17 July 2026

**Reno de Medici Group announces the entry into a Transaction Support Agreement for the proposed Recapitalisation, which will substantially deleverage the Group's balance sheet, enhance its liquidity position and facilitate the ongoing turnaround plan**

Reno de Medici S.p.A. ("**RdM**" or the "**Company**" and, together with its subsidiaries, the "**Group**") is pleased to announce that on 16 July 2026, it entered into a binding transaction support agreement (the "**Transaction Support Agreement**") with its shareholder and Noteholders representing 85.43% of the €600 million Floating Rate Sustainability-Linked Senior Secured Notes due 2029 (the "**Notes**") with respect to a comprehensive review of its capital structure (the "**Recapitalisation**").

The proposed Recapitalisation will result in, amongst other things:

- Significant deleveraging of the Group's balance sheet through the equitization of up to €300 million of debt;
- Substantial enhancement of the Group's liquidity position through (i) €100 million of New Money Notes (defined below) financing available to the Group, (ii) the deferral and subsequent waiver / equitization of accrued interest under the Notes and (iii) the deferral of interest due and payable under the Company's Super Senior Revolving Credit Facility (the "**SSRCF**") during the implementation of the Recapitalisation;
- Extension of maturity on the SSRCF and the Notes to 2031 or beyond;
- Material reduction in cash interest payments going forward, resulting in improved cash flow generation; and
- A stable platform enabling the continuation of the Group's turnaround plan.

The terms of the Recapitalisation have been negotiated with the lenders under the SSRCF (the "**SSRCF Lenders**") and their legal and financial advisers and the Company understands that the SSRCF Lenders are in the process of seeking the requisite internal approvals to enter into legally binding transaction documentation for the implementation of the Recapitalisation in the following weeks.

The Recapitalisation is to be implemented pursuant to Article 57 of the Italian Insolvency Code and the completion of the Recapitalisation remains subject to the approval (*omologazione*) of the Italian Court. The Recapitalisation is also subject to all relevant stakeholders entering into longform documentation and satisfaction of all required conditions precedent (including applicable regulatory and anti-trust conditions) and is expected to complete in Q4 2026.

The Company welcomes the opportunity for bondholders to participate in the Recapitalisation. In due course the Company will provide details for a call addressing earnings and explaining the key transaction terms.

**Invitation to holders of the Notes ("Noteholders") to accede to the Transaction Support Agreement**

The key terms of the Transaction Support Agreement and Recapitalisation are set out below. All Noteholders who are not party to the Transaction Support Agreement are invited to accede to the Transaction Support Agreement by no later than 31 July 2026 and support the implementation of the Recapitalisation by entering into a debt restructuring agreement to be submitted to the Italian Court as part of the Article 57 implementation process.

The documentation in relation to the Recapitalisation and accession to the Transaction Support Agreement are available via the Recapitalisation website at https://deals.is.kroll.com/rdm. The debt restructuring agreement will be published on the Recapitalisation website once it is available.

**Summary of the key terms of the Transaction Support Agreement**

The Transaction Support Agreement records the agreement of the Company, its shareholder and participating Noteholders (the "**Participating Noteholders**") and new money backstop providers (collectively, "**Consenting Creditors**") to support the Recapitalisation in accordance with the terms of the Term Sheet.

The Transaction Support Agreement contains customary terms including:

- undertakings to support and facilitate, and refrain from taking any actions or steps that would impede or prevent, the implementation of the Recapitalisation;
- forbearance in relation to certain specified defaults (including non-payment of interest under the Notes during the interest payment dates in 2026 and any defaults resulting from the implementation of the Recapitalisation);
- undertakings to participate in the exchange offer and vote in favour of amendments to the Notes and related finance documentation pursuant to a consent solicitation in respect of the Notes;
- undertakings to enter into the debt restructuring agreement under Article 57 of the Italian Insolvency Code;
- restrictions on Noteholders transferring their Notes other than to persons that have signed or accede to the Transaction Support Agreement;
- customary limitations and exclusions;
- certain operational and governance undertakings by the Group;
- provisions relating to the implementation of the Recapitalisation pursuant to an Article 61 cram-down if Noteholders holding at least 95% of the Notes, unless waived by agreement, do not participate in the Exchange Offer; and

- termination rights including automatic termination (i) if the SSRCF Lenders have not issued a binding commitment to the Company supporting the terms of the Recapitalisation on or prior to 31 July 2026, (ii) if the Recapitalisation has not been completed by the date falling nine months after the date of the Transaction Support Agreement (or, in each case, such later date as may be agreed in accordance with the terms of the Transaction Support Agreement), or (iii) upon completion of the Recapitalisation.

