



1-3Q 21

REPORT FOR THE FIRST THREE QUARTERS OF 2021 MAYR-MELNHOF KARTON AG

- Strategic acquisitions Kwidzyn and Kotkamills closed in 3rd quarter
- Result impacted by one-off effects from transformation MM Board & Paper
- Lag in passing on massive input cost inflation weighs temporarily on margin
- Necessary price increases are implemented
- Ongoing high order backlog in both divisions
- Intensified capex program in efficiency and growth on track

Group Key Indicators

(consolidated, in millions of EUR)	1 st - 3 rd Quarter		
	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020	+/-
Consolidated sales	2,107.1	1,903.5	+ 10.7 %
EBITDA	283.0	307.1	- 7.8 %
Operating profit	177.2	169.3	+ 4.7 %
Operating margin (%)	8.4 %	8.9 %	- 48 bp
Profit before tax	162.4	160.6	+ 1.1 %
Income tax expense	(34.0)	(44.3)	
Profit for the period	128.4	116.3	+ 10.4 %
Net profit margin (%)	6.1 %	6.1 %	
Earnings per share (in EUR)	6.37	5.78	+ 10.2 %
Cash flow from operating activities	165.8	223.7	- 25.9 %
Capital expenditures (CAPEX)	181.9	105.9	+ 71.8 %
Depreciation and amortization ¹⁾	105.8	137.8	- 23.2 %

¹⁾including impairment of property, plant and equipment and intangible assets

	Balance sheet date	
	Sep. 30, 2021	Dec. 31, 2020
Total equity (in millions of EUR)	1,606.9	1,547.1
Total assets (in millions of EUR)	3,904.3	2,399.6
Equity ratio (%)	41.2 %	64.5 %
Net debt (-) (in millions of EUR)	- 1,056.8	- 122.2
Employees	12,506	9,938

Group Report

DEAR SHAREHOLDERS,

Your Company has structurally strengthened its competitiveness and created an attractive platform for further growth in sustainable and innovative fiber-based packaging solutions with the closing of the acquisitions of the cartonboard and paper mills Kwidzyn in Poland and Kotkamills in Finland in the 3rd quarter of 2021. With the acquisitions in the virgin fiber sector, MM has not only consolidated its position as the leading cartonboard and folding carton producer in Europe, but also acquired two new core products, kraft papers and uncoated fine papers. As part of the transformation, the two smaller cartonboard mills, Baiersbronn and Eerbeek, were sold. Furthermore, production at a packaging site in Germany was discontinued at the end of September for restructuring measures. As expected, the income statement for the 3rd quarter therefore includes various one-off effects.

In the current business of the first three quarters of 2021, sustained strong demand for cartonboard packaging and papers and thus high capacity utilization in both divisions was offset by an increase in raw material and energy costs, unprecedented in its sharpness. The price increases implemented in the first nine months have not yet been able to compensate the continuing rise in costs. Therefore, where possible, a new cartonboard price increase was fixed for the 4th quarter and a further price step for all cartonboard grades was announced as of the beginning of 2022.

The increase of 4.7 % in the Group's operating profit for the first three quarters of 2021 mainly results from one-off effects in MM Board & Paper, while MM Packaging recorded a rather robust ongoing development.

The objective for the coming months is to compensate for the continuing rise in raw material and energy costs by further price adjustments and structural cost reductions in order to catch up again in margins.

INCOME STATEMENT

The Group's consolidated sales increased basically acquisition-related by 10.7 % or EUR 203.6 million to EUR 2,107.1 million (1-3Q 2020: EUR 1,903.5 million).

At EUR 177.2 million, the operating profit was 4.7 % above the previous year's value (1-3Q 2020: EUR 169.3 million). The first three quarters include one-off expenses in the amount of EUR 58.0 million: From the initial consolidation of the mills Kwidzyn and Kotkamills EUR 31.9 million, which are mainly attributable to ancillary acquisition costs including transaction taxes as well as capitalization of order backlogs and the inventory valuation; and in the division MM Packaging EUR 26.1 million restructuring costs. This is offset by preliminary one-off income from the sale of the Eerbeek and Baiersbronn mills in the amount of EUR 50.1 million. The Group's operating margin was therefore at 8.4 % (1-3Q 2020: 8.9 %).

