

Nordex Group

Nordex SE – Roadshow presentation

August/September 2024


> Agenda



- 1 Nordex at a glance
- 2 Improving market environment and position
- 3 Our path to margin improvements
- 4 Q2/2024 financials and historical data

> Nordex at a Glance

A pioneer in wind and renewables with more than 35 years of experience

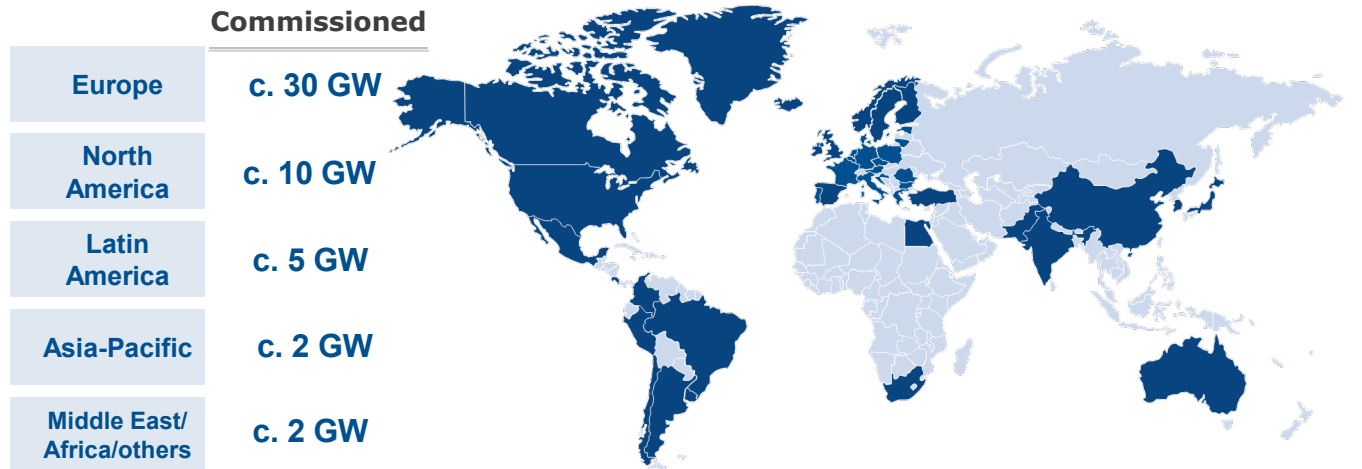
 <p><i>In numbers</i></p>	<p>€6.5bn Sales (FY 2023)</p>	<p>#1 industry leader in Europe and #3 globally (OI in 2023)</p>	<p>€10.5bn Total order book (Dec-23)</p>	<p>Leading product in the >4 MW and 6 MW+ class</p>	<p>35+ years At the forefront of the technological development</p>	<p>Strong anchor shareholder in Acciona (47.1% ownership)</p>
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Product Portfolio



One Global Platform Delta4000
8 turbine types from 4 MW+ to 6 MW+

Track record: globally around 50GW commissioned



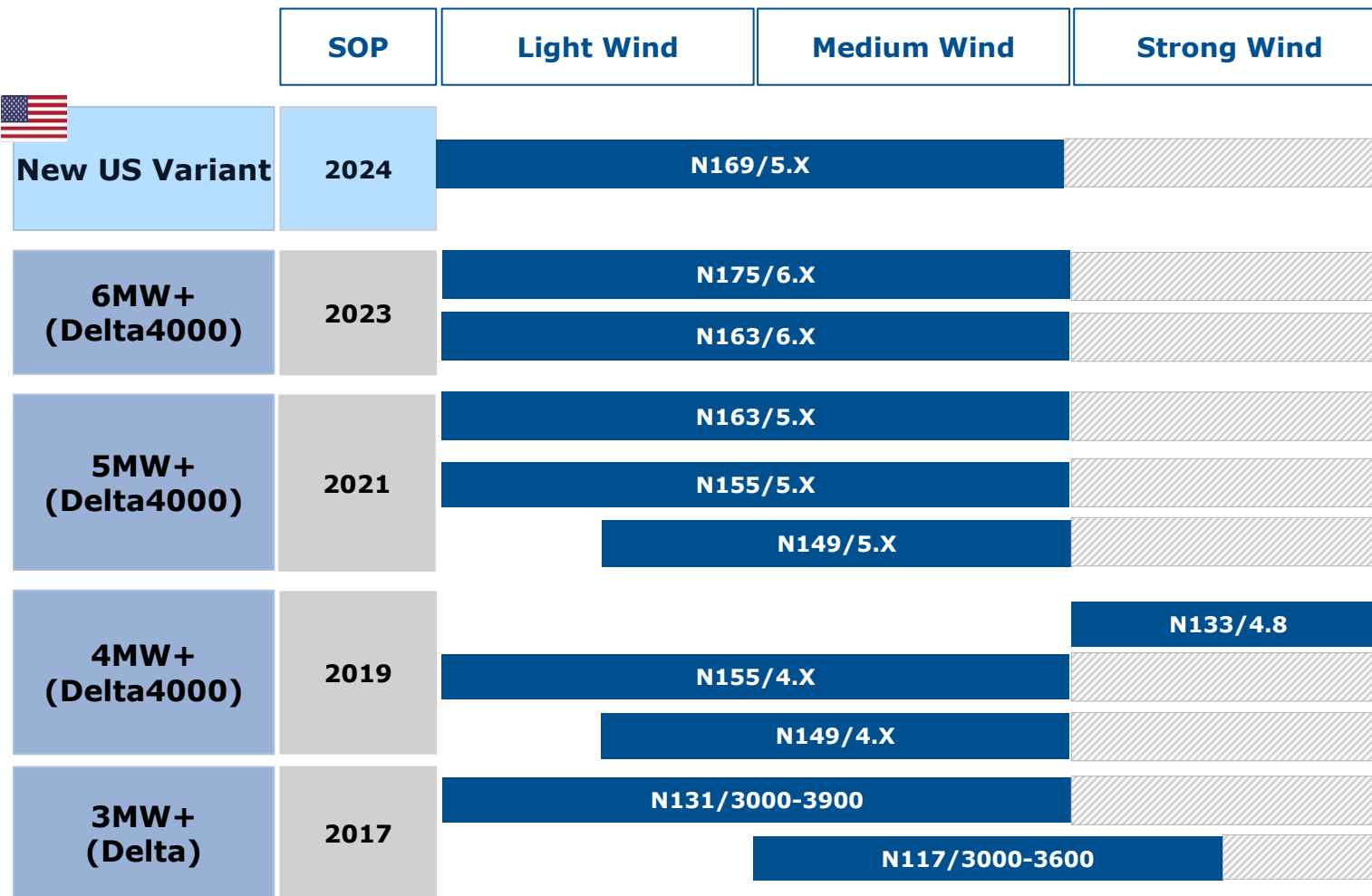
10,133 Employees (end 2023)

