



Nordex Group

Nordex SE – Financial figures Q1/2024

14th May 2024

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> Agenda

Introduction

José Luis Blanco

Markets and orders

Patxi Landa

Financials

Dr Ilya Hartmann

Operations and technology

José Luis Blanco

Guidance and Outlook

José Luis Blanco

Q&As

All

Key takeaways

José Luis Blanco

Executive summary Q1/2024

Q1/2024 Results

Sales:
EUR 1.6bn

EBITDA margin:
3.3%

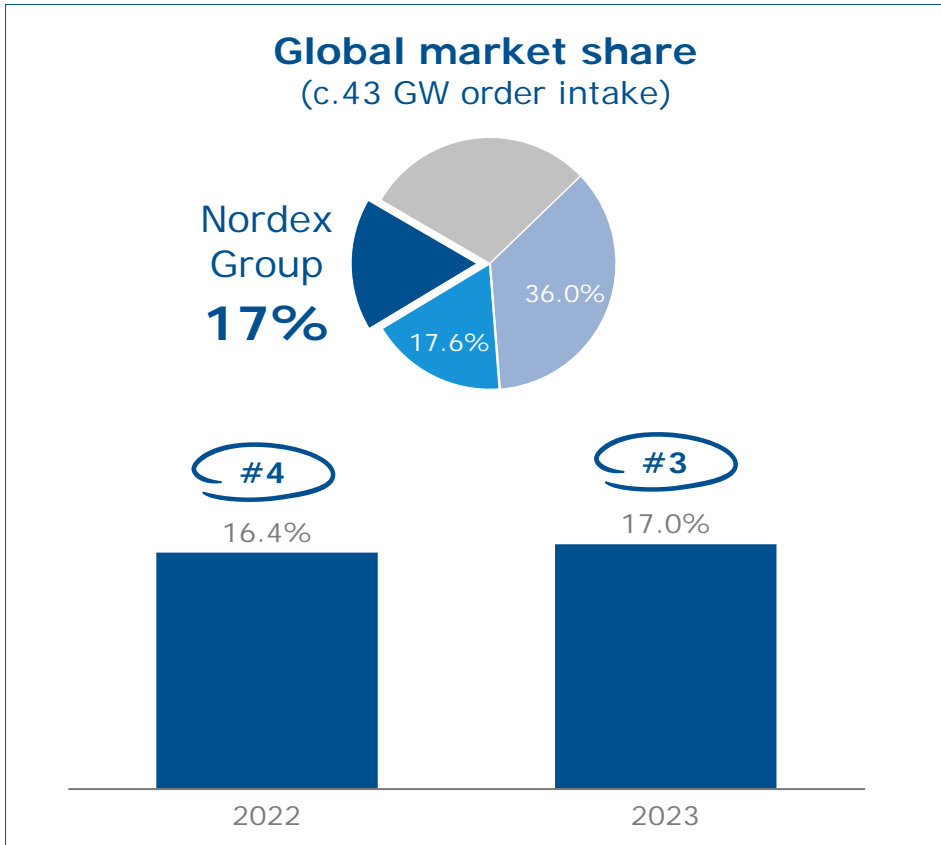
Working capital ratio:
-7%

Commentary

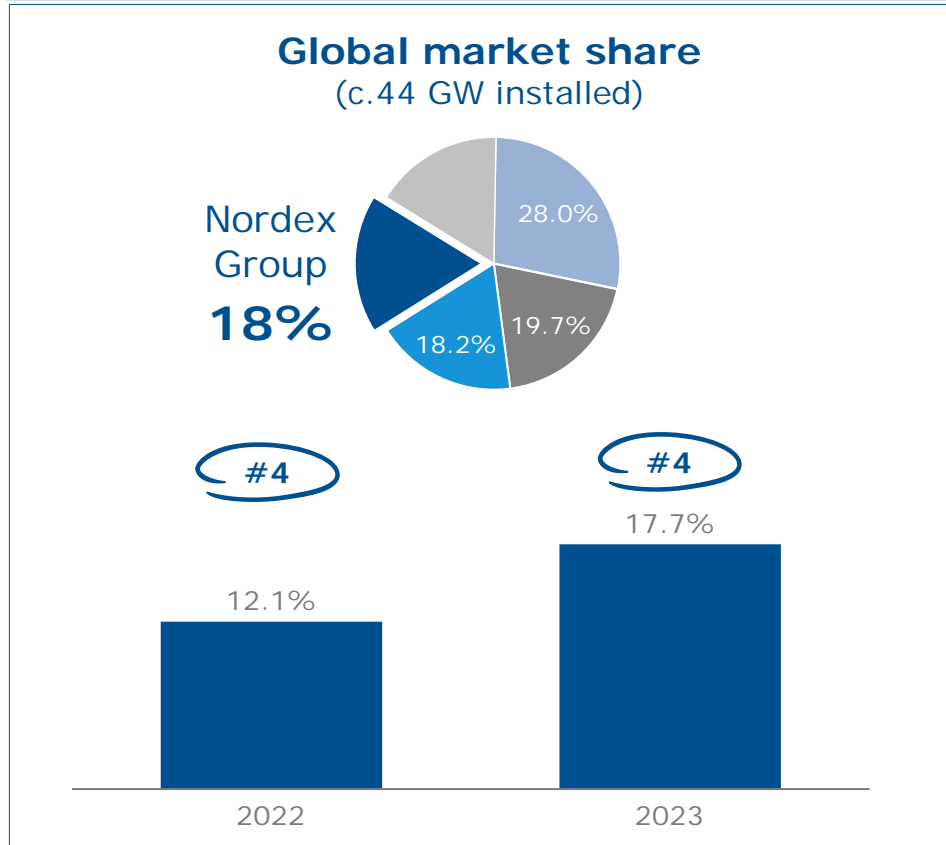
- > Order intake of 2.1 GW (Q1/2023: 1 GW) shows a strong start into the year with stable ASP of EUR 0.85m/MW (Q4/2023: ASP of 0.84m). First US order of 148 MW booked in 2024.
- > Sales increased by around 30% to EUR 1,574m compared to previous year quarter of EUR 1,217m.
- > Gross margins improved to 19.6%, showing continuous improvement quarter over quarter as well as year over year.
