

Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2018

Registered no. 05024245



Mondi Investments Limited

Annual report and financial statements

For the year ended 31 December 2018

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Mondi Investments Limited

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For the year ended 31 December 2018

Officers and professional advisers

Directors

J L Hampshire
A C W King
J C Paterson
C Valera

Company secretary

J L Hampshire

Registered Office

Building 1, 1st Floor
Aviator Park
Station Road
Addlestone
Surrey
United Kingdom
KT15 2PG

Bankers

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

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment place
London
United Kingdom
WC2N 6RH

Mondi Investments Limited

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Strategic report

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

Review of the business

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

The profit for the financial year after tax was €496,650,930 (2017: €83,349,071), increasing mainly due to dividend income received from investments. A dividend of €300,000,000 (2017: €65,000,000) was paid during the year.

Going concern

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

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

Risk management

The directors considered the risks attached to the Company's financial instruments, which principally comprise operating debtors, operating creditors and loans to and from other group companies. The Company's exposure to interest rate risk, currency risk, credit risk and liquidity risk is not material for the assessment of assets, liabilities and the financial statements.

The directors' policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so.

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

Approved by the board of directors on 5 September 2019 and signed on behalf of the board by:



J C Paterson
Director

Mondi Investments Limited

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

Company registered number
05024245

Directors

The directors, who held office throughout the year and to the date of this report, were as follows:

J L Hampshire
A C W King
J C Paterson
P Wessels (resigned 20 May 2019)
C Valera (appointed 21 May 2019)

Directors' indemnities

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

Information set out in the Strategic report

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

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

Events occurring after 31 December 2018

There have been no material reportable events since 31 December 2018.

Statement as to disclosure of information to auditors

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

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

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

Independent auditors

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

Approved by the board of directors on 5 September 2019 and signed on behalf of the board by:



J L Hampshire
Company secretary

Mondi Investments Limited

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Directors' responsibilities statement

The directors are responsible for preparing the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 (Reduced disclosure framework) has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Mondi Investments Limited

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2018; the Profit and loss account, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Neil Proudlove (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

5 September 2019

Mondi Investments Limited

Profit and loss account

for the year ended 31 December 2018

	Notes	2018 €	2017 €
Other operating expenses	5	(2,553,960)	(2,181,187)
Amounts written off investments	6	(18,100,000)	(21,200,000)
Loss from operations		(20,653,960)	(23,381,187)
Investment income	7	517,306,906	106,901,604
Interest payable and similar expenses	8	(2,016)	(171,346)
Profit on ordinary activities before tax		496,650,930	83,349,071
Tax on profit / (loss)	9	-	-
Profit for the financial year		496,650,930	83,349,071

All amounts derive from continuing operations.

There are no recognised gains or losses for the current or preceding financial year other than the profit shown above and therefore no separate statement of other comprehensive income has been presented.

Mondi Investments Limited

Balance sheet

As at 31 December 2018

	Note	2018 €	2017 €
Fixed assets			
Investments	10	3,960,543,478	3,776,741,253
		<u>3,960,543,478</u>	<u>3,776,741,253</u>
Current assets			
Trade and other receivables	11	752,552	754,194
Amounts owed by group undertakings	12	15,351,512	1,675,850
Derivative financial instruments	14	-	3,047
		<u>16,104,064</u>	<u>2,433,091</u>
Current liabilities			
Derivative financial instruments	14	(6,822)	(4,934)
Trade and other payables	13	(2,479,415)	(1,659,035)
		<u>13,617,827</u>	<u>769,122</u>
Net current assets		<u>13,617,827</u>	<u>769,122</u>
Total assets less current receivables		<u>3,974,161,305</u>	<u>3,777,510,375</u>
Equity			
Share capital	16	15,311	15,311
Share premium account		50,000,000	50,000,000
Profit and loss account		3,924,145,994	3,727,495,064
Total shareholders' funds		<u>3,974,161,305</u>	<u>3,777,510,375</u>

These financial statements were approved by the board of directors and authorised for issue on 5 September 2019.