**Summary of the key terms of the Recapitalisation**

The key terms of the Recapitalisation are set out in the Term Sheet (including a summary of the key covenants under the New Money Notes (as defined below), the Exchange Notes (as defined below) and the amended SSRCF) appended to the Transaction Support Agreement. In summary, the Recapitalisation will comprise the following elements:

- **New money financing:** In order to provide liquidity and financial stability following completion of the Recapitalisation, the Company will issue €100,000,000 of new super priority senior secured notes at an issue price of 100%, bearing interest at EURIBOR plus 7.5% per annum payable in cash and maturing on 31 October 2031 (the "**New Money Notes**"). The issuance of the New Money Notes is fully backstopped by certain consenting Noteholders under a backstop agreement on customary terms. The subscribers of New Money Notes will receive their pro rata allocation of 80% of the ordinary equity in the holding company.

- The New Money Notes will (subject to any necessary consents or approvals) benefit from a super priority ranking over collateral over Fiskeby Board AB and its subsidiaries, and RDM Paprinsa S.A.U. in accordance with the silo structure described below under – **Collateral, Guarantees and Ranking**.

- Further the New Money Notes benefit from a three-year non-call period and a minimum return equal to 1.3x of the principal amount outstanding of the New Money Notes at issuance. Each holder of the Notes who participates in the exchange offer for the Exchange Notes will be offered the opportunity to participate pro rata in the New Money Notes, with an over-subscription option subject to scale-back. The covenants under the New Money Notes will be based on the existing covenants in the Notes subject to certain adjustments and amendments to reflect, among other things, the terms of the Recapitalisation and the Business Plan. The New Money Notes will benefit from an excess cash sweep from 31 December 2029 and partial amortization obligations from 30 June 2029 (in each case subject to certain liquidity and EBITDA threshold conditions and allocated pro-rata between the New Money Notes and the SSRCF).

- **Exchange Offer and Equitisation for Participating Noteholders:** Participating Noteholders will exchange their Notes (including accrued and unpaid interest thereon) for new senior secured notes bearing interest as set out below plus EURIBOR in respect of the cash margin and maturing on 31 October 2031 (the "**Exchange Notes**") with an effective exchange ratio of €500 of Exchange Notes for every €1,000 of principal amount of Notes (representing an equitisation of up to 50% of the principal amount outstanding under the Notes), and will additionally receive their pro rata allocation of 20% of the ordinary equity in the new holding company of the Company (**"NewCo"**) and the right to subscribe for New Money Notes. The covenants under the Exchange Notes will be substantially consistent with the covenants under the New Money Notes. The exchange offer will be subject to standard terms and conditions, including participation by Noteholders holding at least 95% of the Notes (which threshold may be reduced subject to the consent of certain majorities of the Noteholders party to the Transaction Support Agreement and the SSRCF Lenders).

| From* | To* | Cash Margin | Redemption Premium |
|---|---|---|---|
| - | 6 | 1.00% | 3.50% |
| 6 | 12 | 1.00% | 7.00% |
| 12 | 18 | 1.25% | 10.00% |
| 18 | 24 | 3.75% | 13.25% |
| 24 | 30 | 6.00% | 14.50% |
| 30 | 36 | 6.25% | 15.75% |
| 36 | 42 | 6.25% | 16.75% |
| 42 | 48 | 6.25% | 18.00% |
| 48 | 54 | 6.50% | 19.00% |
| 54 | Maturity | 6.50% | 20.00% |

** Indicates months from issuance.*

- **Treatment of non-participating Noteholders:** Notes that are not exchanged pursuant to the exchange offer (the "**Amended Notes**") will remain outstanding subject to certain amendments including the extension of the maturity date to 31 October 2033, the reduction of coupon under the Notes to 1% per annum with effect from the completion of the Recapitalisation, and the removal of or amendments to certain covenants and events of default. Holders of Amended Notes will, subject to certain conditions, have a catch-up right to participate in the Exchange Notes as if they had participated in the exchange offer on substantially similar terms as Participating Noteholders for a short period following completion of the Recapitalisation, excluding the right to subscribe for the New Money Notes.

