets of the Group.

Mondi plc will continue to have a premium listing on the LSE quoted in pound sterling and will have an inward secondary listing on the JSE quoted in rand, and, as part of the Simplification, will apply for the New Mondi plc Shares to be listed and admitted to trading on the LSE with a secondary listing on the JSE. Following completion of the Simplification, Mondi plc will hold 100 per cent. of the Mondi Limited Ordinary Shares and therefore the listing of those shares on the JSE will consequently be cancelled.

Mondi plc will continue to be incorporated and tax resident in the UK. Mondi Limited will remain incorporated and tax resident in South Africa and will become a wholly-owned subsidiary of Mondi plc. Dividends will continue to be declared in euro. Shareholders holding Mondi plc Ordinary Shares on the JSE will continue to receive payments for their dividends in rand on the same basis as currently applies for such shareholders.

Mondi plc Ordinary Shares will continue to be included in the FTSE 100 Index. Currently, Mondi Limited Ordinary Shares are not eligible for inclusion in the FTSE 100 Index. Following the issue of the New Mondi plc Shares in exchange for Mondi Limited Ordinary Shares as a result of the Simplification, it is expected that Mondi plc's weighting in the FTSE 100 Index will increase. Mondi plc Ordinary Shares are expected to continue to be eligible for inclusion in the key JSE indices.

Group Shareholder approval of the Simplification

The Simplification is proposed to be effected by way of actions authorised under the Simplification Resolutions and by a South African Scheme. The Simplification is subject to the Scheme Conditions summarised in the section titled '*Conditions to the Simplification*' in this Part VI below, including the approval of the Simplification Resolutions by the requisite majorities at the Annual General Meetings, as set out below.

The Mondi Limited Shareholders and Mondi plc Shareholders will, at their respective Annual General Meetings, be asked to vote on: (i) the AGM Resolutions; (ii) the Simplification Resolutions; and (iii) the Post-Simplification Resolutions. In addition, the Mondi Limited Shareholders will, at the Mondi Limited Annual General Meeting be asked to vote on the Scheme Resolution. The AGM Resolutions will be proposed for approval irrespective of whether or not each of the Simplification Resolutions, the Scheme Resolution and the Post-Simplification Resolutions are approved.

The Simplification Resolutions contain a resolution to approve the proposed Simplification (and related actions, such as the issue and allotment of the New Mondi plc Shares), and a number of resolutions proposed in connection with the Simplification, including amending the Mondi plc Articles and Mondi Limited Memorandum of Incorporation to enable the Simplification, the adoption of the New Mondi plc Articles from Admission and the issue of the Mondi Limited Non-Voting Shares.

The issue of the Mondi Limited Non-Voting Shares to Mondi plc, at the Scheme Effective Time, is to ensure that following the Simplification, Mondi plc will hold the majority of each of Mondi Limited's voting and non-voting share capital given the SA DAS Share (which does not have any voting rights) will remain in issue.

As the Simplification Resolutions will be passed as class rights actions, they will not be effective unless approved by:

- (i) a vote in favour of at least the requisite majority of votes cast by the Mondi Limited Shareholders;
- (ii) a vote in favour by at least the requisite majority of votes cast by the Mondi plc Shareholders and the Mondi plc Special Voting Share, voting as a single class; and
- (iii) the written consent of the holder of the Mondi Limited Special Converting Shares.

The Boards consider the Simplification and the proposed resolutions, as set out in the Notices, to be in the best interests of the Mondi Limited Shareholders and the Mondi plc Shareholders and unanimously recommend that the Mondi Limited Shareholders and the Mondi plc Shareholders vote in favour of such resolutions at the Annual General Meetings.

Conditions to the Simplification

The implementation of the Scheme and, in turn, the Simplification, will be subject to the fulfilment or, if applicable, waiver (in whole or in part), on or before the Longstop Date, of the Conditions, which are as follows:

- 1** the Simplification Resolutions are declared adopted by the requisite Group Shareholders (as indicated in the Notice);
- 2** the Scheme Resolution is declared adopted by the requisite Mondi Limited Shareholders (as indicated in the Notice), which Scheme Resolution is a special resolution approving the Scheme pursuant to section 115(2)(a) of the SA Companies Act, and in the event of the provisions of section 115(2)(c) of the SA Companies Act becoming applicable:
 - 2.1** the High Court of South Africa approves the Scheme; and
 - 2.2** if applicable, Mondi Limited not treating the Scheme Resolution as a nullity as contemplated in section 115(5)(b) of the SA Companies Act;
- 3** all Regulatory Consents are received on an unconditional basis, or to the extent that any such Regulatory Consents are subject to any obligation, undertaking, condition or qualification, Mondi Limited and Mondi plc confirm in writing to each other that the obligation, undertaking, condition or qualification is acceptable to them;
- 4** with regard to Mondi Limited Shareholders exercising their Appraisal Rights (if any), either:

- 4.1** Mondi Limited Shareholders give notice objecting to the Scheme as contemplated in section 164(3) of the SA Companies Act and vote against the Scheme at the Mondi Limited Annual General Meeting in respect of less than or equal to 5 per cent. of all of the Mondi Limited Ordinary Shares; or
- 4.2** if Mondi Limited Shareholders give notice objecting to the Scheme and vote against the Scheme at the Mondi Limited Annual General Meeting in respect of more than 5 per cent. of all of the Mondi Limited Ordinary Shares, then, within the time period permitted in terms of the SA Companies Act, Dissenting Shareholders have exercised Appraisal Rights, by giving valid demands in terms of sections 164(5) to 164(8) of the SA Companies Act, in respect of less than or equal to 5 per cent. of all the Mondi Limited Ordinary Shares, or not at all,

provided that this Condition will not fail unless and until Mondi Limited or Mondi plc give the other written notice that not all of the Conditions have been fulfilled or waived, on or before the Longstop Date;

- 5** the amendments to the Existing Mondi Limited Memorandum of Incorporation approved as part of the Simplification Resolutions are filed with, and accepted by, the CIPC;
- 6** the JSE and the LSE have given in principle approval to admit the New Mondi plc Shares to trading and the FCA has given in principle approval to admit the New Mondi plc Shares to the Official List, each such approval being on terms and/or conditions satisfactory to Mondi Limited and Mondi plc, or Mondi Limited and Mondi plc otherwise being satisfied that the New Mondi plc Shares have been or will be admitted to trading on the LSE and JSE and admitted to the Official List on or before the first trading day after the Scheme Effective Time; and
- 7** the Simplification Notice being given by either Mondi plc to Mondi Limited or vice versa.

All of the Conditions are for the benefit of Mondi Limited and Mondi plc. The Scheme Conditions in paragraphs 3, 4 and 5 may be waived, in whole or in part, by written agreement between Mondi Limited and Mondi plc on or before the date for fulfilment of such Conditions; provided that Mondi Limited and Mondi plc will not be entitled to waive the requirement for the issue by the TRP of a compliance certificate without the prior written consent of the TRP. The Conditions in paragraphs 1, 2, 6 and 7 may be waived, in whole or in part, by written agreement between Mondi Limited and Mondi plc on or before the date for fulfilment of such Conditions but only to the extent that such waiver results in an outcome which is not materially adversely different to the position which would have prevailed had such Condition been wholly fulfilled.

The dates and times for the fulfilment or waiver of any one or more of the Conditions may be extended by written agreement between Mondi Limited and Mondi plc from time to time.

The Scheme will be unconditional for all purposes upon the issue on SENS of the Finalisation Announcement jointly approved by Mondi Limited and Mondi plc.

Management

Mondi Limited and Mondi plc are managed on a unified basis. Although Mondi Limited and Mondi plc are separate corporate entities, each with a separate board of directors, the Boards comprise the same persons. The Boards are responsible for providing leadership of the Group within a framework of appropriate and effective controls that enable risk to be assessed, and then managed in a manner which promotes the success of the Group. In addition to their duties to the company concerned, the Boards have regard to the interests of their respective shareholders as if the two companies were a single economic enterprise.

The Boards' oversight role is implemented on a day-to-day basis through the operation of a framework of responsibilities and delegated authorities. There is a schedule of matters reserved for the approval of the Boards, which generally includes those matters that are considered material to the current or future financial performance of the Group. These include matters such as the approval of material acquisitions, major capital expenditure, the Group's strategy and budgets, financial statements and the dividend policy of the Group. In order to allow the Boards sufficient time to give these matters due attention, a number of other responsibilities have been delegated to four principal committees of the Boards: the DLC Audit Committee, the DLC Nominations Committee, the DLC Remuneration Committee and the DLC Sustainable Development Committee.

The Boards currently comprise two Joint Chairs, two Executive Directors and four independent Non-Executive Directors, who bring a wide range of skills and experience to their roles.

On 19 March 2019, Mondi announced that:

- (i) Fred Phaswana, Joint Chair of the Boards, had informed the Boards of his decision to retire following completion of the Simplification. Fred is fully supportive of, and committed to, ensuring the smooth implementation of the Simplification. Given the proposed timetable of the Simplification, Fred will stand for re-election at the AGMs on 9 May 2019.
- (ii) David Williams, Joint Chair of the Boards, intends to retire in early 2020 having served more than 9 years as Joint Chair and almost 12 years on the Mondi Boards.
- (iii) The Boards, led by Stephen Harris, Senior Independent Director, have initiated the search for a new chair and further details will be announced in due course.

Following completion of the Simplification in accordance with the conditions subject to which the South African Minister of Finance granted approval for the Simplification (see paragraph 16 of Part XII of this Prospectus), Mondi plc will have at least one South African resident Director and Mondi will no longer be required to have Joint Chairs.

Financial effects of the Simplification

Group Shareholders are already regarded as having interests in a single economic entity, as the Group, due to its DLC structure, is deemed as a single reporting entity for the presentation of combined and consolidated financial statements and its combined and consolidated financial information represents the interests of all Group Shareholders. Following the Simplification, the Group will formally become a single reporting entity. Accordingly, the Simplification will have no impact on the Group's financial reporting. Mondi Limited will be restricted from acting as guarantor on any new debt raised by Mondi plc.

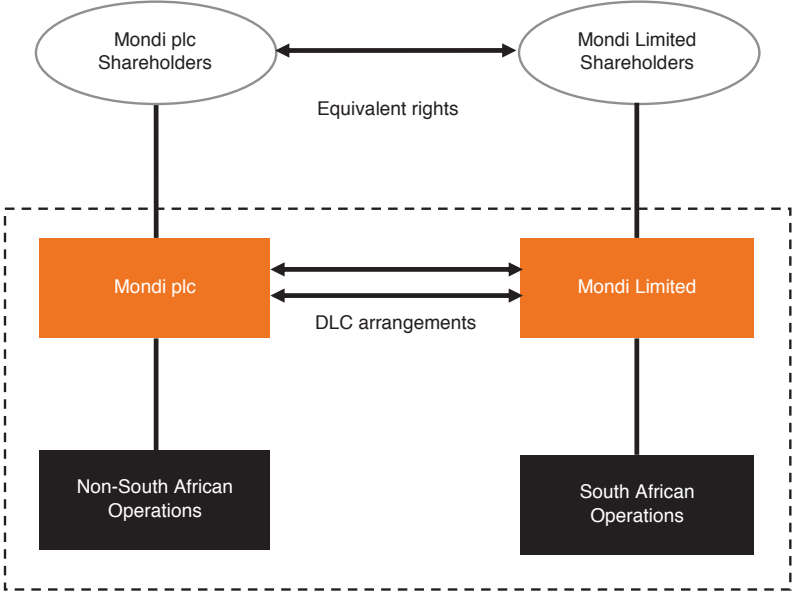
Dividends and dividend policy

The Group pursues a dividend policy that reflects its strategy of disciplined and value-creating investment and growth, with the aim of offering shareholders long-term ordinary dividend growth. The Group targets an ordinary dividend cover range of two to three times underlying earnings on average over the business cycle, although the payout ratio in each year will vary in accordance with the business cycle. The current dividend policy will not change as a result of the Simplification.

Pre-Simplification DLC structure

Mondi is an integrated corporate group established under a DLC structure. Mondi plc is a UK incorporated company listed on the LSE with a secondary listing on the JSE, and Mondi Limited is a South African incorporated company listed on the JSE.

The following is a simplified illustration of the current pre-Simplification DLC structure.



Mondi operates as a single corporate group. As Mondi Limited and Mondi plc are separate corporate entities, each has a separate board of directors, but these Boards comprise the same persons. The Boards, in addition to their duties to the company concerned, have regard to the interests of the shareholders of both Mondi Limited and Mondi plc as if the two companies were a single economic enterprise.

Mondi Limited Shareholders and Mondi plc Shareholders have economic and voting interests in Mondi. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests represented by an ordinary share in the other company are determined by reference to the Equalisation Ratio. As at the date of this Prospectus, the Equalisation Ratio is 1:1 (i.e. an ordinary share in either Mondi Limited or Mondi plc gives the holder an equivalent effective economic and voting interest in Mondi).

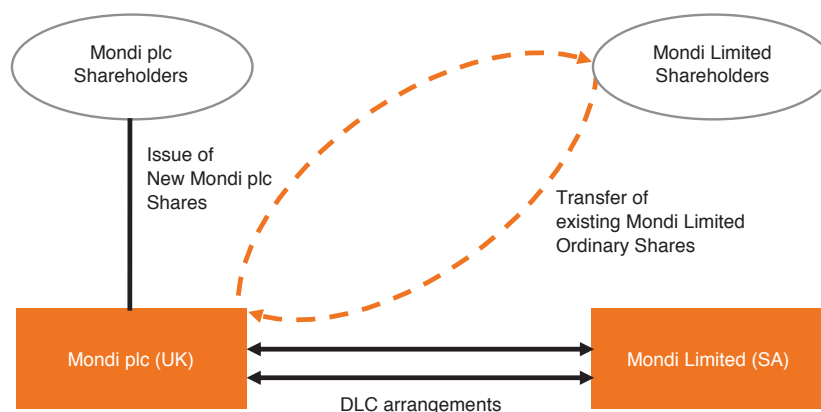
Structure of the Simplification

The Simplification will be effected by actions authorised under the resolutions approving the Simplification and the Scheme proposed by the Mondi Limited Board between Mondi Limited and the Mondi Limited Shareholders pursuant to which Mondi plc will become the holding company of the Group and the former Mondi Limited Shareholders will become Mondi plc Shareholders. The Scheme will provide for two alternative structures at the election of the Mondi Limited Shareholders to achieve the Simplification: an acquisition structure (Option A); or a buyback structure (Option B). The default option is the acquisition of the Mondi Limited Ordinary Shares by Mondi plc (Option A), with the alternative being the elective buyback structure (Option B). There is no obligation on Mondi Limited Shareholders to make an election. If no election is made, their Mondi Limited Ordinary Shares will be dealt with by way of the acquisition structure (Option A). If the Mondi Limited Shareholders elect to have only some of their Mondi Limited Ordinary Shares bought back, their remaining Mondi Limited Ordinary Shares will be acquired by Mondi plc by way of the acquisition structure (Option A). Mondi plc will also be bound by the Scheme.

Part X “Taxation” of this Prospectus sets out a short description of the anticipated tax consequences of certain aspects of the holding and disposal of Mondi plc Ordinary Shares for certain Mondi plc Shareholders who are resident in South Africa, the UK or US for tax purposes. Mondi plc Shareholders or prospective Mondi plc Shareholders who are in any doubt as to their tax position, or who are resident or otherwise subject to taxation outside these jurisdictions, should consult their professional advisers.

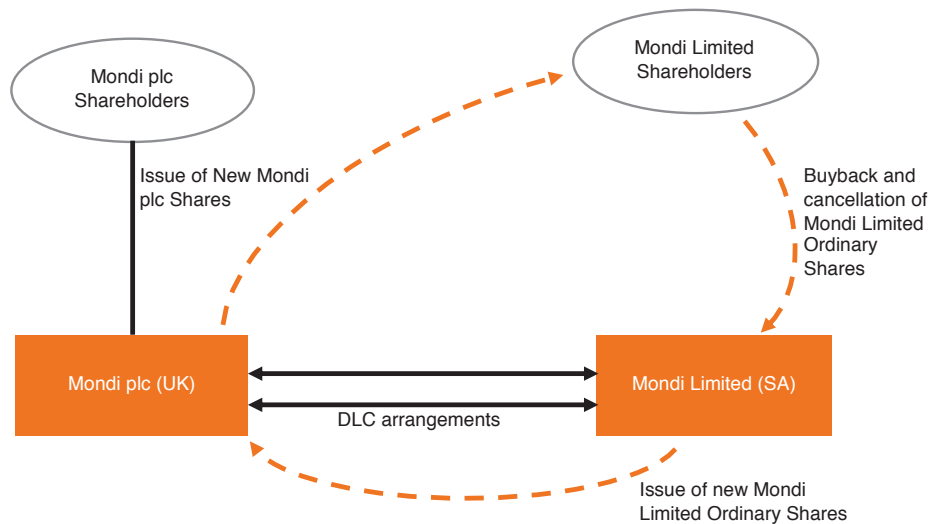
Option A – default position: acquisition by Mondi plc of the Mondi Limited Ordinary Shares in consideration for the issue of New Mondi plc Shares

- The default position under the terms of the proposed Scheme is that if the Scheme becomes effective, the Scheme Participants will transfer 100 per cent. of their Mondi Limited Ordinary Shares to Mondi plc in consideration for the issue of New Mondi plc Shares to such shareholders (on the basis of one New Mondi plc Share being issued for each Mondi Limited Ordinary Share so acquired).
- The New Mondi plc Shares will be listed and admitted to trading on the LSE with a secondary listing on the JSE. The listing of the Mondi Limited Ordinary Shares on the JSE will consequently be cancelled.

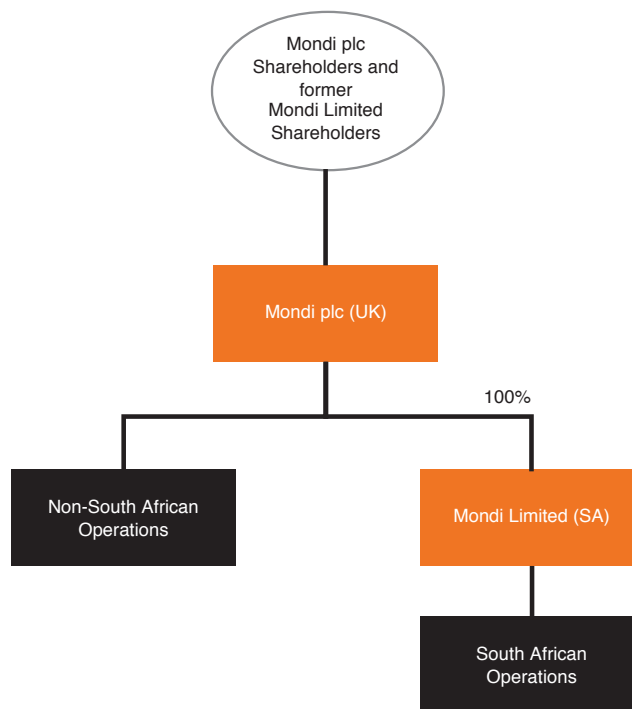


Option B – alternative position: buyback by Mondi Limited of the Mondi Limited Ordinary Shares satisfied by the issuance of New Mondi plc Shares

- Instead of transferring their Mondi Limited Ordinary Shares to Mondi plc under Option A, the Scheme will contain an option for Scheme Participants to elect to have (subject to Mondi Limited meeting the requirements set out in section 46(1) of the SA Companies Act applicable to the buyback option, as read with the solvency and liquidity test set out in section 4 of the SA Companies Act) some or all of their Mondi Limited Ordinary Shares bought back by Mondi Limited in consideration for the issue of New Mondi plc Shares to such shareholders (on the basis of one New Mondi plc Share being issued for each Mondi Limited Ordinary Share bought back). Such Mondi Limited Ordinary Shares will be automatically cancelled.
- In consideration for Mondi plc agreeing to discharge the consideration for the buyback under the Scheme, Mondi Limited will issue new Mondi Limited Ordinary Shares to Mondi plc (on the basis of one new Mondi Limited Ordinary Share for each New Mondi plc Share issued by Mondi plc pursuant to the buyback).
- The New Mondi plc Shares will be listed and admitted to trading on the LSE with a secondary listing on the JSE. The listing of the Mondi Limited Ordinary Shares on the JSE will consequently be cancelled.
- The buyback option is subject to Mondi Limited satisfying the statutory requirements in relation to solvency and liquidity under the SA Companies Act. If, for any reason, the buyback option is unable to be implemented, the transfer option will apply.



Simplified post-Simplification structure



Appraisal Rights

As a result of Mondi Limited giving notice to Mondi Limited Shareholders of the Mondi Limited Annual General Meeting to consider adopting the Scheme Resolution, under section 164 of the SA Companies Act, Mondi Limited Shareholders may choose to exercise their Appraisal Rights, effectively being the right to exit Mondi Limited by requiring Mondi Limited to purchase their Mondi Limited Ordinary Shares at fair value.

In summary, any Mondi Limited Shareholders wishing to exercise their Appraisal Rights must: (i) give Mondi Limited written notice objecting to the Scheme before the Scheme Resolution is voted on; and (ii) vote against the Scheme Resolution. Provided these procedural requirements of the Appraisal Rights process are adhered to and on the assumption that the Scheme Resolution is approved, Mondi Limited will, in accordance with section 164(11) of the SA Companies Act, make an offer to those such Mondi Limited Shareholders to purchase their Mondi Limited Ordinary Shares at fair value.

On the assumption that the Scheme Resolution is approved: (i) if such Mondi Limited Shareholder completes the Appraisal Rights procedure, the relevant Mondi Limited Shareholders will not participate in the Scheme and their Mondi Limited Ordinary Shares will be transferred to Mondi Limited and cancelled;

(ii) if the Appraisal Rights procedure is not completed by a Mondi Limited Shareholder, the relevant Mondi Limited Shareholder will participate in the Scheme and be able to elect whether to participate by way of the acquisition structure (Option A) or the buyback structure (Option B).

References in this Prospectus to Mondi Limited Shareholders will, where this relates to their participation in (but not voting in relation to) the Scheme, be a reference only to those Mondi Limited Shareholders who do not fully exercise their Appraisal Rights.

The New Mondi plc Shares

The New Mondi plc Shares will be issued in registered form and will be capable of being held in Uncertificated Form.

The New Mondi plc Shares will be issued, credited as fully paid, and will rank *pari passu* in all respects with the Existing Mondi plc Ordinary Shares at the time of such issue, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Mondi plc, the right to receive and retain any dividends and other distributions declared, made or paid by reference to a record date falling on or after the Scheme Effective Time and to participate in the assets of Mondi plc in a winding-up of Mondi plc.

Listing of and dealings in the New Mondi plc Shares

Applications will be made to: (i) the FCA for the New Mondi plc Shares to be admitted to the premium listing segment of the Official List; (ii) the LSE for the New Mondi plc Shares to be admitted to trading on its main market for listed securities; and (iii) the JSE for the New Mondi plc Shares to be admitted to listing and trading on the main board of the JSE for listed securities.

It is expected that the New Mondi plc Shares will be admitted to trading on the LSE on a date presently indicatively expected to be on Monday, 1 July 2019 and dealings for normal settlement in the New Mondi plc Shares on the LSE will commence at or shortly after that time. The New Mondi plc Shares are also expected to be admitted to trading on the JSE on a date presently indicatively expected to be on Monday, 1 July 2019 and dealings for normal settlement in the New Mondi plc Shares on the JSE will commence at or shortly after that time.

Settlement of the New Mondi plc Shares

An application has been made to the FCA for the Admission of the New Mondi plc Shares to the premium listing segment of the Official List and to the LSE for the New Mondi plc Shares to be admitted to trading on the LSE's main market for listed securities. An application has also been made to the JSE for a secondary inward listing of the New Mondi plc Shares on the main board of the JSE. If the Scheme becomes effective, it is expected that Admission will become effective and that dealings in the New Mondi plc Shares on the JSE will commence at 9:00 a.m. (SA time) and on the LSE will commence at 8:00 a.m. (UK time) on Monday, 1 July 2019. This date may be changed, *inter alia*, if it is necessary to adjourn the Annual General Meetings for any reason or if there is any change in timing for the Scheme becoming effective.

Settlement of transactions in New Mondi plc Shares following Admission may take place in Dematerialised Form within the Strate System. The Strate System is the authorised central securities depository for the electronic settlement of all financial instruments on the JSE. Shares that are not represented by Documents of Title and that have been replaced with electronic records of ownership are referred to as being Dematerialised or held in Uncertificated Form. Shares that are evidenced by share certificates or other Documents of Title are referred to as Certificated shares or shares held in Certificated Form. CSDPs are the only market participants who can liaise directly with the Strate System. Under the Strate System, there are two types of clients, controlled and non-controlled. Controlled clients elect to receive their shares or cash in the custody of their Broker and, therefore, indirectly the Broker's chosen CSDP. Controlled clients deal directly and exclusively with their Broker. Non-controlled clients appoint their own CSDP. Non-controlled clients receive share statements directly from their CSDP. In line with existing exchange control regulations, subject to any such applicable approvals and exceptions, the holding of Mondi plc shares by South African residents is restricted such that all South African residents must hold their Mondi plc shares on the South African branch register.

Dilution

The Simplification will not dilute the relative economic ownership interests of the Mondi plc Shareholders.

PART VII INFORMATION ABOUT THE GROUP

Investors should read this Part VII: “Information about the Group” in conjunction with the more detailed information contained in this Prospectus, including the financial and other information appearing in Part IX: “Operating and financial review of the Group” and the Group’s consolidated historical financial information and the related notes included in Part VIII: “Financial information in relation to the Group”. Unless otherwise stated, the financial information in this Part VII: “Information about the Group” has been extracted without material adjustment from Part VIII: “Financial information in relation to the Group”.

General

Overview

Mondi plc was incorporated as HACKPLIMCO No.119 PLC under the Companies Act 1985 on 11 April 2007 in England and Wales as a public limited company with registered number 6209386 and its name was changed to Mondi plc on 17 April 2007. Mondi plc’s registered office is at Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG and its telephone number is +44 1932 826 300.

Mondi Limited and Mondi plc are the dual holding companies of the Group. In this Prospectus, Mondi plc, Mondi Limited and their respective subsidiaries, taken as a whole, are referred to as “Mondi” or the “Group”.

Mondi is an international packaging and paper group with around 100 production sites across more than 30 countries and revenue of €7,481 million for the year ended 31 December 2018. The Group’s key operations are located in central Europe, Russia, North America and South Africa and as at the end of 2018, Mondi employed around 26,100 people.

Mondi is fully integrated across the packaging and paper value chain - from managing forests and producing pulp, paper and plastic films to developing and manufacturing effective and innovative industrial and consumer packaging solutions.

Group history

In 1967, Anglo American plc founded the Mondi business to build what became the Merebank mill near Durban in South Africa. In the early 1990s, the Mondi business entered into Europe with the acquisition of two Austrian-based paper groups and subsequently expanded its operations through both acquisitions and organic growth to become one of the leading packaging and paper groups in central Europe, Russia, North America and South Africa.

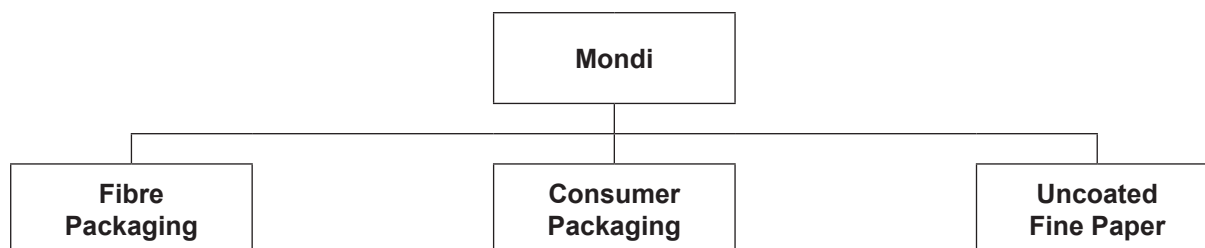
On 3 July 2007, Mondi was demerged from Anglo American plc as an integrated corporate group established under a DLC structure with dual holding companies, Mondi plc, with a premium listing on the LSE and a secondary listing on the JSE, and Mondi Limited, with a primary listing on the JSE.

Business structure

Effective from 1 August 2018, the Group reorganised its business units to achieve improved strategic alignment and operational co-ordination across the fibre-based packaging value chain. The changes to the Group resulted in the Packaging Paper and Fibre Packaging business units being replaced by a single business unit called Fibre Packaging. The Uncoated Fine Paper and Consumer Packaging business units remained unchanged.

Under the new structure, the Group is organised into three business units: the Fibre Packaging Business (the “Fibre Packaging Business”), the Consumer Packaging Business (the “Consumer Packaging Business”) and the Uncoated Fine Paper Business (the “UFP Business”).

The following chart summarises the Group's current business structure:



The Fibre Packaging Business manufactures and sells a broad range of containerboard, speciality and sack kraft paper, as well as converted corrugated packaging, industrial bags and extrusion-coated products for a variety of consumer and industrial applications. The Fibre Packaging Business (including inter-segment revenue) represented 54 per cent. of the Group's revenues for the year ended 31 December 2018.

The Consumer Packaging Business develops, manufactures and sells innovative flexible plastic-based consumer goods packaging solutions, personal care product components, technical films and release liner. The Consumer Packaging Business (including inter-segment revenue) represented 21 per cent. of the Group's revenues for the year ended 31 December 2018.

The UFP Business is a vertically integrated business, managing forests and manufacturing pulp, as well as uncoated fine paper that is converted into office papers (cut size) and professional printing papers sold in folio form or large reels. The UFP Business (including inter-segment revenue) represented 25 per cent. of the Group's revenues for the year ended 31 December 2018.

For further detail in relation to the Group's business units, please see "Description of the business" below.

