



# Alternative Performance Measures 2022

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 debt/equity**

Net debt/net liquidity divided by total equity at year-end.

The ratio of net debt/net liquidity to the carrying amount of equity is an important indicator of capital management in the Group. It provides information on the Group's financial leverage and shows the ratio of debt (financial liabilities less cash and cash equivalents) and equity used to finance assets.

**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. ROCE is a key indicator for assessing capital efficiency and profitability and is intended to ensure economically balanced growth.

**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)	2018	2019	2020	2021	2022
Operating profit from Consolidated Income Statements	217,082	255,271	231,380	269,615	510,272
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets from note "Development of fixed assets"	107,278	134,329	167,481	151,348	219,649
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>324,360</b>	<b>389,600</b>	<b>398,861</b>	<b>420,963</b>	<b>729,921</b>
Profit for the year from Consolidated Income Statements	164,165	190,219	162,230	190,701	345,244
Total equity from Consolidated Balance Sheets	1,384,759	1,508,309	1,547,098	1,661,878	1,959,351
<b>Ø Total equity</b>	<b>1,351,675</b>	<b>1,446,534</b>	<b>1,527,704</b>	<b>1,604,488</b>	<b>1,810,614</b>
<b>Return on equity (ROE)</b>	<b>12.1 %</b>	<b>13.1 %</b>	<b>10.6 %</b>	<b>11.9 %</b>	<b>19.1 %</b>
Profit for the year from Consolidated Income Statements	164,165	190,219	162,230	190,701	345,244
Interest expenses from note "Financial expenses"	6,078	8,394	7,863	24,369	32,149
Net interest cost from note "Other financial result – net"	2,204	2,605	1,499	1,367	1,701
Interest expenses total	8,282	10,999	9,362	25,736	33,850
<b>Profit for the year before non-controlling (minority) interests and before interest expenses</b>	<b>172,447</b>	<b>201,218</b>	<b>171,592</b>	<b>216,437</b>	<b>379,094</b>
Total assets from Consolidated Balance Sheets	2,065,705	2,422,653	2,399,570	4,014,218	4,818,638
<b>Ø Total assets</b>	<b>2,039,556</b>	<b>2,244,179</b>	<b>2,411,112</b>	<b>3,206,895</b>	<b>4,416,428</b>
<b>Return on assets (ROA)</b>	<b>8.5 %</b>	<b>9.0 %</b>	<b>7.1 %</b>	<b>6.7 %</b>	<b>8.6 %</b>
Profit for the year from Consolidated Income Statements	164,165	190,219	162,230	190,701	345,244
Sales from Consolidated Income Statements	2,337,658	2,544,409	2,528,399	3,069,714	4,682,060
<b>Net profit margin</b>	<b>7.0 %</b>	<b>7.5 %</b>	<b>6.4 %</b>	<b>6.2 %</b>	<b>7.4 %</b>