- > EBITDA margin of 3.3% in Q1/2024 (Q1/2023: -9.4%) shows material improvement, mainly on account of better project mix, stable gross margins and better execution.
- > Installations of 1.1 GW in Q1/2024, slightly lower than our internal planning. We expect the run rate to steadily improve in the coming quarters to catch up on all delays.
- > Healthy liquidity levels of EUR 741m, with equity ratio stable at 18.6%.
- > Temporary increase in the working capital ratio to -7% in preparation for higher activity levels expected in the coming quarters.
- > 2024 guidance maintained; mid term EBITDA target of 8% still intact.

> Nordex continues to grow its market share (ex China) based on order intake and installations

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



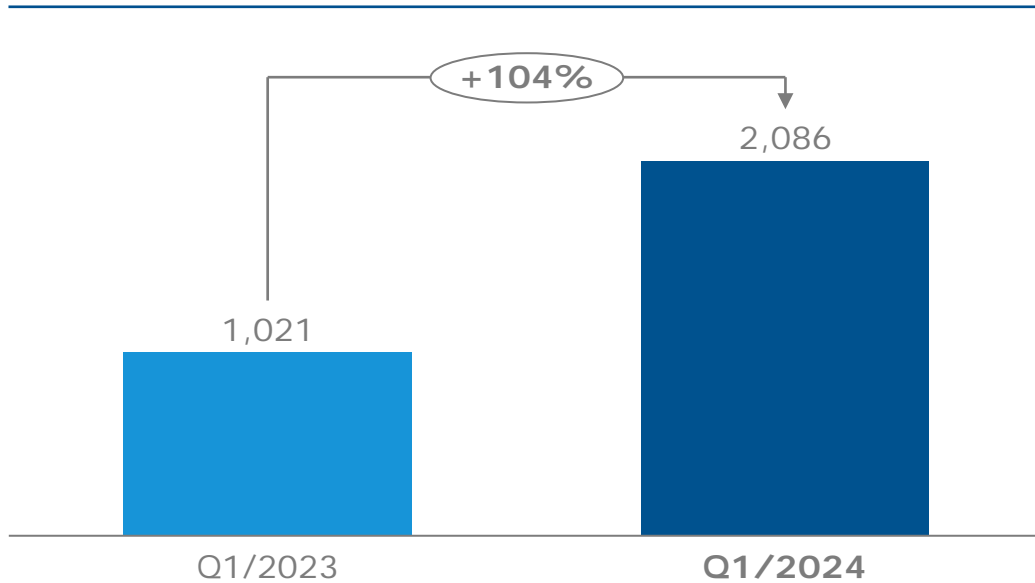
Onshore market share (MW Installations)