> The Nordex Group's production footprint



- > Global supply chain to **deliver to every major market**
- > Ensuring minimising total landed costs and **risks diversification**
- > Production network based on **internal and external production**
 - > Nacelle: inhouse assembly
 - > Blades: ~30% inhouse, 70% outsourced

> Our product portfolio



- > **Flexible operation modes** enable us to offer Nordex turbines globally
- > Broad range of turbine options across **different wind classes**

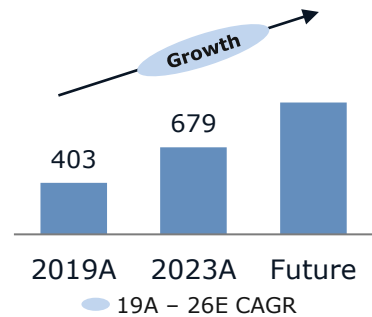
Evolutionary platform concept ensures manageable technology risk

> Increasing service business

Highly cash flow generative growing business

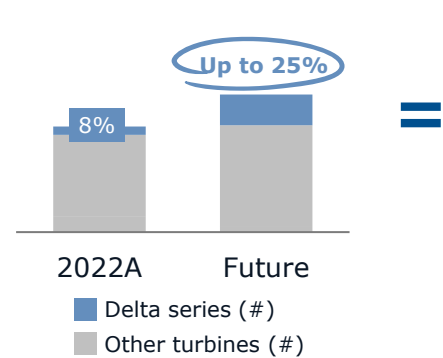
Service revenues (€m)

Consistent improvement in service revenue ...



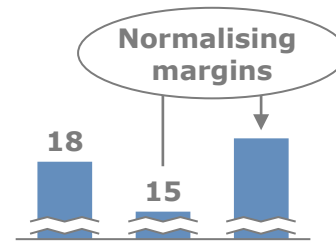
Turbines under contract

... with increasing portion of Delta series under contract ...



EBIT Margin

... resulting in solid margin improvements with strong visibility



- > Strong growth based on **existing installed fleet and order book**
- > Margin improving as cost increases are moderating and **volumes growing further with strong fleet availability**
- > High-margin, **well-protected business**
- > Delta4000 coming into service **with up to 25% of overall service fleet in 2026E**
- > **Consistently high contract renewal rates**

Service Order Backlog*



EUR 4.1bn

GW Under Active Service Contracts



>39 GW

Average Years Contract Duration



11-12 Years

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➤ Strong long term onshore market dynamics in EMEA and the Americas

1 Sector tailwinds...

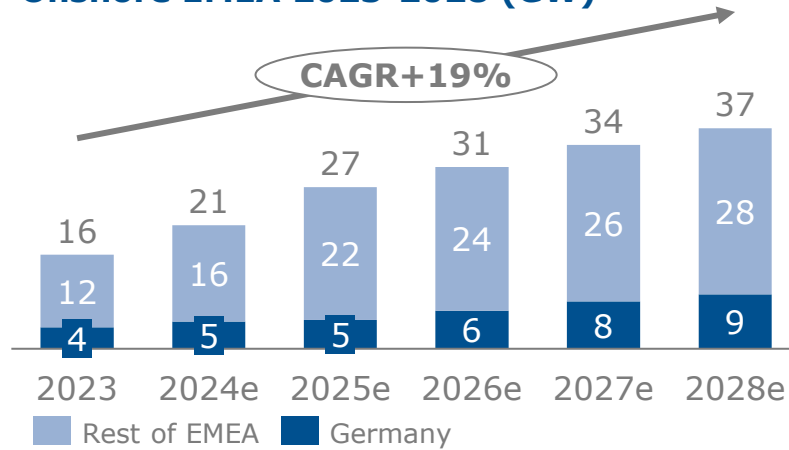
EU's 2050 Climate Neutrality Target

US Inflation Reduction Act

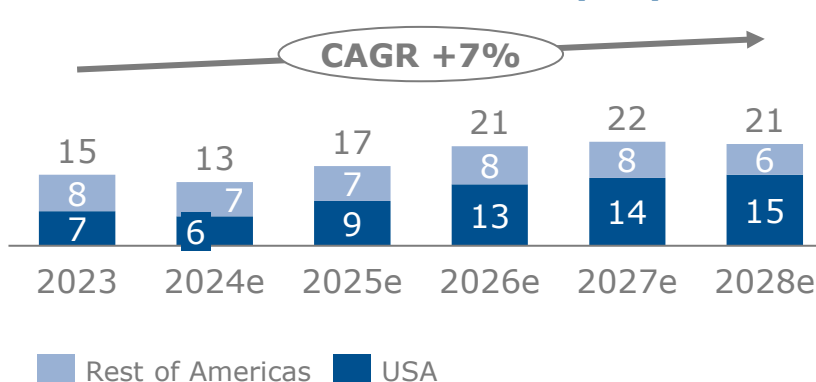
Repowering Trends

2 ...result in capacity addition plans

Onshore EMEA 2023-2028 (GW)