Mondi's production sites include the following paper mills:

Operation	Current capacity use ⁽¹⁾	Pulp capacity ⁽¹⁾	Paper capacity ⁽¹⁾
		('000 tonnes per annum)	
Fibre Packaging Business			
<i>Containerboard</i>			
Świecie, Poland.....	Production of pulp and containerboard	700	1,580
Sykytvkar, Russia ⁽²⁾	Production of pulp and containerboard	400	325
Tire Kutsan, Turkey ⁽³⁾	Production of recycled containerboard	—	140
Štětí, Czech Republic.....	Production of containerboard	—	120
Richards Bay, South Africa ⁽⁴⁾	Production of pulp and containerboard	260	270
Powerflute, Finland.....	Production of pulp and containerboard	275	285
<i>Kraft paper</i>			
Štětí, Czech Republic.....	Production of pulp and kraft paper	630	490
Frantschach, Austria.....	Production of pulp and kraft paper	350	290
Dynäs, Sweden.....	Production of pulp and kraft paper	280	270
Stambolijski, Bulgaria.....	Production of pulp and kraft paper	105	100
Ružomberok, Slovakia ⁽⁵⁾	Production of pulp and kraft paper	55	66
UFP Business			
Sykytvkar, Russia ⁽²⁾	Production of pulp, UFP and newsprint	650	740
Ružomberok, Slovakia ⁽⁵⁾	Production of pulp and UFP	505	580
Hausmening, Austria ⁽⁵⁾	Production of UFP	—	246
Kematen, Austria ⁽⁵⁾	Production of pulp and UFP	50	79
Richards Bay, South Africa ⁽⁴⁾	Production of pulp	520	—
Merebank, South Africa.....	Production of UFP	—	270

Notes:

- (1) This table includes the full-year pulp and paper capacity for each mill as of 31 December 2018. Where a mill produces both packaging and uncoated fine papers, the attributable pulp and paper capacities have been allocated to the relevant business unit.
- (2) The Sykytvkar mill is operated by the UFP Business. The 740,000 tonnes of paper capacity within the UFP Business includes 205,000 tonnes of newsprint capacity. The financial results of the pulp dryer and packaging paper machine are reported as part of the Fibre Packaging Business.
- (3) Mondi has a 79.2 per cent. interest in the company that owns the mill.
- (4) The Richards Bay mill is operated by the UFP Business. The financial results of the containerboard machine are reported as part of the Fibre Packaging Business.
- (5) Mondi has a 51 per cent. interest in the Ružomberok mill, which in turn owns the Hausmening and Kematen mills. The Ružomberok mill is operated by the UFP Business. The financial results of the kraft paper machine are reported as part of the Fibre Packaging Business.

Strengths and strategy

The Group performed on average better than its peers during the five-year period 2014 to 2018 on the basis of return on capital employed. Management believes that this is a result of the Group's consistent and focused strategy, its disciplined approach to investments and the strengths of its business model.

Strengths

The Group's key strengths which resulted in this performance are outlined below.

Drive performance along the value chain

In order to maintain the Group's position as a cost-advantaged producer in the sectors in which it operates, management continually reviews the financial and operational performance of its operations.

Operational excellence and rigorous cost control programmes

The Group has established business excellence programmes aimed at reducing costs and improving the profitability of the Group. These programmes target commercial excellence and procurement savings, as well as continuous improvement of productivity, efficiency and reliability of operations through cost reduction programmes and profit improvement initiatives. The programmes also encompass sustainability, human resources development and innovation. The Group focuses on benchmarking to learn from its best performing operations and to identify emerging issues to ensure performance is optimised throughout the organisation. The Group is also focused on finding new ways of working and using digital technology to further enhance performance.

These business excellence and rigorous cost control programmes are important in maintaining the Group's cost advantaged production assets in the sectors in which it operates.

Pro-active restructuring

The Group is committed to closing or divesting sites which it considers to be underperforming and proactively closes or sells sites that do not meet, or are not deemed capable of meeting, the Group's performance criteria.

To further optimise its production footprint and leverage its cost advantaged locations, the Group undertook a number of restructuring initiatives during 2018. It announced the closure of two industrial bag plants in Europe in Zeltweg (Austria) and San Pietro in Gù (Italy), and one in Kentucky (US) as well as restructured the Consumer Packaging Business operations in the UK, including the closure of a plant in Scunthorpe (UK). Mondi decided to stop production of in-line silicone coated products at Štětí (Czech Republic). The Group had rebuilt one of its paper machines at the mill with an in-line coating extension, an innovative process technology. Despite the progress achieved, the improvements did not outweigh the increased technical challenges and process complexity. In June 2018, the Group sold a flat sack kraft paper mill in Pine Bluff, Arkansas (US), with 130,000 tonnes annual production capacity.

Experienced management team

Mondi's senior management team have extensive packaging and paper industry experience and a proven record of managing international businesses, acquiring and integrating new businesses and implementing cost reduction programmes and profit improvement initiatives.

Strong asset base

Invest in assets with cost advantage

Mondi's ability to deliver returns above the average of its competitors is mainly driven by its cost advantaged asset base, including its operations in the Syktyvkar mill in Russia, the Richards Bay mill in South Africa, the Štětí mill in the Czech Republic, the Świecie mill in Poland and the Ružomberok mill in Slovakia. Cost advantages in these regions typically result from lower wood, energy and personnel costs. The Group estimates that around 80 per cent. of its pulp and paper capacity is located in the two lowest industry cost quartiles.²

Management continues to emphasise maintaining and developing the Group's asset base in lower operating cost environments by focusing capital spend on sites with sustainable cost advantages, which is particularly relevant for the Group's upstream pulp and paper businesses. Over the five-year period

² Based on Fastmarkets - RISI analytical cornerstone analysis as of the third quarter of 2018 and Mondi's estimates.

from 1 January 2014 to 31 December 2018, the Group invested a total of approximately €2.9 billion in its asset base, of which the majority was spent on operations with cost advantages.

Mondi's disciplined approach to investigating, approving and executing capital projects is one of the Group's key strengths and plays an important role in successfully delivering strong returns through the cycle. Over the past three years, Mondi's major capital projects have contributed around €95 million of incremental operating profit, including €20 million in 2018, with a further €50 million expected in 2019.

During the fourth quarter of 2018, Mondi successfully commissioned the €335 million modernisation of the Štětí mill to replace the recovery boiler, rebuild the fibre lines and debottleneck the existing packaging paper machines. The project is expected to result in an additional annual production of 90,000 tonnes of softwood market pulp production and 55,000 tonnes of packaging paper.

The Group has a strong capital expenditure project pipeline, supporting future growth. Key developments include:

- Mondi obtained the final necessary permits to proceed with the €340 million investment in a new 300,000 tonne per annum kraft top white machine at Ružomberok, with start-up expected towards the end of 2020. The related pulp mill upgrade at the same site is progressing according to plan with start-up expected in late 2019.
- As part of a plan to maintain Syktyvkar's competitiveness and increase saleable production by around 100,000 tonnes per annum in the medium term, the Group is investing to debottleneck production and avoid unplanned shutdowns at the mill, including various upgrades of the mill infrastructure, fibre lines and pulp dryer and a new evaporation plant.
- Responding to continued good demand across speciality kraft papers in Europe, supported by the drive to replace plastic carrier bags with paper-based alternatives, the Group has approved a €67 million capital investment project to convert a containerboard machine at Štětí to be fully dedicated to the production of speciality kraft paper with a mix of recycled and virgin fibre content for bags and shopper applications. This will also allow Mondi to optimise productivity and efficiency at Świecie, where this grade is currently produced. The project is expected to result in an additional 75,000 tonnes per annum of speciality kraft paper capacity while reducing containerboard capacity by around 30,000 tonnes per annum. Start-up is expected by the end of 2020.
- The Group is investigating alternatives for the modernisation of its Richards Bay facility, including the modernisation of the mill's energy and chemical plants as part of its plan to modernise its pulp, containerboard and uncoated fine paper assets in South Africa in a series of projects over the next five years with an estimated investment of over 8 billion rand, including ongoing investment into its forestry assets.
- The Group continues to invest in the Fibre Packaging Business and Consumer Packaging Business converting plants with competitive advantage to grow with customers, enhance its product and service offering and reduce conversion costs.

Mondi's major capital projects in the Czech Republic, Slovakia and Russia will increase its current saleable pulp and paper production by around 10 per cent. when in full operation.

Given the approved project pipeline and in the absence of any other major investment, management expects capital expenditure to be in the range of €700-800 million per annum, on average, for 2019 and 2020 as expenditure on these large projects accelerates.

High level of vertical integration and self-sufficiency

Mondi's businesses are vertically integrated. The Group owns both "upstream assets", including forests from which to source wood, mills required to turn wood into pulp and paper mills to convert pulp into uncoated fine paper, containerboard and kraft paper. Mondi also owns "downstream converting assets", which convert paper, resins, films and other substrates into corrugated packaging, industrial bags, extrusion coatings, consumer goods packaging, personal care product components, technical films and release liner.

Mondi believes a high level of vertical integration provides a significant degree of self-sufficiency, which is particularly relevant in the case of its pulp, packaging paper and uncoated fine paper assets. Self-sufficiency refers, in the case of wood, to the Group's annual allowable cut, which is expressed as a percentage of the Group's total wood requirements for pulp production and, in the case of pulp, to the Group's overall production of pulp as a percentage of the Group's overall pulp requirement for

paper production. Mondi believes that a high level of integration of its upstream businesses allows the Group to benefit from improved security of supply and reduces its exposure to price volatility of the key raw materials, particularly wood and pulp. The Group intends to continue to pursue a high level of vertical integration.

Mondi's total wood consumption used for pulp production in the year ended 31 December 2018 was approximately 18 million m³. The Group has access to leased and owned forests in Russia and South Africa, which provide an annual allowable cut of around 8 million m³. The amount of wood actually procured from Mondi's own forests during any period can vary depending on commercial, logistic and sustainability considerations. In the year ended 31 December 2018, the consumption of wood from Mondi's forests amounted to 22 per cent. of the Group's total wood consumption. Mondi's total pulp consumption in the year ended 31 December 2018 was approximately 4.1 million tonnes. The Group's supply of pulp is sourced from a combination of the Group's own pulp mills and purchases from third party suppliers. In the year ended 31 December 2018, Mondi's own pulp production comprised 10 integrated pulp mills which collectively produced approximately 4.3 million tonnes of pulp, giving the Group a small net long position in pulp required for paper production.

Integration across the consumer packaging value chain

The Group operates manufacturing facilities across the entire consumer packaging production process, including resin compounding, blown and cast film extrusion, flexographic and rotogravure printing, laminating, coating (paper and film), slitting, bag making, embossing, laser cutting and incorporating special features. Mondi also operates a research and development centre dedicated to product development. Management believes this vertical integration and research and development centre enable Mondi to focus on the production of technologically advanced consumer goods packaging solutions, personal care product components, technical films and release liner with emphasis on innovation and customisation.

Inspire its people and grow responsibly

With around 26,100 employees across more than 30 countries, Mondi's culture aims to inspire, engage and develop employees to underpin the Group's growth and success. The Group uses formal and informal processes to communicate and engage with employees, and conducts regular employee surveys. It also places great emphasis on development assessments and feedback as well as training and development of its employees.

Management believes that being part of the solution to global sustainability challenges will secure the long-term success of the business and the wellbeing of neighbouring communities and other stakeholders. The Group aims to address the risks and opportunities that arise from global environmental and societal trends so that it retains its competitive edge and generates value for stakeholders.

Mondi's growing responsibly model remains the framework through which the Group shapes its long-term response to sustainability, enabling the Group to demonstrate, monitor and improve its sustainability performance across the value chain. The model covers 10 action areas that reflect the aspects of sustainability that are most relevant for Mondi and its stakeholders. Within these action areas, Mondi has made 16 public commitments to be achieved by 2020, along with a carbon emissions commitment that runs to 2030. In addition to driving its response to the sustainability issues that are most relevant to its business, Mondi's commitments demonstrate Mondi's positive contribution to achieving the UN Sustainable Development Goals (SDGs).

The environmental impact of flexible plastic packaging continues to gain attention, both externally and internally. The Group is working with partners across the value chain to reinvent flexible plastic packaging so that it is fit for a circular economy. Evidence shows that flexible plastic is often the most sustainable solution over the course of its life-cycle, if it is disposed of responsibly.

Mondi joined the Ellen MacArthur Foundation's New Plastics Economy Initiative in 2017 and in 2018, pledged to increase investment in research and development, and drive deeper collaboration throughout the supply chain to move away from non-renewable and non-recyclable plastic. The Group is one of the first signatories of the New Plastics Economy Global Commitment, committing to 100 per cent. of plastic-based packaging being reusable, recyclable or compostable and 25 per cent. being from recycled content (where it does not compromise functionality or food health requirements) by 2025.

Partner with customers for innovation

Mondi is focused on contributing to its customers' success by partnering with them to create high-quality, innovative and sustainable solutions meeting their specific needs and building long-lasting relationships. The Group works with strategic partners, customers, suppliers and research institutes to anticipate new technologies and offer cutting-edge solutions.

As a producer of both paper and plastic packaging, the Group is uniquely positioned to leverage its customer relationships and paper, bag and barrier know-how to develop sustainable packaging solutions for its customers.

Flexible plastic packaging, when manufactured, used and disposed of appropriately, delivers many benefits from resource efficiency (by reducing material usage and being less transport intensive) to reducing food waste by enabling correctly sized portions and extending shelf-life.

Mondi's vertical integration combined with its six business competence centres, focused on research and development, enable the Group to improve existing products and processes and to develop new solutions. In order to continue satisfying customers' increasing quality requirements, the Group continues to invest in upgrading its quality processes and culture.

In June 2018, to broaden Mondi's high-quality packaging paper offering to global corrugated packaging customers, the Group completed the acquisition of Powerflute, an integrated pulp and paper mill in Kuopio (Finland) with an annual production capacity of 285,000 tonnes of high-performance semi-chemical fluting for a total consideration of €365 million on a debt and cash-free basis. The integration is progressing well. The Group also completed two industrial bag plant acquisitions in Egypt, increasing its presence in the fast growing Middle East industrial bag market.

Strategy

Mondi's clear and consistent strategy is to deliver value accretive growth through four strategic value drivers. This disciplined approach to its strategic roadmap, while retaining flexibility around how it is executed, has positioned Mondi as a leading global packaging and paper group with a strong platform for growth. Mondi continues to expand its business, with an emphasis on assets and markets that offer inherent advantages, and products that are core to its portfolio or bring related development opportunities. Management believes there is greater potential for structural growth in the packaging sectors where the Group operates and plans to continue growing the packaging businesses, through value-enhancing capital investments and acquisitions that build on the Group's competitive advantages and enable it to better serve customers, by broadening the product offering and/or extending their geographic footprint.

The UFP Business has a clear cost competitive advantage and exposure to growing markets in central and eastern Europe, Russia and South Africa. The Group plans to continue to invest to maintain and improve the competitiveness of the UFP Business operations, while leveraging this asset base to increase its exposure to faster growing packaging products where the opportunity arises.

Mondi's four strategic value drivers are as follows:

- drive performance along the value chain;
- invest in assets with cost advantage;
- inspire its people and grow responsibly; and
- partner with customers for innovation.

Driving performance, inspiring people and growing responsibly are relevant across all of the Group's businesses. The value drivers of investing in assets with cost advantage and partnering with customers for innovation apply to all operations although the priorities differ across the value chain. Investing in high-quality assets with a cost advantage is particularly important for the Group's upstream pulp and paper assets where products are generally more commoditised and low-cost production is key. Partnering with customers to develop innovative solutions is critical in the Group's downstream operations.

Mondi continues to evaluate opportunities in line with its strategy of investing in businesses based around a cost advantaged production base as well as acquisition targets that offer clear operating and market synergies.

Strategic financial priorities

Mondi manages its cost of capital by maintaining an appropriate capital structure with a balance between equity and net debt. Mondi is focused on maintaining investment grade credit metrics, undertaking selective organic capital investment opportunities and supporting the ordinary dividend. To the extent Mondi has capacity beyond these requirements, it is able to consider acquisitions and/or additional shareholder distributions. Management believes that a strong and stable financial position, supported by an investment grade credit rating, increases flexibility and provides opportunities to access capital markets throughout the business cycle, allowing the Group to take advantage of strategic opportunities when they arise.

Description of the business

Overview

Mondi achieved revenues of €7.5 billion for the year ended 31 December 2018 from its three following business units, under the new structure:

- The Fibre Packaging Business manufactures and sells a broad range of containerboard, speciality and sack kraft paper, as well as converted corrugated packaging, industrial bags and extrusion-coated products for a variety of consumer and industrial applications. The Fibre Packaging Business (including inter-segment revenue) represented 54 per cent. of the Group's revenues for the year ended 31 December 2018.
- The Consumer Packaging Business develops, manufactures and sells innovative plastic-based consumer goods packaging solutions, personal care product components, technical films and release liner. The Consumer Packaging Business (including inter-segment revenue) represented 21 per cent. of the Group's revenues for the year ended 31 December 2018.
- The UFP Business is a vertically integrated business, managing forests and manufacturing pulp, as well as uncoated fine paper that is converted into office papers (cut size) and professional printing papers sold in folio form or large reels. The UFP Business (including inter-segment revenue) represented 25 per cent. of the Group's revenues for the year ended 31 December 2018.

Fibre Packaging Business

The Fibre Packaging Business manufactures and sells a broad range of containerboard, specialty and sack kraft paper, as well as converted corrugated packaging products, industrial bags and extrusion-coated products for a variety of consumer and industrial applications.

Products

Containerboard

Containerboard refers to kraftliner (including unbleached kraftliner, kraft top liner and white-top kraftliner) and semi-chemical fluting mostly made from wood pulp (also known as virgin fibre-based containerboard), as well as testliner and recycled fluting made from recovered paper (also known as recycled fibre-based containerboard).

These products are mainly used to make corrugated board, which is then converted into corrugated boxes, trays and displays by the Fibre Packaging Business and external customers. The Fibre Packaging Business' total containerboard production in the year ended 31 December 2018 amounted to 2.5 million tonnes. Internal consumption to make packaging products was approximately 0.9 million tonnes during the year, giving the business a net long market exposure of 1.6 million tonnes in the year ended 31 December 2018.

Kraft paper

Kraft paper products include various grades of high-strength paper made out of virgin fibre, from sack kraft paper to speciality kraft paper, which is the main raw material for the production of industrial bags mainly used in the construction, chemical and agricultural industries, and for conversion into wrappings, consumer flexible packaging and paper-based speciality products. In addition to converting it internally, the Fibre Packaging Business sells kraft paper to the Consumer Packaging Business and to third parties. In the year ended 31 December 2018, the Fibre Packaging Business' production of kraft paper was approximately 1.1 million tonnes, while the Group's consumption of kraft paper was approximately

0.8 million tonnes, giving a net long market exposure in kraft paper of approximately 0.3 million tonnes in the year ended 31 December 2018.

Corrugated Packaging

The core corrugated packaging products are corrugated board and converted corrugated products, such as regular cases, die cut cases, folded-glued cases, litho-laminated products and trays and displays for the automotive, food, agriculture, e-commerce, household, personal care and electronics industries. The Fibre Packaging Business' production of corrugated solutions amounted to approximately 1.6 billion m² in the year ended 31 December 2018.

Industrial Bags

The Fibre Packaging Business manufactures and sells a range of industrial bags, such as valve and open mouth bags, for use in building and construction, chemical, food, pet food, animal feed, farming and agriculture and chemical industries. It produced approximately 5.3 billion industrial bags in the year ended 31 December 2018.

Extrusion Coatings

The Fibre Packaging Business produces extrusion-coated and laminated protective materials (consisting of polymer coating on paper, board, aluminium and non-woven fabrics) which provide barriers against moisture, light, oxygen, grease, odours, aromas and gas diffusion for a wide range of custom made applications across the food, medical, pharmaceutical, industrial paper and packaging and building industries. For example, extrusion-coated products include enhanced barrier materials applied in reel wrapping, ream wrapping, corrugated packaging, transport packaging and consumer packaging products. The Fibre Packaging Business produced approximately 1.2 billion m² of extrusion-coated products in the year ended 31 December 2018.

Market positions

Based on the most recent available industry reports and internal estimates, Mondi believes that it is the:

- largest producer of virgin containerboard in Europe based on production capacity³;
- largest producer of containerboard in Emerging Europe based on production capacity⁴;
- largest producer of kraft paper in Europe based on production capacity⁵;
- third largest producer of corrugated packaging in Emerging Europe based on production volume⁶;
- largest producer of industrial bags in Europe based on sales volumes⁷; and
- largest producer of industrial bags in North America, Middle East and Africa based on sales volume⁸.

3 Source: Based on June 2018 Fastmarkets - RISI European Paper Packaging Capacity Report and management's estimates, including kraft top liners.

4 Source: Based on June 2018 Fastmarkets - RISI European Paper Packaging Capacity Report and management's estimates.

5 Source: Based on Fastmarkets - RISI Mill Asset Database, Pöyry Smart Terminal Service and management estimates.

6 Source: Based on Henry Poole Consulting 2017 and management estimates.

7 Source: Eurosac, Freedonia World Industrial Bags 2016 study and management estimates.

8 Source: Based on Paper Shipping Sack Manufacturers' Association and management estimates.

Operations

The Fibre Packaging Business manufactures containerboard and kraft paper at a number of integrated and non-integrated mills shown below. In addition to this, the corrugated packaging operations are located in central and eastern Europe while the industrial bags network spans across Europe, Middle East, Africa, North America and Asia:

Containerboard and kraft paper mills	Current capacity use⁽¹⁾	Pulp capacity⁽¹⁾	Paper capacity⁽¹⁾
		<i>('000 tonnes per annum)</i>	
<i>Containerboard</i>			
Świecie, Poland	Production of pulp and containerboard	700	1,580
Syktyvkar, Russia ⁽²⁾	Production of pulp and containerboard	400	325
Tire Kutsan, Turkey ⁽³⁾	Production of recycled containerboard	—	140
Štětí, Czech Republic	Production of containerboard	—	120
Richards Bay, South Africa ⁽⁴⁾	Production of pulp and containerboard	260	270
Powerflute, Finland	Production of pulp and containerboard	275	285
<i>Kraft paper</i>			
Štětí, Czech Republic	Production of pulp and kraft paper	630	490
Frantschach, Austria	Production of pulp and kraft paper	350	290
Dynäs, Sweden	Production of pulp and kraft paper	280	270
Stamboljiski, Bulgaria	Production of pulp and kraft paper	105	100
Ružomberok, Slovakia ⁽⁵⁾	Production of pulp and kraft paper	55	66

Notes:

- (1) This table includes the full-year pulp and paper capacity for each mill as of 31 December 2018. Where a mill produces both packaging and uncoated fine papers, the attributable pulp and paper capacities have been allocated to the relevant business unit.
- (2) The Syktyvkar mill is operated by the UFP Business. The financial results of the pulp dryer and packaging paper machine are reported as part of the Fibre Packaging Business.
- (3) Mondi has a 79.2 per cent. interest in the company that owns the mill.
- (4) The Richards Bay mill is operated by the UFP Business. The financial results of the containerboard machine are reported as part of the Fibre Packaging Business.
- (5) Mondi has a 51 per cent. interest in the Ružomberok mill, which in turn owns the Hausmening and Kematen mills. The Ružomberok mill is operated by the UFP Business. The financial results of the kraft paper machine are reported as part of the Fibre Packaging Business.

Corrugated Packaging

The Fibre Packaging Business has a network of 16 plants across Europe that produce corrugated packaging products. Eleven of these plants are located in Emerging Europe (six in Poland, one in Czech Republic and four in Turkey), one plant is located in Russia and the remaining plants are located in Austria and Germany.

Industrial Bags

The Fibre Packaging Business converts kraft paper and other materials into industrial bags at 40 converting operations. Thirteen plants are in western Europe, nine are in Emerging Europe, eight are in North America, nine are in the Middle East and Africa and one in Asia.

Extrusion Coatings

The Fibre Packaging Business operates four extrusion coatings plants, three of which are located in western Europe and one in Emerging Europe.

Consumer Packaging Business

The Consumer Packaging Business develops, manufactures and sells innovative plastic-based consumer goods packaging solutions, components for personal care products, technical films and release liner.

Products

The Consumer Packaging Business produced approximately 7.3 billion m² of consumer packaging products in the year ended 31 December 2018.

Consumer Goods Packaging

The Consumer Packaging Business converts films, paper and other substrates into consumer goods packaging solutions, such as stand-up pouches, pre-made bags, laminates, printed films, sleeves,

tubes and lids for the packaging of food, frozen food including ice cream, homecare, personal care, other consumer products and for certain industrial applications.

Personal Care Product Components and Technical Films

The Consumer Packaging Business develops and produces personal care product components and technical films. The core personal care product components being manufactured by the Consumer Packaging Business are elastic laminates, elastic films and frontal tapes for diapers, non-woven fabrics and composites for personal care products, as well as siliconised films for the packaging of feminine hygiene products. Technical films consist mainly of label films, high-barrier films, surface protection films and other technical films.

Release Liner

The release liner products manufactured by the business are used in pressure sensitive adhesive industries for tapes, labels, graphic arts, hygiene, medical, fibre composite and industrial applications.

Market positions

Based on the most recent available industry reports and internal estimates, Mondi believes that it is the:

- third largest consumer flexible packaging producer in Europe based on sales⁹; and
- largest commercial release liner producer in Europe based on sales¹⁰.

Operations

Consumer goods packaging

Consumer goods packaging products are manufactured in 17 plants, five in western Europe, six in Emerging Europe, two in Russia, two in North America and two in Asia.

Personal care product components and technical films

Personal care product components and technical films are produced in seven plants, four in western Europe, one in Russia, one in North America and one in Asia.

Release liner

Release liner is produced in eight plants, four in western Europe, three in North America and one in Asia.

Uncoated Fine Paper Business

As a manufacturer of pulp and uncoated fine paper, the UFP Business is vertically integrated across the pulp and paper value chain.

Products

The UFP Business produced 1.6 million tonnes of uncoated fine paper in the year ended 31 December 2018, its core product. The UFP Business produces pulp, which is mainly used in its paper-making operations, with around 0.2 million tonnes being sold externally. It also produced 0.2 million tonnes of newsprint in the year ended 31 December 2018 serving mainly Russia and other CIS markets.

The UFP Business sells uncoated fine paper as a full range of office paper (cut-size) and professional printing paper in folio form or large reels and has a number of branded products which include Color Copy, Maestro, IQ, Snegurochka and Rotatrim.

⁹ Source: PCI Wood Mackenzie - The European Flexible Packaging Market to 2022 (18th edition).

¹⁰ Source: Based on AWA 2018 Market study and Mondi estimates.

Market positions

Based on the most recent available industry reports and internal estimates, Mondi believes that it is the:

- leading supplier of uncoated fine paper in Europe based on sales volumes¹¹; and
- largest producer of uncoated fine paper in South Africa based on sales volumes¹².

Production and forestry operations

Production operations

The UFP Business operates the following integrated and non-integrated mills:

Operation	Current capacity use ⁽¹⁾	Pulp capacity ⁽¹⁾	Paper capacity ⁽¹⁾
		(000 tonnes per annum)	
Syktyvkar, Russia ⁽²⁾	Production of pulp, UFP and newsprint	650	740
Ružomberok, Slovakia ⁽³⁾	Production of pulp and UFP	505	580
Hausmending, Austria ⁽³⁾	Production of UFP	—	246
Kematen, Austria ⁽³⁾	Production of pulp and UFP	50	79
Richards Bay, South Africa ⁽⁴⁾	Production of pulp	520	—
Merebank, South Africa	Production of UFP	—	270

Notes:

(1) This table includes the full-year pulp and paper capacity for each mill as of 31 December 2018. Where a mill produces both packaging and uncoated fine papers, the attributable pulp and paper capacities have been allocated to the relevant business unit.

(2) The 740,000 tonnes of paper capacity within the UFP Business includes 205,000 tonnes of newsprint capacity.

(3) Mondi has a 51 per cent. interest in the Ružomberok mill, which in turn owns the Hausmending and Kematen mills.

(4) The Richards Bay mill is operated by the UFP Business. The financial results of the containerboard machine are reported as part of the Fibre Packaging Business.

Forestry operations

The UFP Business manages approximately 2.1 million hectares of natural boreal forest in the Komi Republic, Russia and 254,000 hectares of plantation forests in South Africa. The Group's managed forests provide a current annual allowable cut of approximately 8 million m³. The Group sets annual wood harvesting targets based on good forestry management using both commercial and sustainability considerations. The leases in Russia and South Africa have remaining terms varying from 5 to 52 years.

The forests in the Komi Republic, Russia, consist of softwood species, including spruce and pine, and hardwood species, such as birch and aspen. Of the total managed 2.1 million hectares, 1.6 million hectares are available for logging operations and infrastructure development while the remainder is set aside for conservation purposes either due to legal requirements or voluntary forest certification commitments.

In South Africa, Mondi has forestry operations in the KwaZulu-Natal and Mpumalanga provinces. Of the 254,000 hectares managed by the Group, 188,000 hectares are owned and 66,000 hectares are leased mainly from third parties. The wood harvested from these plantation forests are primarily eucalyptus, a hardwood species as well as pine, a softwood species. Of the total 254,000 hectares of owned and leased land in South Africa, 174,000 hectares are forested while the remainder is an open area set aside as part of the criteria for the Forestry Stewardship Council Certification and infrastructure.

In South Africa, the Land Claims Act provides remedies for persons who were dispossessed of rights in land as a result of past racially discriminatory laws or practices. The Land Claims Court is empowered to make orders requiring the restoration of land (or any portion thereof), the payment of compensation (including to the landowner), compelling the state to include a claimant as a beneficiary in the state support programme for housing or granting the claimant an appropriate right in alternatively designated state land or any alternative or appropriate relief. The Group is aware that a number of land claims have been lodged in relation to its owned and leased South African properties. As at 31 December 2018, 21 claims regarding the Group's holdings have been settled, with 37,000 hectares transferred to community beneficiaries. Under the settlements, structured as sale and leaseback arrangements in most cases, the Group retains ownership of the forests while ownership of the land is transferred to the

11 Source: Based on EURO-GRAPH delivery statistics 2017, EMGE Woodfree Forecast March & World Graphic Papers report March 2017, Fastmarkets - RISI mill database, eastconsult and management estimates.

12 Source: Based on management estimates.

claimant communities. It is anticipated that the claims settled to date can continue to provide a framework for settling future land claims. With the settlement of these 21 land claims, approximately a further 82,000 hectares of the Group's owned forestry land in South Africa remains subject to 45 unresolved land claims, of which 28 claims covering 45,000 hectares have been published in the South African Government Gazette. The Group is permitted to continue maintaining and harvesting the forests throughout the settlement process for the land claims. For more information, see *"Risk Factors—Adverse land claim rulings or adverse changes in legislation governing land ownership in South Africa could have a material adverse effect on the Group's business, financial condition and/or results of operations"*.

Management believes, based on precedent in the agricultural sector in South Africa that up to half of the land the Group leases may also be subject to land claims. Under current South African law, these leases will remain unaffected by the land claims, and the Group will continue as lessee of the properties regardless of whether or not the land claims are successful. In certain instances, where feasible, the Group is facilitating land claims settlements relating to the leased land on similar terms to those included in its own land claims settlements.

In February 2018, a motion was passed in the National Assembly in South Africa for Section 25 of the South African Constitution to be reviewed and potentially amended to make it possible for the state to expropriate land in the public interest without compensation. A constitutional review committee considered extensive presentations received from institutions and individuals and, in its report to the South African Parliament, recommended that Section 25 of the South African Constitution be amended to make expropriation of land without compensation explicit. The National Assembly and the National Council of Provinces adopted the report at the end of 2018. A process may therefore start to have the South African Constitution amended accordingly. Following these developments, on 21 December 2018, the South African Minister of Public Works published a draft Expropriation Bill, providing that it may be just and equitable for nil compensation to be paid where land is expropriated in the public interest, having regard to all relevant circumstances. The Expropriation Bill does not include any amendment to the South African Constitution. The Expropriation Bill had a 60-day comment period (which expired in February 2019) and it may not be promulgated in its current draft form, or at all.

