



# Alternative Performance Measures 2021

The Group's reporting uses alternative performance measures (APMs) that are not defined according to IFRS. They should not be considered in isolation and should not be seen as a replacement, but rather as addition to those financial indicators used in accordance with IFRS.

These performance measures provide useful information on the Group's economic situation and are partly important indicators for internal management.

Since these measures are not defined by IFRS, their calculation may differ from the APMs published by other companies. Therefore, comparability between companies may be limited.

The alternative performance measures used by the Group are explained below based on the guidelines of the European Securities and Markets Authority (ESMA) and subsequently reconciled. If an item can be quoted directly from the annual report, the relevant position in the report is stated.

## DEFINITION AND EXPLANATION OF ALTERNATIVE PERFORMANCE MEASURES

### **Operating profit**

Sales subtracted by cost of goods sold, selling and distribution, administrative and other operating expenses plus other operating income.

Operating profit is used within the Group as a measure of operating profitability.

### **EBITDA (Earnings before interest, income taxes, depreciation and amortization)**

Operating profit plus depreciation, amortization and impairment of property, plant and equipment and intangible assets.

EBITDA describes the operating profitability regardless of scheduled depreciation and amortization and any other unscheduled impairments.

### **EBITDA margin**

EBITDA divided by sales.

EBITDA margin serves as a relative indicator for comparing operating profitability.

**Equity ratio**

Total equity divided by total assets.

The equity ratio provides information on the share of equity in the total assets and is thus a measure of the financial stability and independence of the Group from external lenders. It is also a significant measure for capital management in the Company.

**Return on equity (ROE)**

Profit for the year divided by average total equity.

Return on equity is a performance indicator that shows how efficiently equity is being used within the Group and expresses the interest rate of capital employed.

**Return on assets (ROA)**

The sum of profit for the year excluding interest expense divided by average total assets.

The MM Group uses return on assets as a measure to show the efficiency of total capital employed regardless of the source of financing. It expresses the interest rate of total capital employed in the Company.

**Market capitalization**

Number of shares outstanding multiplied with the closing share price as of the balance sheet date.

Market capitalization may be used for size comparisons between the MM Group and other listed companies. Basically, only companies from the same industry can be compared.

**Net debt/net liquidity**

The sum of current and non-current interest-bearing financial liabilities including lease liabilities according to IFRS 16 less cash and cash equivalents.

In case the sum of cash and cash equivalents exceeds financial liabilities, there is net liquidity.

This indicator is used by MM as a measure of financial indebtedness or net liquidity.

**Net debt/EBITDA**

Net debt/net liquidity divided by EBITDA..

The net debt ratio is an important key indicator of the capital management within the Group. It provides information on how quickly net debt can be covered at constant EBITDA.

**Net value add**

The sum of sales, other operating income, change in finished goods and own work capitalized as well as financial result and result from investments subtracted by expenditures on purchased goods and services and depreciation, amortization and impairment.

Net value added is a measure of the Group's economic performance and is available to serve the stakeholder groups.

**Operating margin**

Operating profit divided by sales.

Operating margin at MM indicates the percentage of the operating profit in sales in order to be able to assess profitability. This measure of profitability is calculated regardless of financing and tax charges. Operating margin is one of the most significant elements for managing the consolidated results.

**Return on capital employed (ROCE)**

Operating profit divided by the sum of average total equity, average current and non-current interest-bearing financial liabilities including lease liabilities according to IFRS 16 less average cash and cash equivalents.

The MM Group uses ROCE as a performance indicator to show the return generated by the actual production process. ROCE illustrates how efficiently MM manages use of its resources and represents the return on the interest-bearing capital employed.

**Return on investment (ROI)**

The sum of profit for the year excluding interest expenses divided by the sum of average total equity plus average current and non-current interest-bearing financial liabilities including lease liabilities according to IFRS 16.

At MM, ROI shows how efficiently capital employed is actually being used and, as an indicator of performance, is a measure of the sustainable profitability of the Company.