Signed on behalf of the board of directors



J C Paterson
Director

Company registered number: 05024245

Mondi Investments Limited

Statement of changes in equity

For the year ended 31 December 2018

	Share capital €	Share premium €	Profit and loss account €	Total €
At 1 January 2017	15,311	50,000,000	3,709,145,993	3,759,161,304
Total comprehensive profit for the year	-	-	83,349,071	83,349,071
Dividend paid	-	-	(65,000,000)	(65,000,000)
At 31 December 2017	15,311	50,000,000	3,727,495,064	3,777,510,375
Total comprehensive profit for the year	-	-	496,650,930	496,650,930
Dividend paid	-	-	(300,000,000)	(300,000,000)
At 31 December 2018	15,311	50,000,000	3,924,145,994	3,974,161,305

Mondi Investments Limited

Notes to the financial statements

for the year ended 31 December 2018

1. General information

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

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

2. Significant accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100. Accordingly, in the year ended 31 December 2018, the financial statements have therefore been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101").

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, financial instruments, capital management, presentation of a cash-flow statement, standards not yet effective, and related party transactions.

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

The financial statements are prepared on the historical cost basis, with derivative financial instruments are held at fair value through profit or loss. The principle accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year, with IFRS 9 being adopted in the current year. The impact of this adoption is immaterial for the company.

Going concern

After making enquiries, the directors have formed a judgement that, at the time of approving the financial statements, and having considered the Company's forecasts and projections, there is a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

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

Dividend payments

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

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

2. Significant accounting policies (continued)

Taxation

Current tax

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

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

Deferred tax

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

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

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

Foreign currency

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

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

Investments in subsidiaries

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

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

The investments are recorded at cost less any accumulated impairment.

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

2. Significant accounting policies (continued)

Financial instruments

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

Cash and cash equivalents

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

Debtors and creditors

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

3. Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgement - valuation of investments

The Company assesses the carrying value of its investments on an annual basis for any indication of impairment. The financial results and expected future cash flows of the Company's subsidiaries are used as part of this assessment.

4. Directors and employees

The Company had no employees during the year (2017: none). The directors received no remuneration or emoluments in respect of the services provided to the Company during the year (2017: nil).

5. Other operating expenses

The audit fee for the audit of the Company's financial statements of £3,712 (2017: £3,616) has been borne by Mondi plc in both years. Operating lease costs of £652,240 (2017: £543,533) were borne by Mondi Services (UK) Limited on behalf of Mondi Investments Limited.

6. Amounts written off investments

	2018 €	2017 €
Amounts written off investments	18,100,000	21,200,000

Following the restructuring of the Consumer Packaging operations within the Mondi Group in 2017, a further impairment of €18,100,000 (2017: €21,200,000) has been recognised by the Company, relating to one of the investments it holds directly.

Mondi Investments Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

7. Investment income

	2018 €	2017 €
Interest receivable from group undertakings	1,791	1,604
Dividends received	517,300,000	106,900,000
Foreign exchange gain	5,115	-
	<u>517,306,906</u>	<u>106,901,604</u>

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

8. Interest payable and similar expenses

	2018 €	2017 €
Interest payable to group undertakings	2,016	117,150
Foreign exchange losses	-	54,196
	<u>2,016</u>	<u>171,346</u>

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

9. Tax

(a) Analysis of tax charge for the year

	2018 €	2017 €
Current tax		
UK Corporation tax - prior year group relief adjustment	-	-
Total tax on profit on ordinary activities	<u>-</u>	<u>-</u>

(b) Factors affecting tax charge for the year

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

	2018 €	2017 €
Profit on ordinary activities before tax	496,650,930	83,349,071
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.25%)	94,363,677	16,044,696
Effects of:		
Non-taxable dividend income	(98,287,000)	(20,578,250)
Expenditure not deductible for tax purposes	3,923,323	4,533,554
Total tax charge/credit for the year	<u>-</u>	<u>-</u>

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investments

	2018 €	2017 €
Cost		
At 1 January	4,287,077,846	4,246,109,023
Additions	281,402,225	40,968,823
Disposals	(79,500,000)	-
At 31 December	4,488,980,071	4,287,077,846
Provisions for impairment		
At 1 January	(510,336,593)	(489,136,593)
Impairment	(18,100,000)	(21,200,000)
At 31 December	(528,436,593)	(510,336,593)
Net book value - 1 January	3,776,741,430	3,756,972,430
Net book value - 31 December	3,960,543,478	3,776,741,253

On 18 September 2018, the Company acquired 60% of the share capital of Mondi Bangkok Company Limited for a total consideration of €1.8 million on a debt and cash-free basis.