Onshore Americas 2023-2028 (GW)



EMEA:

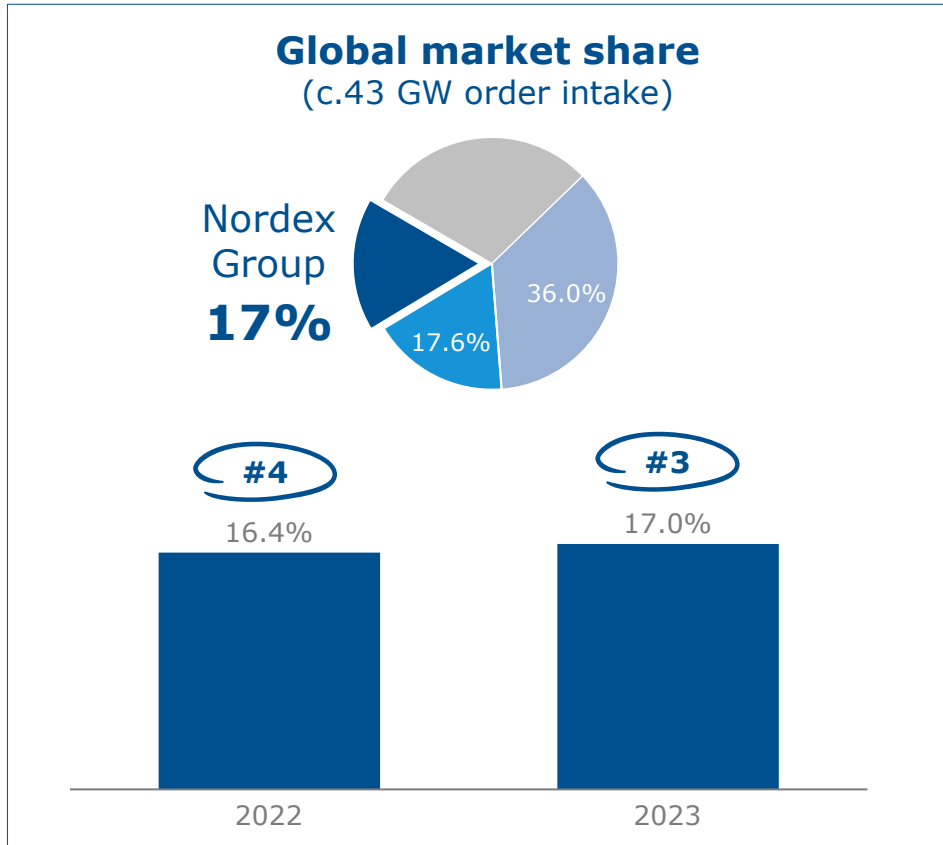
- > EU elections: Green party still with majority and abandoning renewables no longer a realistic option
- > Growth driven by Germany with recent parliament decisions to simplify permitting and repowering
- > Permitting hurdles easing in the UK and Italy

Americas:

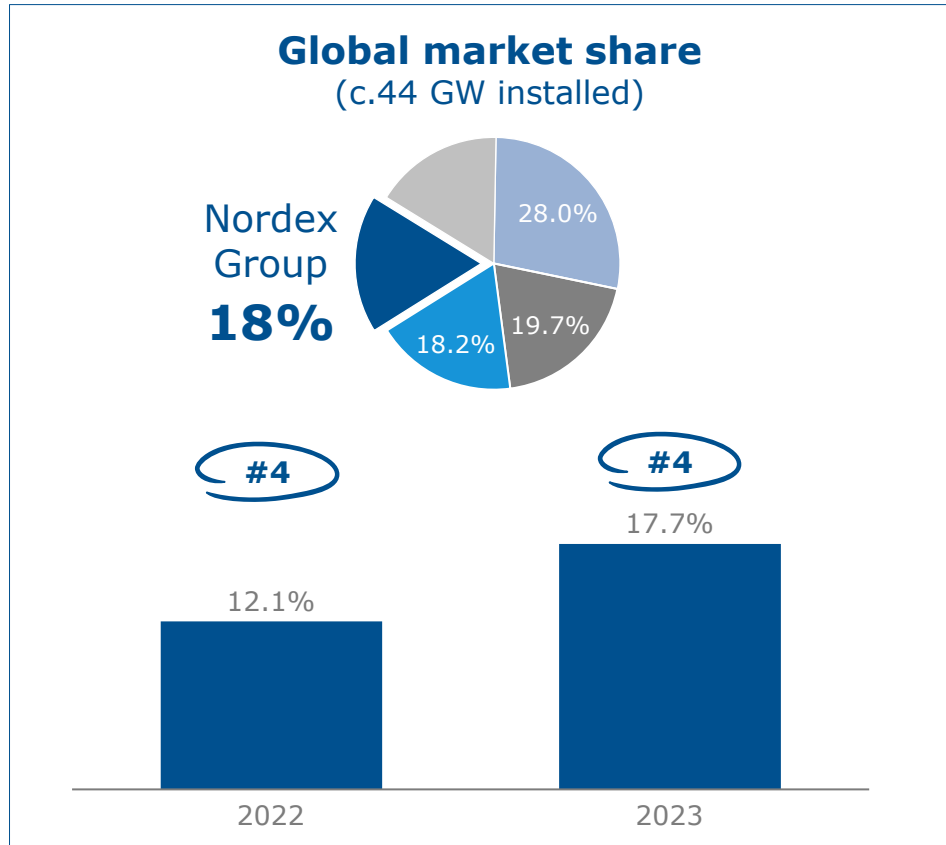
- > Higher electricity demand to drive the region's growth
- > The US likely to remain the biggest market outside of China in the medium term
- > Nordex rebuilding its position in the US

Well positioned to benefit from further growth in global markets

Onshore market share (MW orders) - as published on 29th Feb 2024



Onshore market share (MW Installations)