Financial income totaled EUR 1.9 million (1-3Q 2020: EUR 1.0 million). The increase in financial expenses from EUR -5.4 million to EUR -16.8 million resulted primarily from the issuance of Schuldschein loans and Namensschuldverschreibungen to finance the acquisitions and organic growth projects. "Other financial result – net" changed from EUR -4.2 million to EUR 0.1 million, in particular owing to currency translation.

At EUR 162.4 million, profit before tax was slightly above the previous year (1-3Q 2020: EUR 160.6 million). Income tax expense totaled EUR 34.0 million (1-3Q 2020: EUR 44.3 million), resulting in an effective Group tax rate of 20.9 % (1-3Q 2020: 27.6 %). The reduction compared to the previous year is primarily due to tax-free income from company disposals.

Accordingly, profit for the period increased from EUR 116.3 million to EUR 128.4 million and earnings per share from EUR 5.78 to EUR 6.37.

ASSETS, CAPITAL, AND LIQUID FUNDS

As of September 30, 2021, the Group's total assets amounted to EUR 3,904.3 million, EUR 1,504.7 million higher than the comparable figure as of December 31, 2020 (EUR 2,399.6 million). This growth mainly results from the initial consolidation of the new acquisitions. Total Group equity rose profit-related from EUR 1,547.1 million to EUR 1,606.9 million.

It should be noted that the purchase price allocation from the acquisitions had not yet been completed as of the publication date of this report and that the figures are therefore preliminary. Further consolidation details are planned for subsequent reporting at year-end.

Financial liabilities are largely of a long-term nature and went up from EUR 268.4 million at the end of the previous year to EUR 1,414.9 million as of September 30, 2021. This increase results in particular from the issuance of Schuldschein loans and Namensschuldverschreibungen in the amount of EUR 1,125.0 million. With total cash of the Group of EUR 358.0 million (December 31, 2020: EUR 146.2 million), net debt thus rose to EUR 1,056.8 million (December 31, 2020: EUR 122.2 million). With an equity ratio of 41.2 % (December 31, 2020: 64.5 %), the MM Group remains solidly financed.

Non-current assets increased from EUR 1,397.9 million to EUR 2,380.5 million, primarily due to acquisitions. Similarly, current assets also recorded a rise compared to the end of 2020 from EUR 1,001.7 million to EUR 1,523.8 million.

CASH FLOW DEVELOPMENT

Cash flow from operating activities amounted to EUR 165.8 million, compared with EUR 223.7 million in the first three quarters of the previous year. This difference results in particular from a lower cash-effective result.

Cash flow from investing activities amounted to EUR -806.0 million after EUR -99.4 million. This change is mainly attributable to the payment of the preliminary purchase prices for the acquisition of the mills Kwidzyn and Kotkamills in the amount of around EUR 872.0 million, which were offset by proceeds from the sale of the Eerbeek and Baiersbronn mills in the preliminary amount of around EUR 151.8 million. Payments for the acquisition of property, plant and equipment and intangible assets amounted to EUR 185.9 million after EUR 107.7 million. Investments in both divisions focused on technological modernization and expansion.

Cash flow from financing activities changed from EUR -126.7 million to EUR 851.3 million, primarily as a result of the issuance of Schuldschein loans and Namensschuldverschreibungen in the 1st and 3rd quarter of 2021.

DEVELOPMENT IN THE 3RD QUARTER

In addition to the structural changes at MM Board & Paper, the development in the 3rd quarter of 2021 was characterized by strongly increasing input costs, which could only be partially compensated by higher sales prices. At EUR 817.5 million, consolidated sales were acquisition-related above the figure of the previous quarter (EUR 648.3 million) and the previous year's level (3Q 2020: EUR 637.0 million).

