



## Press Release

June 24, 2022

### **ACQUISITION OF ESSENTRA PACKAGING TO POSITION MM AS A LEADING GLOBAL PHARMA PACKAGING PRODUCER**

#### **Proposed acquisition expands MM Packaging's cartons, leaflets and labels activities for the pharma and health market creating an attractive platform for further growth**

Mayr-Melnhof Group (MM) has agreed to acquire Essentra Packaging (100% of the shares in ESNT Packaging & Securing Solutions Limited (UK) and its affiliated companies, as well as 100% of the shares in Essentra Packaging US Inc (US)) from Essentra plc (UK) for a cash and debt free consideration of GBP 312 million (currently approx. EUR 365 million).

The acquisition of Essentra Packaging implements MM Packaging's strategy to grow in profitable and resilient segments such as pharma secondary packaging and strengthens its position in the European pharma carton & leaflets market. In addition, this acquisition will expand MM's footprint into the US market with an important position in the East-Coast pharma hub.

Essentra Packaging has reported 2021 sales of c. GBP 370 million (currently approx. EUR 430 million). Essentra Packaging has 21 manufacturing sites in 10 countries in Europe and North America ideally complementing MM Packaging's current positions in the Nordics through recently acquired Eson Pac and its legacy business in France. The company delivers to a global customer base of 800+ customers, including 19 of the top 20 pharma companies. Essentra Packaging employs more than 3,500 people.

MM CEO, Peter Oswald, comments: "For us, the acquisition of Essentra Packaging is a game-changer in the profitable, resilient and growing pharma packaging market. We have identified attractive upside potential and synergies and are well-prepared to take on the integration challenge. With an excellent fit to our current position, our new combined entity will enable more innovation for sustainable pharma packaging solutions. We have great confidence in shaping a promising common future together with the team of Essentra Packaging."

The purchase price will be paid from existing cash reserves and committed credit lines. The transaction is subject to the fulfilment of customary closing conditions (e.g. regulatory approvals). Closing of the transaction is expected in Q4 2022.

#### Strategic Rationale

- Essentra Packaging is a unique opportunity for MM to become a global player in secondary pharma packaging enabling more innovation and more investment in sustainability
- Pharma packaging is a stable and resilient business with high cash generation
- Essentra Packaging offers substantial synergies with MM's Pharma Packaging and MM Board&Paper
- Essentra Packaging provides a strong platform for growth



Dial in details for an investor conference call today on Friday, June 24, 2022 at 10:00 a.m. CEST and a presentation are available from our website <https://www.mm.group>.

*MM is a leading producer of cartonboard and folding cartons with an attractive offer in kraft papers and uncoated fine papers. We promote sustainable development through innovative, recyclable packaging and paper products made from renewable, fiber-based raw materials. Therefore, all activities related to sustainability, environment and safety have special priority. MM generates sales of approximately EUR 4 billion and employs around 13,000 people excl. Essentra Packaging.*

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