On 12 October 2018, the Company acquired 10.01% of each of following entities, all on a debt and cash-free basis. These entities were owned by another group entity.

Company name	Total consideration paid (€)
Mondi Hammelburg GmbH	8,512,000
Mondi Sendenhorst GmbH	1,521,000
Mondi Inncoat GmbH	5,009,000
Mondi Lindlar GmbH	415,000
Mondi Holding Deutschland GmbH	103,264,000
Mondi Juelich GmbH	1,834,000

On 10 December 2018, Mondi Romeoville Inc was acquired for €79,500,000. On 18 December 2018 it was then sold to Mondi Investment Holdings B.V. in exchange for 30,000 shares in the buyer at a cost of €79,500,000.

Following the restructuring of the Consumer Packaging operations within the Mondi Group, a further impairment of €18,100,000 (2017: €21,200,000) has been recognised in the current financial year by the Company, relating to one of the investments it holds directly.

The Company's subsidiaries as at 31 December 2018 were as follows. All shares are held indirectly through a subsidiary or associated undertaking except where noted. Except where stated, the shares held are ordinary shares.

Company	Registered office	% of shares held
Austria		
Future Lignin & Pulp Processing Research Projekt GmbH	Murmühlweg 2, 8112 Gratwein	25
Mondi AG	Marxergasse 4A, 1030 Vienna	100
Mondi Bags Austria GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
Mondi Coatings GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Coating Zeltweg GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100
Mondi Consumer Packaging GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Corrugated Holding Österreich GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Corrugated Services GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Frantschach GmbH	Frantschach 5, 9413 St. Gertraud	100
Mondi Grünburg GmbH	Steyrtalstrasse 5, 4594 Grünburg	100
Mondi Holdings Austria GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Industrial Bags GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Korneuburg GmbH	Stockerauer Strasse 110, 2100 Korneuburg	100
Mondi Neusiedler GmbH	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	51
Mondi Oman Holding GmbH	Marxergasse 4A, 1030 Vienna	70
Mondi Paper Sales GmbH	Marxergasse 4A, 1030 Vienna	100
Mondi Release Liner Austria GmbH	Waidhofnerstrasse 11, 3331 Hilm	100
Mondi Styria GmbH	Bahnhofstrasse 3, 8740 Zeltweg	100
Mondi Uncoated Fine & Kraft Paper GmbH	Marxergasse 4A, 1030 Vienna	100
Papierholz Austria GmbH	Frantschach 5, 9413 St. Gertraud	25
Sulbit Handels GmbH	Marxergasse 4A, 1030 Vienna	100
Ybbstaler Zellstoff GmbH	Theresienthalstrasse 50, 3363 Ulmerfeld-Hausmening	51
<u>Belgium</u>		
Mondi Belcoat N.V.	Adolf Stocletlaan 11, 2570 Duffel	100
Mondi Poperinge N.V.	Nijverheidslaan 11, 8970 Poperinge	100
<u>Bulgaria</u>		
Mondi Stambolijski E.A.D	1 Zavodska Street, Stambolijski 4210, Plovdiv Region	100
<u>China</u>		
Mondi (China) Film Technology Co. Ltd.	No 29 Xinggang Road, Taicang Port Development Zone	100
Mondi Trading (Beijing) Co. Ltd.	0912, Air China Plaza, Building 1, No 36 Xiaoyun Road, Chaoyang, Beijing	100
<u>Croatia</u>		
Mondi Valpovo d.o.o.	Oreškovićeve 6c, 10010 Zagreb (Grad Zagreb)	100
<u>Czech Republic</u>		
EURO WASTE, a.s.	Litoměřická 272, 41108 Štětí	33.33
Labe wood s.r.o	Litoměřická 272, 41108 Štětí	25
Lignocel s.r.o (in liquidation)	Poupětova 3, 17000 Prague 7	20
Mondi Bags Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Bupak s.r.o.	Papírenská 41, 37052 České Budějovic	100
Mondi Coating Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Štětí a.s.	Litoměřická 272, 41108 Štětí	100
Mondi Štětí White Paper s.r.o	Litoměřická 272, 41108 Štětí	100
Roto a.s.	Litoměřická 272, 41108 Štětí	100
Wood & Paper a.s.	Hlína 57/18, 66491 Brno	46.5