The Group's operating profit reached EUR 85.1 million after EUR 30.9 million in the 2nd quarter of 2021 and EUR 46.8 million in the 3rd quarter of the previous year. The preliminary income from the sale of the Eerbeek and Baiersbronn mills in the amount of EUR 50.1 million was offset by one-off expenses from the acquisition of the mills Kwidzyn and Kotkamills in the amount of EUR 31.9 million. The Group's operating margin was thus 10.4 % (2Q 2021: 4.8 %; 3Q 2020: 7.3 %). Profit for the period totaled EUR 66.2 million (2Q 2021: EUR 18.3 million; 3Q 2020: EUR 31.4 million).

Capacity utilization of the division MM Board & Paper at 95 % in the 3rd quarter was lower than in the previous quarter (2Q 2021: 99 %; 3Q 2020: 95 %), mainly owing to the planned annual maintenance shut-downs at Kwidzyn and Kotkamills. Due to one-off income, the division's operating margin increased to 9.5 % (2Q 2021: 4.6 %; 3Q 2020: 3.5 %).

MM Packaging's operating margin of 10.4 % was in line with the figure for the 1st quarter of 2021 and thus also above the figure for the 2nd quarter of 2021 of 4.5 %, which was impacted by restructuring expenses, as well as the previous year's level (3Q 2020: 9.3 %).

OUTLOOK

Demand and order situation continue to be in good shape for both divisions. Nevertheless, in view of existing capacity limitations, sales volume can currently only increase slightly. However, the expansions recently initiated in several plants of MM Packaging will stepwise enable more business from the beginning of next year. At MM Board & Paper, where the focus of investments is on efficiency improvements and optimization of the product portfolio, the expansive effects will only gradually take effect from 2023 onwards.

In view of the continuing cost inflation for raw materials and energy, the focus remains on compensating this weight by increasing sales prices as soon as possible and by structural cost reductions in order to catch up again in terms of margins. After MM Board & Paper has fixed a new cartonboard price increase for the 4th quarter, where possible, a further price increase for cartonboard and paper has been announced for the beginning of 2022. In contrast, rising cartonboard and paper prices mean new cost challenges for MM Packaging, which can only be passed on with a time lag.

The operating performance of the newly acquired mills Kwidzyn and Kotkamills is in line with expectations. Similar to the MM Board & Paper division as a whole, profitability in the 4th quarter is primarily impacted by the extraordinary energy price increases and delayed passing on through sales prices.

FURTHER INFORMATION

Acquisition of Kotkamills and Kwidzyn

On August 02, 2021, the acquisition of Kotkamills, Finland, which was agreed in December 2020, was completed.

MM Kotkamills operates the most modern virgin fiber board machine in Europe (built 2016) with a planned capacity of 400,000 tons, a machine for Saturating Kraft Paper with a capacity of 170,000 tons, in which the company is a leading global supplier, and a sawmill.

On August 06, 2021, the acquisition of the Kwidzyn mill, Poland, which was agreed in mid-February 2021, was completed.

MM Kwidzyn operates at its integrated pulp and paper site in Kwidzyn a pulp mill with an annual capacity of around 400,000 tons and four integrated cartonboard/paper machines. The flagship is a FBB machine with 260,000 tons annual capacity. Moreover, MM Kwidzyn has recently entered the area of MF kraft paper via one of its paper machines to serve the growing demand for flexible fiber-based packaging products with an annual capacity of 75,000 tons. In addition, MM Kwidzyn operates two of the most attractive copy paper machines (UWF) in Europe with an annual total capacity of 410,000 tons.

The acquisitions strengthen the position of MM in the virgin fiber-based cartonboard market (FBB) with an attractive range of barrier board solutions as well as innovative, sustainable and cost-efficient grades and complement the established market position in recycled fiber-based cartonboard. Furthermore, MM complements the product portfolio with kraft papers and uncoated fine papers (UWF), which are backward integrated with own pulp production.