**Total equity and non-current liabilities to PPE**

The sum of total equity and non-current liabilities divided by property, plant and equipment.

Total equity and non-current liabilities to PPE provides information on liquidity, quality and financial stability of long-term financing. It shows to what degree fixed assets are financed by equity and long-term liabilities.

**Property, plant and equipment to total assets**

Property, plant and equipment divided by total assets.

Property, plant and equipment to total assets shows how much capital is tied up in fixed assets over the long-term and indicates the amount of the share of fixed costs, e. g. depreciation and amortization.

**Net profit margin**

Profit for the year divided by sales.

Net profit margin represents the share of profit in sales and provides information on the relative result generated by sales.

**Working capital**

The sum of total current assets less total current liabilities (excluding revolving bank credits).

Working capital indicates the surplus of current assets over short-term borrowings and, as liquidity indicator, allows conclusions about the short-term financial balance.

## Calculation Alternative Performance Measures – MM Group

according to ESMA-Guideline

(In thousands of EUR)	2017	2018	2019	2020	2021
Operating profit from Consolidated Income Statements	215,014	217,082	255,271	231,380	269,615
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets from note "Development of fixed assets"	99,692	107,278	134,329	167,481	151,348
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>314,706</b>	<b>324,360</b>	<b>389,600</b>	<b>398,861</b>	<b>420,963</b>
Profit for the year from Consolidated Income Statements	155,035	164,165	190,219	162,230	190,701
Total equity from Consolidated Balance Sheets	1,318,590	1,384,759	1,508,309	1,547,098	1,661,878
<b>Ø Total equity</b>	<b>1,288,876</b>	<b>1,351,675</b>	<b>1,446,534</b>	<b>1,527,704</b>	<b>1,604,488</b>
<b>Return on equity (ROE)</b>	<b>12.0 %</b>	<b>12.1 %</b>	<b>13.1 %</b>	<b>10.6 %</b>	<b>11.9 %</b>
Profit for the year from Consolidated Income Statements	155,035	164,165	190,219	162,230	190,701
Interest expenses from note "Financial expenses"	6,185	6,078	8,394	7,863	24,369
Net interest cost from note "Other financial result – net"	2,325	2,204	2,605	1,499	1,367
Interest expenses total	8,510	8,282	10,999	9,362	25,736
Recycling of foreign currency translations from note "Other financial result – net"	2,604	0	0	0	0
<b>Profit for the year before non-controlling (minority) interests and before interest expenses</b>	<b>166,149</b>	<b>172,447</b>	<b>201,218</b>	<b>171,592</b>	<b>216,437</b>
Total assets from Consolidated Balance Sheets	2,013,406	2,065,705	2,422,653	2,399,570	4,014,218
<b>Ø Total assets</b>	<b>1,997,652</b>	<b>2,039,556</b>	<b>2,244,179</b>	<b>2,411,112</b>	<b>3,206,894</b>
<b>Return on assets (ROA)</b>	<b>8.3 %</b>	<b>8.5 %</b>	<b>9.0 %</b>	<b>7.1 %</b>	<b>6.7 %</b>