Intellectual property rights

Mondi owns a significant number of registered trademarks, has made several additional trademark applications and owns several patents relevant to its businesses in the various jurisdictions in which the Group conducts its business. Its patents and patent applications principally cover inventions relating to personal care product components, as well as paper and packaging products. The Group intends to maintain its patent and trademark portfolios and to file further applications for any patents or trademarks which it deems to be important to its business operations. Consistent with the industry in which it operates, the Group's operations are not dependent to a significant extent on any licences of any intellectual property rights from third parties.

**PART VIII
FINANCIAL INFORMATION IN RELATION TO THE GROUP**

**PART A
SELECTED HISTORICAL FINANCIAL INFORMATION RELATING TO THE GROUP**

Selected historical financial information

The selected financial information for the Group set out below has been extracted without material adjustment from the historical financial information incorporated by reference as set out in Part B of this Part VIII: “*Financial Information in relation to the Group*” below. The following tables also include certain non-IFRS financial information for the periods indicated. You should read the whole of this Prospectus before making an investment decision and should not rely solely on the summarised information in this Part A.

Combined and consolidated income statement

Year ended 31 December

	2016	2017 Reported	2017 Restated⁽¹⁾	2018
	<i>(€ million)</i>			
Group revenue	6,662	7,096	7,096	7,481
Materials, energy and consumables used.....	(3,249)	(3,456)	(3,452)	(3,526)
Variable selling expenses.....	(499)	(525)	(525)	(534)
Gross margin.....	2,914	3,115	3,119	3,421
Maintenance and other indirect expenses.....	(301)	(319)	(319)	(346)
Personnel costs.....	(1,009)	(1,062)	(1,062)	(1,054)
Other net operating expenses.....	(256)	(313)	(279)	(302)
Depreciation, amortisation and impairments....	(405)	(464)	(491)	(527)
Operating profit	943	957	968	1,192
Net profit from equity accounted investees.....	1	1	1	1
Total profit from operations and equity accounted investees.....	944	958	969	1,193
Net finance costs.....	(101)	(71)	(85)	(88)
Profit before tax.....	843	887	884	1,105
Tax charge.....	(157)	(173)	(173)	(239)
Profit for the year	686	714	711	866
Attributable to:				
Non-controlling interests.....	48	43	43	42
Shareholders.....	638	671	668	824

Note:

(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.

Alternative performance measures

Year ended 31 December

	2016	2017 Reported	2017 Restated ⁽¹⁾	2018
	<i>(€ million, except percentages)</i>			
ROCE ⁽²⁾ (%)	20.3	19.7	19.3	23.6
Underlying EBITDA ⁽³⁾	1,366	1,444	1,482	1,764
Underlying operating profit ⁽⁴⁾	981	1,018	1,029	1,318

Notes:

- (1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.
- (2) Return on capital employed ("ROCE") is defined as trailing 12-month underlying operating profit, including share of equity accounted investees' net profit/(loss), divided by trailing 12-month average capital employed. Capital employed is adjusted for spend on major capital expenditure projects which are not yet in production. Segments' 12-month average capital employed has been extracted from management reports. ROCE provides a measure of the efficient and effective use of capital in the business.
- (3) Underlying EBITDA is defined as operating profit before special items, depreciation, amortisation and impairments not recorded as special items. Underlying EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year. The table below presents a reconciliation of underlying EBITDA and underlying operating profit to profit before tax.
- (4) Underlying operating profit is defined as operating profit before special items. Underlying operating profit provides a measure of operating performance that is comparable from year to year.

Reconciliation of alternative performance measures

Year ended 31 December

	2016	2017 Reported	2017 Restated ⁽¹⁾	2018
	<i>(€ million)</i>			
Underlying EBITDA	1,366	1,444	1,482	1,764
Depreciation and impairments	(356)	(393)	(420)	(412)
Amortisation	(29)	(33)	(33)	(34)
Underlying operating profit	981	1,018	1,029	1,318
Special items ⁽²⁾	(38)	(61)	(61)	(126)
Net profit from equity accounted investees	1	1	1	1
Net finance costs	(101)	(71)	(85)	(88)
Profit before tax	843	887	884	1,105

Notes:

- (1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.
- (2) Special items are those financial items which the Group considers should be separately disclosed on the face of the combined and consolidated income statement to assist in understanding the underlying financial performance achieved by the Group. Such items are generally material by nature and exceed €10 million and the Group, therefore, excludes these items when reporting underlying earnings and related measures in order to provide a measure of the underlying performance of the Group on a basis that is comparable from year to year. Subsequent adjustments to items previously recognised as special items continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold.

Combined and consolidated statement of financial position

As of 31 December

	2016	2017 Reported	2017 Restated ⁽¹⁾	2018
	(€ million)			
Property, plant and equipment	3,788	3,962	4,128	4,340
Goodwill.....	681	698	698	942
Intangible assets.....	120	111	111	91
Forestry assets.....	316	325	325	340
Investment in equity accounted investees.....	9	3	3	9
Financial instruments.....	25	23	23	21
Deferred tax assets	26	25	26	49
Net retirement benefits asset.....	1	7	7	6
Total non-current assets.....	4,966	5,154	5,321	5,798
Inventories.....	850	867	867	968
Trade and other receivables.....	1,049	1,106	1,106	1,190
Current tax assets	32	29	29	22
Financial instruments.....	8	14	14	9
Cash and cash equivalents	404	38	38	52
Assets held for sale	1	1	1	3
Total current assets.....	2,344	2,055	2,055	2,244
Total assets.....	7,310	7,209	7,376	8,042
Short-term borrowings.....	(651)	(267)	(291)	(268)
Trade and other payables.....	(1,100)	(1,074)	(1,074)	(1,186)
Current tax liabilities	(95)	(126)	(126)	(140)
Provisions.....	(49)	(50)	(50)	(61)
Financial instruments.....	(23)	(8)	(8)	(13)
Total current liabilities.....	(1,918)	(1,525)	(1,549)	(1,668)
Medium and long-term borrowings.....	(1,119)	(1,098)	(1,280)	(2,002)
Net retirement benefits liability	(240)	(232)	(232)	(234)
Deferred tax liabilities	(267)	(255)	(248)	(253)
Provisions.....	(44)	(41)	(41)	(46)
Other non-current liabilities.....	(26)	(19)	(19)	(14)
Total non-current liabilities.....	(1,696)	(1,645)	(1,820)	(2,549)
Total liabilities.....	(3,614)	(3,170)	(3,369)	(4,217)
Net assets.....	3,696	4,039	4,007	3,825
Equity				
Combined share capital and stated capital.....	542	542	542	542
Retained earnings and other reserves	2,850	3,172	3,141	2,943
Total attributable to shareholders.....	3,392	3,714	3,683	3,485
Non-controlling interests in equity	304	325	324	340
Total equity.....	3,696	4,039	4,007	3,825

Note:

(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.

Combined and consolidated statement of cash flows

Year ended 31 December

	2016	2017 Reported	2017 Restated ⁽¹⁾	2018
	(€ million)			
Cash flows from operating activities				
Cash generated from operations.....	1,401	1,325	1,363	1,654
Dividends received from equity accounted investees...	1	—	—	—
Dividends received from other investments.....	—	1	1	1
Income tax paid	(173)	(151)	(151)	(248)
Net cash generated from operating activities.....	1,229	1,175	1,213	1,407
Cash flows from investing activities				
Investment in property, plant and equipment	(465)	(611)	(611)	(709)
Investment in intangible assets	(13)	(16)	(16)	(10)
Investment in forestry assets.....	(45)	(49)	(49)	(53)
Investment in equity accounted investees.....	—	—	—	(7)
Proceeds from the disposal of property, plant and equipment and forestry assets	14	14	14	13
Proceeds from the disposal of financial asset investments	1	1	1	—
Acquisition of businesses, net of cash and cash equivalents	(162)	(37)	(37)	(402)
Proceeds from the disposal of businesses, net of cash and cash equivalents.....	—	—	—	3
Loan repayments from external parties.....	—	1	1	—
Interest received	5	3	3	8
Net cash used in investing activities.....	(665)	(694)	(694)	(1,157)
Cash flows from financing activities				
Proceeds from medium and long-term borrowings.....	1	25	25	165
Repayment of medium and long-term borrowings.....	(166)	(11)	(11)	—
Proceeds from Eurobonds.....	500	—	—	600
Repayment of Eurobonds.....	—	(500)	(500)	—
Net proceeds from/(repayment of) short- term borrowings.....	(152)	20	23	9
Repayment of lease liabilities	—	—	(27)	(25)
Interest paid.....	(82)	(83)	(97)	(73)
Dividends paid to shareholders	(274)	(273)	(273)	(793)
Dividends paid to non-controlling interests.....	(33)	(22)	(22)	(18)
Purchases of treasury shares.....	(20)	(24)	(24)	(15)
Net cash (outflow)/inflow from held-for-trading derivatives	4	(47)	(47)	(25)
Other financing activities	3	(5)	(5)	(8)
Net cash used in financing activities.....	(219)	(920)	(958)	(183)
Net increase/(decrease) in cash and cash equivalents.....				
	345	(439)	(439)	67
Cash and cash equivalents at beginning of year.....	36	377	377	(66)
Cash movement in the year.....	345	(439)	(439)	67
Effects of changes in foreign exchange rates.....	(4)	(4)	(4)	7
Cash and cash equivalents at end of year⁽²⁾	377	(66)	(66)	8

Notes:

(1) Restated to reflect the change in accounting policy as a result of the early adoption of the new standard IFRS 16, 'Leases', with full retrospective application.

(2) Cash and cash equivalents presented in the combined and consolidated statement of cash flows are net of overdrafts.

PART B
HISTORICAL FINANCIAL INFORMATION RELATING TO THE GROUP

The audited combined and consolidated annual financial statements of the Group as of and for the years ended 31 December 2018, 31 December 2017 and 31 December 2016, included in the Group Integrated Report and Financial Statements 2018, Group Integrated Report and Financial Statements 2017 and Group Integrated Report and Financial Statements 2016, together with the auditors' reports thereon and notes thereto, are incorporated by reference into this Prospectus as set out in Part XII: "*Additional information*" and available for inspection as set out in Part XII: "*Additional information*". Each of these combined and consolidated annual financial statements was prepared in accordance with IFRS as issued by the IASB and adopted by the EU; the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the SA Companies Act. The combined and consolidated annual financial statements as of and for the years ended 31 December 2018 and 31 December 2017 were audited by PricewaterhouseCoopers LLP and PricewaterhouseCoopers Inc and the audit report for each such financial year was unqualified. The combined and consolidated annual financial statements as of and for the year ended 31 December 2016 were audited by Deloitte & Touche and Deloitte LLP and the audit report for such financial year was unqualified. The auditor of Mondi plc for each of the financial years ended 31 December 2018 and 31 December 2017 was PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH, United Kingdom, which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. The auditor of Mondi plc for the financial year ended 31 December 2016 was Deloitte LLP of 2 New Street Square, London EC4A 3BZ, United Kingdom, which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

PART C CAPITALISATION AND INDEBTEDNESS

The following tables show the capitalisation and indebtedness of the Group as at 31 December 2018. The following tables do not reflect the impact of the Simplification. The balances are extracted without material adjustment from the Group's audited financial statements as at and for the year ended 31 December 2018, which are incorporated by reference into this Prospectus as set out in Part XII: "Additional information" and available for inspection as set out in Part XII: "Additional information".

Capitalisation and Indebtedness Statement⁽¹⁾

	As at 31 December 2018
	<i>(€ million)</i>
Indebtedness	
Guaranteed.....	—
Secured ⁽²⁾	24
Unguaranteed/unsecured ⁽³⁾	244
Total current debt	268
Guaranteed ⁽⁴⁾	62
Secured ⁽²⁾	162
Unguaranteed/unsecured ⁽³⁾	1,778
Total non-current debt (excluding current portion of long-term debt)	2,002
Total debt	2,270
Capitalisation	
Share capital ⁽⁵⁾	542
Other reserves ⁽⁶⁾	(646)
Total capitalisation ⁽⁷⁾	(104)

Notes:

- (1) This statement of capitalisation and indebtedness has been prepared under IFRS as adopted by the European Union using policies which are consistent with those used in preparing the Group's audited financial statements as at and for the year ended 31 December 2018.
- (2) The Group's secured debt includes lease liabilities of €184 million accounted for in accordance with the early adopted accounting standard IFRS 16, 'Leases', and bank loans of €2 million.
- (3) The Group's unguaranteed/unsecured debt includes bonds of €1,592 million issued under the €2.5 billion Guaranteed Euro Medium Term Note Programme, the drawn portion of €184 million of a €750 million Syndicated Revolving Credit Facility, an Export Credit Agency Facility of €15 million and financing of €231 million from various banks and other credit agencies.
- (4) The Group's guaranteed debt includes a European Investment Bank Facility maturing in June 2025.
- (5) The Group's share capital includes ordinary shares, special converting shares and deferred shares of Mondi plc and Mondi Limited respectively.
- (6) The Group's other reserves includes treasury shares of €(26) million, cumulative translation adjustment reserve of €(820) million, post-retirement of €(75) million benefits reserve, share-based payment reserve of €22 million, merger reserve of €259 million and other sundry reserves of €(6) million.
- (7) The Group's total capitalisation excludes retained earnings of €3,589 million.

Net Financial Indebtedness⁽¹⁾⁽²⁾⁽³⁾

The following table sets out the consolidated net indebtedness of the Group as at 31 December 2018.

	As at 31 December 2018
	(€ million)
Cash	49
Cash equivalents ⁽⁴⁾	3
Trading securities	—
Liquidity	52
Current bank debt ⁽⁵⁾	(239)
Current portion of non-current debt	—
Other current financial debt ⁽⁶⁾	(29)
Current financial debt	(268)
Net current financial indebtedness	(216)
Non-current bank loans ⁽⁷⁾	(245)
Bonds issued ⁽⁸⁾	(1,592)
Other non-current loans ⁽⁹⁾	(165)
Non-current financial indebtedness	(2,002)
Net financial indebtedness	(2,218)

Notes:

- (1) This statement of net financial indebtedness has been prepared under IFRS as adopted by the European Union using policies which are consistent with those used in preparing the Group's audited financial statements as at and for the year ended 31 December 2018.
- (2) At 31 December 2018, the Group recognised derivative assets of €9 million and derivative liabilities of €13 million. The full net liability of €4 million will mature within one year and has been excluded from the net financial indebtedness table.
- (3) The Group holds indirect and contingent debt of €6 million in respect of loans and guarantees to banks and other third parties.
- (4) The Group's cash equivalents include short-term cash deposits.
- (5) The Group's current bank debt includes the current portion of €10 million of a €62 million European Interest Bank Facility maturing in June 2025, the current portion of €13 million of a €15 million Export Credit Agency Facility maturing in June 2020 and bank loans and overdrafts of €216 million from various banks and other credit facilities.
- (6) The Group's other current financial debt includes the current portion of lease liabilities of €22 million accounted for in accordance with the early adopted accounting standard IFRS 16, 'Leases', and other loans of €7 million.
- (7) The Group's non-current bank loans include the drawn portion of €184 million of a €750 million Syndicated Revolving Credit Facility maturing in July 2021, the non-current portion of €52 million of a €62 million European Interest Bank Facility maturing in June 2025, the non-current portion of €2 million of a €15 million Export Credit Agency Facility maturing in June 2020 and various other loans of €7 million.
- (8) The Group's bonds include a €500 million Eurobond maturing in September 2020 at a coupon rate of 3.375%, which contains a coupon step-up whereby the coupon will be increased by 1.25% per annum if the Group fails to maintain at least one investment grade credit rating from either Moody's Investors Service or Standard & Poor's, a €500 million Eurobond maturing in April 2024 at a coupon rate of 1.500% and a €600 million Eurobond maturing in April 2026 at a coupon rate of 1.625%. The bonds were issued under the €2.5 billion Guaranteed Euro Medium Term Note Programme. Transaction costs and discounts of €8 million were capitalised.
- (9) The Group's other non-current loans include the non-current portion of lease liabilities of €162 million accounted for in accordance with the early adopted accounting standard IFRS 16, 'Leases', and other loans of €3 million.

PART IX OPERATING AND FINANCIAL REVIEW OF THE GROUP

The operating and financial review of the Group should be read in conjunction with Part II: “*Risk Factors*” and the Group Integrated Report and Financial Statements 2018, Group Integrated Report and Financial Statements 2017 and Group Integrated Report and Financial Statements 2016, which are incorporated into this Prospectus by reference as explained in Part B of Part VIII: “*Financial information in relation to the Group*” and Part XII: “*Additional information*” and available for inspection in accordance with Part XII: “*Additional information*”.

Documents incorporated by reference

The following documents contain relevant information about the Group and have been filed with, or notified to, the FCA and are available for inspection in accordance with Part XII: “*Additional information*”: (i) the Group Integrated Report and Financial Statements 2018; and (ii) the Group Integrated Report and Financial Statements 2017.

Subject to the following sentence, the tables below set out the sections of these documents which are incorporated by reference into, and form part of, this Part IX: “*Operating and financial review of the Group*” of this Prospectus. The operating and financial review of the Group is a discussion and analysis of the Group’s past performance and, to the extent that any of the sections referred to in the tables below contain outlook information and other forward-looking statements, such statements shall not be incorporated by reference into this Prospectus.

Information incorporated by reference from the Group Integrated Report and Financial Statements 2018

The following pages are incorporated by reference from the Group Integrated Report and Financial Statements 2018.

Information	Pages
Joint Chair statement.....	8-9
Chief Executive Officer’s letter	10-11
Our business model.....	18-25
Key performance indicators.....	36-37
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Information incorporated by reference from the Group Integrated Report and Financial Statements 2017

The following pages are incorporated by reference from the Group Integrated Report and Financial Statements 2017.

Information	Pages
Joint Chairmen's statement.....	10-11
Our business model.....	14-17
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Current trading and prospects

On 28 February 2019, Mondi released its results for the year ended 31 December 2018. The Group delivered a strong performance in 2018, with underlying EBITDA up 19 per cent. to €1,764 million for the year ended 31 December 2018 from €1,482 million for the year ended 31 December 2017 (on a restated basis). Mondi benefited from good demand across its Fibre Packaging Business, higher average selling prices and the contribution from recently completed acquisitions. The Group reported a robust operating performance, delivering productivity gains and strong cost containment, mitigating the inflationary pressures on its cost base.

Mondi continues to make good progress in delivering value accretive growth and enhancing the ongoing cost competitiveness of its operations through its capital expenditure programme. During the fourth quarter of 2018, the Group successfully started up the €335 million modernisation of its kraft paper facility in Štětí and received the final permits to proceed with the investment in a 300,000 tonne kraft top white machine at the Ružomberok mill (Slovakia), while work to upgrade the pulp mill at the same site progresses well. Expansionary capital expenditure projects at a number of the Group's packaging operations and the integration of acquisitions completed in the year will further enhance its production capabilities and product offering to customers.

Looking ahead, while there are macro-economic uncertainties, Mondi remains confident in the structural growth drivers in the packaging sectors in which the Group operates. Pricing is mixed going into 2019, with recent price reductions in containerboard grades and market pulp and stronger pricing in its kraft paper markets. During 2019, the Group is planning longer maintenance and project related shuts, while looking forward to the incremental contribution from recently completed major capital projects and acquisitions.

Management believes Mondi is uniquely positioned to develop sustainable packaging solutions. With its robust business model, strong balance sheet, focus on leveraging key industry trends of sustainability, e-commerce and enhancing brand value, and culture of continuously driving performance, the Group continues to look to the future with confidence.

PART X TAXATION

United Kingdom Taxation

The comments set out below are based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) as at the date of this Prospectus, both of which are subject to change, possibly with retrospective effect. Furthermore, the discussion below does not address all possible United Kingdom tax consequences relating to an investment in Mondi plc Ordinary Shares. The United Kingdom tax consequences of certain aspects of the Simplification for United Kingdom tax resident Mondi Limited Shareholders are discussed in the Mondi Limited Circular. The United Kingdom tax consequences of certain aspects of the Simplification for United Kingdom tax resident Mondi plc Shareholders are discussed in the Mondi plc Circular.

The comments below are intended as a general guide and apply only to shareholders of Mondi plc resident and, in the case of an individual, domiciled or deemed domiciled (under both United Kingdom domestic law and any relevant double tax treaty), for tax purposes in the United Kingdom and to whom “split year” treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold shares in Mondi plc as an investment and who are, or are treated as, the absolute beneficial owners thereof. Certain categories of shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs and exemptions, those connected with Mondi plc or the Group and those for whom the shares are employment-related securities may be subject to special rules and this summary does not apply to such shareholders.

Shareholders or prospective shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

Taxation of Dividends

Mondi plc will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

Individual shareholders

Dividends received by a United Kingdom resident individual shareholder from Mondi plc will generally be subject to tax as dividend income.

The first £2,000 (the “Dividend Allowance”) of the total amount of dividend income (including any dividends received from Mondi plc) received by such a shareholder in a tax year will be taxed at a nil rate (and so no income tax will be payable in respect of such amounts).

If a United Kingdom resident individual shareholder’s total dividend income for a tax year exceeds the Dividend Allowance (such excess being referred to as the “Taxable Excess”), then the Taxable Excess will be subject to tax depending on the tax rate band or bands it falls within. The relevant tax rate band is determined by reference to the shareholder’s total income charged to income tax (including the dividend income charged at a nil rate by virtue of the Dividend Allowance) less relevant reliefs and allowances (including the shareholder’s personal allowance). The Taxable Excess is, in effect, treated as the top slice of any resulting taxable income and:

- (a) to the extent that the Taxable Excess falls at or below the basic rate limit, the shareholder will be subject to tax on it at the dividend basic rate of 7.5 per cent.;
- (b) to the extent that the Taxable Excess falls above the basic rate limit but at or below the higher rate limit, the shareholder will be subject to tax on it at the dividend upper rate of 32.5 per cent.; and
- (c) to the extent that the Taxable Excess falls above the higher rate limit, the shareholder will be subject to tax on it at the dividend additional rate of 38.1 per cent.

Corporate shareholders

Shareholders who are within the charge to corporation tax will be subject to corporation tax on dividends paid by Mondi plc, unless (subject to special rules for such shareholders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each shareholder’s

position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by Mondi plc would fall within an exempt class.

Non-United Kingdom shareholders

A shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from Mondi plc.

Taxation of Capital Gains

Shareholders who are resident in the United Kingdom, or, in the case of individuals, who cease to be resident in the United Kingdom for a period of five years or less, may, depending on their circumstances (including the availability of exemptions or reliefs) be liable to United Kingdom taxation on chargeable gains in respect of gains arising from a sale or other disposal of shares in Mondi plc.

Inheritance Tax

Shares in the Company not registered on the Mondi plc SA Register

Shares in Mondi plc which are not registered on the Mondi plc SA Register but are registered on the Mondi plc UK Register (“UK Registered Shares”) will be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of UK Registered Shares by, or the death of, an individual holder of such shares may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax, even if the holder is neither domiciled in the United Kingdom nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, United Kingdom inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold UK Registered Shares which could bring them within the charge to inheritance tax. Holders of UK Registered Shares in Mondi plc should consult an appropriate professional adviser if they intend to make a gift or transfer at less than market value or intend to hold any UK Registered Shares through a company or trust arrangement.

If a charge to estate duty and/or donations tax in South Africa arises in respect of UK Registered Shares in connection with the same event that gives rise to a charge to United Kingdom inheritance tax, the amount of estate duty and/or donations tax in South Africa should be allowed as a credit against the United Kingdom inheritance tax liability, provided that such estate duty and/or donations tax is actually paid in South Africa. The amount of any such credit may not exceed the United Kingdom inheritance tax charge.

Holders of UK Registered Shares should seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their United Kingdom inheritance tax position.

Shares in the Company registered on the Mondi plc SA Register

Shares which are registered on the Mondi plc SA Register (“SA Registered Shares”) should be assets situated outside the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of SA Registered Shares by, or the death of, an individual holder of such shares who is domiciled or is deemed to be domiciled in the United Kingdom (under certain rules relating to long residence or previous domicile) may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax. As discussed above, generally, United Kingdom inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Where a shareholder is neither domiciled nor deemed domiciled (under certain rules relating to long residence or previous domicile) in the United Kingdom, neither a gift of SA Registered Shares by the holder nor the death of such holder should give rise to a liability to United Kingdom inheritance tax. Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold SA Registered Shares which could bring them within the charge to inheritance tax. Shareholders should consult an appropriate

professional adviser if they intend to make a gift or transfer at less than market value or intend to hold any SA Registered Shares through a company or trust arrangement.

If a charge to estate duty and/or donations tax in South Africa arises in respect of SA Registered Shares in connection with the same event that gives rise to a charge to United Kingdom inheritance tax, the amount of estate duty and/or donations tax in South Africa should be allowed as a credit against the United Kingdom inheritance tax liability, provided that such estate duty and/or donations tax is actually paid in South Africa. The amount of any such credit may not exceed the United Kingdom inheritance tax charge.

Holders of SA Registered Shares should also seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

Stamp Duty and Stamp Duty Reserve Tax

The statements in this section are intended as a general guide to the current United Kingdom stamp duty and SDRT position. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

Issue

No stamp duty or SDRT will arise on the issue of shares in registered form by Mondi plc. In the case of shares issued to a clearance service or depositary receipt system (including shares held on the Mondi plc SA Register) this is on the basis that HM Revenue & Customs have issued a statement that they will not seek to impose stamp duty or SDRT on such transactions following the outcome of *HSBC Holdings PLC and Vidacos Nominee Ltd v Commissioners for HM Revenue & Customs (HMRC) (C569/07) in the European Court of Justice*.

Transfers outside of depositary receipt systems and clearance services

An agreement to transfer shares in Mondi plc will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. SDRT is, in general, payable by the purchaser. However, an agreement to transfer shares on the Mondi plc SA Register will normally be exempt from SDRT.

Transfers of shares in Mondi plc will generally be subject to stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer (rounded up to the next £5). The purchaser normally pays the stamp duty. However, transfers of shares on the Mondi plc SA Register will be exempt from stamp duty unless the applicable instrument of transfer is executed in the United Kingdom.

If a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional), any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled.

Transfers within CREST

Paperless transfers of shares in Mondi plc within the CREST system are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of shares into CREST will not generally be subject to SDRT or stamp duty, unless the transfer into CREST is itself for consideration.

Transfers to and within depositary receipt systems and clearance services

Where shares in Mondi plc are transferred (a) to, or to a nominee or an agent for, a person whose business is or includes the provision of clearance services or (b) to, or to a nominee or an agent for, a person whose business is or includes issuing depositary receipts, stamp duty or SDRT may be payable at the higher rate of 1.5 per cent. of the amount or value of the consideration given or, in certain circumstances, the value of the shares (the general exemption from SDRT for shares on the Mondi plc SA Register is specifically disappplied in the case of such transfers).

Except in relation to clearance services that have made an election under section 97A(1) of the Finance Act 1986 (to which the special rules outlined below apply), no stamp duty or SDRT is payable in respect of paperless transfers within clearance services or depositary receipt systems.

There is an exception from the 1.5 per cent. charge on the transfer to, or to a nominee or agent for, a clearance service where the clearance service has made and maintained an election under section 97A(1) of the Finance Act 1986, which has been approved by HM Revenue & Customs. In these circumstances, SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer will arise on any transfer of shares in Mondi plc into such an account and on subsequent agreements to transfer such shares within such account (save, in each case, to the extent that such shares are registered on the Mondi plc SA Register).

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer within such a service, which does arise will strictly be accountable by the clearance service or depositary receipt system operator or their nominee, as the case may be, but will, in practice, be payable by the participants in the clearance service or depositary receipt system.

Any person who is in any doubt as to his or her taxation position or who is liable to taxation in any jurisdiction other than the United Kingdom should consult his or her professional advisers.

South African Taxation

This summary is based on the laws as in force and as applied in practice in South Africa as at the date of this Prospectus and is subject to changes to those laws and practices subsequent to such date.

Taxation considerations

The following is a summary of the material South African tax consequences in connection with the ownership and disposal of shares in Mondi plc in South Africa as at the date of this Prospectus. The following summary is not a comprehensive description of all of the tax considerations that may be relevant to the ownership or disposal of shares in Mondi plc and does not cover tax consequences that depend upon your particular tax circumstances or jurisdictions outside South Africa. This summary is only a general discussion and it is not a substitute for tax advice. The discussion in this section is based on current South African law. Changes in the law may alter the tax treatment of the ownership and disposal of the shares in Mondi plc, possibly on a retrospective basis. It is recommended that you consult your own tax adviser about the consequences of holding and disposing of shares in Mondi plc in your particular situation.

Residence-based system of taxation

Residents of South Africa are taxed in South Africa on their worldwide income, including capital gains, whereas non-residents are taxed in South Africa only on income and certain capital gains sourced in South Africa or deemed to be from a source in South Africa.

An individual will be a resident of South Africa for tax purposes if such individual is “ordinarily resident” in South Africa or if the requirements of the physical presence test are met. The physical presence test requires the individual to have been present in South Africa for more than 91 days in each of the most recent six years (including the current year) and more than 915 days during the first five years of that period.

A person’s residence status for exchange control purposes may be different to that person’s residence status for tax purposes.

A legal person (i.e. a company, close corporation or trust) is considered to be a South African resident if it is incorporated, established or formed in South Africa or has its place of effective management in South Africa.

The SA Income Tax Act excludes from the definition of resident all persons (legal or natural) that are deemed to be exclusively resident in another country for the purposes of an agreement for the avoidance of double taxation to which South Africa is a party.

Dividend definition

A dividend is broadly defined as meaning any amount transferred or applied by a South African tax resident company for the benefit or on behalf of any person in respect of any share in that company,

whether that amount is transferred or applied: (i) by way of a distribution made by; or (ii) as consideration for the acquisition of any share in, that company. However, a dividend does not include any amount so transferred or applied to the extent that the amount so transferred or applied (i) results in a reduction of the contributed tax capital of the company, (ii) constitutes shares in the company, or (iii) constitutes a general repurchase by the company of its shares listed on the JSE.

Contributed tax capital, in its basic form, will comprise amounts received by or accrued to a company as consideration for the issue of its shares. This would therefore typically be share capital and share premium (excluding any portion thereof which comprises capitalised reserves).