Divestment of the Eerbeek and Baiersbronn virgin fiber-based cartonboard mills

In June 2021, MM and a subsidiary of funds managed by Oaktree Capital Management, L.P. ("Oaktree") reached the firm intention agreement to sell the virgin fiber-based cartonboard mills in Eerbeek, Netherlands, and Baiersbronn, Germany, to Oaktree for a preliminary purchase price of EUR 112.6 million, this amount also includes profit transfers in the amount of EUR 2.5 million. In addition, the purchaser has settled MM the existing intercompany loan and cash pool liabilities in the amount of EUR 41.7 million. Eerbeek and Baiersbronn together have an annual capacity of approximately 245,000 tons of virgin fiber-based board (FBB), which is produced on two cartonboard machines. The closing of the transaction took place in August 2021.

Issuance of further Namensschuldverschreibungen

As of September 30, 2021, Mayr-Melnhof Karton AG issued further Namensschuldverschreibungen in the amount of EUR 125.0 million with a maturity of 18 years and a fixed interest rate of 1.88 %. The purpose is to secure a long-term stable financing basis for attractive investment projects.

MM Group has committed to net zero emissions until 2050

The MM Group supports the global initiative "Business Ambition for 1.5°C", which was launched by the Science Based Targets Initiative and the UN Global Compact, among others. In the course of this, MM has committed itself to setting science-based emission reduction targets across the entire value chain in order to keep global warming to 1.5°C above pre-industrial levels. In addition, MM aims to achieve net zero emissions by 2050 at the latest.

DIVISIONS

DIVISIONS

MM Board & Paper*

The European cartonboard markets remained characterized by strong demand during the first three quarters of 2021. On the one hand, this is due to a restocking of the supply chain, which was reduced during the pandemic, and on the other hand to securing volume as a result of strongly increased delivery times. Consequently, and due to the initial inclusion of the acquisitions, the division's average order backlog of 354,000 tons was significantly higher than the previous year's value (1-3Q 2020: 104,000 tons). At 97 % (1-3Q 2020: 97 %), the division's capacities continued to be almost fully utilized.

Due to strong demand- and supply-related rises in raw material costs (especially fibers, chemicals, packaging materials, transport) as well as energy, several price increases have been implemented since the 2nd quarter of 2021. Following a rapid upward movement in the 1st half of the year, pulp and recovered paper prices are still at record highs. Main reasons for the significant increase in recovered paper prices continue to be the strong demand from the corrugated board industry as well as the decline in magazine paper and newsprint volumes.

The development of the division's key figures is particularly affected by the changes in consolidated companies.

Both the volume of cartonboard and paper produced and sold at 1,391,000 tons and 1,421,000 tons were above the previous year's figures due to acquisitions (1-3Q 2020: 1,298,000 tons and 1,294,00 tons).

At EUR 991.4 million, sales were mainly acquisition-related above the comparable figure (1-3Q 2020: EUR 797.4 million). In the 3rd quarter, the operating profit was impacted by the planned annual shutdowns for maintenance in Kwidzyn and Kotkamills. In total, it rose by 8.7 % to EUR 74.3 million (1-3Q 2020: EUR 68.4 million) in particular as a result of the recognition of one-off effects from the changes in consolidated companies. The operating margin amounted to 7.5 % (1-3Q 2020: 8.6 %).

Divisional indicators MM Board & Paper*

(in millions of EUR)	1 st - 3 rd Quarter		+/-
	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020	
Sales ¹⁾	991.4	797.4	+ 24.3 %
EBITDA	124.6	136.3	- 8.5 %
Operating profit	74.3	68.4	+ 8.7 %
Operating margin (%)	7.5 %	8.6 %	- 109 bp
Cash flow from operating activities	39.0	98.2	- 60.3 %
Tonnage sold (in thousands of tons)	1,421	1,294	+ 9.8 %
<i>Cartonboard</i>	1,327	1,294	+ 2.6 %
<i>Kraft Papers</i>	31	<i>n.a.</i>	
<i>Uncoated Fine Papers</i>	63	<i>n.a.</i>	
Tonnage produced (in thousands of tons)	1,391	1,298	+ 7.1 %

¹⁾ including interdivisional sales

*Division name change from MM Karton to MM Board & Paper after completion of the Kwidzyn acquisition and the resulting expansion of the product portfolio to include "Kraft Papers" and "Uncoated Fine Papers".