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
National Company for Paper Products and Import & Export (S.A.E.)	Plots No. 6 and No. 7 in the Northern Expansion Area, Industrial Zone, 6 th of October, Giza	100
Suez Bags Company (S.A.E.)	30 Maadi Road, Katameya, Kilo138, Cairo	96
<u>Finland</u>		
Harvestia Oy	Selluntie 142, 70420 Kuopio	97
Mondi Finland Services Oy	Peltotie 20, 28400 Ulvila	100
Mondi Powerflute Oy	Selluntie 142, 70420 Kuopio	100
Powerflute Group Holdings Oy	Sorsasalo, 70100 Kuopio	100
<u>France</u>		
Mondi Gournay Sarl	5, rue Vernet, 75008, Paris	100
Mondi Lembacel SAS	11 rue de Reims, 51490 Bétheniville	100
Mondi Paper Sales France Sarl	5, rue Vernet, 75008, Paris	100
<u>Germany</u>		
Mondi Ascania GmbH	Daimlerstrasse 8, 06449 Aschersleben	100
Mondi Bad Rappenau GmbH	Wilhelm-Hauff-Strasse 41, 74906 Bad Rappenau	100
Mondi Consumer Packaging International GmbH	Jöbkesweg 11, 48599 Gronau	100
Mondi Eschenbach GmbH	Am Stadtwald 14, 92676 Eschenbach	100
Mondi Gronau GmbH	Jöbkesweg 11, 48599 Gronau	100
Mondi Halle GmbH	Wielandstraße 2, 33790 Halle	100
Mondi Hammelburg GmbH ²	Thüringenstraße 1-3, 97762 Hammelburg	100
Mondi Holding Deutschland GmbH ²	Jöbkesweg 11, 48599 Gronau	100
Mondi Inncoat GmbH ²	Angererstrasse 25, 83064 Raubling	100
Mondi Jülich GmbH ²	Rathausstrasse 29, 52428 Jülich	100
Mondi Lindlar GmbH ²	Wielandstrasse 2, 33790 Halle	100
Mondi Paper Sales Deutschland GmbH	Oberbaumbrücke 1, 20457 Hamburg	100
Mondi Sendenhorst GmbH ²	Herkulesweg 1, 48324 Sendenhorst	100
Mondi Trebsen GmbH	Erich-Hausmann-Strasse 1, 04687 Trebsen	100
Mondi Wellpappe Ansbach GmbH	Robert-Bosch-Strasse 3, 91522 Ansbach	100
Wood2M GmbH	Hauptstraße 16, 07366 Blankenstein	50
<u>Greece</u>		
Mondi Thessaloniki A.E.	Sindos Industrial Zone - Block 18, 57022 Thessaloniki	100
<u>Hungary</u>		
Mondi Bags Hungária Kft.	Tünde u. 2., 4400 Nyíregyháza	100
Mondi Békéscsaba Kft	Tevan Andor u. 2., 5600 Békéscsaba	100
Mondi Szada Kft.	Vasút u. 13, 2111 Szada	100
<u>Iraq</u>		
Mondi Kaso Iraq Industrial Bag Ltd.	Takya, Bazian, SulaimaniyahIraq	34.55
<u>Italy</u>		
Mondi Gradisac Srl.	Via dell'Industria 11, 34072 Gradisca d'Isonzo, Gorizia	100
Mondi IPI Srl.	Via Zanchetta 27, 35010 San Pietro in Gu, Padua	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
Mondi San Pietro in Gu Srl.	Via Mazzini 21, 35010 San Pietro in Gu, Padua	100
Mondi Silicart Srl.	Via Zanchetta 27, 35010, San Pietro in Gu	100
Mondi Srl. (in liquidation)	Via Zanchetta 27, 35010 San Pietro in Gu, Padua	100
Mondi Tolentino Srl.	Via Giovanni Falcone 1, 62029 Tolentino, Macerata	100
NATRO-TECH Srl.	Via Balilla 32, 24058 Romano di Lombardia, Bergamo	100
Powerflute Italia Srl.	Via Giacomo Matteotti 2, 21013 Gallarate	100
<u>Japan</u>		
Mondi Tokyo KK	7th floor 14-5, Akasaka 2-chrome, Minato-ku, Tokyo	100
<u>Jordan</u>		
Jordan Paper Sacks Company Limited	Al Salt, Industrial Area, P.O. Box 119, 19374, Balqa	67.74
<u>Republic of Korea</u>		
Krauzen Co., Ltd. ²	1420, Keumkang-Penterium IT tower, 282 Hakeui-ro, Dongang-gu, Anyang-si, Gyunggi-do	100
Mondi KSP Co., Ltd. ²	48-29, 439 Hongandaero, Dongang-gu, Anyang-si, Gyunggi-do	95
<u>Lebanon</u>		
Mondi Lebanon SAL	7th Floor, Bloc C, Kassiss Building, Antelias Highway, Antelias	66
<u>Luxembourg</u>		
Mondi Packaging S.à r.l.	1, rue Hildegard von Bingen, 1282	100
Mondi S.à r.l. ²	1, rue Hildegard von Bingen, 1282	100