By contrast, a foreign dividend means any amount that is paid or payable by a foreign company in respect of a share in that foreign company where that amount is treated as a dividend or similar payment by that foreign company for purposes of the laws relating to: (i) tax on income on companies where that foreign company has its place of effective management; or (ii) companies of the country in which that foreign company is incorporated, formed or established where the country in which that foreign company has its place of effective management does not have any applicable laws relating to tax on income. However, a foreign dividend excludes any amount paid or payable by that foreign company that constitutes: (i) a share in that foreign company; or (ii) the redemption of a participatory interest in an investment comparable to a portfolio of a collective investment scheme in either participation bonds or securities carried on outside South Africa.

Dividend income

Dividends declared and paid by Mondi plc to shareholders holding New Mondi plc Shares on the Mondi plc SA Register on the JSE will, for normal tax purposes, be treated as foreign dividends. Such foreign dividends are exempt from income tax in the hands of a South African recipient, irrespective of what percentage shareholding is held by the relevant shareholder.

SA Dividends Tax

SA Dividends Tax is a withholding tax that is levied on the payment of any amount by way of a dividend, subject to certain exemptions. SA Dividends Tax is triggered by the payment of a dividend, and is currently levied at the rate of 20 per cent. While the company paying the dividend has the obligation to withhold the SA Dividends Tax, the liability for the tax is that of the beneficial owner of the dividend. An exception to this general principle is where a dividend consists of a distribution *in specie*, resulting in the liability for the SA Dividends Tax falling on the company itself (if any), which means that it may not withhold the tax from the dividend distribution. There are various exemptions available in respect of SA Dividends Tax, subject to meeting administrative formalities within prescribed timeframes. The most notable exemption is in respect of dividends paid to a beneficial owner that is a South African resident company, pension fund or provident fund.

Dividends declared and paid by Mondi plc to shareholders holding New Mondi plc Shares on the Mondi plc SA Register on the JSE, will, for SA Dividends Tax purposes, be treated as local dividends, subject to the application of any relevant exemption. However, a rebate must be deducted from the SA Dividends Tax payable, which rebate would be equal to the amount of tax paid in respect of that dividend to any governmental authority of any country other than South Africa, without the right of recovery by any person.

SA tax on capital gains

Subject to any applicable exclusion, residents of South Africa are subject to capital gains tax in respect of gains made on the disposal of their worldwide assets.

Tax rates

The following table sets out the normal income tax rates applicable to certain taxpayers, the prescribed portion of a capital gain that would be included in a taxpayer's taxable income, and the effective rate at which capital gains are taxed in those taxpayers' hands.

Type of taxpayer	Statutory income tax rate on taxable income	Prescribed portion of the capital gain included in taxable income	Maximum effective rate on capital gains
Individuals	18% – 45%	40%	18%
Trusts			
Special	18% – 45%	40%	18%
Other	45%	80%	36%
Companies/Permanent establishments	28%	80%	22.4%

Corporate tax

The corporate tax rate is presently 28 per cent. of taxable income.

SA Securities Transfer Tax

SA Securities Transfer Tax will be payable by the transferee in respect of all transfers of New Mondi plc Shares listed and traded on the JSE, including on the cancellation or redemption of such New Mondi plc Shares. SA Securities Transfer Tax will be payable at the rate of 0.25 per cent. on the greater of the consideration paid for the New Mondi plc Shares or the closing price of the New Mondi plc Shares (which will be the closing price on the last trading day preceding the implementation of a transaction whereby those shares are acquired), determined in terms of the SA Securities Transfer Tax Act.

The definition of "transfer" in the SA Securities Transfer Tax Act excludes the issue of a share and hence no SA Securities Transfer Tax is payable on the issue of the New Mondi plc Shares to residents of South Africa. No SA Securities Transfer Tax will arise on the transfer of ordinary shares between the Mondi plc UK Register and the Mondi plc SA Register provided that there is no change in beneficial ownership of those ordinary shares.

U.S. Taxation

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences relevant to the ownership and disposition of the New Mondi plc Shares by a U.S. Holder (as defined below) that holds the New Mondi plc Shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the ownership or disposition of the New Mondi plc Shares by particular U.S. Holders (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws. This summary also does not address tax considerations applicable to U.S. Holders that own (directly, indirectly or by attribution) five per cent. or more of the stock (by vote or value) of Mondi plc, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the New Mondi plc Shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the New Mondi plc Shares in connection with a trade or business conducted outside the United States, or investors whose functional currency is not the U.S. Dollar).

As used herein, the term "U.S. Holder" means a beneficial owner of New Mondi plc Shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised in or under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its

source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds New Mondi plc Shares will depend on the status of the partner and the activities of the partnership. U.S. Holders that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the ownership and disposition of the New Mondi plc Shares by the partnership.

Except as otherwise discussed below, the summary assumes that Mondi plc is not a PFIC for U.S. federal income tax purposes. Mondi plc's possible status as a PFIC must be determined annually and therefore may be subject to change. If Mondi plc were to be a PFIC in any year, materially adverse consequences could result for U.S. Holders.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all of which are subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF THE NEW MONDI PLC SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Dividends

General

Distributions paid by Mondi plc out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) generally will be taxable to a U.S. Holder as dividend income and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the New Mondi plc Shares and thereafter as capital gain. However, Mondi plc does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution by Mondi plc with respect to the New Mondi plc Shares will be reported as ordinary dividend income. U.S. Holders should consult their own tax advisers with respect to the appropriate U.S. federal income tax treatment of any distribution received from Mondi plc.

Dividends paid by Mondi plc generally will be taxable to a non-corporate U.S. Holder at the reduced rate normally applicable to long-term capital gains, provided Mondi plc qualifies for the benefits of the income tax treaty between the United States and the UK, and certain other requirements are met.

Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to dividends on the New Mondi plc Shares.

Dividends paid in non-U.S. currency

Dividends paid in a currency other than U.S. Dollars will be included in income in a U.S. Dollar equivalent amount calculated by reference to the exchange rate in effect on the day the dividends are received by the U.S. Holder, regardless of whether the non-U.S. currency is converted into U.S. Dollars at that time. If dividends received in non-U.S. currency are converted into U.S. Dollars on the day they are received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income.

Sale or Other Disposition

Upon a sale or other disposition of the New Mondi plc Shares, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the U.S. Holder's adjusted tax basis in the New

Mondi plc Shares, in each case as determined in U.S. Dollars. This capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the New Mondi plc Shares exceeds one year.

Any gain or loss generally will be U.S. source. U.S. Holders should consult their own tax advisers about how to account for amounts received on the sale or other taxable disposition of the New Mondi plc Shares that are not paid in U.S. Dollars.

Passive Foreign Investment Company Considerations

A foreign corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either (i) at least 75 per cent. of its gross income is "passive income" or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. Mondi plc does not believe that it should be treated as a PFIC for U.S. federal income tax purposes for its current taxable year or in the foreseeable future, but Mondi plc's possible status as a PFIC must be determined annually and therefore may be subject to change. If Mondi plc were to be treated as a PFIC, U.S. Holders of New Mondi plc Shares would be required (i) to pay a special U.S. addition to tax on certain distributions and gains on sale and (ii) to pay tax on any gain from the sale of New Mondi plc Shares at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain. Prospective purchasers should consult their tax advisers regarding the potential application of the PFIC regime.

Backup Withholding and Information Reporting

Payments of dividends and other proceeds with respect to the New Mondi plc Shares by a U.S. paying agent or other U.S. intermediary will be reported to the U.S. Internal Revenue Service and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of the New Mondi plc Shares, including requirements related to the holding of certain "specified foreign financial assets".

PART XI DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

Mondi plc Directors and Mondi plc Senior Managers

The board of Mondi plc

The following table sets forth certain information regarding the Directors of the board of Mondi plc:

Name	Age	Position	Date appointed as a Mondi plc Director
Fred Phaswana	74	Joint Chair	1 June 2013
David Williams	73	Joint Chair	16 May 2007 4 August 2009 (as Joint Chair)
Peter Oswald	56	Chief Executive Officer	1 January 2008 11 May 2017 (as Chief Executive Officer)
Andrew King	49	Chief Financial Officer	23 October 2008
Tanya Fratto	58	Independent Non-Executive Director	1 January 2017
Stephen Harris	60	Senior Independent Director	1 March 2011
Dominique Reiniche	63	Independent Non-Executive Director	1 October 2015
Stephen Young	63	Independent Non-Executive Director	1 May 2018

The board of Mondi plc following the Simplification

No changes are intended in the composition of the board of Mondi plc immediately upon the Simplification. See page 90 of this Prospectus for more detail on the composition of the Mondi plc board following completion of the Simplification.

Details of the Mondi plc Directors

The background of each of the Directors is set out below:

Fred Phaswana – Joint Chair

Mr. Phaswana joined Mondi Limited and Mondi plc as Joint Chair in June 2013. Prior to joining the Group, Mr. Phaswana was the regional president of BP Africa, a non-executive director of Anglo American plc and chairman of Anglo American South Africa, Anglo Platinum, Transnet, Ethos Private Equity, the South African Energy Association and the Advisory Board of the Cape Town Graduate School of Business. Mr. Phaswana was also chairman of Standard Bank Group and The Standard Bank of South Africa from 2010 to 2015. Mr. Phaswana is presently also a non-executive director of Naspers Limited and Chairman of the South African Institute of International Affairs. Mr. Phaswana graduated from the University of South Africa with a bachelor's degree in Philosophy, Politics and Economics. He has also received an Honours Bachelor of Commerce degree from the Royal Agricultural University and a master's degree from the University of South Africa.

David Williams – Joint Chair

Mr. Williams was appointed as an independent non-executive director of Mondi Limited and Mondi plc in May 2007 and as Joint Chair in August 2009. He has substantial experience in senior financial roles and experience on boards across a range of multinational companies. Mr. Williams was previously the Finance Director of Bunzl plc until 2006 and served on the board for 14 years. He was also Finance Director and a member of the board of Tootal plc. Mr. Williams has formerly held non-executive director positions for Peninsular & Oriental Steam Navigation Company, Dewhirst Group plc, Medeva plc, George Wimpey plc, Taylor Wimpey plc, Tullow Oil plc, Meggitt plc and DP World Limited. He is a chartered accountant and graduated in economics from Manchester University.

Peter Oswald – Chief Executive Officer

Mr. Oswald was appointed as a director of Mondi Limited and Mondi plc in January 2008 and Chief Executive Officer of the Group in May 2017. He has over 27 years' experience in the packaging and paper sector with detailed knowledge of operations and extensive experience in acquisitions and the restructuring, turnaround and organic growth of businesses. Mr. Oswald began his career with Deutsche Bank and automotive company KTM. He joined the Frantschach Group in 1992 as the Head of Internal Audit, later becoming Corporate Controller. He served as chief executive for the bag and flexible business from 1995 to 2001 and was appointed as chief executive of Mondi Packaging Europe in 2002. He went on to be appointed Chief Executive Officer of the former Europe & International Division in January 2008. He was also a non-executive director of Telekom Austria AG from 2008 to 2014 and of MIBA AG from 2014 to 2015. He was chairman of the supervisory board of OMV AG from 2015 to 2016. Mr. Oswald graduated in law from the University of Vienna and in business administration from WU-Vienna Business School.

Andrew King – Chief Financial Officer

Mr. King was appointed as Chief Financial Officer of the Group in October 2008. He has over 16 years of experience with Mondi across various strategy, business development and finance roles. Mr. King completed articles with Deloitte & Touche in Johannesburg in 1994 and joined Minorco as a financial analyst in 1995. In 1999, he was appointed as vice president of Anglo American Corporate Finance. In 2002, he became Vice President of Business Development for Mondi and later, Corporate Development Director in 2004. He also served as Group Strategy and Business Development Director for Mondi prior to his current role. Mr. King graduated in commerce from the University of Cape Town and is a chartered accountant.

Dominique Reiniche – Independent Non-Executive Director

Ms. Reiniche was appointed as a Non-Executive Director of Mondi Limited and Mondi plc in October 2015. She began her career at Procter & Gamble before moving to Kraft Jacobs Suchard as Director of Marketing and Strategy as well as a member of their executive committee. She later joined The Coca-Cola System in 1992 where she held various roles up to General Manager France. From 2002 to 2005 Ms. Reiniche was CEO Europe for Coca-Cola Enterprises and was later CEO Europe for the Coca-Cola Company and then chairman before stepping down in 2014. She has also been a non-executive director for Peugeot-Citroen SA and AXA SA. Ms. Reiniche is presently also a non-executive director and chairman of Chr. Hansen Holding A/S and a non-executive director of Paypal (Europe) and Severn Trent Plc. Ms. Reiniche received her Master of Business Administration from ESSEC Business School in Paris.

Stephen Harris – Senior Independent Director

Mr. Harris has been a Non-Executive Director of Mondi Limited and Mondi plc since March 2011. He has extensive experience in engineering and manufacturing having spent his early career with Courtaulds plc and then joined APV Inc. from 1984 to 1995. He was appointed to the board of Powell Duffryn plc as an executive director in 1995 and went on to join Spectris plc as an executive director from 2003 to 2008. He was also a non-executive director of Brixton plc from 2006 to 2009. Mr. Harris is presently CEO of Bodycote plc. Mr. Harris is a chartered engineer and graduated in engineering from Cambridge University. He also has a master's degree in business administration from the University of Chicago, Booth School of Business.

Tanya Fratto – Independent Non-Executive Director

Ms. Fratto was appointed as a Non-Executive Director of Mondi Limited and Mondi plc in January 2017. She has wide experience in product innovation, sales and marketing and engineering in a range of sectors and has extensive knowledge of operating in the US. She was CEO of Diamond Innovations, Inc. until 2010. Prior to that she enjoyed a 20-year career with General Electric where she ran a number of businesses and built an experience base in product management, operations, Six Sigma and supply chain management. She also worked at International Paper Company. Ms. Fratto is presently also a non-executive director of Advanced Drainage Systems, Inc., Smiths Group plc and Ashtead Group plc. Ms. Fratto has a Bachelor of Science degree in electrical engineering.

Stephen Young – Independent Non-Executive Director

Mr. Young was appointed as a Non-Executive Director of Mondi Limited and Mondi plc in May 2018. He has a strong financial and general management background with experience gained internationally across a variety of sectors, including the industrial and engineering sectors. He spent his early career in commercial accounting and finance roles at companies including Ford Motor Company, Mars, Inc and Grand Metropolitan plc (now Diageo plc). He was Group Finance Director of the Automobile Association until its acquisition by Centrica in 2000 before becoming Group Finance Director at Thistle Hotels plc. In 2004, he was appointed Group Finance Director at Meggitt plc, an international engineering business specialising in aerospace equipment. He held this role for nine years before being appointed Chief Executive Officer in 2013. He stepped down from the board of Meggitt plc on 31 December 2017. Mr. Young is presently also a non-executive director of Derwent London plc and Weir Group plc. Mr. Young graduated in Mathematics from Southampton University and is a member of the Chartered Institute of Management Accountants.

Details of the senior management Team

Mondi's current senior management is as follows:

Name	Age	Position
Peter Oswald	56	Chief Executive Officer
Andrew King	49	Chief Financial Officer
Markus Gärtner	41	Chief Executive Officer, Fibre Packaging/Paper
Michael Hakes	53	Group HR Director
Georg Kasperkovitz	52	Chief Executive Officer, Consumer Packaging
John Lindahl	59	Group Technical & Sustainability Director
Vivien McMenamin	55	Chief Executive Officer, South Africa
Peter Orisich	59	Chief Executive Officer, Uncoated Fine Paper
Sara Sizer	56	Group Communication & Marketing Director

The background of each of the senior management team is set out below.

Peter Oswald – Chief Executive Officer

See “— *Details of the Mondi plc Directors*”.

Andrew King – Chief Financial Officer

See “— *Details of the Mondi plc Directors*”.

Markus Gärtner – Chief Executive Officer, Fibre Packaging/Paper

Mr. Gärtner joined Mondi in September 2018. He started his career at McKinsey & Company, working on numerous operational and strategic projects with a primary focus on product development and manufacturing processes across a variety of industries. He later joined Novelis AG, a leading producer of rolled aluminium products, as Director of Strategy & Business Development for Europe. After a series of commercial and technical roles, he eventually headed one of Novelis' three businesses as Vice President & General Manager Specialities. Mr. Gärtner holds a Doctorate of Technical Sciences from ETH Zürich and a Master of Science in Electrical Engineering from Stanford University.

Michael Hakes – Group HR Director

Mr. Hakes has over 30 years of international HR experience across the automotive, manufacturing and industrial services sectors. He has acted in various HR roles at companies including Mitsubishi Electric Group, Johnson Controls and Faurecia. In 2007, he was appointed Group Chief HR Officer at LM Wind Power and later went on to become Group Senior Vice President Human Resources at Germanischer Lloyd. Following Germanischer Lloyd's merger with Det Norske Veritas, Mr. Hakes was appointed Executive Vice President HR of the maritime division of the newly-formed organisation DNV GL. Mr. Hakes joined Mondi in April 2018 as Group HR Director. He has a Human Resources Management Degree from the Chamber of Commerce and Industry of the Lower Rhine Region, and is a member of the Advanced HR Executive Programme at the University of Michigan and the Global Leadership Programme at INSEAD.

Georg Kasperkovitz – Chief Executive Officer, Consumer Packaging

Mr. Kasperkovitz joined Mondi in 2016. He has more than 23 years of international experience. Having started his career as an engineer with Eléctricité de France / A.S.A., he went on to work as a consultant and partner for McKinsey & Company before becoming Chief Financial Officer and Chief Operating Officer of Rail Cargo Austria. In his 13 years at McKinsey & Company, Inc., he gained experience in international operations, transformation and corporate finance in Europe, North America, Australia, Singapore, China and Africa. Mr. Kasperkovitz has a master's and Doctorate in mechanical engineering from Vienna University of Technology and a Master of Business Administration from Harvard Business School.

John Lindahl – Group Technical & Sustainability Director

Mr. Lindahl has had an extensive career in the international forest industry working for companies including M-real, Myllykoski and UPM. He later went on to hold several executive positions at consulting and engineering company Pöyry. He joined Mondi as Group Technical Director in 2011. Mr. Lindahl graduated in pulp and paper engineering from the Technical University of Helsinki in 1985 and received a Master of Business Administration from Jyväskylä University in 1996.

Vivien McMenamin – Chief Executive Officer, South Africa

Ms. McMenamin joined Mondi in 2003. During her time at Mondi, she has held executive roles in Mondi South Africa for marketing and sales, human resources, corporate affairs and transformation. Her roles have included Head of Sustainable Development and Director of Land and Forestry. Ms. McMenamin was instrumental in the establishment of Mondi Zimele, Mondi's small business development organisation. Prior to joining Mondi, Ms. McMenamin worked with government and the anti-apartheid movement in South Africa, which included acting as a member of the President's Task Force on Local Economic Development for Nelson Mandela. She has a Master of Science degree in Economics from the University of London and a certificate in Advanced High Performance Leadership from IMD Switzerland.

Peter Orisich – Chief Executive Officer, Uncoated Fine Paper

Mr. Orisich joined Mondi in 2008. He began his career at Unilever where he spent 14 years in various management roles across central and eastern Europe. In 1998, he joined Lafarge Perlmooser as Chief Financial Officer and later went on to become Chief Executive Officer. Mr. Orisich joined Mondi as Chief Executive Officer of Mondi's industrial bags business before being appointed to his current role in 2012. He graduated with a degree in business administration from the WU-Vienna Business School.

Sara Sizer – Group Communication & Marketing Director

Ms. Sizer joined Mondi in 2017. She has more than 30 years of experience in communication and marketing. Ms. Sizer joined Rolls-Royce plc as Head of Communication in 1997 before being appointed Head of Group Communications at Shell International and then Group Head of Marketing at BG Group. Prior to joining Mondi, she was Vice President Global Communication at Mondelēz International. Ms. Sizer graduated with a degree in business administration from Loughborough University.

The Mondi plc Directors' and the Mondi plc Senior Managers' Directorships and Partnerships

The details of those companies and partnerships outside the Group of which the Mondi plc Directors and the Mondi plc senior managers are, or have been at any time during the previous five years prior to the date of this Prospectus, members of the administrative, management or supervisory bodies or partners are as follows.

Name	Current positions	Former positions
Fred Phaswana	Chairman of the South African Institute of International Affairs Non-executive director of Naspers Limited Non-executive director of Keeromstraat 30 (RF) Beperk	Chairman of Standard Bank Group Limited Chairman of The Standard Bank of South Africa Limited Non-executive director of Naspers Beleggings (RF) Limited
David Williams	N/A	Non-executive director of DP World Limited Non-executive director of Meggitt plc Director of The Rory Peck Trading Company Limited Director of The Rory Peck Trust Director of Tormead Enterprises Limited Director of Tormead Limited
Peter Oswald	Member of the Austrian (Federal) Industry Association President of fit4internet	Chairman of CEPI – Confederation of European Paper Industries Chairman of the Supervisory Board of OMV Aktiengesellschaft Chairman of the Committee of Resources, Energy and Ecology of the Austrian Industry Association Vice President of the Vienna Industry Association Non-executive director of MIBA AG Non-executive director of Telekom Austria Group
Andrew King	N/A	N/A
Dominique Reiniche	Chairman and Non-executive director of Chr. Hansen Holding A/S Non-executive director of PayPal (Europe) Non-executive director of Severn Trent Plc	Non-executive director of AXA SA Non-executive director of PSA Peugeot-Citroen SA
Stephen Harris	Chief Executive Officer of Bodycote plc	N/A
Tanya Fratto	Non-executive director of Advanced Drainage Systems, Inc. Non-executive director of Smiths Group plc Non-executive director of Ashtead Group plc	Non-executive director of Boart Longyear Limited
Stephen Young	Non-executive director and audit committee chair at Derwent London plc Non-executive director and audit committee chair at Weir Group plc	Director and Chief Executive Officer at Meggitt plc
Markus Gärtner	N/A	Director of Novelis AG Director of Novelis Deutschland GmbH
Michael Hakes	N/A	N/A
Georg Kasperkovitz	Member of the Supervisory Board of SBB AG	CEO of Rail Cargo Austria AG Member of the Supervisory Board of Rail Cargo Logistics GmbH Member of the Supervisory Board of Rail Cargo Carrier Kft Member of the Supervisory Board of Rail Cargo Hungaria Member of the Supervisory Board of ÖBB Produktion GmbH Member of the Supervisory Board of ÖBB Technische Services GmbH MD of GW Gut Wohnen KG
John Lindahl	N/A	N/A
Vivien McMenamin	Non-executive director of Transnet SOC Ltd	N/A
Peter Orisich	N/A	N/A
Sara Sizer	N/A	N/A

Confirmations

There are no family relationships between any of the Mondi plc Directors or between any of the Mondi plc Directors and the Mondi plc Senior Managers.

Save as disclosed in this Prospectus, none of the Mondi plc Directors or the Mondi plc Senior Managers in the five years prior to the date of this Prospectus:

- has had any convictions in relation to fraudulent offences;
- in their capacity as members of administrative, management and supervisory bodies or senior managers, has been associated with any bankruptcies, receiverships or liquidations;
- has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including, where relevant, designated professional bodies); or
- has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of, or from acting in the management or conduct of the affairs of, an issuer (as defined in the Prospectus Rules).

Interests of the Mondi plc Directors and the Mondi plc Senior Managers in Mondi Limited Ordinary Shares and Mondi plc Ordinary Shares

The total interests of the Mondi plc Directors and the Mondi plc Senior Managers in: (i) Mondi Limited Ordinary Shares as at the Latest Practicable Date; and (ii) Mondi plc Ordinary Shares as at the Latest Practicable Date and as expected immediately following the Simplification, are set out in the following table:

Director/Senior Manager	Number of Mondi plc Ordinary Shares as at the Latest Practicable Date	% of issued share capital of Mondi plc	Number of Mondi Limited Ordinary Shares as at the Latest Practicable Date	Total number of Mondi plc Ordinary Shares as expected immediately following Admission	% of issued share capital of Mondi plc following Admission
Fred Phaswana	5,773	0%	0	5,773	0%
David Williams	5,000	0%	0	5,000	0%
Peter Oswald	186,518	0%	0	186,518	0%
Andrew King	72,970	0%	208	73,178	0%
Dominique Reiniche	1,000	0%	0	1,000	0%
Stephen Harris.....	1,000	0%	0	1,000	0%
Tanya Fratto	1,000	0%	0	1,000	0%
Stephen Young.....	2,026	0%	0	2,026	0%
Markus Gärtner.....	0	0%	0	0	0%
Michael Hakes.....	0	0%	0	0	0%
Georg Kasperkovitz.....	0	0%	0	0	0%
John Lindahl	48,919	0%	0	48,919	0%
Vivien McMenamin	0	0%	0	0	0%
Peter Orisich.....	0	0%	0	0	0%
Sara Sizer.....	0	0%	0	0	0%

Outstanding Awards granted to the Mondi plc Directors and the Mondi plc Senior Managers

As at the Latest Practicable Date, the Mondi plc Directors and the Mondi plc Senior Managers had the outstanding awards over Mondi plc Ordinary Shares and Mondi Limited Ordinary Shares, respectively, set out in the following table:

Director/Senior Manager	Group Share Plan	Date of original award	Expected first date of exercise / date of vesting	Number of Mondi plc Ordinary Shares over which awards are outstanding as at the Latest Practicable Date	Number of Mondi Limited Ordinary Shares over which awards are outstanding as at the Latest Practicable Date
Fred Phaswana	N/A	N/A	N/A	N/A	N/A
David Williams.....	N/A	N/A	N/A	N/A	N/A
Peter Oswald	Mondi plc Bonus Share Plan	24 March 2017	March 2020	17,730	0
	Mondi plc Bonus Share Plan	27 March 2018	March 2021	23,030	0
	Mondi plc Long Term Incentive Plan	12 May 2017	March 2020	99,555	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	104,879	0
Andrew King	Mondi plc Bonus Share Plan	24 March 2017	March 2020	8,427	0
	Mondi plc Bonus Share Plan	27 March 2018	March 2021	12,501	0
	Mondi plc Long Term Incentive Plan	12 May 2017	March 2020	36,894	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	52,719	0
	Mondi Limited Bonus Share Plan	24 March 2017	March 2020	0	3,608
	Mondi Limited Long Term Incentive Plan	12 May 2017	March 2020	0	15,796
Dominique Reiniche.....	N/A	N/A	N/A	N/A	N/A
Stephen Harris	N/A	N/A	N/A	N/A	N/A
Tanya Fratto	N/A	N/A	N/A	N/A	N/A
Stephen Young	N/A	N/A	N/A	N/A	N/A
Markus Gärtner	Mondi plc Long Term Incentive Plan	28 September 2018	October 2019	12,516	0
Michael Hakes.....	N/A	N/A	N/A	N/A	N/A
Georg Kasperkovitz	Mondi plc Bonus Share Plan	24 March 2017	March 2020	2,183	0
	Mondi plc Bonus Share Plan	27 March 2018	March 2021	5,501	0
	Mondi plc Long Term Incentive Plan	24 March 2017	March 2020	15,351	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	17,267	0

Director/Senior Manager	Group Share Plan	Date of original award	Expected first date of exercise / date of vesting	Number of Mondi plc Ordinary Shares over which awards are outstanding as at the Latest Practicable Date	Number of Mondi Limited Ordinary Shares over which awards are outstanding as at the Latest Practicable Date
John Lindahl	Mondi plc Bonus Share Plan	24 March 2017	March 2020	7,126	0
	Mondi plc Bonus Share Plan	27 March 2018	March 2021	5,838	0
	Mondi plc Long Term Incentive Plan	24 March 2017	March 2020	21,749	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	21,728	0
Vivien McMenamin.....	Mondi Limited Bonus Share Plan	24 March 2017	March 2020	0	1,998
	Mondi Limited Bonus Share Plan	27 March 2018	March 2021	0	2,270
	Mondi Limited Long Term Incentive Plan	24 March 2017	March 2020	0	3,215
	Mondi Limited Long Term Incentive Plan	27 March 2018	March 2021	0	4,588
Peter Orisich	Mondi plc Bonus Share Plan	24 March 2017	March 2020	8,480	0
	Mondi plc Bonus Share Plan	27 March 2018	March 2021	7,351	0
	Mondi plc Long Term Incentive Plan	24 March 2017	March 2020	20,363	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	22,744	0
Sara Sizer.....	Mondi plc Bonus Share Plan	27 March 2018	March 2021	925	0
	Mondi plc Long Term Incentive Plan	27 March 2018	March 2021	11,140	0

Save as disclosed in this paragraph, as at the Latest Practicable Date, neither the Mondi plc Directors, the Mondi plc Senior Managers nor their immediate families or (so far as is known to the Mondi plc Directors or the Mondi plc Senior Managers or could with reasonable diligence be ascertained by them) persons connected (within the meaning of section 252 of the Companies Act 2006) with the Mondi plc Directors or the Mondi plc Senior Managers have any interests (beneficial or non-beneficial) in the share capital of any member of the Group.

Remuneration and Pensions

Remuneration Policy

Details of the remuneration policy of the Group which was approved by Group Shareholders at the 2017 annual general meetings is set out on pages 111 to 117 of the Group Integrated Report and Financial Statements 2016, details of which are incorporated by reference into this Prospectus as set out in paragraph 23 of Part XII: “Additional information” and available for inspection in accordance with paragraph 22 of Part XII: “Additional information”. The Mondi plc Directors have been compensated in accordance with this remuneration policy since May 2017.

Total Remuneration for Executive Directors

The following table sets out the total remuneration (including salary, other benefits and share-based payments) of the Executive Directors for services in all capacities to the Group in respect of the year ended 31 December 2018.

	Base salary	Benefits	Pension contribution	Annual bonus including grant value of BSP award	Value of LTIP vesting in the performance year	Other	Total
				(€)			
Peter Oswald.....	1,076,000	46,962	269,015	1,562,352	1,397,953	44,361	4,396,643
Andrew King.....	654,467	64,001	163,617	786,326	1,040,983	80,113	2,789,507

Further information about the remuneration of the Mondi plc Directors by the Group for services in all capacities to it (including how the above and below figures were calculated) is set out at pages 122 to 141 of the Group Integrated Report and Financial Statements 2018, which is incorporated by reference into this Prospectus as set out in paragraph 23 of Part XII: “Additional information” and available for inspection in accordance with paragraph 22 of Part XII: “Additional information”.

Total Remuneration for the Non-Executive Directors

The following table sets out the total remuneration (including salary and other benefits) of the Non-Executive Directors for services in all capacities to the Group in respect of the year ended 31 December 2018. Following the Simplification, the Non-Executive Directors’ remuneration for services in all capacities to the Group is not expected to change materially.

	Fees	Taxable benefits	Total
		(€)	
Fred Phaswana.....	331,159	2,035	333,194
David Williams.....	331,159	0	331,159
Tanya Fratto.....	111,773	0	111,773
Stephen Harris.....	109,625	0	109,625
Dominique Reiniche.....	107,127	2,035	109,162
Stephen Young.....	66,950	0	66,950

Aggregate Remuneration for the Mondi plc Directors and the Mondi plc Senior Managers

The aggregate remuneration paid (including salary, other benefits and share-based payments) to the Mondi plc Directors and the Mondi plc Senior Managers by the Group for services in all capacities to it in respect of the year ended 31 December 2018 was €9.5 million. The aggregate amount set aside or accrued in respect of the Mondi plc Directors and the Mondi plc Senior Managers by the Group to provide pension benefits for the year ended 31 December 2018 amounted to €0.9 million.

