



PRESS RELEASE

**RDM GROUP RECEIVES AN IRREVOCABLE PURCHASE OFFER FOR THE SALE OF R.D.M. LA
ROCHETTE S.A.S.**

Put Option Agreement signed

- **Total Enterprise Value of La Rochette set at €28.8 million.**
- **Earnout equal to 25% of EBITDA in excess of 7.2 million for each of the financial years 2021, 2022 and 2023.**
- **To partially finance the transaction, a €6.5 million vendor loan will be provided by RDM, with a three-year maturity from the completion of the transaction and repayment in constant yearly instalments.**

Milan, February 15, 2021 – In today’s meeting, the Board of Directors of Reno De Medici S.p.A. favorably assessed an irrevocable offer received by its subsidiary RDM Blendecques S.A.S. for the purchase of its 100% interest in R.D.M. La Rochette S.A.S. The offer was submitted by Bonaparte Holding SAS.

RDM Blendecques S.A.S. thus today signed the relevant put option agreement to sell its fully owned French company R.D.M. La Rochette S.A.S. (“La Rochette”), operating in the segment of cartonboard for folding boxboard based on virgin fibers (FBB).

The signing of the afore-mentioned put option agreement proposed by Bonaparte Holding SAS entails the assumption by RDM Blendecques S.A.S. of the sole exclusivity obligation for the entire duration of the offer and the beginning of the employment law and trade union procedures provided for by the French law, upon the conclusion of which a binding contract may be signed for the sale of 100% of La Rochette’s equity capital. The signing of the binding contract is expected within the first half of 2021.

The offeror, Bonaparte Holding SAS, is a company established under French law and controlled by Mutares SE & Co. KgaA, an investment holding listed on the Frankfurt stock exchange and specialized in the acquisition and reorganization of medium-sized companies.

Michele Bianchi, CEO of RDM Group commented:

“By accepting the irrevocable offer for the purchase of La Rochette, RDM Group has taken the opportunity to exit from the FBB business, the segment of cartonboard for folding boxboard based on virgin fibers.

Compared to when it was acquired by RDM in 2016, the profitability of La Rochette plant has increased, also thanks to the operating efficiencies achieved in these years and our team’s management effort. However, reaching an operating profitability in line with the average rate of the other assets in our portfolio would require further significant capital expenditures.”

“By exiting from this segment, RDM Group will effectively unlock resources and managerial energies to increase its focus on the current growth and consolidation path,” CEO Michele Bianchi continued, *“Through the integration of the most recent acquisitions Barcelona Cartonboard and Paprinsa, the closing of which is expected to take place in the coming weeks, we are working to strengthen our leadership in the WLC market.”*

La Rochette operates in the segment of cartonboard for folding boxboard based on virgin fibers (FBB). With its manufacturing plant in La Rochette, France, 140 km from Lyons, the company has a theoretical capacity of 165,000 tons of virgin-fiber FBB. The plant operates with two paper machines and can produce a wide range of products of different grammages.

For the year ended December 31, 2019, based on IFRS, La Rochette reported Sales of €111.9 million, an EBITDA of €5.8 million and a Net Loss of €6.7 million. Net Financial Debt was €12.9 million at December 31, 2019.

In the irrevocable offer, La Rochette’s Enterprise Value has been set at €28.8 million, plus an earnout equal to 25% of EBITDA in excess of €7.2 million in each of the financial years 2021, 2022 and 2023. In the event that even in only one of the three above-mentioned financial years the €7.2 threshold is not exceeded, the earnout clause would be extended to financial year 2024.

The offer sets up that at the closing of the deal an initial amount of €5 million will be paid, calculated on the Enterprise Value of €28.8 million after deducting: (i) NFP of €13.8 million reported at the end of June 2020; (ii) further adjustments totaling €3.5 million; and (iii) €6.5 million for a vendor loan granted by RDM Blendecques S.A.S. to Bonaparte Holding SAS, with a three-year maturity from the completion of the transaction and repayment at constant yearly instalments, including interest of 2% per year.

The irrevocable offer also provides that the price will be subject to adjustments based on the level of NFP and the working capital.

Under the irrevocable offer, the transaction execution is subject to the fulfillment of some suspensive conditions precedent, including: (i) the absence of any government authorities’ measures or procedures aimed at preventing or limiting the execution of the transaction; (ii) the obtainment of waivers of counterparties in financial contracts; and (iii) the obtainment of legal authorizations by the competent Antitrust Authorities.

In the possible transaction, UniCredit and Jones Day are acting respectively as financial and legal advisors for Reno De Medici S.p.A..

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This document is an English translation from Italian. The Italian original shall prevail in case of difference in interpretation and/or factual errors.

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