MM Packaging

An equally positive picture as for cartonboard also characterized the demand situation on the European folding carton markets in the first three quarters of 2021. Against this background, MM Packaging recorded a stable high order intake in both food and non-food application areas, while the recovery of the sales situation in Health, Beauty & Personal Care continued. At the same time, however, all business units are affected by a continued strong increase in input costs such as cartonboard, paper, inks, varnishes and packaging materials. Maintaining the supply of materials and passing on cost increases to customers are therefore the focus of current business. The latter are carried out successively in accordance with contractual conditions, but often with a time lag due to ongoing further cost increases.

Expansion investments in locations with cost advantages and a focus on growth markets such as sustainable, plastic-free packaging are being successfully implemented in Austria, Poland, Romania and Great Britain. At the same time, necessary structural adjustment measures to increase competitiveness and secure the existing business were continued. This concerned in particular the German packaging site MM Graphia Bielefeld, which ceased operations at the end of September 2021. In this context, one-off expenses in the amount of EUR 26.1 million were recorded in the 2nd quarter.

At EUR 1,209.6 million and EUR 102.9 million respectively, both sales and operating profit were slightly above the previous year's figures of EUR 1,195.5 million and EUR 100.9 million. The good current operating profit was mainly weighted down by the restructuring expenses in the 2nd quarter. The operating margin thus amounted to 8.5 % (1-3Q 2020: 8.4 %).

At 639,000 tons, the tonnage processed was close to the previous year's level (1-3Q 2020: 635,000 tons).

Divisional indicators MM Packaging

(in millions of EUR)	1 st - 3 rd Quarter		
	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020	+/-
Sales ¹⁾	1,209.6	1,195.5	+ 1.2 %
EBITDA	158.4	170.8	- 7.3 %
Operating profit	102.9	100.9	+ 2.0 %
Operating margin (%)	8.5 %	8.4 %	+ 6 bp
Cash flow from operating activities	126.8	125.5	+ 1.1 %
Tonnage processed (in thousands of tons)	639	635	+ 0.5 %

¹⁾ including interdivisional sales

Consolidated Balance Sheets

(all amounts in thousands of EUR)	End of 3 rd Quarter	Year-end
	Sep. 30, 2021	Dec. 31, 2020
ASSETS		
Property, plant and equipment	1,448,480	996,472
Intangible assets including goodwill	883,297	346,347
Investments accounted for using the equity method, securities and other financial assets	7,750	7,404
Deferred tax assets	40,978	47,700
Non-current assets	2,380,505	1,397,923
Inventories	448,780	349,621
Trade receivables	540,778	415,804
Income tax receivables	29,463	12,158
Assets held for sale	5,640	5,230
Prepaid expenses and other current assets	141,101	72,593
Cash and cash equivalents	358,042	146,241
Current assets	1,523,804	1,001,647
TOTAL ASSETS	3,904,309	2,399,570
EQUITY AND LIABILITIES		
Share capital	80,000	80,000
Additional paid-in capital	172,658	172,658
Retained earnings	1,626,657	1,564,165
Other reserves	(277,343)	(274,477)
Equity attributable to shareholders of the Company	1,601,972	1,542,346
Non-controlling (minority) interests	4,901	4,752
Total equity	1,606,873	1,547,098
Non-current financial liabilities	1,336,999	215,511
Provisions for non-current liabilities and charges	130,284	143,001
Deferred tax liabilities	84,167	38,684
Non-current liabilities	1,551,450	397,196
Current financial liabilities	77,863	52,915
Current tax liabilities	26,305	19,809
Trade liabilities	378,782	220,437
Deferred income and other current liabilities	194,732	140,183
Provisions for current liabilities and charges	68,304	21,932
Current liabilities	745,986	455,276
Total liabilities	2,297,436	852,472
TOTAL EQUITY AND LIABILITIES	3,904,309	2,399,570