Service Contracts

Executive Directors’ Existing Service Contracts, and Policy on Loss of Office

The service contract for Andrew King provides for one year’s notice by either party. It includes pay in lieu of notice provisions which may be invoked at the discretion of the Group. The payment in lieu of notice would comprise base salary, benefits and pension contributions for the notice period and an amount in compensation for annual bonus only for that part of the financial year the individual has worked.

Peter Oswald was recruited, and is based, in Austria. His service contract is required under Austrian law to be for a fixed period, which renewable fixed period expires on 30 April 2022. However, the contract has also been structured as far as possible to conform to the accepted practice for directors in the UK, and can be terminated on one year’s notice by either party. Prior to 2008, he did not have a notice period, and was entitled to receive compensation on termination equivalent to remuneration for the unexpired term of the five-year fixed term contract. The DLC Remuneration Committee re-negotiated this contract in 2008 to substantially reduce the Group’s potential liabilities, and introduced a standard 12-month notice period, together with an accompanying lump sum payment on termination, which was necessary to facilitate the transition from the previous contract. In the event of termination by Mondi, other than for “cause”, the current contract provides for payment of base salary, benefits and pension contribution in respect of the 12-month notice period and eligibility for annual bonus in respect of the period he has worked. He would also be eligible for a lump sum amount calculated as €908,800 plus interest on this amount accrued at the Euribor interest rate for the period since 1 January 2008.

Any share-based entitlements granted to an Executive Director under the Group’s share plans will be determined based on the relevant plan rules. The default treatment is that any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, disability, retirement or other circumstances, at the discretion of the DLC Remuneration Committee (taking into account the individual’s performance and the reasons for their departure), “good leaver” status can be applied. For good leavers, vesting of BSP awards that are not subject to performance conditions is accelerated to as soon as practical after employment termination. LTIP awards remain subject to performance conditions (measured over the original time period) and are reduced pro-rata to reflect the proportion of the performance period actually served. The DLC Remuneration Committee has the discretion to disapply the application of performance conditions and/or time pro-rating if it considers it appropriate to do so. However, it is envisaged that this would only be applied in exceptional circumstances. In determining whether an executive should be treated as a good leaver or not, the DLC Remuneration Committee will take into account the performance of the individual and the reasons for their departure.

Notice periods for the Executive Directors who served during the period under review are as follows:

	Unexpired term/notice period
Peter Oswald.....	A fixed term expiring on 30 April 2022 but terminable at any time on 12 months’ notice
Andrew King.....	Terminable on 12 months’ notice

Non-Executive Directors’ Letters of Appointment

All Non-Executive Directors currently have letters of appointment with Mondi Limited and Mondi plc pursuant to which they were appointed for an initial period of three years. In accordance with best practice, Non-Executive Directors are subject to annual re-election at the annual general meetings of Mondi Limited and Mondi plc. Appointments may be terminated by either party with six months’ notice. No compensation is payable on termination, other than accrued fees and expenses. Following the Simplification, the Non-Executive Directors will have letters of appointment with Mondi plc on similar terms.

Conflicts of Interest

None of the Mondi plc Directors nor the Mondi plc Senior Managers has any actual or potential conflicts of interest between any duties owed by the Mondi plc Directors and the Mondi plc Senior Managers, respectively, to the Group and any private interests or other duties he or she may also have.

None of the Mondi plc Directors or the Mondi plc Senior Managers were selected to be a member of the administrative, management or supervisory bodies or a member of senior management of the Group pursuant to any arrangement or understanding with any major shareholder, customer, supplier or other person.

Corporate Governance

The Boards have implemented standards of corporate governance and disclosure policies applicable to companies dual listed on the LSE and JSE. The effect of this is that a standard applying to one will, where not in conflict, also be observed by the other. Following the Simplification becoming effective, the board of Mondi plc will apply such policies applicable to companies listed on the LSE with an inward secondary listing on the JSE.

In 2016, a revised version of the UK Corporate Governance Code was published by the UK Financial Reporting Council, which applied to Mondi plc from 1 January 2017. Upon the Simplification becoming effective, the board of Mondi plc will continue to support the principles of corporate governance set out in the new UK Corporate Governance Code 2018, effective for financial years starting from 1 January 2019.

Key Committees

The Boards of Mondi Limited and Mondi plc are separate and subject to separate legal obligations to each respective company but comprise the same persons who are authorised, as Boards, to manage the Group as if it were a unified economic enterprise. The Boards have established certain DLC committees, as described below, to oversee, consider and make recommendations to the Boards on important issues of policy and governance. Each of these DLC committees operates within specific terms of reference approved by the relevant board. Summaries of these terms of reference are set out below.

The DLC Audit Committee

Composition

The DLC Audit Committee is a joint committee of the Boards of Mondi Limited and Mondi plc, which provides assistance to the Boards. DLC Audit Committee members are appointed annually by the shareholders and comprise at least three members. The Boards fill any vacancies on the DLC Audit Committee, which are then ratified by the Group Shareholders at the next annual general meeting.

All members of the DLC Audit Committee shall be independent Non-Executive Directors with general financial knowledge, at least one of whom shall have recent and relevant financial experience. The DLC Audit Committee as a whole shall have the necessary financial literacy, skills and experience to execute their duties, as well as competence relevant to the sector in which the Group operates. Neither of the Joint Chairs of the Boards shall be a member of the DLC Audit Committee. The Boards shall appoint the chair of the DLC Audit Committee. In the absence of the chair of the DLC Audit Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The external auditors shall be invited to attend meetings of the DLC Audit Committee on a regular basis.

The members of the DLC Audit Committee who served during the year ended 31 December 2018 were: John Nicholas until 16 May 2018, Stephen Young (committee chair) from 16 May 2018, Stephen Harris and Tanya Fratto.

Responsibilities

The DLC Audit Committee operates on a group-wide basis and has responsibility for, among other things, monitoring the integrity of the Group's financial statements and reviewing the results announcements. It oversees the Group's relationship with its external auditors and reviews the effectiveness of the external audit process, as well as the objectivity and independence of the external auditors. The DLC Audit Committee also has responsibility for reviewing the effectiveness of the Group's system of internal controls and risk management systems.

The DLC Audit Committee carries out the following duties, among others:

Financial Reporting

- Monitors the integrity of, and recommends for approval by the Boards, the financial statements of the Group, including its integrated and half-yearly reports, preliminary results announcements and any other formal announcement relating to its financial performance, reviewing and reporting to the Boards on significant financial reporting issues and judgements which they contain, having regard to matters communicated to it by the external auditor.
- Reviews significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of inside information.
- Reviews and challenges where necessary, reporting its views to the Boards as appropriate on the following:
 - the consistency, quality and appropriateness of, and any changes to, significant accounting policies both on a year-on-year basis and across the Group;
 - the methods used to account for significant or unusual transactions where different approaches are possible;
 - whether the Group has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditors;
 - the assumptions or qualifications in support of the going concern statement and the longer term viability statement;
 - the clarity and completeness of financial reporting disclosures in the Group's financial and integrated reports and the context in which statements are made; and
 - all material information comprising the Group's integrated report, including the financial statements, the strategic report, the directors' report, including the corporate governance

statement (insofar as it relates to the audit and risk management) and, subject to assurance from the DLC Sustainable Development Committee, the disclosure on sustainability issues.

Narrative Reporting

- When requested by the Boards, reviews the content of the integrated report and financial statements and advises the Boards on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Internal Controls and Risk Management Systems

- Keeps under review the adequacy and effectiveness of the Group's internal financial controls and internal controls and risk management systems, including all key financial, operational and compliance controls and IT risks.
- Oversees the development and annual review of a risk management policy and plan for recommendation to the Boards, including consideration of acceptable risk tolerance levels for the Group.
- Reviews and approves the statements to be included in the Group's integrated report concerning internal controls, risk management and the viability statement.

Whistleblowing and Fraud

- Assists the Boards with monitoring the adequacy and security of the Group's arrangements for its employees, contractors and others to raise concerns, in confidence, about possible wrongdoing in financial reporting and other matters.
- Reviews the Group's procedures for detecting and preventing fraud and bribery and receives reports on non-compliance.

Internal Audit

- Monitors and reviews the effectiveness of the Group's internal audit function in the context of the Group's overall internal controls and risk management systems, including giving consideration to periodic independent quality review of the function as deemed appropriate.
- Approves the appointment and removal of the Head of Internal Audit.
- Considers and approves the remit of the internal audit function and ensures it has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards. The DLC Audit Committee shall also ensure the function has adequate standing and is free from management or other restrictions.
- Approves the annual internal audit plan, ensuring it is aligned to the key risks of the business.
- Reviews and approves annually the internal audit charter.
- Evaluates the formal review of financial controls conducted annually by the internal audit function on behalf of the Boards and reports to the Boards and shareholders on the effectiveness of the Group's internal controls.
- Reviews all reports on the Group from the Head of Internal Audit, including management's responsiveness to findings and recommendations.
- Meets the Head of Internal Audit at least once a year, without management present, to discuss their remit and any issues arising from the internal audits carried out.

Code of Business Ethics

- Reviews the performance of the Group in implementing the provisions of the Code of Business Ethics relating to Legal Compliance and Honesty and Integrity.

- Reviews material risks and liabilities relating to the provisions of the Code of Business Ethics relating to Legal Compliance and Honesty and Integrity.

External Audit

- Considers and makes recommendation to the Boards, to be put to shareholders for approval at the annual general meetings of each of Mondi Limited and Mondi plc, in relation to the appointment, re-appointment and removal of the Group's external auditors.
- Oversees the competitive tender process for new auditors and if an auditor resigns, investigates the issues leading to this and decides whether any action is required.
- Ensures that at least once every ten years the audit services contract is put out to a competitive tender process.
- Oversees the relationship with the external auditors, including (but not limited to):
 - the negotiation and agreement of their remuneration;
 - the negotiation and agreement of their terms of engagement;
 - assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services and compliance with the UK Financial Reporting Council Ethical Standard;
 - seeking annual confirmation from the external auditors regarding policies and processes they have in place for maintaining independence and monitoring compliance with relevant requirements;
 - satisfying itself that there are no relations (such as family, employment, investment, financial or business) between the auditors and the Group (other than in the ordinary course of business) which could adversely affect the auditors' independence and objectivity;
 - monitoring the auditors' compliance with relevant ethical and professional guidance on the rotation of audit partners; and
 - assessing annually their qualifications, expertise and resources and the effectiveness of the audit process which shall include a report from the external auditors on their own internal quality procedures and the annual transparency reports.
- Meets regularly with the external auditors, including once at the planning stage before the audit and once after the audit at the reporting stage. The DLC Audit Committee shall meet the external auditors at least once a year, without management present, to discuss their remit and any issues arising from the audit.
- Reviews and approves the annual audit plan and ensures that it is consistent with the scope of the audit engagement.
- Reviews the findings of the audit with the external auditors. This shall include, but not be limited to, the following:
 - a discussion of any major issues which arose during the audit;
 - key accounting and audit judgements;
 - how any risks to audit quality that had been identified were addressed; and
 - the level of errors identified during the audit.
- Reviews the effectiveness of the audit process.
- Reviews any representation letters required by the external auditors before they are signed by management.
- Reviews the management letter and management's response to the auditors' findings and recommendations.

- Develops, implements and keeps under review a policy on the supply of non-audit services by the external auditors, including the requirement for pre-approval by the DLC Audit Committee of any such services.

Activities

The DLC Audit Committee meets at least three times a year at appropriate times in the reporting and audit cycle and additionally as the chair of the DLC Audit Committee considers necessary. The external or internal auditors may request a meeting, if they consider one is necessary, as may any DLC Audit Committee member.

The DLC Nominations Committee

Composition

The DLC Nominations Committee is a joint committee of the Boards of Mondi Limited and Mondi plc, which provides assistance to the Boards. DLC Nominations Committee members are appointed annually by the Boards and comprise at least three members, all of whom shall be Non-Executive Directors and include at least one of the Joint Chairs of the Boards. The majority of the members shall be independent Non-Executive Directors.

The chair of the DLC Nominations Committee shall be one of the Joint Chairs of the Boards or an independent Non-Executive Director. If the chair of the DLC Nominations Committee is one of the Joint Chairs of the Boards, when the DLC Nominations Committee is dealing with the matter of succession to the Chair of the relevant board, the DLC Nominations Committee shall instead be chaired by an independent Non-Executive Director. In the absence of the chair of the DLC Nominations Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

The members of the DLC Nominations Committee who served during the year ended 31 December 2018 were: David Williams (committee chair), Tanya Fratto, Stephen Harris, Fred Phaswana, Dominique Reiniche, John Nicholas until 16 May 2018 and, from 1 May 2018, Stephen Young.

Responsibilities

The DLC Nominations Committee operates on a group-wide basis and has responsibility for making recommendations to each board on the composition of each board and their committees and on retirements and appointments of additional and replacement directors.

The DLC Nominations Committee carries out the following duties, among others:

- regularly reviews the structure, size and composition (including the skills, knowledge, independence, experience and diversity, including gender and race) of the Boards and makes recommendations to the Boards with regard to any changes that are appropriate;
- gives full consideration to succession planning and management development for the Boards and Executive Management, taking into account the challenges, opportunities strategic issues and commercial changes affecting the Group and the skills, knowledge, independence, experience and diversity needed by the Group in the future;
- identifies and nominates for the approval of the Boards, candidates to fill the relevant board and Executive Management positions;
- evaluates the balance of skills, knowledge, independence, experience and diversity, including gender and race, on the Boards and executive committee and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment;
- obtains details of and reviews any interests a candidate may have which conflict or may conflict with the interests of the Group and considers whether, despite any such conflict, there are nevertheless grounds for recommending the candidate for appointment and for the Boards to authorise the relevant conflict; explains these grounds and makes recommendations as to the terms and conditions on which any authorisation of the conflict should be given by the Boards;
- conducts all selection processes in a thorough and objective manner designed to ensure that the best candidate is chosen, considering candidates from a range of backgrounds and with regard to the benefits of diversity;

- keeps under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- ensures that, on appointment to either board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them;
- ensures that, on appointment to either board, directors receive a formal induction and that during the term of their appointment each director receives relevant training and development;
- considers and, if appropriate, gives approval to requests from members of Executive Management for permission to accept non-executive directorships of other companies or to engage in other outside business activities; and
- considers annually the need for a board evaluation, recommends to the Boards the process by which such an evaluation should be undertaken, ensures that this is an externally facilitated process at least once every three years, and reviews and reports to the Boards the results of the evaluation process.

The DLC Nominations Committee also makes recommendations to the Boards concerning:

- plans for succession in respect of each board and Executive Management;
- suitable candidates for the role of senior independent director;
- membership of the board committees, in consultation with the chairmen of those committees;
- the re-appointment of any Non-Executive Director at the conclusion of their specified term of office;
- the re-election by shareholders of any director under the re-election provisions of the corporate governance codes, 'retirement by rotation' provisions in the Existing Mondi plc Articles and in the Existing Mondi Limited Memorandum of Incorporation as appropriate;
- any matters relating to the continuation in office of any director at any time; and
- the appointment of any director to executive or other office other than to the positions of chair and Chief Executive Officer.

The DLC Nominations Committee also recommends to the shareholders appropriately qualified candidates for membership of the DLC Audit Committee.

Activities

The DLC Nominations Committee meets as frequently as required, as determined by its chair, and at least twice a year.

The DLC Remuneration Committee

Composition

The DLC Remuneration Committee is a joint committee of Mondi Limited and Mondi plc, which provides assistance to the Boards. DLC Remuneration Committee members are appointed annually by the Boards and comprise at least three independent Non-Executive Directors. The Joint Chairs of the Boards may be members of the DLC Remuneration Committee if they were deemed independent upon appointment as Joint Chairs.

The Boards shall appoint the chair of the DLC Remuneration Committee, who shall be an independent Non-Executive Director. In the absence of the chair of the DLC Remuneration Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. Neither of the Joint Chairs of the Boards shall be chair of the DLC Remuneration Committee.

The members of the DLC Remuneration Committee who served during the year ended 31 December 2018 were: Tanya Fratto (committee chair), Stephen Harris, Dominique Reiniche and David Williams.

Responsibilities

The DLC Remuneration Committee operates on a group-wide basis and has responsibility for (i) making recommendations to each board on the Group's policy on the remuneration of senior management, (ii) the determination, within agreed terms of reference, of the remuneration of the Joint Chairs and of specific remuneration packages for each of the Executive Directors and members of the senior

management, including pension rights and any compensation payments, and (iii) the implementation of employee share plans.

The DLC Remuneration Committee carries out the following duties, among others:

- determines and agrees with the Boards the Group's remuneration policy and the framework or broad policy for the remuneration of the Joint Chairs of the Boards and the Executive Management;
- reviews and has regard to pay and employment policies, trends and conditions across the Group as a whole;
- reviews the ongoing appropriateness and relevance of the remuneration policy;
- recommends and monitors the level and structure of remuneration for senior management, including employees earning a base salary in excess of €300,000 (or equivalent in other currency);
- approves the design of, and determines targets for, any performance-related pay schemes which the Executive Management and other employees earning a base salary in excess of €300,000 (or equivalent in other currency) of the Group participate in;
- reviews the design of all executive and all employee share plans for approval by the Boards and the Group Shareholders;
- determines the policy for, and scope of, pension arrangements, service agreements and termination payments for Executive Management;
- ensures that contractual terms on termination of the CEO and Executive Management, and any payments made, are fair to the individual and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- determines the remuneration package of each of the Joint Chairs of the Boards;
- within the terms of the agreed policy and in consultation with the Joint Chairs, determines the total individual remuneration package, including bonuses, incentive payments, share options, other share awards and any other benefits of the CEO and, in consultation with the CEO, the other members of the Executive Management, as well as the Group Head of Internal Audit and other employees earning a base salary in excess of €300,000 (or equivalent in other currency);
- agrees the policy for authorising claims for expenses from the Joint Chairs of the Boards and the CEO;
- establishes the selection criteria, selects, appoints and sets the terms of reference for any remuneration consultants who advise the DLC Remuneration Committee; and
- obtains reliable, up-to-date information about the remuneration in other companies of comparable scale and complexity.

Activities

The DLC Remuneration Committee meets as frequently as required, as determined by its chair, and at least twice a year.

The DLC Sustainable Development Committee

Composition

The DLC Sustainable Development Committee is a joint committee of Mondi Limited and Mondi plc, which provides assistance to the Boards. The DLC Sustainable Development Committee members are appointed annually by the Boards and comprise at least three directors and such other persons (whether directors or otherwise) as the Boards determine.

The Boards appoint the chair of the DLC Sustainable Development Committee, who shall be an independent Non-Executive Director. In the absence of the chair of the DLC Sustainable Development Committee and/or an appointed deputy, the remaining members present shall elect a director who is present to chair the meeting.

The members of the DLC Sustainable Development Committee who served during the year ended 31 December 2018 were: Dominique Reiniche (committee chair), Stephen Harris, Peter Oswald, and from 1 May 2018, Stephen Young.

Responsibilities

The DLC Sustainable Development Committee operates on a group-wide basis and has responsibility for overseeing the Group's policy, targets and performance on safety, health, the environment, social responsibility, other sustainable development matters and business ethics.

The DLC Sustainable Development Committee carries out the following duties, among others:

- recommends for the approval of the Boards the Group's Sustainable Development Policy and Code of Business Ethics;
- reviews the performance of the Group in implementing the Sustainable Development Policy and the provisions of the Code of Business Ethics relating to Human Rights, Stakeholders and Sustainability;
- reviews material risks and liabilities relating to the Group in relation to sustainable development and the provisions of the Code of Business Ethics relating to Human Rights, Stakeholders and Sustainability;
- receives reports on material incidents relating to compliance with the Sustainable Development Policy and the Code of Business Ethics by the Group and satisfies itself that appropriate action is being taken to respond to such incidents;
- considers material regulatory and technical developments in the fields of sustainable development and business ethics; and
- reviews the Group's relationships on Sustainable Development and business ethics matters with governments, national and international organisations and other relevant bodies.

Activities

The DLC Sustainable Development Committee meets as frequently as required, as determined by its chair, and at least twice a year.

Mondi Limited Social and Ethics Committee

In accordance with the requirements of section 72 of the SA Companies Act and its associated regulations, Mondi Limited maintains a Social and Ethics Committee, which, amongst other things, monitors Mondi Limited's compliance with the activities regulated by regulation 43(5) of the SA Companies Regulations.

Post-Simplification Mondi plc board and board committees

On 19 March 2019, Mondi announced that:

- (i) Fred Phaswana, Joint Chair of the Boards, had informed the Boards of his decision to retire following completion of the Simplification. Fred is fully supportive of, and committed to, ensuring the smooth implementation of the Simplification. Given the proposed timetable of the Simplification, Fred will stand for re-election at the AGMs on 9 May 2019.
- (ii) David Williams, Joint Chair of the Boards, intends to retire in early 2020 having served more than 9 years as Joint Chair and almost 12 years on the Mondi Boards.
- (iii) The Boards, led by Stephen Harris, Senior Independent Director, have initiated the search for a new chair and further details will be announced in due course.

Following completion of the Simplification in accordance with the conditions subject to which the South African Minister of Finance granted approval for the Simplification (see paragraph 16 of Part XII of this Prospectus), Mondi plc will have at least one South African resident Director and Mondi will no longer be required to have Joint Chairs.

Mondi plc expects to have the following committees: the audit committee, nominations committee, remuneration committee and sustainable development committee. The composition, responsibilities and activities of the Mondi plc board committees are expected to remain unchanged from those of the existing DLC committees. In addition, it is expected that Mondi Limited will have a social and ethics committee.

Share Plans

The Group operates the following employee share plans (together, the “Group Share Plans”)

- the Mondi Limited Long-Term Incentive Plan and the Mondi plc Long-Term Incentive Plan (together, the “LTIP”);
- the Mondi Limited Bonus Share Plan and the Mondi plc Bonus Share Plan (together, the “BSP”); and
- the Share Incentive Plan.

The principal features of the Group Share Plans are summarised below.

The Mondi Limited Long-Term Incentive Plan and the Mondi plc Long-Term Incentive Plan

Outline

Employees or Executive Directors of the Group who are selected by the DLC Remuneration Committee to participate in the LTIP may be awarded a conditional award or option over shares in Mondi Limited (under the Mondi Limited LTIP) or Mondi plc (under the Mondi plc LTIP) as relevant. Awards may vest subject to the achievement of performance and service conditions.

Individual limits

The aggregate market value of all shares awarded to an employee under the LTIP in respect of any year must not exceed 225 per cent. of their base salary (or equivalent as relevant), save that this limit may increase to such higher policy limit if approved by the Group Shareholders as relevant. Market value for such purposes shall be calculated at the time of grant.

In no circumstances shall the number of shares under awards granted in the same year to any one participant in the Mondi Limited LTIP exceed 370,000 Mondi Limited shares less such number of Mondi plc shares (if any) granted under Mondi plc LTIP awards in the same year to such participant.

Performance conditions

The DLC Remuneration Committee may set appropriately challenging performance conditions in line with the relevant approved directors’ remuneration policy and may vary performance conditions if events happen which would, in the opinion of the DLC Remuneration Committee, make such variation necessary or desirable, or would make the amended performance conditions a fairer measure of performance.

Vesting of awards

Awards subject to performance conditions will normally vest further to the assessment of performance against the award’s performance conditions following the end of the relevant performance period. The performance period for awards to Executive Directors shall not normally be less than three years in length.

Leavers

If a participant leaves employment of the Group by reason of redundancy, ill health, injury, disability or any other circumstances which the DLC Remuneration Committee considers appropriate, awards may at the discretion of the DLC Remuneration Committee continue under the LTIP. In such circumstances, the DLC Remuneration Committee has discretion to specify the terms of such continued participation.

If a participant leaves employment of the Group by reason of death, awards will vest early, normally to a time pro-rated extent. In the case of retirement, awards will continue in the LTIP on the normal timetable and vest, normally to a time pro-rated extent, and subject (where relevant) to the application of the performance conditions measured over the normal measurement period (subject to earlier vesting under the LTIP). If a participant ceases to be an employee of the Group for any other reason, their award will lapse.

Corporate events

On a reconstruction or takeover (however effected) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time (as relevant); and (ii) the pro-rating of the awards to reflect the reduced period of time elapsed into the performance period (or vesting period as relevant), although the DLC Remuneration Committee can decide not to pro-rate an award (or pro-rate to a lesser extent) if it regards it as inappropriate to do so in the particular circumstances.

Holding period

The DLC Remuneration Committee may decide, at its sole discretion, that the terms of an award granted under the LTIP include a requirement for them to retain the vested shares (if any) delivered under the award (net of such number of value equal to the income tax and social tax liability for such vested shares) for a holding period of at least two years (including in the case of leavers) from the time of the vesting of the award.

Clawback

The DLC Remuneration Committee may decide no later than three years from the vesting of an award that the award will be subject to clawback where there has been a material misstatement of the Group's performance or a mis-assessment of any applicable performance condition. Additionally, for awards granted on or after 29 January 2019, the clawback may be applied in cases of gross or serious misconduct, severe financial downturn, corporate failure and reputational damage.

The clawback may be satisfied by way of a reduction in the amount of any future annual bonus, the size or vesting of any subsisting award or future share awards, and/or a requirement to make a cash payment.

The Mondi Limited Bonus Share Plan and the Mondi plc Bonus Share Plan

Outline

Employees or Executive Directors of the Group who are selected by the DLC Remuneration Committee to participate in the BSP may be awarded bonus awards in the form of a cash payment and/or awards over shares (known as bonus shares) in Mondi Limited (under the Mondi Limited BSP) or Mondi plc (under the Mondi plc BSP) as relevant. The size of an award made under the BSP is determined by the DLC Remuneration Committee on the basis of the achievement of annual performance targets.

Individual limits

The value of bonus awards awarded to an employee under the BSP in respect of any year shall be at such level as the DLC Remuneration Committee determines appropriate, which may not for any participant exceed 175 per cent. of their base salary (or equivalent as relevant), save that this limit may increase to such higher policy limit if approved by shareholders.

In no circumstances shall the number of shares under bonus share awards granted in the same year to any one participant in the Mondi Limited BSP exceed 140,000 Mondi Limited shares less such number of Mondi plc shares (if any) granted under Mondi plc BSP awards in the same year to such participant.

Under the current shareholder approved policy for Executive Directors, any bonus award is payable one half in cash and one half in the form of bonus shares.

Vesting of bonus shares

Bonus shares will normally vest on a specified vesting date (or a number of dates in the event the award comprises a number of tranches). No additional performance conditions apply. Under the current policy, awards normally vest after three years, subject to the participant's continued service.

Leavers

Except for the limited exceptions described below, awards will lapse upon a participant ceasing to hold employment or be a director within the Group.

In the case of cessation of service by reason of redundancy, ill health, injury, disability, retirement, transfer of employing company (or business) out of the Group (or the participant's employing company otherwise ceasing to be under the control of Mondi Limited or Mondi plc as relevant) or any other circumstances which the DLC Remuneration Committee considers appropriate, awards shall vest early. In such circumstances, the DLC Remuneration Committee shall retain discretion to time pro-rate awards to such extent if any as it considers appropriate. In the case of death, awards will vest early in full.

Corporate events

On a reconstruction or takeover (however effected), all bonus share awards will vest early in full. The normal exercise period for options granted under the BSP shall apply.

Clawback

The DLC Remuneration Committee may decide no later than three years from the grant of bonus shares that the award will be subject to clawback where there has been a material misstatement of the Group's performance or a mis-assessment of any applicable performance condition that was relevant to the grant. Additionally, for awards granted on or after 29 January 2019, the clawback may be applied in cases of gross or serious misconduct, severe financial downturn, corporate failure and reputational damage.

The clawback may be satisfied by way of a reduction in the amount of any future bonus, the vesting or size of any subsisting award or future share awards and/or a requirement to make a cash payment.

Features common to the LTIP and BSP

Structure and timing of awards

The DLC Remuneration Committee may grant awards within 42 days following the Mondi Limited and Mondi plc announcement of results for any period or at any other time when it considers there are sufficiently exceptional circumstances which justify the granting of awards. An award may not be granted after 12 May 2026 (being the 10th anniversary of the date the LTIP and BSP were approved by the Group Shareholders).

The LTIP and BSP are operated by the DLC Remuneration Committee and all decisions in relation to participation in the LTIP and/or BSP are taken by the DLC Remuneration Committee or its duly authorised sub-committees. The DLC Remuneration Committee may grant share-based awards as conditional share awards or nil (or nominal) cost options. The DLC Remuneration Committee may decide to satisfy share-based awards in cash.

No payment is required for the grant of an award. Awards are not generally transferable, except on death. Awards are not pensionable.

Plan limits and types of shares

The number of new shares which may be issued under awards granted under the LTIP and BSP on any day and when added to the number of shares issued or issuable under any other share schemes adopted by Mondi Limited and Mondi plc in the previous ten years may not exceed the lower of: (i) ten per cent. of the issued share capital on that day; and (ii) 17,800,000 new shares in the case of Mondi Limited. These maximums are inclusive of the limits for executive share schemes in terms of which shares issued under the LTIP and BSP and any other executive share schemes in the previous ten years may not exceed the lower of: (i) 5 per cent. of the issued share capitals on that day; and (ii) 8,900,000 new shares in the case of Mondi Limited.

Treasury shares will count as new issue shares for the purposes of these limits unless institutional investors decide that they need not count.

The LTIP and BSP may operate over newly issued shares, treasury shares and existing shares purchased in the market.

Amendments to the LTIP and BSP plan rules

The DLC Remuneration Committee may amend the LTIP and BSP plan rules as it considers appropriate. However, the approval of shareholders is required to amend certain provisions to the advantage of participants.

These provisions relate to: eligibility; individual and plan limits; nil or nominal option price (where applicable); and the adjustment of awards on variation in the share capital of Mondi Limited and Mondi plc.

The DLC Remuneration Committee can without shareholder approval adopt further plans, based on the LTIP and BSP, to take account of tax, exchange control or securities laws which apply to overseas employees, provided that any shares made available under such further plans are treated as counting against the limits on individual and overall participation in the LTIP and BSP.

Dividend equivalents

The DLC Remuneration Committee may decide that participants will receive a payment (in cash and/or shares) on or shortly following the vesting of their awards or exercise of options, of an amount equivalent to the dividends payable on vested shares between the date of grant and the vesting of an award. This amount may assume the reinvestment of dividends.

Participants' rights and rights attaching to shares

Awards settled in shares will not confer any shareholder rights until the awards have vested or the options have been exercised as relevant and the participants have received their shares.