EBITDA (see above)	324,360	389,599	398,855	420,963	729,921
Sales from Consolidated Income Statements	2,337,658	2,544,409	2,528,399	3,069,714	4,682,060
<b>EBITDA margin</b>	<b>13.9 %</b>	<b>15.3 %</b>	<b>15.8 %</b>	<b>13.7 %</b>	<b>15.6 %</b>
Operating profit from Consolidated Income Statements	217,082	255,271	231,380	269,615	510,272
Sales from Consolidated Income Statements	2,337,658	2,544,409	2,528,399	3,069,714	4,682,060
<b>Operating margin</b>	<b>9.3 %</b>	<b>10.0 %</b>	<b>9.2 %</b>	<b>8.8 %</b>	<b>10.9 %</b>
Operating profit from Consolidated Income Statements	217,082	255,271	231,380	269,615	510,272
Ø Total equity	1,347,995	1,440,275	1,510,555	1,594,872	1,868,528
Ø Current financial liabilities	25,813	152,168	83,654	80,002	94,757
Ø Non-current financial liabilities	187,515	228,785	226,063	1,061,867	1,442,116
<b>Capital employed</b>	<b>1,337,417</b>	<b>1,656,903</b>	<b>1,692,343</b>	<b>2,102,312</b>	<b>3,138,750</b>
<b>Return on capital employed (ROCE)</b>	<b>16.2 %</b>	<b>15.4 %</b>	<b>13.7 %</b>	<b>12.8 %</b>	<b>16.3 %</b>
Profit for the year from Consolidated Income Statements	164,165	190,219	162,230	190,701	345,244
Interest expenses from note "Financial expenses"	6,078	8,394	7,863	24,369	32,149
Net interest cost from note "Other financial result – net"	2,204	2,605	1,499	1,367	1,701
Interest expenses total	8,282	10,999	9,362	25,736	33,850
<b>Profit for the year before non-controlling (minority) interests and before interest expenses</b>	<b>172,447</b>	<b>201,218</b>	<b>171,592</b>	<b>216,437</b>	<b>379,094</b>
Ø Total equity	1,351,675	1,446,534	1,527,704	1,604,488	1,810,614
Ø Current financial liabilities	27,456	73,589	82,879	63,459	80,776
Ø Non-current financial liabilities	184,619	204,944	224,026	782,293	1,511,557
<b>Total of Ø total equity and Ø current and non-current financial liabilities</b>	<b>1,563,750</b>	<b>1,725,067</b>	<b>1,834,608</b>	<b>2,450,240</b>	<b>3,402,947</b>
<b>Return on investment (ROI)</b>	<b>11.0 %</b>	<b>11.7 %</b>	<b>9.4 %</b>	<b>8.8 %</b>	<b>11.1 %</b>
Total equity from Consolidated Balance Sheets	1,384,759	1,508,309	1,547,098	1,661,878	1,959,351
Total assets from Consolidated Balance Sheets	2,065,705	2,422,653	2,399,570	4,014,218	4,818,638
<b>Equity ratio</b>	<b>67.0 %</b>	<b>62.3 %</b>	<b>64.5 %</b>	<b>41.4 %</b>	<b>40.7 %</b>
Property, plant and equipment from Consolidated Balance Sheets	852,607	1,034,471	996,472	1,490,031	1,813,214
Total assets from Consolidated Balance Sheets	2,065,705	2,422,653	2,399,570	4,014,218	4,818,638
<b>Property, plant and equipment to total assets</b>	<b>41.3 %</b>	<b>42.7 %</b>	<b>41.5 %</b>	<b>37.1 %</b>	<b>37.6 %</b>