Profit for the year from Consolidated Income Statements	155,035	164,165	190,219	162,230	190,701
Sales from Consolidated Income Statements	2,336,804	2,337,658	2,544,409	2,528,399	3,069,714
<b>Net profit margin</b>	<b>6.6 %</b>	<b>7.0 %</b>	<b>7.5 %</b>	<b>6.4 %</b>	<b>6.2 %</b>
EBITDA (see above)	314,706	324,360	389,600	398,861	420,963
Sales from Consolidated Income Statements	2,336,804	2,337,658	2,544,409	2,528,399	3,069,714
<b>EBITDA margin</b>	<b>13.5 %</b>	<b>13.9 %</b>	<b>15.3 %</b>	<b>15.8 %</b>	<b>13.7 %</b>
Operating profit from Consolidated Income Statements	215,014	217,082	255,271	231,380	269,615
Sales from Consolidated Income Statements	2,336,804	2,337,658	2,544,409	2,528,399	3,069,714
<b>Operating margin</b>	<b>9.2 %</b>	<b>9.3 %</b>	<b>10.0 %</b>	<b>9.2 %</b>	<b>8.8 %</b>
Operating profit from Consolidated Income Statements	215,014	217,082	255,271	231,380	269,615
Ø Total equity	1,279,324	1,347,995	1,440,275	1,510,555	1,594,872
Ø Current financial liabilities	23,252	25,813	152,168	83,654	80,002
Ø Non-current financial liabilities	208,315	187,515	228,785	226,063	1,061,867
<b>Capital employed</b>	<b>1,298,736</b>	<b>1,337,417</b>	<b>1,656,903</b>	<b>1,692,343</b>	<b>2,102,312</b>
<b>Return on capital employed (ROCE)</b>	<b>16.6 %</b>	<b>16.2 %</b>	<b>15.4 %</b>	<b>13.7 %</b>	<b>12.8 %</b>
Profit for the year from Consolidated Income Statements	155,035	164,165	190,219	162,230	190,701
Interest expenses from note "Financial expenses"	6,185	6,078	8,394	7,863	24,369
Net interest cost from note "Other financial result – net"	2,325	2,204	2,605	1,499	1,367
Interest expenses total	8,510	8,282	10,999	9,362	25,736
Recycling of foreign currency translations from note "Other financial result – net"	2,604	0	0	0	0
<b>Profit for the year before non-controlling (minority) interests and before interest expenses</b>	<b>166,149</b>	<b>172,447</b>	<b>201,218</b>	<b>171,592</b>	<b>216,437</b>
Ø Total equity	1,288,876	1,351,675	1,446,534	1,527,704	1,604,488
Ø Current financial liabilities	34,741	27,456	73,589	82,879	63,459
Ø Non-current financial liabilities	201,944	184,619	204,944	224,026	782,293
<b>Total of Ø total equity and Ø current and non-current financial liabilities</b>	<b>1,525,560</b>	<b>1,563,750</b>	<b>1,725,067</b>	<b>1,834,608</b>	<b>2,450,240</b>
<b>Return on investment (ROI)</b>	<b>10.9 %</b>	<b>11.0 %</b>	<b>11.7 %</b>	<b>9.4 %</b>	<b>8.8 %</b>
Total equity from Consolidated Balance Sheets	1,318,590	1,384,759	1,508,309	1,547,098	1,661,878
Total assets from Consolidated Balance Sheets	2,013,406	2,065,705	2,422,653	2,399,570	4,014,218
<b>Equity ratio</b>	<b>65.5 %</b>	<b>67.0 %</b>	<b>62.3 %</b>	<b>64.5 %</b>	<b>41.4 %</b>
Property, plant and equipment from Consolidated Balance Sheets	858,875	852,607	1,034,471	996,472	1,490,031
Total assets from Consolidated Balance Sheets	2,013,406	2,065,705	2,422,653	2,399,570	4,014,218
<b>Property, plant and equipment to total assets</b>	<b>42.7 %</b>	<b>41.3 %</b>	<b>42.7 %</b>	<b>41.5 %</b>	<b>37.1 %</b>