Mondi Services S.à r.l.	1, rue Hildegard von Bingen, 1282	100
<u>Malaysia</u>		
Mondi Kuala Lumpur Sdn. Bhd.	Lot Nos.PT 5034 & 5036, Jalan Teluk Datuk 28/40, 40000 Shah Alam, Selangor	62
<u>Mexico</u>		
Caja de Ahorro de Personal de Mond	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo León, 66450	100
Mexico Servicios A.C.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo León, 66450	100
Mondi Mexico S. de R.L. de C.V.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo León, 66450	100
Mondi Mexico Servicios S.de R.L. de C.V.	Av. San Nicolás No. 249, Colonia Cuauhtémoc, San Nicolás de los Garza, Nuevo León, 66450	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
<u>Morocco</u>		
L'Ensachage Moderne Sarl	Rue Boukraa N1, Quartier Industriel Dokkarat, Fès	80.64
Pap Sac Maghreb SA	Km 16, Route d'El Jadida, Casablanca	80.64
<u>Netherlands</u>		
Mondi Coating B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Consumer Bags & Films Benelux B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Consumer Bags & Films B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Corrugated B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Corrugated Poland B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Heerlen B.V.	Imstenraderweg 15, 6422 PM Heerlen	100
Mondi Industrial Bags B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi International Holdings B.V. ²	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Maastricht N.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi MENA B.V.	Fort Willemweg 1, 6219 PA Maastricht	70
Mondi Packaging Paper B.V.	Fort Willemweg 1, 6219 PA Maastricht	100
Mondi Paper Sales Netherlands B.V.	Bruynvisweg 14, 1531 AZ, Wormer	100
Mondi SCP Holdings B.V. ²	Fort Willemweg 1, 6219 PA Maastricht	100
<u>Norway</u>		
Mondi Moss AS	Rådmann Sirasvei 11712, Grålum	100
<u>Oman</u>		
Mondi Oman LLC	P.O. Box 20, Post Code 124, Muscat Governorate, As Seeb, Al Rusayl	49
<u>Poland</u>		
Agromasa Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Fredonia Investments Sp. z o.o.	ul. Bukowa 21, 87-148, Łysomice	100
Mondi Bags Mielec Sp. z o.o.	ul. Wojska Polskiego 12, 39-300 Mielec	100
Mondi Bags Świecie Sp. z o.o.	ul. Bydgoska 12, 86-100 Świecie	100
Mondi BZWP Sp z o.o.	ul. Zamenhofska 36, 57-500 Bystrzyca Kłodzka	100
Mondi Corrugated Świecie Sp z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Dorohusk Sp z o.o.	Brzezno 1, 22-174 Brzezno	100
Mondi Kutno Sp. z o.o.	ul. Żołnierska 1, 99-300 Kutno	100
Mondi Poznań Sp. z o.o.	ul. Wyzwolenia 34/36, 62-070 Dopiewo	100
Mondi Recykling Polska Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Simet S.A.	Grabonóg 77, 63-820 Piaski	100
Mondi Solec Sp. z o.o.	Solec, 05-532 Baniocha	100
Mondi Świecie S.A.	ul. Bydgoska 1, 86-100 Świecie	100
Mondi Szczecin Sp z o.o.	ul. Słoneczna 20, 72-123 Kliniska Wielkie	100
Mondi Warszawa Sp z o.o.	ul. Tarczyńska 98, 96-320 Mszczonów	100
Mondi Wierzbica Sp. z o.o.	Kolonia Rzecków 76, 26-680 Wierzbica	100
Świecie Rail Sp. z o.o.	ul. Bydgoska 1, 86-100 Świecie	100
Świecie Recykling Sp. z o.o.	ul. Bydgoska 1/417, 86-100 Świecie	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
<u>Romania</u>		
Mondi Bucharest S.R.L.	Tudor Vladimirescu Street 1A, Ilfov, 75100 Otopeni	100
<u>Russia</u>		
LLC Mondi Aramil	25 Klubnaya Street, Aramil, Sverdlovskii Region	100
LLC Mondi Lebedyan	Sverdlova 67, 399610 Lebedyan, Lipetsk Region	100