## Calculation Alternative Performance Measures – MM Group

according to ESMA-Guideline

(in thousands of EUR)	2018	2019	2020	2021	2022
Total equity from Consolidated Balance Sheets	1,384,759	1,508,309	1,547,098	1,661,878	1,959,351
Non-current liabilities from Consolidated Balance Sheets	307,654	419,771	397,196	1,569,394	1,889,386
<b>Total equity and non-current liabilities</b>	<b>1,692,413</b>	<b>1,928,080</b>	<b>1,944,294</b>	<b>3,231,272</b>	<b>3,848,737</b>
Property, plant and equipment from Consolidated Balance Sheets	852,607	1,034,471	996,472	1,490,031	1,813,214
<b>Total equity and non-current liabilities to PPE</b>	<b>2.0</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>	<b>2.1</b>
Current assets from Consolidated Balance Sheets	1,061,891	980,505	1,001,647	1,554,216	1,934,361
Securities in non-current assets from note "Investments accounted for using the equity method, securities and other financial assets"	161				
<b>Current assets</b>	<b>1,062,052</b>	<b>980,505</b>	<b>1,001,647</b>	<b>1,554,216</b>	<b>1,934,361</b>
Current liabilities from Consolidated Balance Sheets	-373,292	-494,573	-455,276	-782,946	-969,901
Short-term revolving bank credits from note "Financial liabilities and leases"	10,000	37,980	37,980	37,980	67,980
<b>Current liabilities (excluding short-term revolving bank credits)</b>	<b>-363,292</b>	<b>-456,593</b>	<b>-417,296</b>	<b>-744,966</b>	<b>-901,921</b>
<b>Working capital</b>	<b>698,760</b>	<b>523,912</b>	<b>584,351</b>	<b>809,250</b>	<b>1,032,440</b>
Current financial liabilities from Consolidated Balance Sheets (incl. lease liabilities acc. to IFRS 16)	-34,334	-112,843	-52,915	-74,003	-87,549
Non-current financial liabilities from Consolidated Balance Sheets (incl. lease liabilities acc. to IFRS 16)	-177,348	-232,540	-215,511	-1,349,074	-1,674,040
Cash and cash equivalents from Consolidated Balance Sheets	260,982	126,807	146,241	359,546	280,063
Securities in non-current assets from note "Investments accounted for using the equity method, securities and other financial assets"	161				
<b>Net debt (-)/Net liquidity (+)</b>	<b>49,461</b>	<b>-218,576</b>	<b>-122,185</b>	<b>-1,063,531</b>	<b>-1,481,526</b>
Net debt (+)/Net liquidity (-)	-49,461	218,576	122,185	1,063,531	1,481,526
EBITDA (see above)	324,360	389,599	398,855	420,963	729,921
Adjustments from acquisitions and divestments				82,690	15,460
<b>Adjusted EBITDA</b>	<b>324,360</b>	<b>389,599</b>	<b>398,855</b>	<b>503,653</b>	<b>745,381</b>
<b>Net debt/EBITDA</b>	<b>-0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>2.1</b>	<b>2.0</b>
Net debt (+)/Net liquidity (-)	-49,461	218,576	122,185	1,063,531	1,481,526
Total equity from Consolidated Balance Sheets	1,384,759	1,508,309	1,547,098	1,661,878	1,959,351
<b>Net debt/equity</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.6</b>	<b>0.8</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)	110.00	119.60	165.00	176.60	151.20
<b>Market capitalization</b>	<b>2,200,000</b>	<b>2,392,000</b>	<b>3,300,000</b>	<b>3,532,000</b>	<b>3,024,000</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	163,670	189,743	161,188	189,174	343,793
<b>Earnings per share (in EUR)</b>	<b>8.18</b>	<b>9.49</b>	<b>8.06</b>	<b>9.46</b>	<b>17.19</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)	2022	2021
Operating profit from note "Segment reporting information"	380,959	107,694
Depreciation, amortization and impairment of property, plant and equipment and intangible assets from note "Segment reporting information"	118,369	77,551
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>499,328</b>	<b>185,245</b>
EBITDA (see above)	499,328	185,245
Sales from note "Segment reporting information"	2,749,972	1,561,071
<b>EBITDA margin</b>	<b>18.2 %</b>	<b>11.9 %</b>
Operating profit from note "Segment reporting information"	380,959	107,694
Sales from note "Segment reporting information"	2,749,972	1,561,071
<b>Operating margin</b>	<b>13.9 %</b>	<b>6.9 %</b>
Operating profit from note "Segment reporting information"	380,959	107,694
Ø Total equity	1,014,563	856,497
Ø Current financial liabilities	66,548	28,677
Ø Non-current financial liabilities without IC loans from/to MM Packaging	1,254,490	942,802
Ø Cash and cash equivalents	-263,372	-675,365
Ø IC cash pool receivable/payable against MM Packaging	-370,995	-162,777
Ø IC loans from/to MM Packaging	-8,192	-8,125
<b>Capital employed</b>	<b>1,693,043</b>	<b>981,709</b>
<b>Return on capital employed (ROCE)</b>	<b>22.5 %</b>	<b>11.0 %</b>
Profit for the year from note "Segment reporting information"	265,742	69,921
Adjustments to reconcile profit for the year to net cash from profit:		
Income tax expense from note "Segment reporting information"	87,267	16,845
Depreciation and amortization of property, plant and equipment, and intangible assets from note "Segment reporting information"	104,072	75,156
Impairment of property, plant and equipment, and intangible assets as well as non-current assets held for sale from note "Segment reporting information"	14,297	2,395
Gains (losses) from disposal of property, plant and equipment, and intangible assets	-46	-6,432
Financial income from note "Segment reporting information"	-944	-394
Financial expenses from note "Segment reporting information"	26,007	20,678
Result from the disposals of subsidiaries	0	-46,175
Share of profit (loss) of other investments	-210	-373
Result from hyperinflation adjustments	0	0
Result of associated companies and joint ventures	0	0
Other adjustments	-5,283	-10,047
<b>Net cash from profit</b>	<b>490,902</b>	<b>121,574</b>
Changes in working capital	-192,522	22,313
Income taxes paid	-54,004	-35,203
<b>Cash flow from operating activities</b>	<b>244,376</b>	<b>108,684</b>