Others
 Nordex
 Peer 3
 Peer 2
 Peer 1

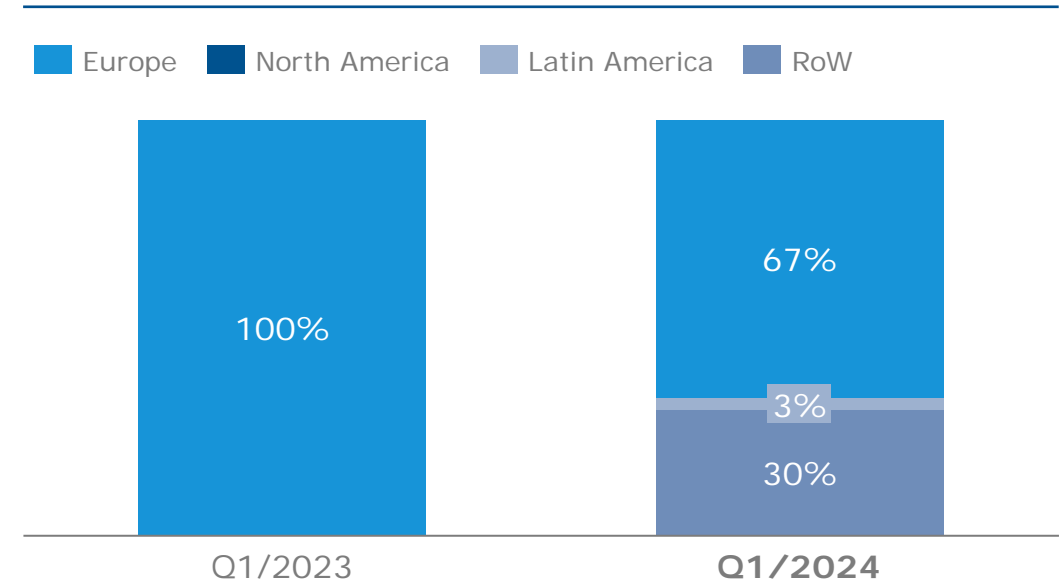
> Order intake Q1/2024

Order intake turbine* (in MW)



- > Order intake totaled to EUR 1,765m in Q1/2024 (EUR 917m in Q1/2023)
- > ASP** of EUR 0.85m/MW in Q1/2024 (Q1/2023: 0.90m/MW), slightly better than our ASP reported for 2023 and Q4 2023