Any shares allotted when an award vests or is exercised will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Corporate events

If there is an internal reconstruction or other event which does not involve any substantial change in ultimate control, the DLC Remuneration Committee may take such action as it considers appropriate to protect the interests of participants, including converting awards into equivalent awards in respect of shares in one or more other companies.

Variation of capital

In the event of a sub-division or consolidation of shares, the number of shares generally available for use under the LTIP and BSP shall be adjusted to maintain the original constraints on a proportionate basis.

In the event of a capitalisation issue, a special dividend, a rights issue or reduction of capital, the DLC Remuneration Committee may make such adjustment to the number of shares comprised in awards as it thinks appropriate.

In the event of a capitalisation issue, a special dividend, a rights issue or reduction of capital, the DLC Remuneration Committee may also change the Mondi Limited LTIP and BSP stated individual participation limits on share usage to such alternative figure(s) that will equal the same proportion of equity capital as immediately prior to the relevant event.

The Mondi plc Share Incentive Plan

The SIP was approved by Mondi plc Shareholders on 28 May 2007. The SIP is operated by the DLC Remuneration Committee and all decisions in relation to participation in the SIP are taken by the DLC Remuneration Committee or its duly authorised sub-committees.

Outline

All employees (including Executive Directors) of Mondi plc and any participating subsidiary who are resident in the UK may participate in the SIP.

Employees may be offered free, partnership and/or matching shares (see below) in Mondi plc, as the DLC Remuneration Committee decides, each time they operate the plan. They may also offer dividend reinvestment.

The SIP operates in conjunction with a trust which holds shares on behalf of participants. Shares are purchased from the participants' pre-tax salary, and if the participant leaves them in trust for at least five years, they can be removed free of UK income tax and National Insurance contributions.

The SIP is currently operated to offer partnership and matching shares only.

Source of shares

The trustees of the SIP trust acquire shares on the market to ensure the operation of the SIP. The trustees can acquire shares at any time, or on the request of Mondi plc. The trustees may also accept gifts of cash and shares to hold on trust for the purposes of the SIP.

Partnership shares

Employees may be offered the opportunity to buy partnership shares by deduction from their pre-tax salary. Under current legislation, they can buy up to £1,800 in each tax year (£150 a month) or, if less, ten per cent. of salary. The trustees may use the deductions from participants' salary to buy partnership shares on their behalf immediately or may accumulate them for up to one year and then use them to buy partnership shares at the end of the period. If this happens, participants will be allocated partnership shares by reference to the lower of their market value at the beginning or end of the period.

Participants can stop or vary their salary deductions at any time. Any sums repaid will be subject to tax.

Participants can also withdraw partnership shares from the plan at any time, although there are tax advantages if the partnership shares are retained in the plan.

Matching shares

The DLC Remuneration Committee may award additional free matching shares on a matching basis to participants who buy partnership shares. Under the current legislation, up to a maximum of two matching shares can be offered for each partnership share, but Mondi plc currently offers one matching share for each partnership share purchase.

Matching shares must be offered on the same basis to each participant purchasing partnership shares on each occasion. The DLC Remuneration Committee may decide that matching shares will be forfeited if a participant leaves employment within three years other than through death, retirement, redundancy, injury or disability, or his employing company or business being sold out of the Group. Mondi plc currently operates the SIP so the period in which shares are forfeited is three years.

Free shares

Participants can be given free shares with a market value limited by the tax legislation to, currently, £3,600 a year. The free shares must generally be offered to all eligible employees on similar terms, but the number of free shares can vary by reference to the participant's remuneration, length of service or hours worked. The DLC Remuneration Committee may make the awards of free shares subject to performance targets.

The Mondi plc Directors may require free shares to be forfeited if the participant leaves employment within three years other than through death, retirement, redundancy, injury or disability, or his employing company or business being sold out of the Group. Mondi plc does not currently award free shares.

Dividends

Cash dividends paid on shares held in the SIP may be reinvested to purchase further shares in the SIP up to certain limits set out in relevant legislation. Mondi plc does not currently allow dividend reinvestment in the SIP.

Voting rights and general offers

All voting rights attached to shares held in the SIP shall be deemed to have been waived and shall not be capable of exercise while the shares are held in the SIP trust.

If a general offer is made to the shareholders of Mondi plc, participants may direct the trustees how to act in respect of any shares held on their behalf.

Amendments to the SIP rules

The DLC Remuneration Committee and the trustees may amend the SIP plan rules by deed at any time. They cannot, however, make any changes that would breach the rule against perpetuities, and the approval of shareholders is required to amend certain provisions to the advantage of participants.

These provisions relate to: eligibility; individual and plan limits; the basis for participants' entitlements to shares under the SIP; rights attaching to SIP shares; and the basis for determining participants' entitlements to shares or benefits under the SIP in the event of a variation of share capital.

The impact of the Simplification on the Group Share Plans

The Simplification will not have any impact on the Mondi plc LTIP, the Mondi plc BSP or the SIP.

Following the Simplification, no new awards will be granted under the Mondi Limited LTIP or the Mondi Limited BSP. Pursuant to the terms of the Mondi Limited LTIP and the Mondi Limited BSP, if the Scheme becomes effective, all current awards in Mondi Limited Ordinary Shares will be amended to be in respect of Mondi plc Ordinary Shares, and which are expected to continue to be settled by Mondi plc Ordinary Shares held for such purposes from time to time by the Mondi Incentive Schemes Trust.

The DLC Remuneration Committee intends to extend participation in the Mondi plc LTIP and the Mondi plc BSP to employees of Mondi Limited and its subsidiaries as appropriate.

PART XII ADDITIONAL INFORMATION

1. Responsibility Statement

Mondi plc and the Directors of Mondi plc, whose names and principal functions are set out in Part XI: “*Directors, Senior Management and Corporate Governance*”, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of Mondi plc and such Directors of Mondi plc (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Company Incorporation

Mondi plc

Mondi plc was incorporated as HACKPLIMCO No.119 PLC under the Companies Act 1985 on 11 April 2007 in England and Wales as a public limited company with registered number 6209386 and its name was changed to Mondi plc on 17 April 2007.

The registered and corporate office of Mondi plc is at Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG and its telephone number is +44 1932 826 300.

The principal legislation under which Mondi plc operates and under which the New Mondi plc Shares will be issued is the Companies Act 2006.

The business of Mondi plc, and its principal activity, is to act as a holding company.

PricewaterhouseCoopers LLP, whose address is 1 Embankment Place, London WC2N 6RH, United Kingdom, is the auditor of Mondi plc and has been the auditor of Mondi plc since the year ended 31 December 2017 and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Deloitte LLP, whose address is 2 New Street Square, London EC4A 3BZ, United Kingdom was the auditor of Mondi plc from the year ended 31 December 2007 to the year ended 31 December 2016 and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

Mondi Limited

Mondi Limited was incorporated as Main Paper Company Limited under the Republic of South Africa’s Companies Act 1926, in the Republic of South Africa as a company limited by shares with registered number 1967/013038/06 on 11 December 1967. Its name was changed to Mondi Valley Paper Company Limited on 30 December 1968, to Mondi Paper Company Limited on 16 January 1970, to Mondi Limited on 21 October 1994, to Mondi South Africa Limited on 2 November 2004 and back to Mondi Limited on 18 May 2007.

The registered and head office of Mondi Limited is at 4th Floor, No.3 Melrose Boulevard, Melrose Arch 2196, Gauteng, Republic of South Africa and its telephone number is +27 (0)11 994 5400.

The principal legislation under which Mondi Limited operates is the SA Companies Act.

The business of Mondi Limited, and its principal activity, is that of manufacturing uncoated fine paper, kraftliner, woodchips and market pulp. It also acts as a holding company.

3. Share capital

The Group

Mondi plc has a primary listing of its Mondi plc Ordinary Shares on the main market of the LSE and a secondary listing of such shares on the main board of the JSE. Mondi Limited has a primary listing of its Mondi Limited Ordinary Shares on the main board of the JSE.

Details of certain restrictions on holding shares in Mondi Limited and Mondi plc are described in paragraph 6.c.vi below. Save as set out below, there are no other restrictions on the transfer of the Mondi plc Ordinary Shares, other than:

- restrictions on the transfer of shares that may be imposed under the Existing Mondi plc Articles or under Part 22 of the Companies Act 2006, in either case following a failure to supply information

required to be disclosed following service of a request under section 793 of the Companies Act 2006;

- restrictions on the transfer of Mondi plc Ordinary Shares held under certain of the employee share plans that may be imposed while they remain subject to such plan;
- restrictions that may be imposed pursuant to the Listing Rules whereby certain employees of the Group require approval to deal in shares; and
- other restrictions that may from time to time be imposed by laws and regulations (for example, those relating to market abuse and insider dealing).

Awards over 677,581 Mondi plc Ordinary Shares and 40,095 Mondi Limited Ordinary Shares were granted under the Group Share Plans during the year ended 31 December 2018 and, as at 18 March 2019 (being the Latest Practicable Date prior to the date of publication of this Prospectus), there were options outstanding over 1,290,922 Mondi plc Ordinary Shares and 97,924 Mondi Limited Ordinary Shares. Upon vesting, awards may be satisfied by the issue of New Mondi plc Shares or the purchase of Mondi plc Ordinary Shares on-market. Other than as set out in the documents incorporated by reference in Part XII: “*Additional Information*”, Mondi Limited has not been party to any contract or arrangement (or proposed contract or arrangement) during the three years preceding the date of this Prospectus whereby any commissions, discounts, brokerages or other special terms were granted (or proposed to be granted) to any person to subscribe for or acquire Mondi Limited Ordinary Shares.

Mondi plc

The issued and fully paid share capital of Mondi plc as at 31 December 2018 (being the last date on which audited accounts for the Group have been prepared) is set out in the following table:

	Issued and fully paid	
	Number	Amount
Mondi plc Ordinary Shares issued on the LSE.....	367,240,805	€73,448,161
Mondi plc Special Converting Shares.....	118,312,975	€23,662,595
Mondi plc UK DAS Share.....	1	€1
Mondi plc UK DAN Share	1	€1
Mondi plc Special Rights Share	1	€1
Mondi plc Special Voting Share	1	€1
Mondi plc Deferred Shares.....	146,896,322	€5,716,669
Total	632,450,106	€102,827,429

The issued and fully paid share capital of Mondi plc as at the Latest Practicable Date is set out in the following table:

	Issued and fully paid	
	Number	Amount
Mondi plc Ordinary Shares issued on the LSE.....	367,240,805	€73,448,161
Mondi plc Special Converting Shares.....	118,312,975	€23,662,595
Mondi plc UK DAS Share.....	1	€1
Mondi plc UK DAN Share	1	€1
Mondi plc Special Rights Share	1	€1
Mondi plc Special Voting Share	1	€1
Mondi plc Deferred Shares.....	146,896,322	€5,716,669
Total	632,450,106	€102,827,429

There have been no changes in Mondi plc’s share capital for the years ending 31 December 2016, 31 December 2017 and 31 December 2018.

Mondi Limited

The issued and fully paid share capital of Mondi Limited as at 31 December 2018 (being the last date on which audited accounts for the Group have been prepared) is set out in the following table:

	Authorised		Issued	
	Number	Amount	Number	Amount
Mondi Limited Ordinary Shares	250,000,000	–	118,312,975	–
Mondi Limited Special Converting Shares	650,000,000	–	367,240,805	–
Mondi Limited SA DAS Share	1	R1	1	R1
Mondi Limited SA DAN Share	1	R1	1	R1
Mondi Limited Special Rights Share	1	R1	1	R1
Total	900,000,003	R3	485,553,783	R3

The issued and fully paid share capital of Mondi Limited as at the Latest Practicable Date is set out in the following table:

	Authorised		Issued	
	Number	Amount	Number	Amount
Mondi Limited Ordinary Shares	250,000,000	–	118,312,975	–
Mondi Limited Special Converting Shares	650,000,000	–	367,240,805	–
Mondi Limited SA DAS Share	1	R1	1	R1
Mondi Limited SA DAN Share	1	R1	1	R1
Mondi Limited Special Rights Share	1	R1	1	R1
Total	900,000,003	R3	485,553,783	R3

The expected issued and fully paid share capital of Mondi Limited as at the Scheme Effective Time is set out in the following table:

	Authorised		Issued	
	Number	Amount	Number	Amount
Mondi Limited Ordinary Shares	250,000,000	–	118,312,975	–
Mondi Limited SA DAS Share	1	R1	1	R1
Mondi Limited Non-Voting Shares	9	R9	9	R9
Total	250,000,010	R10	118,312,985	R10

There have been no changes in Mondi Limited's share capital for the years ending 31 December 2016, 31 December 2017 and 31 December 2018.

4. Major Shareholders

Mondi plc

As far as Mondi plc is aware, on the basis of information as at the Latest Practicable Date from notifications to Mondi plc in accordance with Disclosure Guidance and Transparency Rule 5, the persons below held the following direct and/or indirect interests in the voting rights of Mondi plc.

	Number of voting rights in Existing Mondi plc Ordinary Shares	% of voting rights in Existing Mondi plc Ordinary Shares
BlackRock, Inc.....	21,530,677	5.86%
Coronation Asset Management Proprietary Limited.....	18,505,096	5.04%
Public Investment Corporation Limited.....	18,390,224	5.01%
Investec Asset Management Limited.....	18,352,708	4.99%
AXA S.A.....	17,210,471	4.69%
Standard Life Investments Limited	16,476,021	4.49%
Norges Bank.....	14,424,171	3.93%
Old Mutual Plc.....	11,978,984	3.26%
Sanlam Investment Management Proprietary Limited.....	10,936,128	3.00%

The percentage interests stated above are as disclosed at the date on which the interests were notified to Mondi plc.

None of the major shareholders in Mondi plc have different voting rights attached to the Existing Mondi plc Ordinary Shares that they hold.

Mondi plc is not aware of any persons who, as at the Latest Practicable Date, directly or indirectly, jointly or severally, exercise or could exercise control over Mondi plc nor is it aware of any arrangements the operation of which may at a subsequent date result in a change of control of Mondi plc.

Mondi Limited

As far as Mondi plc is aware, on the basis of the Mondi Limited Register as at the Latest Practicable Date, the persons below held the following direct interests in the voting rights of Mondi Limited.

	Number of Mondi Limited Ordinary Shares	% of Mondi Limited Ordinary Shares
Public Investment Corporation Limited.....	18,552,897	15.68%
GIC	6,750,145	5.71%

Save as indicated above, the Directors have not been advised of and have no certainty whether any of the shareholders could be beneficially interested in 5 per cent. or more of the issued share capital of Mondi Limited.

5. Resolutions and Authorities

Existing resolutions and authorities

Pursuant to the Companies Act 2006, with effect from 1 October 2009, the concept of authorised share capital was abolished and, accordingly, there is no limit on the maximum number of shares that may be allotted by Mondi plc.

Pursuant to an ordinary resolution adopted by the Mondi plc Shareholders at the annual general meeting of Mondi plc held on 16 May 2018, the board of Mondi plc may, for a period expiring (unless otherwise renewed, varied or revoked at a general meeting of Mondi plc) at the end of the next Annual General Meeting of Mondi plc (or, if earlier, at the close of business on 30 June 2019), allot Mondi plc Ordinary Shares, and grant rights to subscribe for or convert any security into Mondi plc Ordinary Shares up to an aggregate nominal amount of up to €4,855,537.60.

Mondi plc is also authorised for the purposes of section 701 of the Companies Act 2006 to purchase up to 18,362,040 Mondi plc Ordinary Shares (representing 5 per cent. of Mondi plc's issued ordinary shares) by one or more market purchases. The authority to make market purchases will expire at the Annual General Meeting of Mondi plc (or, if earlier, at the close of business on 30 June 2019).

Shareholder authorities to be proposed at the Annual General Meetings

The Simplification will be effected, and the New Mondi plc Shares will be issued, under the resolutions to be proposed at the Annual General Meetings. As part of the Post-Simplification Resolutions, which will be proposed, should the Boards elect to do so, to enable the Group to take certain actions to reflect the fact that Mondi plc will have become the holding company of the group and that the DLC structure will no longer be in place, the Group Shareholders will be asked to vote on and approve the following resolutions:

- (i) a resolution approving the adoption of the New Mondi plc Articles (which reflect the fact that Mondi plc will no longer be part of a DLC structure) following Admission;
- (ii) a resolution disapplying the pre-emption rights of Mondi plc Shareholders as they apply up to 5 per cent. of the total number of New Mondi plc Shares issued upon the Simplification becoming effective; and
- (iii) a resolution authorising Mondi plc to purchase Mondi plc Ordinary Shares up to an aggregate amount representing 5 per cent. of the total number of New Mondi plc Shares issued pursuant to the Simplification.

These resolutions will be proposed as resolutions at the Annual General Meetings but will each be conditional on the Simplification Resolutions and Scheme Resolution being passed and the Simplification becoming effective.

The Simplification Resolutions and Scheme Resolution will not be conditional on the Post-Simplification Resolutions being approved.

6. Summary of the Existing Mondi plc Articles

The Existing Mondi plc Articles were adopted by Mondi plc on 3 May 2012 and amended on 3 May 2013 and contain, among others, provisions to the following effect.

a. Purchase of own shares

Subject to the provisions of the Existing Mondi plc Articles and the Companies Act 2006, Mondi plc may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class, including any redeemable shares.

b. Changes in capital

The provisions of the Existing Mondi plc Articles governing the conditions under which Mondi plc may alter its share capital are no more stringent than the conditions imposed by the Companies Act 2006.

Mondi plc can, by ordinary resolution, increase, consolidate, or consolidate and then subdivide, its shares. The Company may also, by special resolution and after following the requirements under the Companies Act 2006, reduce its share capital, share premium account, capital redemption reserve or any other undistributable reserve.

c. Ordinary shares

i. Dividends and distributions

Subject to the provisions of the Companies Act 2006, Mondi plc may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the board. The board of Mondi plc may pay interim dividends whenever the financial position of Mondi plc, in the opinion of the board, justifies such payment. The board of Mondi plc may withhold payment of all or any part of any dividends or other monies payable in respect of Mondi plc Ordinary Shares from a person with a 0.25 per cent. or more interest in nominal value of the issued shares, if such a person has been served with a notice after failure to provide Mondi plc with information concerning any interest in those shares required to be provided under the Companies Act 2006.

ii. Voting rights

Subject to any special rights or restrictions attaching to any class of shares, at a general meeting, every member present in person has, upon a show of hands, one vote. Every duly appointed proxy has, upon a show of hands, one vote unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if (i) the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution or (ii) the proxy has been instructed by one or more members to vote either for or against the resolution and by one or more members to use his discretion as to how to vote.

On a poll, every member who is present in person or by proxy has one vote for every fully paid share of which he is the holder. In the case of joint holders of a share, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the shares. Under the Companies Act 2006, members are entitled to appoint a proxy, who need not be a member of Mondi plc, to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting or class meeting.

A member may appoint more than one proxy in relation to a general meeting or class meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy is not entitled to delegate the proxy's authority to act on behalf of a member to another person. A member that is a corporation may appoint one or more individuals to act on its behalf at a general meeting or class meeting as a corporate representative.

iii. Restrictions on voting

No member shall be entitled to vote either in person or by proxy at any general meeting or class meeting in respect of any shares held by him if any call or other sum then payable by him in respect of that share remains unpaid. In addition, no member shall be entitled to vote if he has been served with a notice after failure to provide Mondi plc with information concerning interests in those shares required to be provided under the Companies Act 2006.

iv. Deadlines for exercising voting rights

Votes are exercisable at a general meeting of Mondi plc in respect of which the business being voted upon is being heard. Votes may be exercised in person, by proxy, or in relation to corporate members, by corporate representatives. The Existing Mondi plc Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.

v. Variation of rights

Subject to the Companies Act 2006, the Existing Mondi plc Articles specify that rights attached to any class of shares may be varied with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting, of the holders of those shares. At every such separate general meeting, the quorum shall be two persons holding

or representing by proxy at least one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares). The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

vi. **Transfer of shares**

All transfers of shares which are in Certificated Form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee and shall specify the name of the transferor, the name of the transferee and the number of shares being transferred. Transfers of shares which are in Uncertificated Form are effected by means of the CREST system.

The directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the directors refuse to register an allotment or transfer they shall, within 30 days of the date on which the letter of allotment or transfer was lodged with Mondi plc, send to the allottee or transferee a notice of the refusal.

The directors may decline to register any instrument of transfer unless: (i) the instrument of transfer is in respect of only one class of share; (ii) when submitted for registration, it is accompanied by the relevant share certificates and such other evidence as the directors may reasonably require; and (iii) it is fully paid.

Subject to the Companies Act 2006 and regulations and applicable CREST rules, the directors may determine that any class of shares may be held in Uncertificated Form and that title to such shares may be transferred by means of the CREST system or that shares of any class should cease to be so held and transferred.

A shareholder does not need to obtain the approval of Mondi plc, or of other Mondi plc Shareholders, for a transfer of shares to take place.

d. **General meetings**

i. **Annual General Meeting**

Mondi plc will hold an annual general meeting in each period of six months beginning with the day following Mondi plc's accounting reference date, at such place or places, date and time as may be decided by the Directors.

An annual general meeting shall be held for the purposes of, at a minimum:

- (i) the presentation of the Directors' report, the audited financial statements for the immediately preceding financial year, as well as the DLC Audit Committee report;
- (ii) the election of Directors to the extent required by the Mondi plc articles of association as in place from time to time;
- (iii) the appointment of Mondi plc's auditor and the DLC Audit Committee for the ensuing financial year;
- (iv) the declaration of final dividends; and
- (v) any other matters raised by shareholders in relation to Mondi plc with or without advance notice to Mondi plc.

ii. **Convening of general meetings**

The Directors may convene any general meeting whenever they think fit.

The Directors may, for the purpose of facilitating the organisation and administration of any general meeting (including any meeting which has been adjourned), direct that the meeting shall be held at two or more locations. If they do so, they shall also make such arrangements as they shall in their absolute discretion consider appropriate:

- (i) to ensure that all members and proxies for members wishing to attend the meeting can do so at some location; and

- (ii) to ensure that all persons attending the meeting are able to participate reasonably effectively in the business of the meeting; but
- (iii) to restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

The entitlement of any member or proxy to attend such a general meeting shall be subject to any such arrangements then in force and stated by the Notice of meeting or adjourned meeting to apply to the meeting.

Any general meeting taking place at two or more locations shall be treated as taking place where the chair of the meeting presides, and as being attended there by all members and duly appointed proxies who are present there or at one of the other locations.

The validity of any general meeting, or any business conducted thereat, or any action taken pursuant thereto will not be affected by a failure of communications equipment, or other failure in the arrangements for the participation in the meeting at more than one place.

A subsidiary chair is a person appointed by the Directors who shall preside at each location other than where the chair of the meeting is presiding. Every subsidiary chairman shall carry out all requests made of him by the chair of the meeting, shall keep good order at that location and shall have all powers necessary or desirable for such purposes.

e. Notice of general meetings

i. Notice of general meetings

An annual general meeting shall be convened by notice of at least the longer of:

- (i) 21 days calculated in accordance with the requirements detailed below in this paragraph i; or
- (ii) 15 Business Days.

Any other general meeting shall be called in writing by at least 21 days' notice, calculated in accordance with the requirements detailed below in this paragraph i.

The period of notice shall, in either case, be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given to all members other than such as are not under the provisions of the Existing Mondi plc Articles entitled to receive such notices from Mondi plc. Mondi plc may determine that only those persons entered on the Mondi plc Register at the close of business on a day determined by Mondi plc, such day being no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice. A general meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed. In the case of a general meeting other than an annual general meeting, by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

Notice of every general meeting must be sent to the JSE, at the same time as such notices are sent to members, and announced through the JSE's SENS.

ii. Contents of notice of general meetings

Every Notice calling a general meeting shall specify the place, date and time of the meeting. Every Notice must include a statement that members are entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote, and that a proxy need not be a member.

The Notice shall specify the general nature of the business to be transacted at the meeting, and if any resolution is to be proposed as a special resolution, the Notice shall contain a statement to that effect.

In the case of an annual general meeting, the Notice shall also specify the meeting as such.

For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes such persons may cast, Mondi plc must specify in the Notice of the

meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Mondi plc Register in order to have the right to attend or vote at the meeting. The Directors may at their discretion resolve that, in calculating such period, no account shall be taken of any part of any day that is not a Business Day.

Notices shall be given as provided by the Existing Mondi plc Articles to all members other than those who, under the provisions of the Existing Mondi plc Articles or the conditions of issue of the shares held by them, are not entitled to receive the Notice, to the Directors (including the alternate directors) and to the auditors and (where required by the Companies Act 2006) former auditors of Mondi plc.

The accidental omission to give Notice of a meeting to, or the non-receipt of Notice by, any person entitled to receive the Notice shall not invalidate the proceedings at that meeting.

f. Proceedings at general meetings

i. Chair

One of the Joint Chairs of the Directors, failing whom a deputy chair, shall preside as a chair at a general meeting. If there are no such Joint Chairs or deputy chair, or if at any meeting no such person is present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number, or if no Director is present or if all the Directors present decline to take the chair, a member may be elected to be the chair by a resolution of Mondi plc passed at the meeting.

ii. Quorum

Subject to the requirements listed in paragraph iii below, no business other than the appointment of a chair of such meeting shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business.

A general meeting may not begin until sufficient members are present or represented at the meeting to exercise, in aggregate, at least 25 per cent. of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.

A matter to be decided at the meeting may not begin to be debated, unless at least three members are present or represented at the meeting to exercise, in aggregate at least 25 per cent. of all the voting rights that are entitled to be exercised on that matter at the time the matter is called to the agenda.

A general meeting may not begin, or a matter begin to be debated, unless at least three members being entitled to attend and vote thereat are present or represented at the meeting and the requirements listed above are satisfied.

iii. Lack of quorum

If within five minutes from the time appointed for a general meeting, or such longer interval not exceeding 30 minutes as the chair of the meeting may think fit to allow, a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of the members, shall be dissolved, and, in any other case, it shall stand adjourned to such day, time and place as may have been specified for the purpose in the Notice convening the meeting or, if not so specified, as the Directors may decide, provided that the adjourned meetings shall not be held less than ten clear days after the original general meeting. The adjourned meeting shall be dissolved if a quorum is not present within 15 minutes after the time appointed for the holding of the meeting.

iv. **Adjournment**

The chair of any general meeting at which a quorum is present may adjourn the meeting if:

- (i) the members present at the meeting at the time and entitled to exercise their voting rights on at least one matter remaining on the agenda consent to an adjournment by passing an ordinary resolution;
- (ii) the chair considers it desirable in view of the timing of a general meeting or an adjourned general meeting of Mondi Limited;
- (iii) the chair considers it necessary to restore order or to otherwise facilitate the proper conduct of the meeting; or
- (iv) the chair considers it necessary for the safety of the people attending the meeting (including if there is insufficient room at the meeting venue to accommodate everyone who wishes to, and is entitled to, attend).

The chair of any general meeting at which a quorum is present must adjourn the meeting if requested to do so by the meeting.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

If the chair adjourns a meeting, he may specify the time and place to which it is adjourned. Where a meeting is adjourned without specifying a new time and place, the time and place for the adjourned meeting shall be fixed by the Directors.

v. **Notice of adjourned meeting**

When a meeting is adjourned:

- (i) for 30 days or more;
- (ii) without specifying a new time;
- (iii) without specifying the new location (unless the location is the same as the adjourned meeting); or
- (iv) the location announced at the adjourned meeting is changed,

not less than seven days' notice of the adjourned meeting shall be given in accordance with the provisions under paragraph e.i above (making such alteration as necessary).

Otherwise it shall not be necessary to give any such notice.

vi. **Limitation on period of adjournment**

A general meeting may not be adjourned beyond the earlier of:

- (i) the date that is 120 Business Days after the record date determining which members are entitled to attend and vote at the meeting; or
- (ii) the date that is 60 Business Days after the date on which the adjournment occurred.

vii. **Amendments to resolutions**

A special resolution to be proposed at a general meeting may be amended by ordinary resolution, provided that no amendment may be made other than a mere clerical amendment to correct a patent error.

An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution, provided that:

- (i) in the opinion of the chair at the meeting, the amendment is within the scope of the business of the meeting as described and does not impose further obligations on Mondi plc; and
- (ii) notice of the proposed amendment is given to Mondi plc by a person entitled to vote at the general meeting in question at least 48 hours before the meeting or adjourned meeting (as the case may be).

If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chair of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

viii. Security arrangements and orderly conduct

The Directors may put in place such arrangements or restrictions as they think fit to ensure the safety and security of the attendees at a general meeting of Mondi plc or a separate meeting of the holders of any class of shares of Mondi plc, including, without limitation, arranging for any person attending a meeting to be searched and for items of personal property which may be taken into a meeting to be restricted. A Director or the company secretary of Mondi plc may refuse entry to a meeting to any person who refuses to comply with any such arrangements or to eject any person who fails to comply with such arrangements or restrictions during a general meeting.

If it appears to the chair of the meeting that the place of the meeting specified in the Notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend, the meeting is duly constituted and its proceedings are valid if the chair of the meeting is satisfied that adequate facilities are available, whether at the place of the meeting or elsewhere, to ensure that each such person who is unable to be accommodated at the place of the meeting is able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak, whether by use of microphones, loud-speakers, audio-visual communications equipment or otherwise (whether in use when the Existing Mondi plc Articles are adopted or developed subsequently).

g. Deferred Shares

The rights and privileges attached to the Deferred Shares are as follows: no entitlement to receive any dividend or distribution declared, made or paid or any return of capital (save as described below) and it does not entitle the holder to any further or other right of participation in the assets of Mondi plc.

On a return of capital on a winding-up, but not on a return of capital on any other class of shares of Mondi plc, otherwise than on a winding-up of Mondi plc, the holders of the Deferred Shares shall be entitled to participate but such entitlement is limited to the repayment of the amount paid up or credited as paid up on such share and shall be paid only after the holders of any and all Mondi plc Ordinary Shares then in issue shall have received (i) payment in respect of such amount as is paid up or credited as paid up on those Mondi plc Ordinary Shares held by them at that time plus (ii) the payment in cash or *in specie* of £10,000,000 on each such Mondi plc Ordinary Share. The holders of the Deferred Shares are not entitled to receive notice of, nor attend, speak or vote at, any general meeting of Mondi plc.

h. Shares required for the DLC structure

Mondi SCS (UK) Limited, a UK trust company, specially formed for the purpose of the DLC structure, holds the Mondi plc Special Voting Share, the Mondi plc Special Converting Shares, the Mondi plc Special Rights Share, the Mondi plc UK DAN Share and the Mondi plc UK DAS Share. These shares can only be transferred to another UK trust company, in limited circumstances.