## Calculation Alternative Performance Measures – Division MM Packaging

according to ESMA-Guideline

(in thousands of EUR)	2022	2021
Operating profit from note "Segment reporting information"	129,313	161,921
Depreciation, amortization and impairment of property, plant and equipment and intangible assets from note "Segment reporting information"	101,280	73,797
<b>Earnings before interest, income taxes, depreciation and amortization (EBITDA)</b>	<b>230,593</b>	<b>235,718</b>
EBITDA (see above)	230,593	235,718
Sales from note "Segment reporting information"	2,168,686	1,641,636
<b>EBITDA margin</b>	<b>10.6 %</b>	<b>14.4 %</b>
Operating profit from note "Segment reporting information"	129,313	161,921
Sales from note "Segment reporting information"	2,168,686	1,641,636
<b>Operating margin</b>	<b>6.0 %</b>	<b>9.9 %</b>
Operating profit from note "Segment reporting information"	129,313	161,921
Ø Total equity	853,884	738,379
Ø Current financial liabilities	28,209	92,261
Ø Non-current financial liabilities without IC loans from/to MM Board & Paper	211,905	119,064
Ø Cash and cash equivalents	-27,559	0
Ø IC cash pool receivable/payable against MM Board & Paper	371,054	162,775
Ø IC loans from/to MM Board & Paper	8,192	8,125
<b>Capital employed</b>	<b>1,445,685</b>	<b>1,120,604</b>
<b>Return on capital employed (ROCE)</b>	<b>8.9 %</b>	<b>14.4 %</b>
Profit for the year from note "Segment reporting information"	79,502	120,780
Adjustments to reconcile profit for the year to net cash from profit:		
Income tax expense from note "Segment reporting information"	34,389	37,003
Depreciation and amortization of property, plant and equipment, and intangible assets from note "Segment reporting information"	94,531	73,797
Impairment of property, plant and equipment, and intangible assets as well as non-current assets held for sale from note "Segment reporting information"	6,749	0
Gains (losses) from disposal of property, plant and equipment, and intangible assets	674	-3,065
Financial income from note "Segment reporting information"	-3,947	-3,231
Financial expenses from note "Segment reporting information"	6,783	3,997
Result from the disposals of subsidiaries	13,606	0
Share of profit (loss) of other investments	-199	-233
Result from hyperinflation adjustments	-353	0
Result of associated companies and joint ventures	-1,376	-720
Other adjustments	3,954	8,119
<b>Net cash from profit</b>	<b>234,313</b>	<b>236,447</b>
Changes in working capital	-145,862	-43,542
Income taxes paid	-33,089	-31,770
<b>Cash flow from operating activities</b>	<b>55,362</b>	<b>161,135</b>