Others Nordex Peer 3 Peer 2 Peer 1

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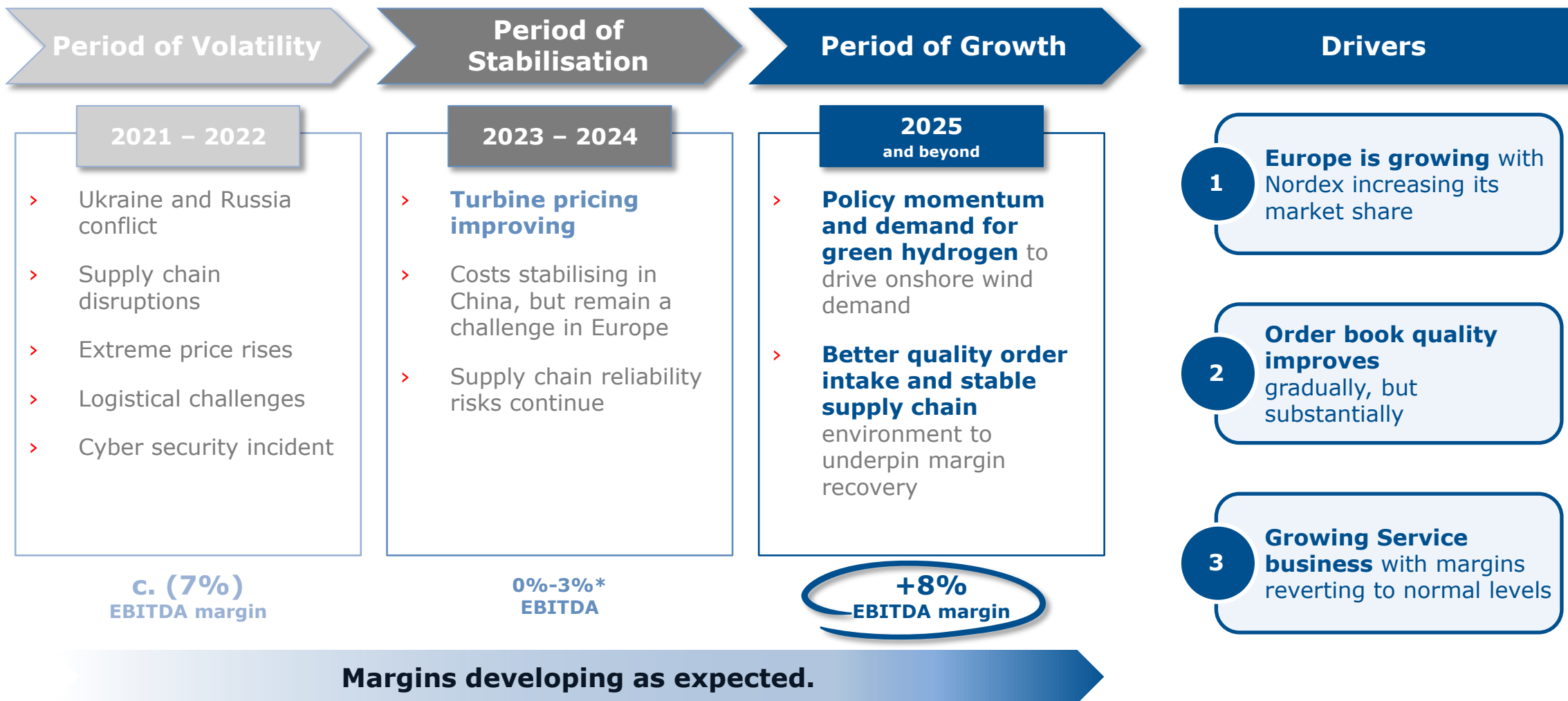
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> EBITDA margin guidance tightened reflecting stable environment

	H1/2024	2024 old guidance	2024 new guidance
Sales:	€3,435 m	€7.0 - 7.7 bn	€7.0 - 7.7 bn
EBITDA margin:	3.4%	2.0% to 4.0%	3.0% to 4.0%
Working capital ratio:	-7.4%	below -9%	below -9%
CAPEX:	€~70 m	approx. €175 m	approx. €175 m

Mid term target of 8% EBITDA margin confirmed

> Nordex is progressing as communicated



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Executive summary H1/2024

Sales:

€3.4 bn
(+25% yoy)

EBITDA margin:

3.4%
(H1/2023: -4.2%)

Q2 Working capital ratio:

-7.4%
(Q2/2023: -9.6%)

Operations

- > Order intake of over 3.4 GW in H1/2024 (H1/2023: 2.6 GW) with stable ASP of €0.89 m/MW (H1/2023: €0.89 m/MW).
- > Installations of around 3.0 GW on a comparable level yoy and in line with our internal planning. Run rate expected to improve going forward

Financials

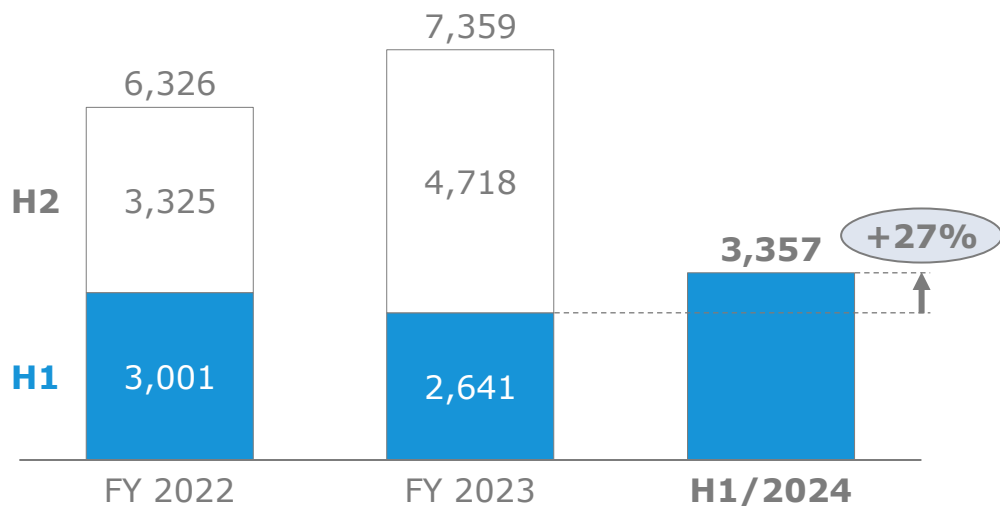
- > Continuous improvement of gross margins to 19.5% in the first half of 2024
- > EBITDA margin of 3.4% (H1/2023: -4.2%) mainly driven by better project mix, stable gross margins and better execution
- > Healthy liquidity levels of €827 m at the end of H1/2024
- > Positive free cash flow of €94 m in Q2/2024