Consolidated Income Statements

	3 rd Quarter		1 st - 3 rd Quarter	
	Jul. 1 - Sep. 30, 2021	Jul. 1 - Sep. 30, 2020	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020
(all amounts in thousands of EUR, except per share data)				
Sales	817,568	637,065	2,107,143	1,903,522
Cost of sales	(655,203)	(498,878)	(1,668,179)	(1,447,998)
Gross margin	162,365	138,187	438,964	455,524
Other operating income	62,409	3,601	73,302	13,190
Selling and distribution expenses	(81,525)	(60,521)	(202,739)	(186,601)
Administrative expenses	(58,134)	(34,442)	(132,233)	(112,780)
Other operating expenses	(68)	(24)	(124)	(57)
Operating profit	85,047	46,801	177,170	169,276
Financial income	844	128	1,886	1,008
Financial expenses	(6,470)	(1,640)	(16,806)	(5,432)
Other financial result – net	(1)	(2,353)	113	(4,236)
Profit before tax	79,420	42,936	162,363	160,616
Income tax expense	(13,191)	(11,491)	(33,957)	(44,315)
Profit for the period	66,229	31,445	128,406	116,301
Attributable to:				
Shareholders of the Company	65,953	31,040	127,406	115,581
Non-controlling (minority) interests	276	405	1,000	720
Profit for the period	66,229	31,445	128,406	116,301
Earnings per share for profit attributable to the shareholders of the Company during the period:				
Earnings per share	3.30	1.55	6.37	5.78

Consolidated Comprehensive Income Statements

	3 rd Quarter		1 st - 3 rd Quarter	
	Jul. 1 - Sep. 30, 2021	Jul. 1 - Sep. 30, 2020	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020
(all amounts in thousands of EUR)				
Profit for the period	66,229	31,445	128,406	116,301
Other comprehensive income:				
Actuarial valuation of defined benefit pension and severance obligations	231	(4,429)	7,165	(4,773)
Effect of income taxes	322	3,212	(978)	2,926
Total of items that will not be reclassified subsequently to the income statement	553	(1,217)	6,187	(1,847)
Foreign currency translations ¹⁾	(14,494)	(24,960)	(9,193)	(62,399)
Effect of income taxes	(197)	0	(896)	0
Total of items that will be reclassified subsequently to the income statement	(14,691)	(24,960)	(10,089)	(62,399)
Other comprehensive income (net)	(14,138)	(26,177)	(3,902)	(64,246)
Total comprehensive income	52,091	5,268	124,504	52,055
Attributable to:				
Shareholders of the Company	51,775	4,932	123,326	51,477
Non-controlling (minority) interests	316	336	1,178	578
Total comprehensive income	52,091	5,268	124,504	52,055

¹⁾ In 1-3Q 2021, an amount of thous. EUR 57 (1-3Q 2020: thous. EUR 0) was reclassified from other comprehensive income to profit for the period.