LLC Mondi Pereslavl	Mendeleeva sq. 2, Building 55, 152025 Pereslavl-Zalesski	100
LLC Mondi Syktyvkar Energy Company	pr. Bumazhnikov 2, 167026 Syktyvkar, Republic of Komi	100
OJSC Mondi Syktyvkar ¹	pr. Bumazhnikov 2, 167026 Syktyvkar, Republic of Komi	100
OOO Mondi Sales CIS	2nd Brestskaya str. 8 Floor 13, 123047, Moscow	100
<u>Serbia</u>		
Mondi Šabac d.o.o. Šabac	Nova 9, 15000 Šabac	100
<u>Singapore</u>		
Mondi Packaging Paper Sales Asia Pte. Limited	3 Anson Road 27-01, Springleaf Tower, 079909	100
<u>Slovakia</u>		
East Paper, spol. s.r.o.	Rastislavova 98, Kosice, 04346	26.01
KB Paper, s.r.o.	L. Kassaka 10, Nove Zamky, 94001	25.5
Mondi SCP a.s.	Tatranská cesta 3, 03417 Ružomberok	51
Obaly Solo s.r.o.	Tatranská cesta 3, 03417 Ružomberok	51
RECOPAP, s.r.o.	Bratislavská 18, Zahor, 90051	25.5
Slovpaper Recycling s.r.o.	L. Kassaka 10, Nove Zamky, 94001	51
SLOVWOOD Ružomberok a.s.	Tatranská cesta 3, 03417 Ružomberok	33.66
Stážna Služba vla-sta s.r.o.	Tatranská cesta 3, 03417 Ružomberok	51
<u>Spain</u>		
Mondi Bags Iberica S.L.	Autovía A-2, Km 582, 08630 Abrera	100
Mondi Ibersac S.L.	Calle La Perenal 4, 48840 Güeñes, Bizcaia	100
Mondi Sales Iberica S.L.	Calle Joaquin Costa 36 2a, 28002 Madrid	100
Powerflute International S.L.	Josep Irla I Bosch, 1-3 P.6 PTA.2, 08034 Barcelona	100
<u>Sweden</u>		
Mondi Dynäs AB	87381 Våja	100
Mondi Örebro AB	Pappersbruksallen 3A, Box 926, 70130 Örebro	100
<u>Switzerland</u>		
Dipeco AG	Bruehlstraße 5, 4800 Zofingen	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
<u>Thailand</u>		
Mondi Bangkok Company, Limited. ²	789/10 Moo 9 Bang Pla Sub-District, Bang Phli District, Bangkok	100
Mondi Coating (Thailand) Co. Ltd.	Nr 888/100-101 Soi Yingcharoen Moo 19, Bangplee-Tamru Road, Bangpleeyai, Bangplee, Samutprakam 10540	100
Mondi TSP Company Limited. ³	110, Moo 3, Nong Chumponnua Sub-District, Khao Yoi District, Petchaburi Province	97.55
<u>Trinidad and Tobago</u>		
TCL Packaging Limited	Southern Main Road, Claxton Bay	20
<u>Turkey</u>		
Mondi İstanbul Ambalaj Ltd. Şti.	No. 12A Türkgücü OSB Mah. Yılmaz Alpaslan Caddesi Corlu, Tekirdag, 59870	100
Mondi Kale Nobel Ambalaj Sanayi Ve Ticaret A.Ş.	Sevketiye Cobancesme Kavsagi, Dünya Ticaret Merkezi, A2 Blok, No. 228/230 Yeşilköy, Bakırköy/İstanbul	100
Mondi Tire Kutsan Kağıt Ve Ambalaj Sanayi A.Ş.	Toki Mahallesi, Hasan Tahsin Caddesi, No. 28, Tire, İzmir 35900	79.14
<u>Ukraine</u>		
Mondi Packaging Bags Ukraine LLC	Fabrychna Street 20, Zhydachiv, Lviv Region, 81700	100
<u>United Kingdom</u>		
Frantschach Holdings UK Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Hypac Limited ²	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Medway Packaging Pension Trustee Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Aberdeen Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Consumer Goods Packaging UK Ltd	Parkway, Deeside Industrial Park, Deeside, Clwyd, Wales, CH5 2NS	100
Mondi Finance plc ²	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi German Investments Limited ²	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Glossop Ltd	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Holcombe Limited ²	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Packaging (Delta) Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Packaging Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Packaging UK Holdings Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100