The Mondi plc Special Voting Share is a specially created share so that shareholders of both Mondi Limited and Mondi plc effectively vote together as a single decision-making body on matters affecting shareholders of both companies in similar ways, as set out in the Existing Mondi plc Articles.

Prior to a change of control, approval of termination of the sharing agreement (which regulates the DLC structure), liquidation or insolvency of Mondi plc, the Mondi plc Special Converting Shares have no voting rights, except in relation to a resolution proposing the (i) variation of the rights attaching to the shares or (ii) winding-up, and they have no rights to dividends. The Mondi plc Special Converting Shares are held on trust for the Mondi Limited Shareholders.

The Mondi plc Special Rights Share does not have any rights to vote or any right to receive any dividend or other distribution by Mondi plc, save in respect to capitalisation of reserves.

Mondi Limited and Mondi plc have established dividend access trust arrangements as part of the DLC structure. Mondi plc has issued two dividend access shares, the Mondi plc UK DAS Share

and Mondi plc UK DAN Share, which, should the Boards elect to do so, enable Mondi plc to pay dividends to the shareholders of Mondi Limited. This facility may be used by the board of Mondi plc to address imbalances in the distributable reserves of Mondi Limited and Mondi plc and/or to address the effects of South African exchange controls and/or if they otherwise consider it necessary or desirable.

As part of the Simplification, it is proposed that the Existing Mondi plc Articles be amended, such that the Mondi plc Special Voting Share, the Mondi plc Special Converting Shares, the Mondi plc Special Rights Share, the Mondi plc UK DAN Share and the Mondi plc UK DAS Share be, upon notice, automatically converted to Deferred Shares at a date and time immediately prior to the Scheme Effective Time. At the Scheme Effective Time, these shares will be cancelled in order to reflect that the DLC structure is no longer in existence.

i. Directors

i. Appointment and replacement of directors

Directors shall be no less than four and no more than 20 in number. A Director is not required to hold any shares of Mondi plc by way of qualification. Mondi plc may by special resolution increase or reduce the maximum or minimum number of directors.

At each annual general meeting held in each year at least one-third of the Directors, including at least one-third of Non-Executive Directors, or if their number is not a multiple of three then the number nearest to, but not less than, one-third, shall retire from office. Any further Directors to retire shall be those of the other directors subject to retirement by rotation who have been longest in office since their last election or re-election or, if later, deemed election or re-election and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot. In casting the lot, the provision that a Director must also be a Director of Mondi Limited and the corresponding provision of the Existing Mondi Limited Memorandum of Incorporation shall be observed. A retiring director shall be eligible for re-election.

The board of Mondi plc may appoint any person to be a Director (so long as the total number of Directors does not exceed the limit prescribed in the Existing Mondi plc Articles). Any such Director shall hold office only until the next annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

ii. Powers of the Directors

Subject to the Existing Mondi plc Articles, the Companies Act 2006 and any directions given by special resolution, the business of Mondi plc will be managed by the board of Mondi plc who may exercise all the powers of Mondi plc.

The board of Mondi plc may exercise all the powers of Mondi plc to borrow money and to mortgage or charge any of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of Mondi plc or of any third party.

iii. Disclosure of shareholding ownership

The Disclosure Guidance and Transparency Rules require a shareholder to notify Mondi plc if the voting rights held by such shareholder (including by way of certain financial instruments) reach, exceed or fall below 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

Pursuant to the Companies Act 2006 and the Existing Mondi plc Articles, if a shareholder, or any person appearing to be interested in any share, has been given a notice requiring any information mentioned in section 793 of the Companies Act 2006 and, in respect of that share (a default share), has been in default for a period of 14 days in supplying to Mondi plc the information required by the section 793 notice, the following restrictions shall apply in respect of the default shares and any other shares held by the same shareholder:

The holder of the default shares shall not be entitled to attend or vote, either personally or by proxy, at any general meeting, or exercise any other right conferred by membership in relation to general meetings.

Where the default shares represent 0.25 per cent. or more of the issued shares of the class in question, any Director or the secretary may in their absolute discretion direct that any dividend or part of a dividend otherwise payable in respect of the default shares shall be retained by Mondi plc or that no transfer of any shares by that member shall be agreed to.

iv. Significant agreements: change of control

The Existing Mondi plc Articles and the Existing Mondi Limited Memorandum of Incorporation ensure that a person cannot make an offer for one company without having made an equivalent offer to the shareholders of both companies on equivalent terms.

Pursuant to the terms of the agreements establishing the DLC structure, if either Mondi Limited or Mondi plc serves written notice on the other at any time after either party becomes a subsidiary of the other party or after both Mondi Limited and Mondi plc become subsidiaries of a third party, the agreements establishing the DLC structure will terminate.

All of Mondi plc's share plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time.

j. Amendment of the Existing Mondi plc Articles

Any amendments to the Existing Mondi plc Articles may be made in accordance with the provisions of the Companies Act 2006 by way of special resolution.

7. Summary of the New Mondi plc Articles

The New Mondi plc Articles contain, among others, provisions to the following effect:

a. Purchase of own shares

Subject to the provisions of the New Mondi plc Articles and the Companies Act 2006, Mondi plc may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class, including any redeemable shares.

b. Changes in capital

The provisions of the New Mondi plc Articles governing the conditions under which Mondi plc may alter its share capital are no more stringent than the conditions imposed by the Companies Act 2006.

Mondi plc can, by ordinary resolution, increase, consolidate, or consolidate and then subdivide, its shares. Mondi plc may also, by special resolution and after following the requirements under the Companies Act 2006, reduce its share capital, share premium account, capital redemption reserve or any other undistributable reserve.

c. Ordinary shares

i. Dividends and distributions

Subject to the provisions of the Companies Act 2006, Mondi plc may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the board. The board of Mondi plc may pay interim dividends whenever the financial position of Mondi plc, in the opinion of the board, justifies such payment. The board of Mondi plc may withhold payment of all or any part of any dividends or other monies payable in respect of Mondi plc Ordinary Shares from a person with a 0.25 per cent. or more interest in nominal value of the issued shares, if such a person has been served with a notice after failure to provide Mondi plc with information concerning any interest in those shares required to be provided under the Companies Act 2006.

ii. Voting rights

Subject to any special rights or restrictions attaching to any class of shares, at a general meeting, every member present in person has, upon a show of hands, one vote. Every duly appointed proxy has, upon a show of hands, one vote unless the proxy is appointed by more than one member, in which case the proxy has one vote for and one vote against if (i) the

proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution or (ii) the proxy has been instructed by one or more members to vote either for or against the resolution and by one or more members to use his discretion as to how to vote.

On a poll, every member who is present in person or by proxy has one vote for every fully paid share of which he is the holder. In the case of joint holders of a share, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the shares. Under the Companies Act 2006, members are entitled to appoint a proxy, who need not be a member of Mondi plc, to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting or class meeting.

A member may appoint more than one proxy in relation to a general meeting or class meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy is not entitled to delegate the proxy's authority to act on behalf of a member to another person. A member that is a corporation may appoint one or more individuals to act on its behalf at a general meeting or class meeting as a corporate representative.

iii. **Restrictions on voting**

No member shall be entitled to vote either in person or by proxy at any general meeting or class meeting in respect of any shares held by him if any call or other sum then payable by him in respect of that share remains unpaid. In addition, no member shall be entitled to vote if he has been served with a notice after failure to provide Mondi plc with information concerning interests in those shares required to be provided under the Companies Act 2006.

iv. **Deadlines for exercising voting rights**

Votes are exercisable at a general meeting of Mondi plc in respect of which the business being voted upon is being heard. Votes may be exercised in person, by proxy, or in relation to corporate members, by corporate representatives. The New Mondi plc Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.

v. **Variation of rights**

Subject to the Companies Act 2006, the New Mondi plc Articles specify that rights attached to any class of shares may be varied with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting, of the holders of those shares. At every such separate general meeting, the quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares). The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

vi. **Transfer of shares**

All transfers of shares which are in Certificated Form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee and shall specify the name of the transferor, the name of the transferee and the number of shares being transferred. Transfers of shares which are in Uncertificated Form are effected by means of the CREST system.

The directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the directors refuse to register an allotment or transfer they shall, within 30 days of the date on which the letter of allotment or transfer was lodged with Mondi plc, send to the allottee or transferee a notice of the refusal.

The directors may decline to register any instrument of transfer unless: (i) the instrument of transfer is in respect of only one class of share; (ii) when submitted for registration, it is accompanied by the relevant share certificates and such other evidence as the directors may reasonably require; and (iii) it is fully paid.

Subject to the Companies Act 2006 and regulations and applicable CREST rules, the directors may determine that any class of shares may be held in Uncertificated Form and that title to such shares may be transferred by means of the CREST system or that shares of any class should cease to be so held and transferred.

A shareholder does not need to obtain the approval of Mondi plc, or of other Mondi plc shareholders, for a transfer of shares to take place.

d. General meetings

i. Annual General Meeting

Mondi plc will hold an annual general meeting in each period of six months beginning with the day following Mondi plc's accounting reference date, at such place or places, date and time as may be decided by the Directors.

ii. Convening of general meetings

The Directors may convene any general meeting whenever they think fit.

The Directors may, for the purpose of facilitating the organisation and administration of any general meeting (including any meeting which has been adjourned), direct that the meeting shall be held at two or more locations. If they do so, they shall also make such arrangements as they shall in their absolute discretion consider appropriate:

- (i) to ensure that all members and proxies for members wishing to attend the meeting can do so at some location; and
 - (I) to ensure that all persons attending the meeting are able to participate reasonably effectively in the business of the meeting; but
 - (II) to restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.
- (ii) The entitlement of any member or proxy to attend such a general meeting shall be subject to any such arrangements then in force and stated by the Notice of meeting or adjourned meeting to apply to the meeting.
- (iii) Any general meeting taking place at two or more locations shall be treated as taking place where the chair of the meeting presides, and as being attended there by all members and duly appointed proxies who are present there or at one of the other locations.
- (iv) The validity of any general meeting, or any business conducted thereat, or any action taken pursuant thereto will not be affected by a failure of communications equipment, or other failure in the arrangements for the participation in the meeting at more than one place.
- (v) A subsidiary chair is a person appointed by the Directors who shall preside at each location other than where the chair of the meeting is presiding. Every subsidiary chairman shall carry out all requests made of him by the chair of the meeting, shall keep good order at that location and shall have all powers necessary or desirable for such purposes.

e. Proceedings at general meetings

i. Chair

The Chair of the Directors shall preside as Chair of any general meeting at which he/she is present (as long as he/she is willing to do so). If he/she is not present or is unwilling, a Deputy Chair, failing whom any Director present and willing to act and, if more than one, chosen by the Directors present at the meeting, shall preside as Chair. If no Director is present within 10

minutes after the time appointed for holding the meeting and willing to act as Chair, a member may be elected to be the Chair by a resolution of the Company passed at the meeting.

ii. **Quorum**

No business other than the appointment of a chair of such meeting shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy shall be a quorum.

iii. **Lack of quorum**

If within five minutes from the time appointed for a general meeting, or such longer interval as the chair of the meeting may think fit to allow, a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of the members, shall be dissolved, and, in any other case, it shall stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or, if not so specified, as the Directors may decide, provided that the adjourned meetings shall not be held less than ten clear days after the original general meeting.

iv. **Adjournment**

The chair of any general meeting at which a quorum is present may adjourn the meeting if:

- (i) the members consent to an adjournment by passing an ordinary resolution;
- (ii) the chair considers it necessary to restore order or to otherwise facilitate the proper conduct of the meeting; or
- (iii) the chair considers it necessary for the safety of the people attending the meeting (including if there is insufficient room at the meeting venue to accommodate everyone who wishes to, and is entitled to, attend).

The chair of any general meeting at which a quorum is present must adjourn the meeting if requested to do so by the meeting.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

If the chair adjourns a meeting, the chair may specify the time and place to which it is adjourned. Where a meeting is adjourned without specifying a new time and place, the time and place for the adjourned meeting shall be fixed by the Directors.

v. **Notice of adjourned meeting**

When a meeting is adjourned for 30 days or more or without specifying a new time, not less than seven days' notice of the adjourned meeting shall be given in accordance with the provisions under paragraph e.i above (making such alteration as necessary). Otherwise it shall not be necessary to give any such notice.

vi. **Amendments to resolutions**

A special resolution to be proposed at a general meeting may be amended by ordinary resolution, provided that no amendment may be made other than a mere clerical amendment to correct a patent error.

An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution, provided that:

- (i) in the opinion of the chair at the meeting, the amendment is within the scope of the business of the meeting as described and does not impose further obligations on Mondi plc; and
- (ii) notice of the proposed amendment is given by Mondi plc by a person entitled to vote at the general meeting in question at least 48 hours before the meeting or adjourned meeting (as the case may be).

If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chair of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

vii. **Security arrangements and orderly conduct**

The Directors may put in place such arrangements or restrictions as they think fit to ensure the safety and security of the attendees at a general meeting of Mondi plc, including requiring attendees to submit to searches. The Directors or the company secretary of Mondi plc may refuse entry to, or remove from, a general meeting of Mondi plc any person who fails to comply with such arrangements or restrictions during a general meeting.

The chair of a general meeting may take such action as the chair thinks fit to maintain the proper and orderly conduct of the meeting.

f. **Directors**

i. **Appointment and replacement of Directors**

Directors shall be no less than four and no more than 20 in number. A Director is not required to hold any shares of Mondi plc by way of qualification. Mondi plc may by special resolution increase or reduce the maximum or minimum number of directors.

Each Director shall retire at the annual general meeting held in the third calendar year following the year in which the Director was elected or last re-elected by Mondi plc, or at such earlier annual general meeting as the Directors may resolve.

The board of Mondi plc may appoint any person to be a Director (so long as the total number of Directors does not exceed the limit prescribed in the New Mondi plc Articles). Any such Director shall hold office only until the next annual general meeting and shall then be eligible for re-election.

ii. **Powers of the Directors**

Subject to the New Mondi plc Articles, the Companies Act 2006 and any directions given by special resolution, the business of Mondi plc will be managed by the board of Mondi plc who may exercise all the powers of Mondi plc.

The board of Mondi plc may exercise all the powers of Mondi plc to borrow money and to mortgage or charge any of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of Mondi plc or of any third party.

iii. **Disclosure of shareholding ownership**

The Disclosure Guidance and Transparency Rules require a shareholder to notify Mondi plc if the voting rights held by such shareholder (including by way of certain financial instruments) reach, exceed or fall below 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

Pursuant to the Companies Act 2006 and the New Mondi plc Articles, if a shareholder, or any person appearing to be interested in any share, has been given a notice requiring any information mentioned in section 793 of the Companies Act 2006 and, in respect of that share (a default share), has been in default for a period of 14 days in supplying to Mondi plc the information required by the section 793 notice, the following restrictions shall apply in respect of the default shares and any other shares held by the same shareholder:

The holder of the default shares shall not be entitled to attend or vote, either personally or by proxy, at any general meeting, or exercise any other right conferred by membership in relation to general meetings.

Where the default shares represent 0.25 per cent. or more of the issued shares of the class in question, any Director or the secretary may in their absolute discretion direct that any dividend or part of a dividend otherwise payable in respect of the default shares shall be retained by Mondi plc or that no transfer of any shares by that member shall be agreed to.

g. Amendment of the New Mondi plc Articles

Any amendments to the New Mondi plc Articles may be made in accordance with the provisions of the Companies Act 2006 by way of special resolution.

8. Mandatory Bids, Squeeze-Out and Sell-Out Rules

Other than as provided by the City Code and Chapter 28 of the Companies Act 2006, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules relating to Mondi plc.

Mandatory bid

The City Code applies to Mondi plc. Under Rule 9 of the City Code, if an acquisition of interests in shares were to increase, the aggregate holding of the acquirer and its concert parties to interests in shares carrying 30 per cent. or more of the voting rights in Mondi plc, the acquirer and, depending on circumstances, its concert parties would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares in Mondi plc at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person holding (together with its concert parties) shares carrying between 30 per cent. and 50 per cent. of the voting rights in Mondi plc if the effect of such acquisition were to increase that person's percentage of the total voting rights in Mondi plc.

Squeeze-out

Under the Companies Act 2006, if a "takeover offer" (as defined in section 974 of the Companies Act 2006) is made for the shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights carried by the shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10 per cent. The offeror would do so by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration for the outstanding shares to Mondi plc, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the takeover offer.

Sell-out

The Companies Act 2006 also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the shares and, at any time before the end of the period within which the offer can be accepted, the offeror holds or has agreed to acquire not less than 90 per cent. in value of the shares and not less than 90 per cent. of the voting rights carried by the shares, any holder of shares to which the offer relates who has not accepted the offer could, by a written communication to the offeror, require it to acquire those Mondi plc Ordinary Shares. The offeror is required to give any shareholder notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on shareholders notifying them of their sell-out rights. If a shareholder exercises his/her sell-out rights, the offeror is entitled and bound to acquire those Mondi plc Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

9. Related Party Transactions

Save as set out in the information incorporated by reference referred to below, there were no material related party transactions entered into by Mondi plc or any member of the Group during the period from 31 December 2018 up to the date of this Prospectus:

- Note 29 of the notes to the audited combined and consolidated annual financial statements of the Group which can be found at page 202 of the Group Integrated Report and Financial Statements 2018, which are incorporated by reference into this Prospectus as set out in paragraph 23 of this Part XII: “*Additional information*” and available for inspection as set out in paragraph 22 of this Part XII: “*Additional information*”.
- Note 30 of the notes to the audited combined and consolidated annual financial statements of the Group which can be found at page 190 of the Group Integrated Report and Financial Statements 2017, which are incorporated by reference into this Prospectus as set out in paragraph 23 of this Part XII: “*Additional information*” and available for inspection as set out in paragraph 22 of this Part XII: “*Additional information*”.
- Note 31 of the notes to the audited combined and consolidated annual financial statements of the Group which can be found at page 186 of the Group Integrated Report and Financial Statements 2016, which are incorporated by reference into this Prospectus as set out in paragraph 23 of this Part XII: “*Additional information*” and available for inspection as set out in paragraph 22 of this Part XII: “*Additional information*”.

10. Material Contracts

No contracts have been entered into by the Group (other than contracts entered into in the ordinary course of business): (i) within the two years immediately preceding the date of this Prospectus which are, or may be, material to the Group; or (ii) which contain provisions under which any member of the Group has an obligation or entitlement which is, or may be, material to the Group as at the Latest Practicable Date, save as disclosed below.

11. Litigation

There are no, nor have there been any, governmental, legal or arbitration proceedings (nor is Mondi plc aware of any such proceedings being pending or threatened) which may have, or have had during the last 12 months prior to the date of this Prospectus, a significant effect on the Group’s financial position or profitability.

12. Group Companies

The principal subsidiaries, joint ventures and associates of the Group as at the date of this Prospectus and the Group percentage of equity capital and joint venture interests are set out in Note 11 of the notes to the audited combined and consolidated annual financial statements which can be found at pages 224 to 228 of the Group Integrated Report and Financial Statements 2018, which is incorporated by reference into this Prospectus as set out in paragraph 23 of this Part XII: “*Additional information*” and available for inspection as set out in paragraph 22 of this Part XII: “*Additional information*”.

13. Working Capital

In the opinion of Mondi plc, the working capital available to the Group is sufficient for its present requirements, that is for at least the next 12 months following the date of this Prospectus.

14. No Significant Change

There has been no significant change in the financial or trading position of the Group since 31 December 2018, the date on which the Group’s last published audited financial statements were prepared.

15. Sources and Bases

The percentage of the share capital of Mondi plc that will be owned by former Mondi Limited Shareholders of up to 24.4 per cent. is calculated by dividing the number of the New Mondi plc Shares to be issued (being up to 118,312,975) by the number of Mondi plc Ordinary Shares immediately following the Simplification and multiplying the resulting sum by 100 to produce a percentage.

The ordinary share capital of Mondi Limited of 118,312,975 is calculated on the basis of Mondi Limited’s issued ordinary share capital as at the Latest Practicable Date.

There will be a number of factors affecting how many Mondi Limited Ordinary Shares will be in issue on or after the date of this Prospectus. Therefore, the ordinary share capital of Mondi Limited may differ from the amount stated in this Prospectus.

The market capitalisation of Mondi plc of £6,443,239,924, as at the Latest Practicable Date, is calculated by multiplying the number of Existing Mondi plc Ordinary Shares by the price per Mondi plc Ordinary Share of £17.5450 (being the Closing Price on the Latest Practicable Date).

The ordinary share capital of Mondi plc immediately following Admission of up to 485,553,780 is calculated as the sum of:

- the total number of Existing Mondi plc Ordinary Shares in issue as at close of business on the Latest Practicable Date (being 18 March 2019); and
- the total number of New Mondi plc Shares (being up to 118,312,975).

Other than as set out above, the calculation in this paragraph 15 does not take into account the issue of Mondi plc Ordinary Shares between the Latest Practicable Date and Admission.

Please note that, as there are a number of factors affecting how many Mondi Limited Ordinary Shares will be issued on or after the date of this Prospectus, the actual number of New Mondi plc Shares may differ from the total in this Prospectus.

Unless otherwise stated, all prices quoted for Mondi plc Ordinary Shares have been derived from the daily Official List of the LSE and represent closing middle market prices on the relevant date.

Unless otherwise stated, all prices quoted for Mondi Limited Ordinary Shares have been derived from the JSE and represent closing middle market prices on the relevant date.

This Prospectus contains certain financial information and measures which are not calculated in accordance with IFRS.

Certain figures included in this Prospectus have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

16. South African Reserve Bank Requirements

The South African Minister of Finance has granted approval for the Simplification subject to certain conditions. These conditions are set out in a letter dated 10 October 2018 from the SARB to the Joint Chairs of Mondi and are also set out in full below.

The South African Minister of Finance has granted approval that Mondi Group be permitted to:

- Cancel the dual listing structure and simplify the Mondi Dual Listing Company Structure into a standard structure under a single holding company, Mondi plc.
- Mondi plc shall retain its premium listing on the London Stock Exchange and secondary listing on the JSE Limited (JSE).
- Mondi Limited shall delist from the JSE and become a wholly-owned subsidiary of Mondi plc.
- The condition for all future acquisitions in Africa (ex-South Africa) to be structured under Mondi Limited (the South African Operation), is lifted.
- Mondi plc undertakes to appoint at least one South African resident as a member of its board of directors.
- Mondi Limited may not provide guarantees on any new debt raised by Mondi plc.
- Mondi Limited shall have its permanent establishment in South Africa and be liable for any South African taxes due on any South African income from its South African operations.
- All South African shareholders in Mondi plc will be required to hold their shares on the JSE.
- Normal inward listing conditions as stipulated in section H. of the Currency and Exchanges Manual for Authorised Dealers will remain applicable to Mondi plc and normal exchange control conditions will apply to Mondi Limited.

17. Notice to Investors in the United States

This Prospectus is not an offer of securities for sale in the United States. The New Mondi plc Shares to be issued under the Scheme will not be, and are not required to be, registered under the US Securities Act or under the applicable securities laws or the regulations of any state or other jurisdiction of the United States, and will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 4(a)(2) thereof, which is available for an offer and sale of securities not involving any public offering in the United States.

Accordingly, the New Mondi plc Shares to be issued under the Scheme will be issued to Scheme Participants who are US Shareholders only if such US Shareholders have demonstrated to Mondi plc and/or their relevant CSDP, Broker, custodian or nominee (as applicable) that they are QIBs as such term is defined in the US Securities Act and agreed to certain transfer restrictions applicable to the New Mondi plc Shares delivered to QIBs. Accordingly, each US Shareholder that is a QIB and that wishes to receive New Mondi plc Shares in terms of the Scheme will be required to execute a US Investor Letter in the format set out in Annex VII of the Mondi Limited Circular, and deliver such letter to their CSDP or Broker. The US Investor Letter must be received by the Required Notice Recipient, before the QIB Notification Time (presently indicatively expected to be 5:00 p.m. (SA time) on Tuesday, 25 June 2019), failing which any such US Investor Letter will not be effective and will be disregarded. The US Investor Letter will require the relevant US Shareholder to represent and agree, among other things, that (i) it is a QIB and (ii) for so long as the New Mondi plc Shares are “restricted securities” within the meaning of the US Securities Act, it will only offer, sell, transfer, assign, pledge or otherwise dispose of the New Mondi plc Shares (a) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A under the US Securities Act, (b) in accordance with Rule 144 under the US Securities Act (if available), (c) in accordance with another applicable exemption from the registration requirements of the US Securities Act, or (d) in an offshore transaction complying with the provisions of Regulation S under the US Securities Act (including, for the avoidance of doubt, a *bona fide* sale on the LSE or the JSE), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Any Scheme Participant who is a US Shareholder who is not a QIB or in respect of which no US Investor Letter is received by the Required Notice Recipient before the QIB Notification Time, will be deemed to be an “Excluded US Shareholder” and will be treated as set out in “—*Excluded US Shareholders*”, below.

The New Mondi plc Shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Mondi plc does not intend to take any action to facilitate a market in the New Mondi plc Shares in the United States. Consequently, it is unlikely that an active trading market in the United States will develop for the New Mondi plc Shares.

US Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Simplification in their particular circumstances.

18. Notice to CSDPs, Brokers, Custodian and Nominees Holding Mondi Limited Shares on behalf of US Shareholders

Each US Shareholder that wishes to receive New Mondi plc Shares will be required to execute a US Investor Letter and deliver such letter to their CSDP or Broker. Any US Shareholder that does not deliver a US Investor Letter will be deemed to be an Excluded US Shareholder.

In order to ensure that New Mondi plc Shares are sold on behalf of any US Shareholder unless such US Shareholder has executed a US Investor Letter, any custodian or nominee holding New Mondi plc Shares in Uncertificated Form on behalf of any US Shareholder must either:

- obtain an executed US Investor Letter from such US Shareholders, and ensure the same is provided to their CSDP or Broker, in which case it may accept New Mondi plc Shares on behalf of such US Shareholder in the same manner as for any other shareholder that is not an Excluded US Shareholder; or
- transfer such New Mondi plc Shares to the Transfer Secretary. Should you have any questions as to how to facilitate the transfer, please contact your CSDP or Broker.

19. Excluded US Shareholders

Mondi Limited and Mondi plc reserve the right (but shall not be obliged) to not effect or to treat as invalid, any issue and/or delivery of New Mondi plc Shares (or a beneficial entitlement thereto) to Scheme Participants who are Excluded US Shareholders, or some of them, in terms of the Scheme. In relation to Scheme Participants who are Excluded US Shareholders, the relevant persons shall be entitled (in their discretion), to do all things necessary or desirable to ensure compliance with applicable law and/or regulation, including not issuing or crediting New Mondi plc Shares (or a beneficial entitlement thereto) to such Excluded US Shareholders and instead issuing such New Mondi plc Shares and selling them (or a beneficial entitlement thereto) on behalf of and at such Excluded US Shareholders' risk, with the relevant portion of the average net proceeds of such sale (after the deduction of all taxes, withholdings, expenses, fees and commissions incurred in connection with such sale) being remitted to such Excluded US Shareholders, as soon as reasonably practicable following such sales by electronic funds transfer to such Excluded US Shareholders' bank accounts, if known, or otherwise by cheque by registered post at such Excluded US Shareholders' risk. In this regard, all the relevant New Mondi plc Shares (or beneficial entitlements thereto) may be aggregated and disposed of in one or more tranches, in an orderly manner by the Transfer Secretaries or any other agent nominated by Mondi Limited, including together with other New Mondi plc Shares (or beneficial entitlements thereto) so aggregated under the Scheme. The payment of the proceeds from the sale of the relevant New Mondi plc Shares (or beneficial entitlements thereto) to Excluded US Shareholders in accordance with the arrangements described above will be in full satisfaction of the rights of such Excluded US Shareholders to receive New Mondi plc Shares. Each relevant Scheme Participant irrevocably and *in rem suam* authorises and nominates Mondi Limited, as principal, with power of substitution, to dispose of such New Mondi plc Shares (or beneficial entitlements thereto), and to do all such things and take all such steps as Mondi Limited, in its discretion, considers necessary in order to give effect thereto.

20. Notice to Investors in Canada

The New Mondi plc Shares have not been nor will they be qualified for distribution to the public under applicable Canadian securities laws and, accordingly, any distribution of the New Mondi plc Shares in Canada will be made on a basis which is exempt from the prospectus requirements of Canadian securities laws. Any resale of the New Mondi plc Shares must be made in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of those laws. In addition, in order to comply with the dealer registration requirements of Canadian securities laws, any resale of the New Mondi plc Shares must be made either by a person not required to register as a dealer under applicable Canadian securities laws, or through an appropriately registered dealer or in accordance with an exemption from the dealer registration requirements. These Canadian resale restrictions may in some circumstances apply to resales made outside Canada. Investors in New Mondi plc Shares are advised to seek Canadian legal advice prior to any resale of New Mondi plc Shares. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the information contained herein or the merits of the New Mondi plc Shares, and any representation to the contrary is an offence.

21. Other Jurisdictions

The release, publication or distribution of this Prospectus in jurisdictions other than the UK and South Africa may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the UK or South Africa should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdiction. To the fullest extent permitted by applicable law, Mondi plc disclaims any responsibility or liability for the violation of such restrictions or requirements by any person. This Prospectus and any accompanying documents have been prepared to comply with UK law and the information disclosed may not be the same as that which would have been disclosed if this Prospectus had been prepared in accordance with the laws and regulations of any jurisdiction outside the UK.

22. Documents on Display

Copies of the following documents are available for inspection during normal business hours on any Business Day for a period beginning on the date of this Prospectus and ending on the Scheme Effective Time at Mondi plc's registered office, being Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG:

- the Existing Mondi plc Articles;

- the Amended Mondi plc Articles;
- the New Mondi plc Articles;
- the Existing Mondi Limited Memorandum of Incorporation;
- the Amended Mondi Limited Memorandum of Incorporation;
- each Circular;
- the Group Integrated Report and Financial Statements 2016, the Group Integrated Report and Financial Statements 2017 and the Group Integrated Report and Financial Statements 2018; and
- this Prospectus.

For the purposes of the Prospectus Rules, this Prospectus will be published in electronic form and made available, subject to certain restrictions relating to persons resident in the United States, at www.mondigroup.com.

23. Information Incorporated by Reference

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this Prospectus, and only the parts of the documents identified in the table below are incorporated into, and form part of, this Prospectus. The parts of these documents which are not incorporated by reference are either not relevant for you or are covered elsewhere in this Prospectus. To the extent that any information incorporated by reference itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Prospectus for the purposes of the Prospectus Rules, except where such information is stated within this Prospectus as specifically being incorporated by reference or where the document is specifically defined as including such information.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

Except as set forth above, no other portion of these documents is incorporated by reference into this Prospectus.

These documents incorporated by reference are available for inspection in accordance with this paragraph 23.

