



GRUPO GONDI ANNOUNCES THE CONSTRUCTION OF A NEW CORRUGATED AND HIGH GRAPHICS PLANT IN SONORA, MEXICO

- Grupo Gondi announces the construction of a new packaging Plant (corrugated and high-graphics) in Sonora, Mexico.
- This new Plant will be producing high-technology packaging in order to support the growth in the Northwest of the Country; attending the beer, industrial and produce regional consumer sectors.
- With this, Grupo Gondi provides continuity to its growth and consolidation strategy, by supporting its principal clients with investments, whilst strengthening its position as the leader in packaging and paper solutions in Mexico.

Grupo Gondi has been growing and consolidating its presence in the Mexican market, currently operating 16 corrugated and high-graphics packaging Plants, 6 paper mills and employing over 7,500 people nation-wide; covering and servicing most of the regions in the Country, through diversifying its offer in range of products to the market, and thus having more presence and reaching more consumers, with packaging of the highest quality standards.

Mexico City, Mexico, October 12th., 2018.

Grupo Gondi, leader in the Mexico corrugated and folding carton containers in the paper packaging industry, has announced its investment plans for the construction of a new packaging converting Plant in the neighboring Ciudad Obregon in Sonora, Mexico.

This new Plant will supply the current and future needs from manufacturing businesses in the region, including Compañía Cervecera de Obregon of Constellation Brands (CBI), as well as the growing industrial and produce markets in the Northwest of the Country.

With this new investment, Grupo Gondi continues adding efforts to enhance the local production and supply, as well as creating local employment sources, through supporting several different industries, which jointly contribute to the region's economic strengthen and development.

Relevant information with regards to the new Plant:

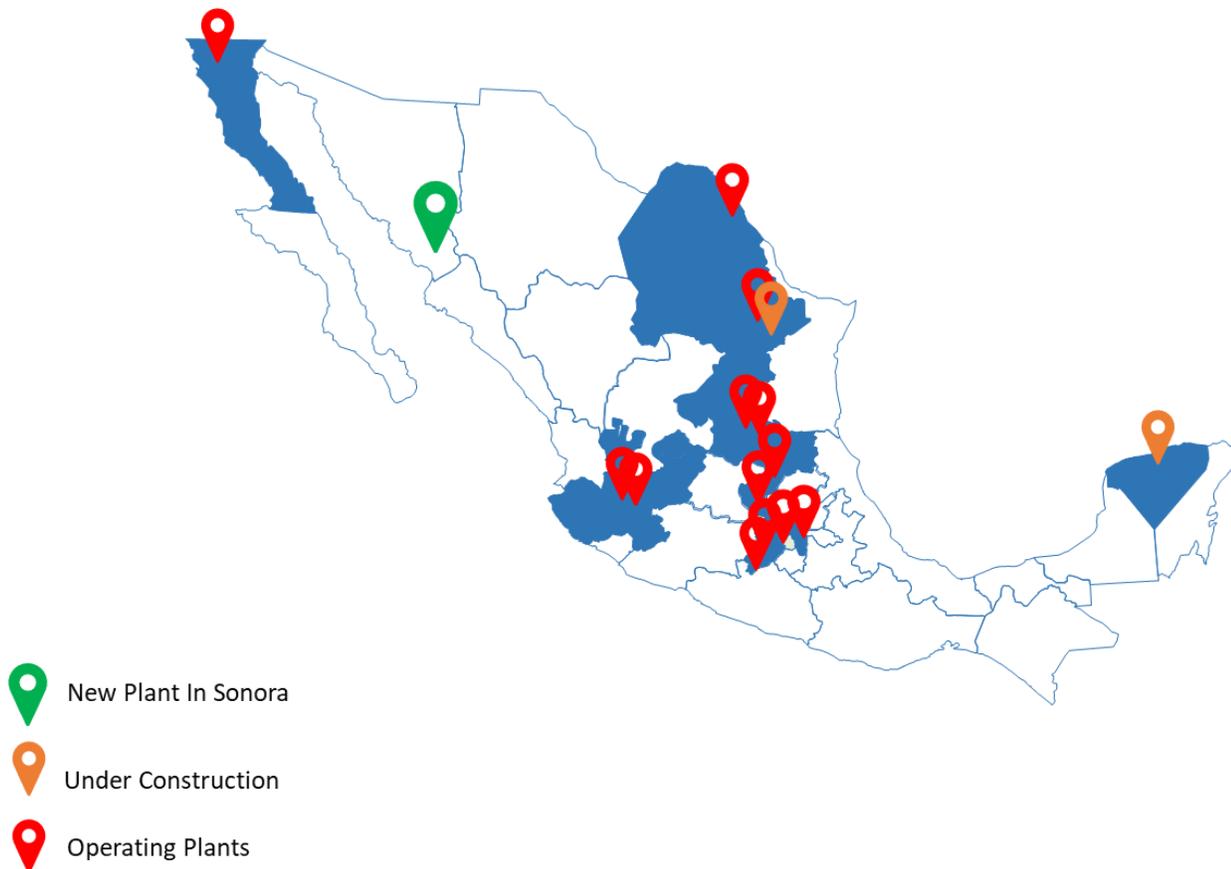
- It will represent an investment of USD +\$44MM
- During its construction, it will generate **600** direct and indirect employments
- It will permanently employ an average on **250** employees, through collaborative agreements with State Universities
- It will operate with 100% solar energy supply



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- It will operate high technology equipment to produce corrugated packaging and high-graphics (microflute and folding)
- Like any other Gondi Plant, it will operate with high-technology equipment, which along with the local talent, will allow high quality standards production

“This investment, along with the investments that Grupo Gondi is developing in Mexicali, Nava, Monterrey (currently operating converting Plants), and, in the near future, Merida, as well as the investment in Monterrey of the most modern (state-of-the-art) paper mill in the Americas; confirm Grupo Gondi’s investment and employment commitments with Mexico, the paper and cardboard industry and its clients” said Eduardo Posada, CEO of Grupo Gondi.



About Grupo Gondi

Grupo Gondi is the leading company for the Mexican market in paper and cardboard packaging, with 64 years of experience in the Mexican market. Currently, Grupo Gondi employs over 7,500 people, with 16 operating entities, 6 recycled paper mills and 15 converting facilities.



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Gondí's packaging solutions carry products from its clients to more than 190 countries worldwide, supported by certified processes and international regulations, offering high quality products and services to the market, with the support of the Gondí Paper and Packaging Investigation Center (CIPEG, for its initials in Spanish), which on daily basis researches for innovational contributions to the success of its clients.

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