Strategic update & Outlook

- > Two important milestones in the US: re-opening of the manufacturing facility in Iowa and the launch of our new product N169/5.X
- > 2024 guidance tightened to the upper end of the corridor
- > On track for achieving the 8% medium-term EBITDA margin target

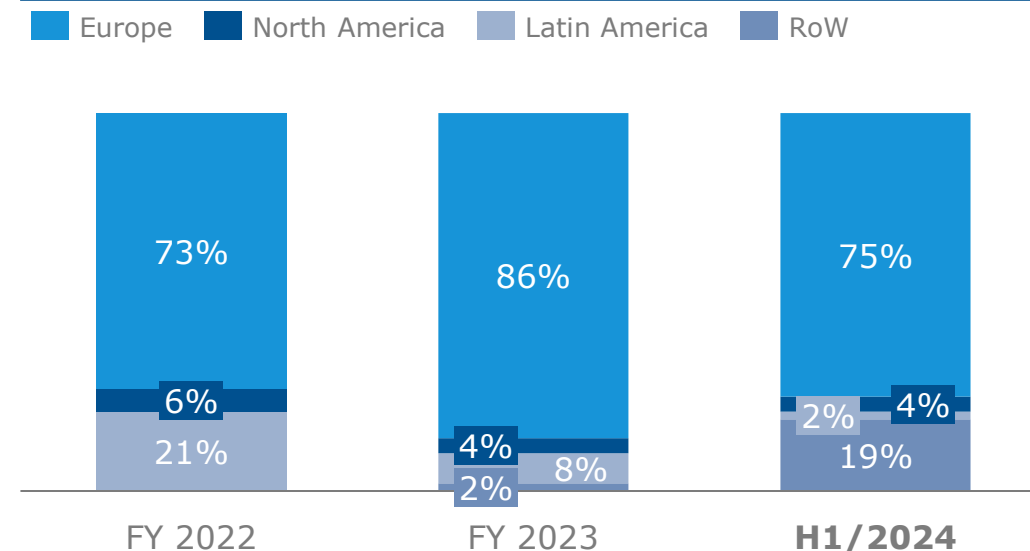
> Robust order intake in H1/2024

Order intake turbine* (in MW)



- > Increase in half year order intake of around 27% to €2,990 m (H1/2023 €2,354 m)
- > Stable pricing continued
- > ASP** of €0.89 m/MW in H1/2024 and €0.96 m/MW in Q2/2024 – on a stable level (€0.89 m/MW Q2/2023)

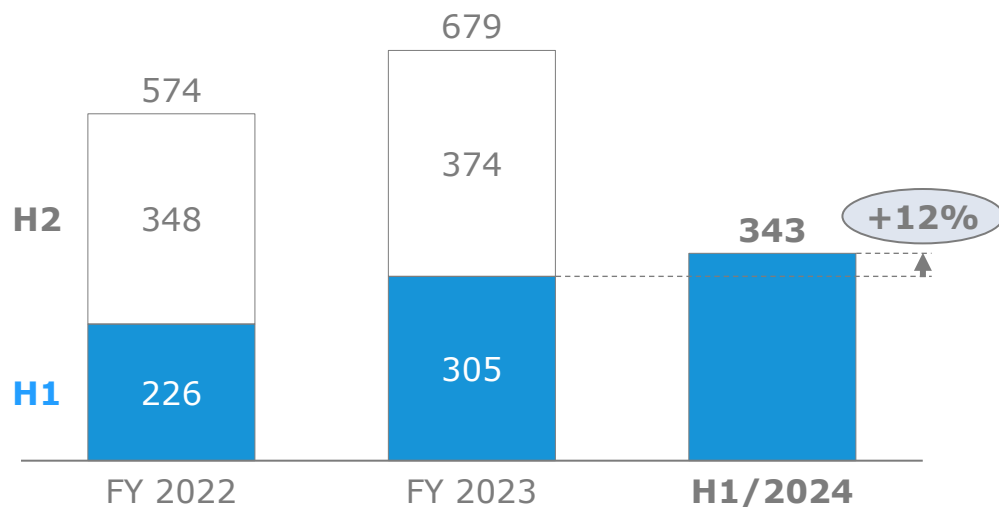
Order intake turbine* by regions (in MW in %)



- > Orders received from 17 different countries
- > Largest single markets were Germany, South Africa, Lithuania and Turkey

> Service business grew by around 12% in H1/2024

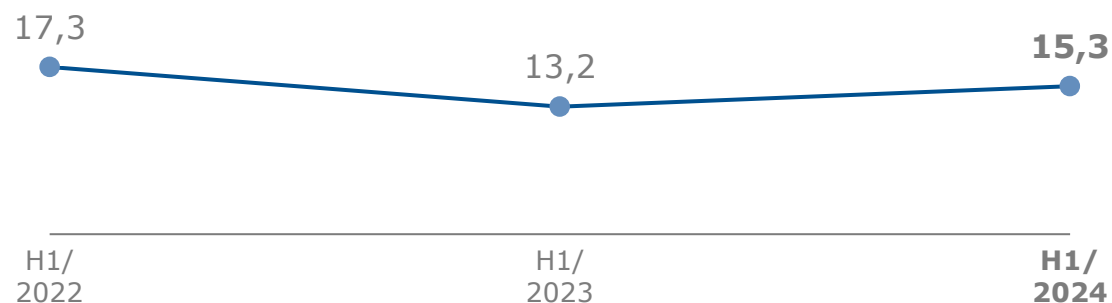
Service revenues (€ m)