Information incorporated by reference from the Group Integrated Report and Financial Statements 2018

The following pages are incorporated by reference from the Group Integrated Report and Financial Statements 2018.

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Chief Executive Officer's letter	10-11
Our business model.....	18-25
Key performance indicators.....	36-37
Financial performance.....	64-67
Remuneration.....	122-141
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Information incorporated by reference from the Group Integrated Report and Financial Statements 2017

The following pages are incorporated by reference from the Group Integrated Report and Financial Statements 2017.

Information	Pages
Joint Chairmen statement.....	10-11
Our business model.....	14-17
Chief Executive Officer's letter	18-19
Our key performance indicators	28-29
Group financial performance	56-59
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Mondi Limited parent company statement of financial position.....	203
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Extract of the notes to the audited Mondi Limited parent company financial statements.....	205-206
Mondi plc parent company balance sheet.....	207
Mondi plc parent company statement of changes in equity.....	207
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Related party transactions.....	190
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Information incorporated by reference from the Group Integrated Report and Financial Statements 2016

The following pages are incorporated by reference from the Group Integrated Report and Financial Statements 2016.

Information	Pages
Independent auditors' reports.....	136-145
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PART XIII DEFINITIONS

Interpretation

Unless otherwise stated, all times referred to in this Prospectus are references to UK time.

All references to “UK pound sterling”, “pound sterling” or “£” are to the lawful currency of the UK.

All references to “euro”, “EUR” or “€” are to the lawful currency of the EU (as adopted by certain member states).

All references to “U.S. Dollar”, “U.S. dollar”, “USD”, “dollar”, “U.S.\$” and “\$” are to the lawful currency of the US.

All references to “South African rand”, “rand” and “R” are to the lawful currency of South Africa.

Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

Definitions

The following definitions apply throughout this Prospectus unless the context requires otherwise:

Admission

means (i) the admission of the New Mondi plc Shares to the premium segment of the Official List and to trading on the main market for listed securities of the LSE; and/or (ii) the admission to listing and trading of the New Mondi plc Shares on the main board of the securities exchange of the JSE, as the context requires

AGM Resolutions

means the resolutions proposed at the Annual General Meeting of Mondi Limited as set out in resolutions 1 to 31 of Mondi Limited’s Notice and Mondi plc’s Notice

Amended Mondi Limited Memorandum of Incorporation

means the conformed Existing Mondi Limited Memorandum of Incorporation, as amended by the passing of the Simplification Resolutions

Amended Mondi plc Articles

means the consolidated Existing Mondi plc Articles, which include such amendments approved as part of the resolutions required to be approved for the Simplification to proceed

Announcement

means the announcement by Mondi plc dated 19 November 2018 in relation to the Simplification of the corporate structure

Annual General Meetings or AGMs

means: (i) the annual general meeting of Mondi Limited, to be held at 11:30 a.m. (SA time) on Thursday, 9 May 2019 at The Venue, 17 The High Street, Melrose Arch, Melrose, Johannesburg, 2196, South Africa and via electronic communication (including any adjournment or postponement thereof) to consider and, if deemed fit, pass, with or without modification, the AGM Resolutions, the Simplification Resolutions, the Scheme Resolution and the Post-Simplification Resolutions; and (ii) the annual general meeting of Mondi plc, to be held at 10:30 a.m. (UK time) on Thursday, 9 May 2019 at Haberdashers’ Hall, 18 West Smithfield, London, EC1A 9HQ, United Kingdom (including any adjournment or postponement thereof) or one or both of them, as the context requires

Appraisal Rights	means the rights afforded to Mondi Limited Shareholders under section 164 of the SA Companies Act as a consequence of the adoption by Mondi Limited Shareholders of the special resolution approving the Scheme
Beneficial Holder	means, in relation to any Dematerialised Shares, the person who from time to time: (i) holds the beneficial interests in such shares directly through “own name” registration in the Uncertificated Securities Register; or (ii) where such shares are registered in the Uncertificated Securities Register in the name of a nominee holder, the holder/s of the beneficial interests in such Dematerialised Shares
Boards	means the boards of directors of Mondi Limited and Mondi plc, or either of them, as the context requires as at the Latest Practicable Date
Broker	means any person registered as a “broking member equities” in terms of the rules of the JSE in accordance with the provisions of the SA FMA
BSP	means the Mondi Limited BSP or the Mondi plc BSP, or both of them, as the context requires
Business Day	means any day other than a Saturday, a Sunday or an official bank holiday in London, United Kingdom
Certificated or in Certificated Form	means recorded in physical paper form on the relevant register without reference to CREST or the Strate System and that have not been Dematerialised
Certificated Shares	means Mondi Limited Ordinary Shares that are in Certificated Form
CIPC	means the South African Companies and Intellectual Property Commission, established in terms of section 185 of the SA Companies Act, or its successor from time to time
Circular	means the Mondi plc circular or the Mondi Limited circular, each dated Tuesday, 26 March 2019, sent or made available respectively by Mondi plc to all Mondi plc shareholders and by Mondi Limited to all Mondi Limited shareholders or both of them, as the context requires, summarising the background to and the reasons for the Simplification, which includes the relevant Notice (which also incorporates the resolutions required to be approved for the Simplification to proceed)
City Code	means the City Code on Takeovers and Mergers 1968
Closing Price	means the closing middle market quotations of a share derived from the daily official list of the LSE
Companies Act 2006	means the UK Companies Act 2006
Conditions	means the conditions to the implementation of the Simplification (including, without limitation, the Scheme) as set out in full in Part VI: “ <i>Information about the Simplification</i> ” of this Prospectus
Court	means any South African court with competent jurisdiction to approve the implementation of the Scheme Resolution pursuant to section 115 of the SA Companies Act and/or to determine the fair value of Mondi Limited Ordinary Shares and make an order pursuant to sections 164(14) and 164(15) of the SA Companies Act, as applicable
CREST	means the system for the paperless settlement of trades in securities and the holding of Uncertificated securities operated by Euroclear in accordance with the CREST Regulations

CSD	means a person who is licensed as a central securities depository under section 29 of the SA FMA
CSDP	means a person that holds in custody and administers securities or an interest in securities, and that has been accepted in terms of section 31 of the SA FMA by a CSD as a participant in that CSD
Deferred Shares	means the deferred shares (of any class) of Mondi plc and/or Mondi Limited, as the context requires, with the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles, the Amended Mondi plc Articles or the Amended Mondi Limited Memorandum of Incorporation (as relevant)
Dematerialised or in Dematerialised Form	means the process by which Certificated shares are converted into electronic format and are replaced by an electronic record of such shares in the Strate System
Dematerialised Shares	means Mondi Limited Ordinary Shares which have been Dematerialised or have been issued in Dematerialised Form, and recorded in Mondi Limited's Uncertificated Securities Register
Directors	means the directors that comprise the board of directors of Mondi Limited or Mondi plc, from time to time, or both of them, as the context requires.
Disclosure Guidance and Transparency Rules	means the disclosure rules made by the FCA pursuant to Part VI of FSMA (as amended), referred to in section 73A(3) of FSMA, and contained in the FCA's publication of the same name
Dissenting Shareholders	means at any relevant time, those Mondi Limited Shareholders who have validly exercised their Appraisal Rights in accordance with section 164(5) to section 164(8) of the SA Companies Act for so long as none of the circumstances contemplated in section 164(9) of the SA Companies Act has occurred and/or the relevant Mondi Limited Shareholder has not withdrawn its demand pursuant to an order of court as contemplated in section 164(15)(c)(v) (aa) of the SA Companies Act, or otherwise
DLC	means dual listed company
DLC Audit Committee	means the audit committees of Mondi plc and, until the Scheme Effective Time, Mondi Limited
DLC Nominations Committee	means the nominations committees of Mondi plc and, until the Scheme Effective Time, Mondi Limited
DLC Remuneration Committee	means the remuneration committees of Mondi plc and, until the Scheme Effective Time, Mondi Limited
DLC Shares	means (i) the Mondi Limited Special Converting Shares, Mondi Limited Special Rights Shares and Mondi Limited SA DAN Share; and/or (ii) the Mondi plc Special Converting Shares, Mondi plc Special Rights Shares, Mondi plc Special Voting Share, Mondi plc UK DAN Share and Mondi plc UK DAS Share, or both of them, as the context requires
DLC Sustainable Development Committee	means the sustainable development committees of Mondi plc and, until the Scheme Effective Time, Mondi Limited
Documents of Title	means a share certificate, certified transfer deed, balance receipt and/or any other form of document of title acceptable to Mondi Limited or Mondi plc, as the context requires

Election Record Time	means 12:00 p.m. (SA time) on the date on which the Scheme Record Time falls, being the time by which the Transfer Secretary must have received a valid election in respect of the buyback option (Option B)
Elements	means the numbered sections A to E in Part I: “ <i>Summary Information</i> ”
Enlarged Share Capital	means the aggregate total of the number of Mondi plc Ordinary Shares in issue immediately before the Scheme Effective Time and the total number of New Mondi plc Shares to be issued
Equalisation Ratio	means the ratio being 1:1 as at the Latest Practicable Date, where an ordinary share in either Mondi Limited or Mondi plc gives the holder an equivalent effective economic and voting interest in the Group
EU or European Union	means the European Union
Euribor	means the euro interbank offered rate
Exchange Ratio	means the ratio of one New Mondi plc Share in exchange for every Mondi Limited Ordinary Share held at the Scheme Record Time
Excluded Dissenting Shareholders	means Dissenting Shareholders who validly accept an offer made to them by Mondi Limited in accordance with the requirements of section 164(11) of the SA Companies Act or, pursuant to an order of Court, tender their Mondi Limited Ordinary Shares to Mondi Limited in accordance with the requirements of section 164(15)(c)(v) of the SA Companies Act
Excluded Shares	means the Excluded Dissenting Shareholders’ Mondi Limited Ordinary Shares
Excluded US Shareholder	means a US Shareholder that is not a QIB or in respect of which the Required Notice Recipient has not received a US Investor Letter before the QIB Notification Time
Executive Directors	means the executive Directors of Mondi Limited or Mondi plc, or both of them, as the context requires
Executive Management	means the members of the Executive Committee of the Board and the Company Secretary of each of Mondi plc and Mondi Limited
Existing Mondi Limited Memorandum of Incorporation	means the memorandum of incorporation of Mondi Limited as at the date of this Prospectus, which was adopted by special resolution passed on 3 May 2012
Existing Mondi plc Articles	means the articles of association of Mondi plc as at the date of this Prospectus, which were adopted by special resolution passed on 3 May 2012 and amended by special resolution passed on 3 May 2013
Existing Mondi plc Ordinary Shares	means the Mondi plc Ordinary Shares in issue at the Latest Practicable Date
FCA	means the UK Financial Conduct Authority or its successor from time to time
Finalisation Announcement	means the announcement by Mondi Limited and Mondi plc released on SENS, before 11:00 a.m. (SA time) to the effect that the Scheme has become unconditional in accordance with its terms

Finalisation Date	means the date on which all the Conditions shall have been fulfilled or waived, as the case may be, or on which the Scheme is otherwise rendered unconditional in accordance with its terms
FSMA	means the UK Financial Services and Markets Act 2000
FTSE	means the Financial Times stock exchange 100 index, which is a share index of the 100 companies listed on the LSE with the highest market capitalisation
Group or Mondi	means: (i) Mondi Limited and Mondi plc and their consolidated Subsidiaries and Subsidiary Undertakings prior to the implementation of the Simplification; and (ii) Mondi plc and its consolidated Subsidiaries and Subsidiary Undertakings after the implementation of the Simplification (which shall include Mondi Limited and its Subsidiaries and Subsidiary Undertakings)
Group Integrated Report and Financial Statements 2016	means the Group's integrated annual report and financial statements for the year ended 31 December 2016
Group Integrated Report and Financial Statements 2017	means the Group's integrated annual report and financial statements for the year ended 31 December 2017
Group Integrated Report and Financial Statements 2018	means the Group's integrated annual report and financial statements for the year ended 31 December 2018
Group Share Plans	means the Mondi Limited LTIP, the Mondi plc LTIP, the Mondi Limited BSP, the Mondi plc BSP and the SIP
Group Shareholders	means the Mondi plc Shareholders and Mondi Limited Shareholders and the holders of each of the DLC Shares and the Mondi Limited SA DAS Share , or one or more or all, as applicable
IASB	means the International Accounting Standards Board
IFRS	means the International Financial Reporting Standards, as adopted by the European Union
ISIN	means international security identification number
IT	means information technology
Joint Chairs	means Fred Phaswana and David Williams, as at the Latest Practicable Date
JSE or Johannesburg Stock Exchange	means the securities exchange operated by JSE Limited and licensed as an exchange under the SA FMA
JSE Limited	means JSE Limited, incorporated and registered in South Africa with registration number 2005/022939/06 and its registered office address at One Exchange Square, 2 Gwen Lane, Sandown, 2196, South Africa
JSE Listings Requirements	means the listings requirements of the JSE, as amended from time to time
Land Claims Act	means the South African Restitution of Land Rights Act, 22 of 1994
Land Claims Court	means the court established in terms of section 22 of the Land Claims Act that has the same powers possessed by the High Courts of South Africa, to determine matters involving the Land Claims Act and the Land Reform (Labour Tenants) Act, 3 of 1996
Latest Practicable Date	means 18 March 2019, being the latest practicable date prior to publication of this Prospectus

Listing Rules	means the rules and regulations made by the UKLA under Part VI of FSMA and contained in the UKLA's publication of the same name (as amended from time to time)
London Stock Exchange or LSE	means the securities exchange operated by London Stock Exchange plc under the FSMA
London Stock Exchange plc	means London Stock Exchange plc, incorporated and registered in England and Wales, with registered number 02075721 and its registered office address at 10 Paternoster Square, London, EC4M 7LS, United Kingdom
Longstop Date	means 31 December 2019 or such later date/s as Mondi Limited and Mondi plc agree in writing from time to time
LTIP	means the Mondi Limited LTIP or the Mondi plc LTIP, or both of them, as the context requires
Market Abuse Regulation	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
Mondi Incentive Schemes Trust	means the South African trust established by Mondi Limited and the first trustee thereof under master's reference IT869/2008, named "Mondi Incentive Schemes Trust";
Mondi Limited	means Mondi Limited, incorporated in South Africa as a public company with registration number 1067/013038/06 and whose registered office is situated at 4th Floor, No. 3 Melrose Boulevard, Melrose Arch 2196, Gauteng, South Africa
Mondi Limited Bonus Share Plan or Mondi Limited BSP	means the share incentive plan titled "Mondi Limited 2016 Bonus Share Plan" approved by the Mondi Limited Shareholders on 12 May 2016 as described on pages 92 to 93 of this Prospectus
Mondi Limited Circular	means the Mondi Limited circular, dated Tuesday, 26 March 2019, sent or made available by Mondi Limited to all Mondi Limited shareholders
Mondi Limited Long-Term Incentive Plan or Mondi Limited LTIP	means the share incentive plan titled "Mondi Limited 2016 Long-Term Incentive Plan" approved by the Mondi Limited Shareholders on 12 May 2016 as described on pages 91 to 92 of this Prospectus
Mondi Limited Non-Voting Shares	means the redeemable no par value non-voting shares in the share capital of Mondi Limited having the preferences, rights, limitations and other terms set out in the Amended Mondi Limited Memorandum of Incorporation
Mondi Limited Ordinary Shares	means the no par value ordinary shares in the share capital of Mondi Limited from time to time
Mondi Limited Register	means Mondi Limited's securities register, including the Uncertificated Securities Register
Mondi Limited SA DAN Share	means the dividend access share in the share capital of Mondi Limited held by SA Trust Co for the benefit of holders of Mondi plc Ordinary Shares who are not resident in South Africa and having the preferences, rights, limitations and other terms set out in the Existing Mondi Limited Memorandum of Incorporation
Mondi Limited SA DAS Share	means the dividend access share in the share capital of Mondi Limited held by SA Trust Co for the benefit of holders of Mondi plc Ordinary Shares who are resident in South Africa and having the preferences, rights, limitations and other terms set out in the Existing Mondi Limited Memorandum of Incorporation

Mondi Limited Shareholders	means in the case of: (i) Certificated Shares, the person who is the registered holder of such shares from time to time; and (ii) Dematerialised Shares, the person who is the Beneficial Holder of such shares from time to time and includes, where applicable and as the context requires, the nominee holder thereof as reflected in the Uncertificated Securities Register
Mondi Limited Special Converting Shares	means the special converting shares in the share capital of Mondi Limited held by SA Trust Co and having the preferences, rights, limitations and other terms set out in the Existing Mondi Limited Memorandum of Incorporation
Mondi Limited Special Rights Share	means the redeemable preference share in the share capital of Mondi Limited held by SA Trust Co, to be used at the discretion of the Mondi Limited Directors to capitalise reserves in order to issue additional Mondi Limited Special Converting Shares, and having the preferences, rights, limitations and other terms set out in the Existing Mondi Limited Memorandum of Incorporation
Mondi plc or Company	means Mondi plc, incorporated with limited liability in England and Wales with registration number 6209386 and whose registered office is situated at Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey KT15 2PG, United Kingdom
Mondi plc Bonus Share Plan or Mondi plc BSP	means the share incentive plan titled “Mondi plc 2016 Bonus Share Plan” approved by the Mondi plc Shareholders on 12 May 2016, as amended and described on pages 92 to 93 of this Prospectus
Mondi plc Long-Term Incentive Plan or Mondi plc LTIP	means the share incentive plan titled “Mondi plc 2016 Long-Term Incentive Plan” approved by the Mondi plc Shareholders on 12 May 2016, as amended, as described on pages 91 to 92 of this Prospectus
Mondi plc Ordinary Shares	means the ordinary shares of €0.20 nominal value each in the share capital of Mondi plc from time to time
Mondi plc Register	means the Mondi plc UK Register or the Mondi plc SA Register or both of them, as the context requires
Mondi plc SA Register	means the South African branch of Mondi plc’s ordinary share register maintained in South Africa
Mondi plc Senior Managers	means the senior managers of Mondi plc, from time to time, whose names are set out, as at the Latest Practicable Date on page 76 of this Prospectus
Mondi plc Shareholders	means the holders of Mondi plc Ordinary Shares from time to time (any such holder being a Mondi plc Shareholder)
Mondi plc Special Converting Shares	means the special converting shares in Mondi plc issued to UK Trust Co and having the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles
Mondi plc Special Rights Share	means the share in the share capital of Mondi plc held by UK Trust Co to be used at the discretion of the Mondi plc Directors to capitalise reserves in order to issue additional Mondi plc Special Converting Shares and having the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles
Mondi plc Special Voting Share	means the special voting share in the share capital of Mondi plc held by UK Trust Co and having the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles

Mondi plc UK DAN Share	means the dividend access share issued by Mondi plc and held by UK Trust Co for the benefit of the registered holders of Mondi Limited Ordinary Shares other than those who are resident in South Africa and having the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles
Mondi plc UK DAS Share	means the dividend access share issued by Mondi plc and held by UK Trust Co for the benefit of the registered holders of Mondi Limited Ordinary Shares and having the preferences, rights, limitations and other terms set out in the Existing Mondi plc Articles
Mondi plc UK Register	means the principal share register of Mondi plc maintained in the UK in respect of the Mondi plc Ordinary Shares
Morocco Competition Act	means Moroccan Law No. 104-12 of 30 June 2014 on Free Pricing and Competition (Dahir No. 1-14-116) and its Enforcement Decree No. 2-14-652 of 1 December 2014 and Law No. 20-13 relating to the Competition Council of 30 June 2014 (Dahir No. 1-14-117) and its Enforcement Decree No. 2-15-109 of 4 June 2015
Morocco Competition Authority	means Moroccan Competition Council, established in accordance with Law No. 20-13 of 30 June 2014 (Dahir No. 1-14-117) and its Enforcement Decree No. 2-15-109 of 4 June 2015
National Assembly	means the National Assembly in South Africa
Net Debt	means a measure comprising short, medium, and long-term interest-bearing borrowings and the fair value of debt-related derivatives less cash and cash equivalents and current financial asset investments, which provides a measure of the Group's net indebtedness or overall leverage
New Mondi plc Articles	means the articles of association of Mondi plc proposed to be adopted with effect following Admission
New Mondi plc Shares	means the Mondi plc Ordinary Shares proposed to be issued, credited as fully paid, to Scheme Participants pursuant to the Simplification
Non-Executive Directors	means the non-executive directors of Mondi Limited or Mondi plc from time to time, or both of them, as the context requires
Non-South African Operations	means the business and assets held by Mondi plc
Notice	means the notices of the Annual General Meetings of Mondi Limited at 10:30 a.m. (SA time) on Thursday, 9 May 2019 and Mondi plc to be held at 11:30 a.m. (UK time) on Thursday, 9 May 2019
Official List	means the Official List of the FCA
Overseas Shareholders	means the Mondi plc Shareholders who are resident in, ordinarily resident in, or citizens of jurisdictions outside the United Kingdom
Panel	means the Panel on Takeovers and Mergers
PFIC	means a passive foreign investment company
Post-Simplification Resolutions	means the resolutions proposed to approve the post-Simplification matters required following the completion of the Simplification as set out in resolutions 39 to 41 of Mondi Limited's Notice and resolutions 38 to 40 of Mondi plc's Notice
PRA	means the Prudential Regulation Authority as defined by the FSMA

Prospectus	means this prospectus published by Mondi plc in relation to the New Mondi plc Shares and approved by the FCA in accordance with the Prospectus Rules and any supplementary prospectus thereto
Prospectus Rules	means the prospectus rules made by the FCA pursuant to Part VI of the FSMA, as amended, referred to in section 73A(4) of the FSMA and contained in the FCA's publication of the same name
QIB	means a "qualified institutional buyer", as such term is defined in the US Securities Act
QIB Notification Time	means 5:00 p.m. (SA time) on the Scheme Last Day to Trade, being the time and date before which the Required Notice Recipient must have received a US Investor Letter
Regulatory Consents	means approvals, consents or waivers from those Authorities necessary in terms of any law to implement the Scheme, comprising (a) the issue by the TRP of a compliance certificate with respect to the Scheme in terms of section 119(4)(b) of, or confirmation of no jurisdiction in respect of, the SA Companies Act; and (b) the approval of the SA Competition Authorities under the SA Competition Act and the Morocco Competition Authority under the Morocco Competition Act
RIS	means regulatory information services
Required Notice Recipient	means in the case of (i) Dematerialised Shareholders, the relevant CSDP, Broker, custodian or nominee, with a copy to the Transfer Secretary (at the following e-mail address: specialprojects@linkmarketservices.co.za); and (ii) Certificated Shareholders, the Transfer Secretary (at the following e-mail address: specialprojects@linkmarketservices.co.za)
ROCE	means return on capital employed, which is defined as trailing 12-month underlying operating profit, including share of equity accounted investees' net profit/(loss), divided by trailing 12-month average capital employed. Capital employed is adjusted for spend on major capital expenditure projects which are not yet in production. Segments' 12-month average capital employed has been extracted from management reports. ROCE provides a measure of the efficient and effective use of capital in the business
SA Business Day	means any day other than a Saturday, a Sunday or an official public holiday in South Africa
SA Companies Act	means the South African Companies Act, 71 of 2008
SA Companies Regulations	means the Companies Regulations, 2011, promulgated under the SA Companies Act
SA Dividends Tax	means a shareholder-borne withholding tax on dividends currently levied at 20 per cent. under Part VIII of the SA Income Tax Act, unless reduced or exempted under a convention for the avoidance of double taxation or a specified exemption under the SA Income Tax Act
SA FMA	means the South African Financial Markets Act, 19 of 2012
SA Income Tax Act	means the South African Income Tax Act, 58 of 1962
SA Securities Transfer Tax	means South African securities transfer tax
SA Securities Transfer Tax Act	means the South African Securities Transfer Tax Act, 25 of 2007

SA Takeover Regulations	means the regulations set out in chapter 5 of the SA Companies Regulations
SA Trust Co	means Mondi SSC (SA) (Proprietary) Limited, a private company incorporated in South Africa with registration number 2007/011747/07 or such other entity as replaces SA Trust Co from time to time
SARB	means the South African Reserve Bank
Scheme	means the scheme of arrangement between Mondi Limited and the Mondi Limited Shareholders in terms of section 114 of the SA Companies Act, the terms and conditions of which are set out in Part VI of this Prospectus
Scheme Consideration	means the consideration for the Scheme Shares in terms of the Scheme, as set out in this Circular, being the issue by Mondi plc of one New Mondi plc Share for every one Scheme Share held by a Scheme Participant at the Scheme Record Time
Scheme Effective Time	means the date and time upon which the Scheme becomes effective following it becoming unconditional in accordance with its terms, which date and time will be the same as the Scheme Record Time and is presently indicatively expected to be at 5:00 p.m. (SA time) on Friday, 28 June 2019
Scheme Last Day to Trade	means the last day to trade Mondi Limited Ordinary Shares on the JSE in order to be recorded in the Mondi Limited Register at the Scheme Record Time, which is presently indicatively expected to be at 5:00 p.m. (SA time) on Tuesday, 25 June 2019
Scheme Participants	means the Mondi Limited Shareholders recorded in the Mondi Limited Register at the Scheme Record Time; provided that: (i) Mondi Limited Shareholders who become Excluded Dissenting Shareholders after the Scheme Record Time will not be regarded as Scheme Participants; and (ii) since Dissenting Shareholders may become Excluded Dissenting Shareholders, Dissenting Shareholders will only be regarded as Scheme Participants once they cease to be Dissenting Shareholders
Scheme Record Time	means the date and time at which Scheme Participants must be recorded in the Mondi Limited Register to participate in the Scheme at the Scheme Effective Time and receive the Scheme Consideration, as set in the Finalisation Announcement, which is presently indicatively expected to be 5:00 p.m. (SA time) on Friday, 28 June 2019
Scheme Resolution	means the special resolution of Mondi Limited Shareholders required to give effect to and implement the Scheme as set out in resolution 38 of Mondi Limited's Notice
Scheme Shares	means all of the Mondi Limited Ordinary Shares in issue at the Scheme Record Time, save only for the Excluded Shares
SDRT or Stamp Duty Reserve Tax	means UK stamp duty reserve tax
SEC	means the US Securities and Exchange Commission
SEDOL	means the Stock Exchange Daily Official List
SENS	means the Stock Exchange News Service, the announcement service in relation to securities listed on the JSE

Simplification	means the proposed simplification of the existing DLC structure of Mondi Limited and Mondi plc, to be effected by Mondi plc becoming the holder of all of the issued and to be issued Mondi Limited Ordinary Shares and related actions for the termination of the DLC arrangements
Simplification Notice	means notice being given by either Mondi Limited to Mondi plc or vice versa specifying the date and time on which the DLC Shares will be converted into Deferred Shares (in terms of the Simplification, the date and time set in this notice will be immediately before the Scheme Effective Time)
Simplification Resolutions	means the resolutions proposed to approve the Simplification as set out at resolutions 32 to 37 of Mondi Limited's Notice and resolutions 32 to 37 of Mondi plc's Notice
Share Incentive Plan or SIP	means the Mondi plc Share Incentive Plan 2007 as described on pages 94 to 95 of this Prospectus
South Africa or SA	means the Republic of South Africa
South African Operations	means the businesses and assets held by Mondi Limited in South Africa, including the shareholding in the Group's 50 per cent. holding of the Côte d'Ivoire business
Special items	means those financial items which the Group considers should be separately disclosed on the face of the combined and consolidated income statement to assist in understanding the underlying financial performance achieved by the Group. Such items are generally material by nature and exceed €10 million and the Group, therefore, excludes these items when reporting underlying earnings and related measures in order to provide a measure of the underlying performance of the Group on a basis that is comparable from year to year. Subsequent adjustments to items previously recognised as special items continue to be reflected as special items in future periods even if they do not exceed the quantitative reporting threshold
Strate	means Strate Proprietary Limited, a private company incorporated in South Africa with registration number 1998/022242/07 and registered as a central securities depository responsible for the electronic clearing and settlement of trades on the JSE
Strate System	means the system operated by Strate for dealings in Uncertificated securities listed on the JSE that take place on the JSE
Subsidiary	has the meaning given in section 1159 of the Companies Act 2006
Subsidiary Undertaking	has the meaning given in section 1162 of the Companies Act 2006
Transfer Secretary	means Link Market Services South Africa Proprietary Limited, registration number 2000/007239/07, a private company duly incorporated in accordance with the laws of South Africa or such other person or persons as may be appointed by Mondi Limited from time to time as Transfer Secretary for purposes of the Scheme
TRP	means the Takeover Regulation Panel, established in terms of section 196 of the SA Companies Act
UBS	means UBS AG London Branch
UBS SA	means UBS South Africa (Pty) Limited
UFP	means uncoated fine paper

UK or United Kingdom	means the United Kingdom of Great Britain and Northern Ireland
UKLA	means the FCA in its capacity as competent authority under the FSMA
UK Trust Co	means Mondi SCS (UK) Limited, a limited liability company incorporated in England and Wales with registered number 6301023 or such other entity as replaces UK Trust Co from time to time
Uncertificated or in Uncertificated Form	means, in relation to Mondi plc Shareholders, recorded on the Mondi plc UK Register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST; and in relation to Mondi Limited Shareholders, recorded on the Mondi Limited Register as being held in uncertificated form in the Strate System and title to which, by virtue of the SA Companies Act, may be transferred by means of the Strate System
Uncertificated Securities Register	means the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Mondi Limited Register
Underlying EBITDA	means underlying earnings before interest, tax, depreciation and amortisation, which is defined as operating profit before special items, depreciation, amortisation and impairments not recorded as special items. Underlying EBITDA provides a measure of the cash-generating ability of the business that is comparable from year to year
Underlying operating profit	means operating profit before special items. Underlying operating profit provides a measure of operating performance that is comparable from year to year
United States or US	means the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
US Investor Letter	means an investor letter in the format set out in Annex VII of the Mondi Limited Circular. This is the letter that US Shareholders that are QIBs wishing to receive New Mondi plc Shares will be required to execute and deliver to the Required Notice Recipient before the QIB Notification Time
US Securities Act	means the United States Securities Act of 1933
US Shareholders	means Mondi Limited Shareholders with registered addresses in the United States
Voting Record Time	means the last date and time on which the Group Shareholders must be recorded in the relevant Register for the Group Shareholders to be eligible to attend, speak and vote at the relevant Annual General Meeting (or any adjournment or postponement thereof), which is presently indicatively expected to be: (i) 5:00 p.m. (SA time) on Monday, 6 May 2019 for Mondi Limited Shareholders and Mondi plc Shareholders on the Mondi Limited Register or the Mondi plc SA Register (as applicable); or (ii) for Mondi plc Shareholders on the Mondi plc UK Register, 5:00 p.m. (UK time) on Tuesday, 7 May 2019

Mondi plc

Building 1, 1st floor, Aviator Park

Station Road, Addlestone

Surrey KT15 2PG, UK

+44 1932 826 300

www.mondigroup.com