Consolidated Statements of Changes in Equity

	Equity attributable to shareholders of the Company						Total	Non-controlling (minority) interests	Total equity
	Share capital	Additional paid-in capital	Retained earnings	Foreign currency translations	Actuarial gains and losses	Other reserves			
(all amounts in thousands of EUR)									
Balance at January 1, 2021	80,000	172,658	1,564,165	(207,173)	(67,304)	(274,477)	1,542,346	4,752	1,547,098
Profit for the period	0	0	127,406	0	0	0	127,406	1,000	128,406
Other comprehensive income	0	0	0	(10,270)	6,190	(4,080)	(4,080)	178	(3,902)
Total comprehensive income	0	0	127,406	(10,270)	6,190	(4,080)	123,326	1,178	124,504
Reclassification of actuarial effects to retained earnings	0	0	(1,214)	0	1,214	1,214	0	0	0
Transactions with shareholders:									
Dividends paid	0	0	(64,000)	0	0	0	(64,000)	(1,185)	(65,185)
Change in majority interests	0	0	300	0	0	0	300	156	456
Balance at September 30, 2021	80,000	172,658	1,626,657	(217,443)	(59,900)	(277,343)	1,601,972	4,901	1,606,873
Balance at January 1, 2020	80,000	172,658	1,466,884	(150,580)	(65,928)	(216,508)	1,503,034	5,275	1,508,309
Profit for the period	0	0	115,581	0	0	0	115,581	720	116,301
Other comprehensive income	0	0	0	(62,261)	(1,843)	(64,104)	(64,104)	(142)	(64,246)
Total comprehensive income	0	0	115,581	(62,261)	(1,843)	(64,104)	51,477	578	52,055
Transactions with shareholders:									
Dividends paid	0	0	(64,000)	0	0	0	(64,000)	(416)	(64,416)
Change in majority interests	0	0	0	0	0	0	0	0	0
Balance at September 30, 2020	80,000	172,658	1,518,465	(212,841)	(67,771)	(280,612)	1,490,511	5,437	1,495,948

Consolidated Cash Flow Statements

	1 st - 3 rd Quarter	
	Jan. 1 - Sep. 30, 2021	Jan. 1 - Sep. 30, 2020
(all amounts in thousands of EUR)		
Profit for the period	128,406	116,301
Adjustments to reconcile profit for the period to net cash from operating activities excluding interest and taxes paid	83,462	177,218
Net cash from profit	211,868	293,519
Changes in working capital	466	(11,472)
Cash flow from operating activities excluding interest and taxes paid	212,334	282,047
Income taxes paid	(46,511)	(58,366)
CASH FLOW FROM OPERATING ACTIVITIES	165,823	223,681
Payments for property, plant and equipment, and intangible assets (incl. payments on account)	(185,903)	(107,673)
Payments for acquisition of companies or other business entities, net of cash and cash equivalents acquired (1-3Q 2021: thous. EUR 88,454; 1-3Q 2020: thous. EUR 0)	(784,021)	0
Proceeds from disposal of companies or other business entities, net of cash and cash equivalents transferred (1-3Q 2021: thous EUR 4,646; 1-3Q 2020: thous EUR 0)	148,123	500
Other items	15,766	7,756
CASH FLOW FROM INVESTING ACTIVITIES	(806,035)	(99,417)
Change in financial liabilities	923,179	(58,940)
Dividends paid to the shareholders of the Company	(64,000)	(64,000)
Other items	(7,838)	(3,746)
CASH FLOW FROM FINANCING ACTIVITIES	851,341	(126,686)
Effect of exchange rate changes on cash and cash equivalents	672	(5,307)
Change in cash and cash equivalents	211,801	(7,729)
Cash and cash equivalents at the beginning of the period (according to the consolidated balance sheet)	146,241	126,807
Cash and cash equivalents at the end of the period (according to the consolidated balance sheet)	358,042	119,078

Quarterly Overview

MAYR-MELNHOF GROUP

(consolidated, in millions of EUR)	1 st Quarter 2020	2 nd Quarter 2020	3 rd Quarter 2020	4 th Quarter 2020	1 st Quarter 2021	2 nd Quarter 2021	3 rd Quarter 2021
Sales	646.6	619.9	637.0	624.9	641.3	648.3	817.5
EBITDA	98.9	112.8	95.4	91.8	92.7	62.8	127.5
Operating profit	64.6	57.9	46.8	62.1	61.2	30.9	85.1
Operating margin (%)	10.0 %	9.3 %	7.3 %	9.9 %	9.6 %	4.8 %	10.4 %
Profit before tax	62.8	54.9	42.9	61.5	58.6	24.3	79.5
Income tax expense	(17.7)	(15.1)	(11.5)	(15.6)	(14.7)	(6.0)	(13.3)
Profit for the period	45.1	39.8	31.4	45.9	43.9	18.3	66.2
Net profit margin (%)	7.0 %	6.4 %	4.9 %	7.4 %	6.8 %	2.8 %	8.1 %
Earnings per share (in EUR)	2.25	1.98	1.55	2.28	2.18	0.89	3.30
Cash flow from operating activities	84.5	38.1	101.1	94.5	77.8	34.5	53.5