Comments

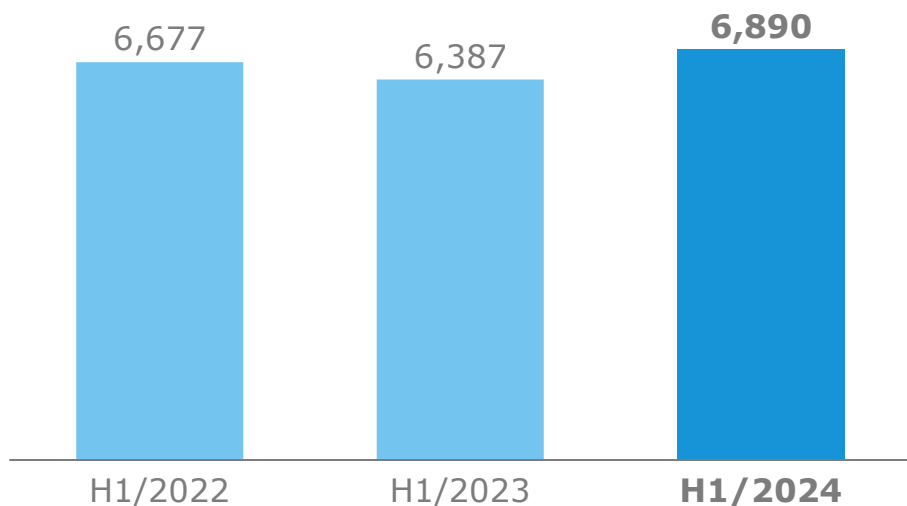
- > Share of service sales amounted to around 10% of group sales in H1/2024
- > Service EBIT margin of 15.3% in the first six months 2024, reflects a slight uptick in the margins year over year
- > 97% average availability of WTGs under service in the first half of 2024
- > Service order book totaled around €4.1 bn at the end of H1/2024 (H1/2023: €3.4 bn)

EBIT margin development (in %)



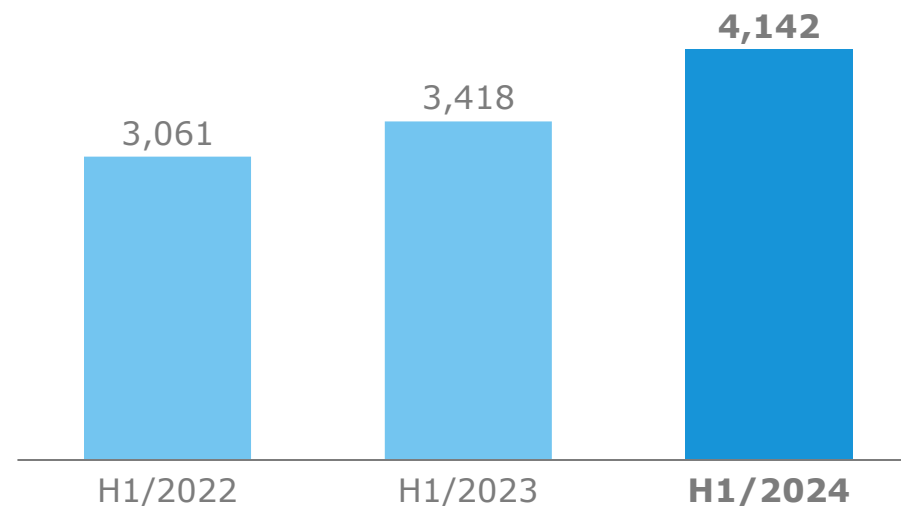
> Combined order book of over €11 bn at the end of H1/2024

Order book turbines (€ m)



- > Healthy growth of the order book to around €6.9 bn at the end of Q2/2024 compared to €6.4 bn at the end of the previous year period
- > Geographical distribution of the order book in H1/2024: Europe (81%), Latin America (8%), North America (3%) and Rest of World (8%)

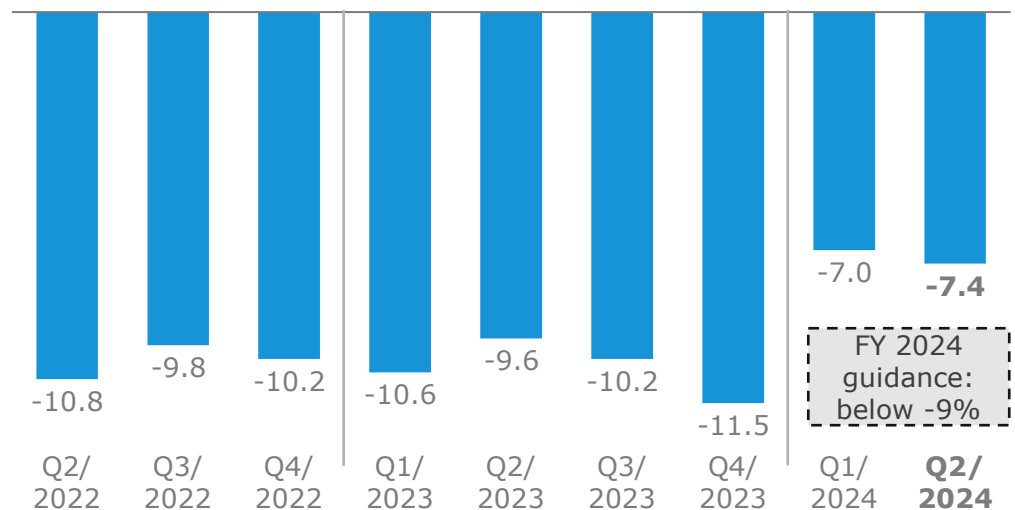
Order book service (€ m)