## Calculation Alternative Performance Measures – MM Group

according to ESMA-Guideline

(in thousands of EUR)	2017	2018	2019	2020	2021
Total equity from Consolidated Balance Sheets	1,318,590	1,384,759	1,508,309	1,547,098	1,661,878
Non-current liabilities from Consolidated Balance Sheets	327,619	307,654	419,771	397,196	1,569,394
<b>Total equity and non-current liabilities</b>	<b>1,646,209</b>	<b>1,692,413</b>	<b>1,928,080</b>	<b>1,944,294</b>	<b>3,231,272</b>
Property, plant and equipment from Consolidated Balance Sheets	858,875	852,607	1,034,471	996,472	1,490,031
<b>Total equity and non-current liabilities to PPE</b>	<b>1.9</b>	<b>2.0</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>
Current assets from Consolidated Balance Sheets	1,000,264	1,061,891	980,505	1,001,647	1,554,216
Securities in non-current assets from note "Investments accounted for using the equity method, securities and other financial assets"	1,223	161			
<b>Current assets</b>	<b>1,001,487</b>	<b>1,062,052</b>	<b>980,505</b>	<b>1,001,647</b>	<b>1,554,216</b>
Current liabilities from Consolidated Balance Sheets	-367,197	-373,292	-494,573	-455,276	-782,946
Short-term revolving bank credits from note "Financial liabilities and leases"	10,000	10,000	37,980	37,980	37,980
<b>Current liabilities (excluding short-term revolving bank credits)</b>	<b>-357,197</b>	<b>-363,292</b>	<b>-456,593</b>	<b>-417,296</b>	<b>-744,966</b>
<b>Working capital</b>	<b>644,290</b>	<b>698,760</b>	<b>523,912</b>	<b>584,351</b>	<b>809,250</b>
Current financial liabilities from Consolidated Balance Sheets (incl. lease liabilities acc. to IFRS 16)	-20,578	-34,334	-112,843	-52,915	-74,003
Non-current financial liabilities from Consolidated Balance Sheets (incl. lease liabilities acc. to IFRS 16)	-191,890	-177,348	-232,540	-215,511	-1,349,074
Cash and cash equivalents from Consolidated Balance Sheets	197,910	260,982	126,807	146,241	359,546
Securities in non-current assets from note "Investments accounted for using the equity method, securities and other financial assets"	1,223	161			
Securities in current assets	1,559	0			
<b>Net debt (-)/Net liquidity (+)</b>	<b>-11,776</b>	<b>49,461</b>	<b>-218,576</b>	<b>-122,185</b>	<b>-1,063,531</b>
Net debt (+)/Net liquidity (-)	11,776	-49,461	218,576	122,185	1,063,531
EBITDA (see above)	314,706	324,360	389,600	398,861	420,963
Adjustments (incl. acquired companies for the full reporting year; excl. disposed companies)					82,690
<b>Adjusted EBITDA</b>	<b>314,706</b>	<b>324,360</b>	<b>389,600</b>	<b>398,861</b>	<b>503,653</b>
<b>Net debt/EBITDA</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>2.1</b>
Number of shares issued at the balance sheet date from note "Earnings per share"	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Stock price per share at year-end (closing) from Annual Report chapter "MM Shares" (in EUR)	122.50	110.00	119.60	165.00	176.60
<b>Market capitalization</b>	<b>2,450,000</b>	<b>2,200,000</b>	<b>2,392,000</b>	<b>3,300,000</b>	<b>3,532,000</b>
Weighted average number of shares outstanding from note "Earnings per share"	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Profit for the year attributable to the shareholders of the Company from Consolidated Income Statements	154,573	163,670	189,743	161,188	189,174
<b>Earnings per share (in EUR)</b>	<b>7.73</b>	<b>8.18</b>	<b>9.49</b>	<b>8.06</b>	<b>9.46</b>

Calculation net value added: see "Value added" in Annual Report chapter "Consolidated Non-financial Report"

Calculation operating profit: see Consolidated Income Statements

Calculation cash flow from operating activities: see Consolidated Cash Flow Statements