DIVISIONS

MM Board & Paper*

(in millions of EUR)	1 st Quarter 2020	2 nd Quarter 2020	3 rd Quarter 2020	4 th Quarter 2020	1 st Quarter 2021	2 nd Quarter 2021	3 rd Quarter 2021
Sales ¹⁾	273.5	259.5	264.4	253.4	271.4	285.2	434.8
EBITDA	47.5	51.8	37.0	28.4	33.0	26.5	65.1
Operating profit	34.1	25.1	9.2	18.3	19.8	13.2	41.3
Operating margin (%)	12.5 %	9.6 %	3.5 %	7.2 %	7.3 %	4.6 %	9.5 %
Cash flow from operating activities	30.4	22.3	45.5	28.1	14.3	2.4	22.3
Tonnage sold (in thousands of tons)	444	427	423	410	432	422	567
<i>Cartonboard</i>	444	427	423	410	432	422	473
<i>Kraft Papers</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	31
<i>Uncoated Fine Papers</i>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	63
Tonnage produced (in thousands of tons)	435	442	421	412	410	421	560

¹⁾ including interdivisional sales

MM Packaging

(in millions of EUR)	1 st Quarter 2020	2 nd Quarter 2020	3 rd Quarter 2020	4 th Quarter 2020	1 st Quarter 2021	2 nd Quarter 2021	3 rd Quarter 2021
Sales ¹⁾	401.7	391.9	401.9	398.7	399.3	392.1	418.2
EBITDA	51.4	61.0	58.4	63.4	59.7	36.3	62.4
Operating profit	30.5	32.8	37.6	43.8	41.4	17.7	43.8
Operating margin (%)	7.6 %	8.4 %	9.3 %	11.0 %	10.4 %	4.5 %	10.4 %
Cash flow from operating activities	54.1	15.8	55.6	66.4	63.5	32.1	31.2
Tonnage processed (in thousands of tons)	209	211	215	212	216	208	215

¹⁾ including interdivisional sales

*Division name change from MM Karton to MM Board & Paper after completion of the Kwidzyn acquisition and the resulting expansion of the product portfolio to include "Kraft Papers" and "Uncoated Fine Papers".

MM Shares

Relative performance of MM shares 2021 (December 30, 2020 = 100)



Share price (closing price)	
as of November 12, 2021	184.20
2021 High	184.20
2021 Low	162.20
Stock performance (Year-end 2020 until November 12, 2021)	+ 11.64 %
Number of shares issued	20 million
Market capitalization as of November 12, 2021 (in millions of EUR)	3,684
Trading volume (average per day 1-3Q 2021 in millions of EUR)	2.47

We have prepared this report and reviewed the figures with the greatest possible care. Nevertheless, rounding, typographical and printing errors cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids. This report also contains forward-looking estimates and statements based on the information currently available to us. Please note that a wide variety of factors could cause actual circumstances – and hence actual results – to deviate from the expectations contained in this report.

The determination of key indicators, which cannot be reconciled directly from the quarterly financial report, can be found on our website under section “For Investors/Key Indicators”.

Statements referring to people are valid for both men and women.

This interim report is also available in German. In case of doubt, the German version takes precedence.

Financial Calendar 2022

March 15, 2022	Financial results for 2021
April 17, 2022	Record date "Ordinary Shareholders' Meeting"
April 26, 2022	Results for the 1 st quarter of 2022
April 27, 2022	28 th Ordinary Shareholders' Meeting – Vienna
May 3, 2022	Ex-dividend day
May 4, 2022	Record date "Dividends"
May 11, 2022	Dividend payment date
August 11, 2022	Results for the 1 st half-year of 2022
November 3, 2022	Results for the first three quarters of 2022

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