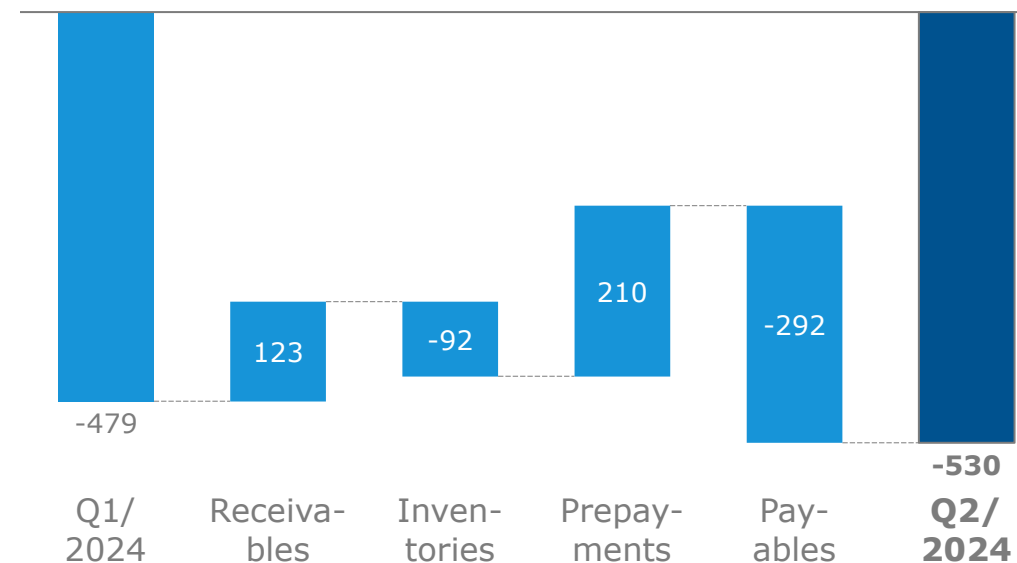
- > 12,425 wind turbines under service agreement - corresponding to over 39 GW at the end of Q2/2024

> Working capital development Q2/2024

Working capital ratio (in % of sales)*



Working capital development (in € m)*



> Slightly improved working capital ratio in Q2 to prepare for high activity levels in the second half of the year

> Higher operational performance in Q2 leads to an increase of trade payables

> Quarterly income statement development

in € m (rounded figures)	Q1/2023	Q2/2023	Q3/2023	Q4/2023	Q1/2024	Q2/2024
Sales	1,217	1,536	1,724	2,012	1,574	1,860
Total revenues	1,243	1,556	1,625	2,127	1,458	1,796
Cost of materials	-1,135	-1,371	-1,308	-1,752	-1,149	-1,437
Gross profit	108	186	316	375	309	360
Personnel costs	-147	-151	-161	-170	-167	-171
Other operating (expenses)/income	-76	-34	-107	-137	-90	-123
EBITDA	-115	1	48	69	52	66
Depreciation/amortization	-51	-42	-46	-50	-45	-44
EBIT	-166	-41	2	19	7	22
Net profit	-215	-84	-35	31	-13	1
Gross margin*	8.9%	12.1%	18.3%	18.6%	19.6%	19.3%
EBITDA margin	-9.4%	0.0%	2.8%	3.4%	3.3%	3.5%
EBIT margin	-13.6%	-2.7%	0.1%	0.9%	0.4%	1.2%

> Quarterly balance sheet development

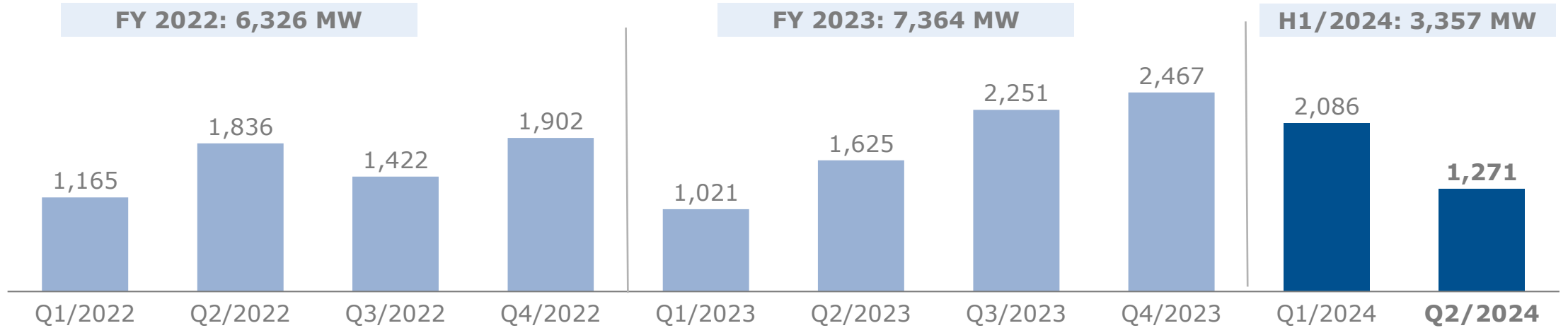
in € m (rounded figures)	31.03.23	30.06.23	30.09.23	31.12.23	31.03.24	30.06.24
Non-current assets	1,788	1,771	1,758	1,869	1,915	2,038
Current assets	2,758	3,025	3,242	3,553	3,273	3,410
Total assets	4,546	4,796	5,000	5,422	5,188	5,448
Equity	680	992	939	978	964	974
Non-current liabilities	413	659	692	771	832	1,019
Current liabilities	3,453	3,145	3,369	3,673	3,392	3,456
Equity and total liabilities	4,546	4,796	5,000	5,422	5,188	5,448
<i>Net cash*</i>	104	360	344	631	359	446
<i>Working capital ratio**</i>	-10.6%	-9.6%	-10.2%	-11.5%	-7.0%	-7.4%
<i>Equity ratio</i>	15.0%	20.7%	18.8%	18.0%	18.6%	17.9%