## Calculation Alternative Performance Measures – Division MM Board & Paper

according to ESMA-Guideline

(in thousands of EUR)	2021	2020
Operating profit from note "Segment reporting information"	107,694	86,695
Depreciation, amortization and impairment of property, plant and equipment and intangible assets from note "Segment reporting information"	77,551	77,997
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>185,245</b>	<b>164,692</b>
EBITDA (see above)	185,245	164,692
Sales from note "Segment reporting information"	1,561,071	1,050,752
<b>EBITDA margin</b>	<b>11.9 %</b>	<b>15.7 %</b>
Operating profit from note "Segment reporting information"	107,694	86,695
Sales from note "Segment reporting information"	1,561,071	1,050,752
<b>Operating margin</b>	<b>6.9 %</b>	<b>8.3 %</b>
Operating profit from note "Segment reporting information"	107,694	86,695
Ø Total equity	856,497	827,263
Ø Current financial liabilities	28,677	13,253
Ø Non-current financial liabilities without IC loans from MM Packaging	942,802	82,995
Ø Cash and cash equivalents	-675,365	-206,136
Ø IC cash pool receivable/payable against MM Packaging	-162,777	-112,583
Ø IC loans from/to MM Packaging	-8,125	-7,851
<b>Capital employed</b>	<b>981,710</b>	<b>596,941</b>
<b>Return on capital employed (ROCE)</b>	<b>11.0 %</b>	<b>14.5 %</b>
Profit for the year from note "Segment reporting information"	69,921	58,359
Adjustments to reconcile profit for the year to net cash from operating activities excluding interest and taxes paid:		
Income tax expense from note "Segment reporting information"	16,845	24,987
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets from note "Segment reporting information"	77,551	77,997
Gains (losses) from disposal of property, plant and equipment, and intangible assets	-6,432	166
Financial income from note "Segment reporting information"	-394	-421
Financial expenses from note "Segment reporting information"	20,678	3,158
Result from the disposals of subsidiaries	-46,175	0
Share of profit (loss) of other investments	-373	-193
Other adjustments	-10,047	-4,295
<b>Net cash from profit</b>	<b>121,574</b>	<b>159,758</b>
Changes in working capital	22,313	759
Income taxes paid	-35,203	-34,254
<b>Cash flow from operating activities</b>	<b>108,684</b>	<b>126,263</b>

**Calculation operating profit: see Consolidated Income Statements**

## Calculation Alternative Performance Measures – Division MM Packaging

according to ESMA-Guideline

(in thousands of EUR)	2021	2020
Operating profit from note "Segment reporting information"	161,921	144,685
Depreciation, amortization and impairment of property, plant and equipment and intangible assets from note "Segment reporting information"	73,797	89,484
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>235,718</b>	<b>234,169</b>
EBITDA (see above)	235,718	234,169
Sales from note "Segment reporting information"	1,641,635	1,594,216
<b>EBITDA margin</b>	<b>14.4 %</b>	<b>14.7 %</b>
Operating profit from note "Segment reporting information"	161,921	144,685
Sales from note "Segment reporting information"	1,641,635	1,594,216
<b>Operating margin</b>	<b>9.9 %</b>	<b>9.1 %</b>
Operating profit from note "Segment reporting information"	161,921	144,685
Ø Total equity	738,379	683,292
Ø Current financial liabilities	92,261	148,607
Ø Non-current financial liabilities without IC loans from MM Board & Paper	119,064	143,068
Ø Cash and cash equivalents	0	0
Ø IC cash pool receivable/payable against MM Board & Paper	162,775	112,583
Ø IC loans from/to MM Board & Paper	8,125	7,851
<b>Capital employed</b>	<b>1,120,604</b>	<b>1,095,402</b>
<b>Return on capital employed (ROCE)</b>	<b>14.4 %</b>	<b>13.2 %</b>
Profit for the year from note "Segment reporting information"	120,781	103,871
Adjustments to reconcile profit for the year to net cash from operating activities excluding interest and taxes paid:		
Income tax expense from note "Segment reporting information"	37,003	34,857
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets from note "Segment reporting information"	73,797	89,484
Gains (losses) from disposal of property, plant and equipment, and intangible assets	-3,065	97
Financial income from note "Segment reporting information"	-3,231	-1,593
Financial expenses from note "Segment reporting information"	3,997	5,007
Result from the disposals of subsidiaries	0	0
Share of profit (loss) of other investments	-233	-151
Other adjustments	7,398	-5,805
<b>Net cash from profit</b>	<b>236,447</b>	<b>225,767</b>
Changes in working capital	-43,542	6,651
Income taxes paid	-31,770	-40,497
<b>Cash flow from operating activities</b>	<b>161,135</b>	<b>191,921</b>

**Calculation operating profit: see Consolidated Income Statements**