



Press Release

November 20, 2023

AD-HOC INFORMATION

REDUCTION OF STRATEGIC INVESTMENT AND INCREASE IN SHARE OF RENEWABLE ENERGY AT MM KWIDZYN, POLAND

Due to uncompetitive wood prices from the Polish State Forests' monopoly and low market demand across paper and board products, the company decided to significantly reduce the planned multiannual strategic investment project at MM Kwidzyn relating to energy, further pulp integration and the product range, which was announced end of April 2023. Instead, MM Kwidzyn will focus its investments on increasing its already high share of renewable energy of currently 69 % even further.

In addition, the company has entered in consultations with trade unions and work council on a potential closure of the small packaging kraft paper machine (PM 3) and a reorganisation, which may include collective dismissal of around 110 employees.

MM Kwidzyn will continue with unchanged production of pulp and virgin fibre-based cartonboard. Regarding the paper production, paper machines PM 1 and PM 2 will continue to produce up to 360 kt/year uncoated fine paper and 40-80 kt/year "IPACK™ Strong Pro" (packaging kraft paper). Since the rebuild of one of the uncoated fine paper machines has been put on hold, sack kraft paper will not be produced in Kwidzyn.

MM Kwidzyn is a leading cartonboard, paper and pulp producer in Poland. Since mid-2021 it has been owned by Austrian MM Group and is one of six European mills of MM Board & Paper. It produces virgin fibre-based cartonboard, uncoated fine paper, packaging kraft paper and pulp. The Company is selling a large share domestically and exporting its products mainly in the EU.

Contact details:

Stephan Sweets-Sporck, Investor Relations, Mayr-Melnhof Karton AG, Brahmplatz 6, A-1040 Vienna, Austria
Tel.: (+43/1) 50136 – 91180, e-mail: investor.relations@mm.group, Website: <https://www.mm.group>