- **Revolving Credit Facility:** The SSRCF will be amended and restated on terms agreed with the SSRCF Lenders, including an extension of its maturity date to 30 April 2031, amendments to the financial covenants (including the inclusion of a minimum liquidity financial covenant), covenants, representations and warranties, information rights, events of default, change of control and certain other provisions under the SSRCF which are more restrictive than the terms of the New Money Notes and the Exchange Notes. A partial clean down obligation from 1 January 2028 will be included, alongside an excess cash sweep from 31 December 2029 and partial amortization obligations from 30 June 2029 (both subject to certain liquidity and EBITDA threshold conditions and allocated pro-rata between the New Money Notes and the SSRCF). Consenting SSRCF Lenders shall receive a consent fee in an amount equal to 0.5% of the total commitments under the SSRCF.

- **Collateral, Guarantees and Ranking**

  The Company and certain of its subsidiaries shall, subject to the receipt of any required consents, provide additional collateral. The Company will also establish a silo structure whereby collateral and guarantee realisations will be allocated to one of three silos. The ranking and priority of claims will vary across the silos. Each of the SSRCF and New Money Notes will benefit from a super priority ranking over collateral within their respective silo. The ranking on the remaining silo shall be applied in the following order of priority: (a) in respect of collateral realisations (i) first, the SSRCF, (ii) second, the New Money Notes, (iii) third, the Exchange Notes and (iv) fourth if applicable, any Amended Notes and (b) in respect of guarantee recoveries (i) first, pari passu between the SSRCF, the New Money Notes and the Exchange Notes and (ii) second, any if applicable, any Amended Notes. Covenants will be included in the intercreditor agreement and/or other relevant transaction documentation restricting certain cross-silo transactions and disposal conditions in relation to certain assets. The intercreditor agreement will include customary fair value protections, distressed disposal mechanics and enforcement controls (as adapted to reflect the silo structure).

- **Ownership Structure of RdM:** The shares in the Company shall be transferred to NewCo which will issue shares to Participating Noteholders and providers of the New Money Notes, which shall be governed by a shareholders agreement. NewCo will issue to the former shareholder an equity instrument entitling it to 5% of the economic rights over all equity interests in the Company as well as further equity upside subject to the satisfaction of a certain hurdle.

- **Conditions and timing:** the Recapitalisation is subject to the satisfaction or waiver of customary conditions precedent including, without limitation, any required anti-trust approvals. The Company is seeking the approval (*omologazione*) of the competent Italian Court under Article 57 of the Italian Insolvency Code and the Recapitalisation will not become effective, and will not be implemented, unless and until such approval has been obtained (or such equivalent order as may be required under any agreed alternative implementation method).

- **Releases:** customary transaction releases will be provided to/from certain parties to the Recapitalisation.

The Transaction will materially deleverage the Group's capital structure, improve its liquidity position[1] and provide a stable platform to implement the Company's mid-term plan. Management is supportive of the Transaction and discussions around incentives going forward are ongoing with the Company and its shareholders.

**Overview of the Business Plan**

In Q4 2025, in connection with the negotiation of the Recapitalisation, management revised their projections for the 2026-2030 period (the "**Business Plan**") to reflect their latest view on the Group's mid-term trajectory, as well as the latest market and macro conditions at that time.

The updated estimates are based on a business plan case developed by the Company with the support of an independent strategic expert, which projects segment level growth in line with the market with upside in specific areas through portfolio expansion. Key pillars of the Business Plan are:

1. conservative volume forecasting, in line with current demand level and market conditions at that time;
2. spread and contribution margin to increase as a result of prices normalisation and input costs decline in the mid-term[2], enhancing cost competitiveness; and
3. inorganic and organic capacity and cost optimisation initiatives to enhance asset utilisation and reduce fixed costs, driving operational efficiency and profitability.

The Company expects to leverage product innovation & mix enhancement to support performance and maximise asset utilisation focusing on board for packaging, innovative applications, and plastic-to-paper solutions currently in testing.

In addition, management will focus on further optimising its footprint, including actions to address underperforming capacity by FY27, with positive impact on the overall portfolio from volume reallocation. In that regard, as anticipated in January 2025, the Company has initiated a sale process to dispose of the real estate assets held in Barcelona and expects to close the transaction, subject to certain conditions, by September 2026.

As a result of the strategic changes above, the Company expects the following starting FY26 (base year of FY25):

- volumes to increase at a cumulative annual growth rate (CAGR) of c.3%[3] per annum;

[1] Liquidity for the Group stood at €50m as of the end of June 2026 and is expected to be above €35m over the next three months based on the latest estimates from management.
[2] Fibers cost per ton assumed to be in line with Q4 2025 value throughout the plan.
[3] Excluding underperforming assets. Volumes growth is broadly flat during the business plan period if not adjusted for assets disposal.