> Quarterly cash flow statement

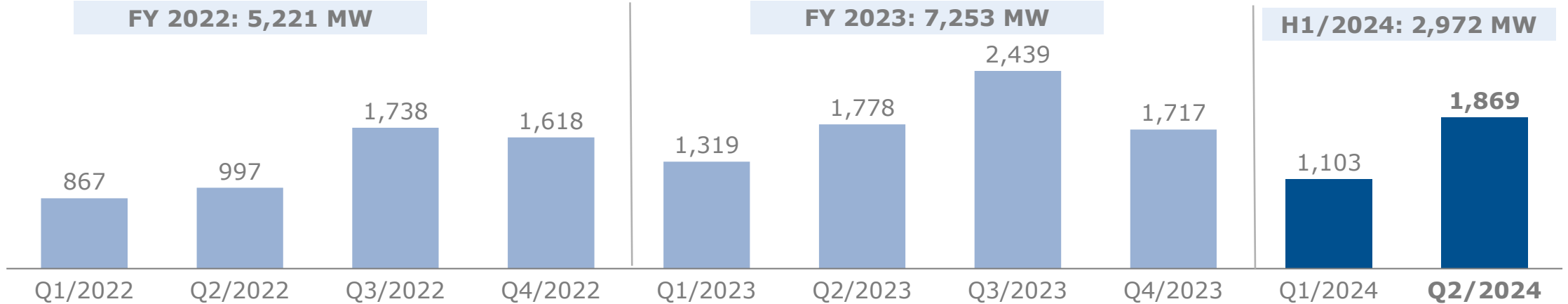
in € m (rounded figures)	Q1/2023	Q2/2023	Q3/2023	Q4/2023	Q1/2024	Q2/2024
Cash flow from operating activities before net working capital	-133	-112	-6	244	65	79
Cash flow from changes in working capital	57	-31	35	106	-267	51
Cash flow from operating activities	-76	-143	29	350	-203	130
Cash flow from investing activities	-39	-24	-31	-47	-51	-36
Free cash flow	-115	-167	-2	303	-254	94
Cash flow from financing activities	3	305	-8	-14	-8	-9
Change in cash and cash equivalents*	-112	138	-10	289	-262	85

> Quarterly order intake and installations development

Order intake development in MW

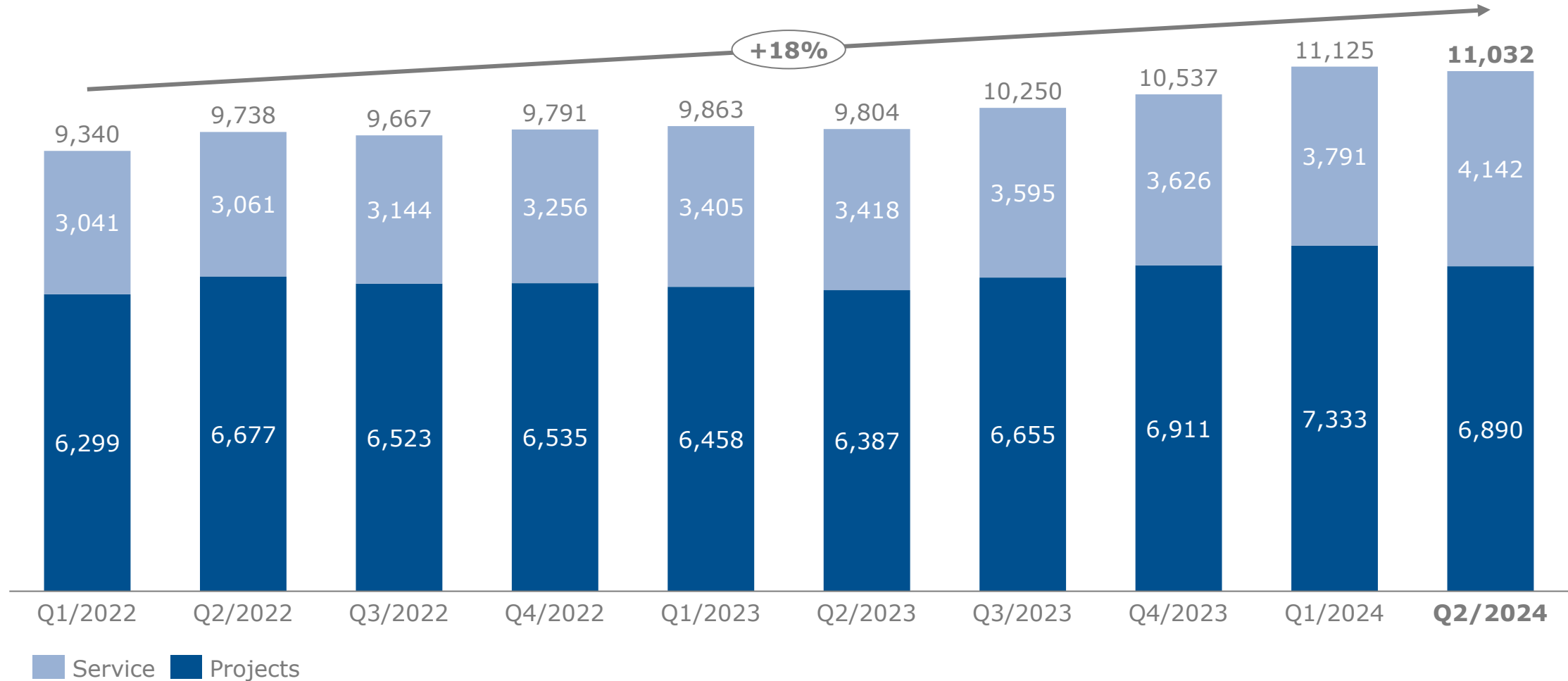


Installations in MW



> Quarterly order book development

Order book development in € m



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