Mondi Investments Limited

Notes to the financial statements (continued)

for the year ended 31 December 2018

10. Investment (continued)

Company	Registered office	% of shares held
Mondi Rochester Limited (in liquidation)	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi Scunthorpe Limited ¹	Roxburgh House, Clayfield Road, Foxhills Industrial Estate, Scunthorpe, North Lincolnshire, DN15 8QJ	100
Mondi Services (UK) Limited ²	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Mondi UK Consumer Packaging Holding 1 Ltd ²	Parkway, Deeside Industrial Park, Deeside, Clwyd, Wales, CH5 2NS	100
Mondi UK Consumer Packaging Holding 2 Ltd	Parkway, Deeside Industrial Park, Deeside, Clwyd, Wales, CH5 2NS	100
Powerflute Group Holdings Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
Rochette Packaging Limited	Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey, KT15 2PG	100
<u>United States of America</u>		
Mondi Akrosil, LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Bags USA, LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Jackson, LLC	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Minneapolis, Inc.	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Romeoville, Inc.	251 Little Falls Drive, Wilmington DE 19808	100
Mondi Tekkote LLC	251 Little Falls Drive, Wilmington DE 19808	100

¹ These companies have ordinary and preference shares.

² These companies are held directly.

³ 49% of this company is held directly.

The Company did not have any associates as at 31 December 2018.

11. Trade and other receivables

	2018 €	2017 €
Other receivables	752,552	754,194

12. Amounts owed by group undertakings

	2018 €	2017 €
Amounts owed by group undertakings	15,351,512	1,675,850

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

Mondi Investments Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

13. Trade and other payables

	2018 €	2017 €
Amounts owed to group undertakings	2,148,322	1,275,609
Other accruals	331,093	383,426
	<u>2,479,415</u>	<u>1,659,035</u>

14. Derivative financial instruments

	2018 €	2017 €
Derivatives carried at fair value through profit or loss		
Held for trading derivatives that are not designated in hedge accounting relationships:		
Foreign exchange contracts		
- Asset	-	3,047
- Liability	(6,822)	(4,934)
	<u>(6,822)</u>	<u>(1,887)</u>

15. Deferred tax

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

	2018 €	2017 €
Tax losses – trading		
At 1 January	45,494	646,009
Loss true-up for prior year filed tax return	171,316	(600,515)
Tax losses not recognised	-	-
At 31 December	<u>216,810</u>	<u>45,494</u>

The tax losses have no expiry date as at 31 December 2018 (2017: none) and may be carried forward indefinitely.

16. Share capital

	2018 €	2017 €
Issued, called up and fully paid		
1 share of £1	2	2
20,677 shares of \$1	15,309	15,309
	<u>15,311</u>	<u>15,311</u>

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

Mondi Investments Limited

Notes to the financial statements (continued) for the year ended 31 December 2018

17. Dividends

	2018 €	2017 €
Dividend paid during the year	<u>300,000,000</u>	<u>65,000,000</u>
Dividend per share (€ per share)	<u>14,508.17</u>	<u>3,143.44</u>

18. Events occurring after 31 December 2018

There have been no material reportable events since 31 December 2018.

19. Ultimate parent company

The immediate and ultimate parent company and controlling entity is Mondi plc, a company incorporated in Great Britain and registered in England and Wales. Mondi plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. The financial statements of Mondi plc may be obtained from the Company Secretary, Building 1, 1st Floor, Aviator Park, Station Road, Addlestone, Surrey KT15 2PG.