- revenue to grow by a CAGR of c.3%[4] per annum, with additional support from mix effect;
- contribution margin to increase at a CAGR of c.4% per annum;
- EBITDA[5] to grow at a CAGR of 23-25% per annum, supported by strategic capacity optimisation (c. €20 million run-rate impact by 2030, of which c. €11 million relates to mitigating actions addressing historical underperformance of certain assets), mix shift towards higher margin products, and cost savings (c. €32 million run-rate impact by 2030, including c. €18 million impacting contribution margin); and
- capex to remain steady at c. €25-30 million per year driving enhanced unlevered free cash flow conversion[6], which is expected to improve from mid-40% to mid-80% from FY26 to FY30 (when taking into accounts one-offs, including impact of actions taken to address underperforming capacity and net proceeds from discontinued operations, unlevered FCF is expected to be in the range of €65-75 million in FY26 and €35-45 million in FY27).

From a market perspective, the Business Plan is based on the assumption that WLC segment demand recovery will continue in FY26, with full normalisation and return to pre-Covid performance projected by FY30 at c. 2.0% per annum. WLC is expected to benefit from plastic substitution trend (expected to boost volume growth up to c. 3.5%). Conversely, the market size for grammage bands addressed by RdM is expected to remain relatively stable in the next 5 years. SB segment is expected to stabilise at a lower level, though expansion areas exist.

**Performance Update[7]**

Despite unprecedented market volatility, RdM continues to deliver on its turnaround plan. In particular, actions to address underperforming assets and the execution of its margin enhancement plan are progressing as expected, with efficiencies across the cost structure — including SG&A, procurement, and energy costs — being implemented on schedule.

In the first five months of 2026, the Company reported:

- net sales of €311[8] million (€739[9] million in FY25);
- total volumes of 447 ktons (1,035 ktons in FY25);
- contribution margin of €121 million (€283 million in FY25);

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4 Excluding underperforming assets.
5 Based on EBITDA without adjustments and excluding underperforming assets.
6 Calculated as unlevered free cash flow divided by Recurring EBITDA less Capex, excluding positive cumulative cashflow from actions addressing underperforming capacity, net of operating losses and one-offs, related to discontinued operations.
7 Figures reported are based on unaudited management accounts and are subject to review and updates following audit review.
8 Of which, €32 million related to underperforming assets.
9 Of which, €88 million related to underperforming assets.

- Adj. EBITDA of €21[10] million (€58[11] million in FY25)
- LTM PF Adj. RR EBITDA of €93 million (€109 million in FY25);
- Unlevered free cash flow of €0.4 million[12] (€9 million[12] in FY25)

While the Company has not yet finalised its June 2026 accounts, trading during the month has continued broadly in line with the trends observed over the first five months of the year.

The Company has hedged its in-year gas consumption in line with what has been done historically and covered part of the expected volumes for 2027 and 2028.

**Simplified Pro Forma Capital Structure**

| *(€ in millions)* | Projected at Closing | | | | Pro Forma | | |
|---|---|---|---|---|---|---|---|
| | Maturity | Rate | Amount | Transaction Adjustments | Maturity | Cash Rate | Amount |
| SSRCF | Oct-28 | E + 3.50% | 147 | – | Apr-31 | E + 3.50% | 147 |
| New Money Notes | | | – | 100 | Oct-31 | E + 7.50% | 100 |
| Exchange Notes | | | – | 300 (2) | Oct-31 | E + 1.00%(3) | 300 |
| Notes | Apr-29 | E + 5.00% | 600 | (600)(2) | | | – |
| **Total Financial Debt (1)** | | | **€747** | **(€200)** | | | **€547** |

*Notes:*

1. *Excludes Local Lines, Bank Overdrafts and Factoring.*
2. *Assumes 100% of Noteholders participating in the Exchange Offer.*
3. *Based on applicable cash margin on the Exchange Notes for the first 12 months after closing.*

**Contact Information**

For additional questions please contact the information agent or the Company's investor relations office at the following email addresses:

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**Disclaimer**

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[10] Including €7 million of adjustments.
[11] Including €16 million of adjustments and excluding negative €10 million related to underperforming assets.
[12] Excluding transaction costs paid in relation to the ongoing recapitalisation process and adjusted for impact of discontinued operations

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