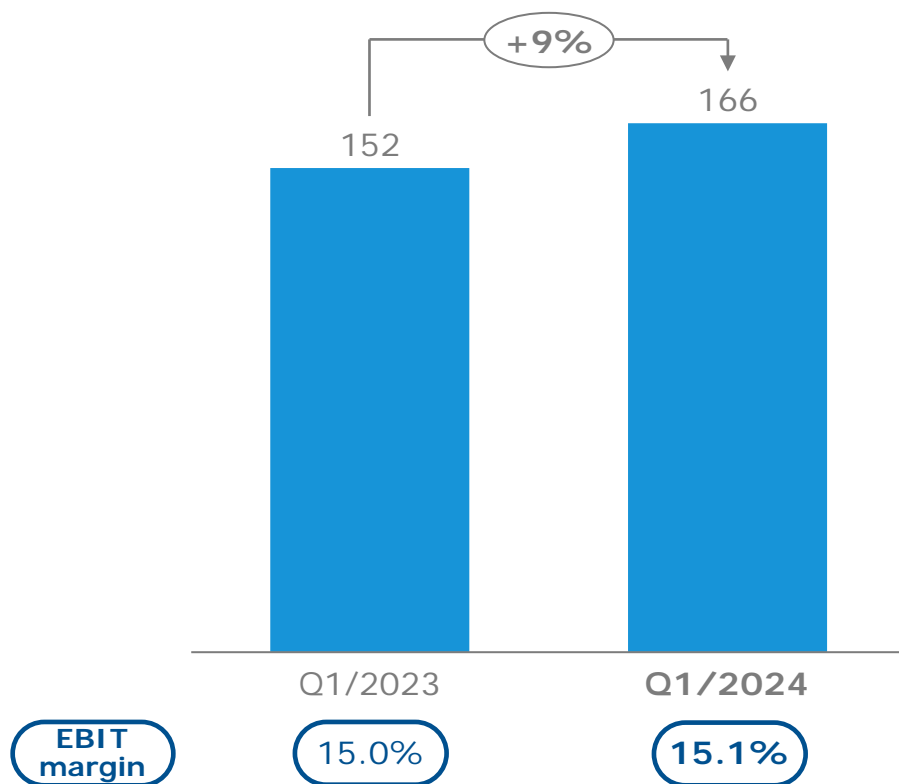
Order intake turbine* by regions (in MW in %)



- > Orders received from eleven different countries in Q1/2024
- > Largest single markets were South Africa, Germany Lithuania and Turkey

> Growth in service business Q1/2024

Service revenues (EUR m) and EBIT margin

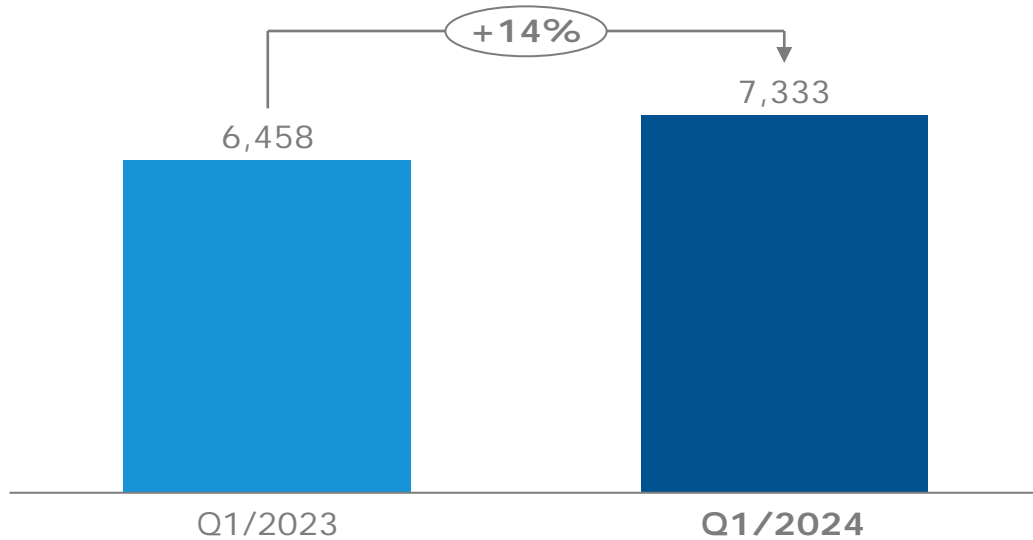


Comments

- > Share of service sales amounted to around 11% of group sales in Q1/2024
- > Service EBIT margin of 15.1% in the first three months 2024, reflects a slight uptick in the margins year over year
- > 97% average availability of WTGs under service in Q1/2024
- > Service order book increased year over year from EUR 3.4bn to around EUR 3.8bn at the end of Q1/2024

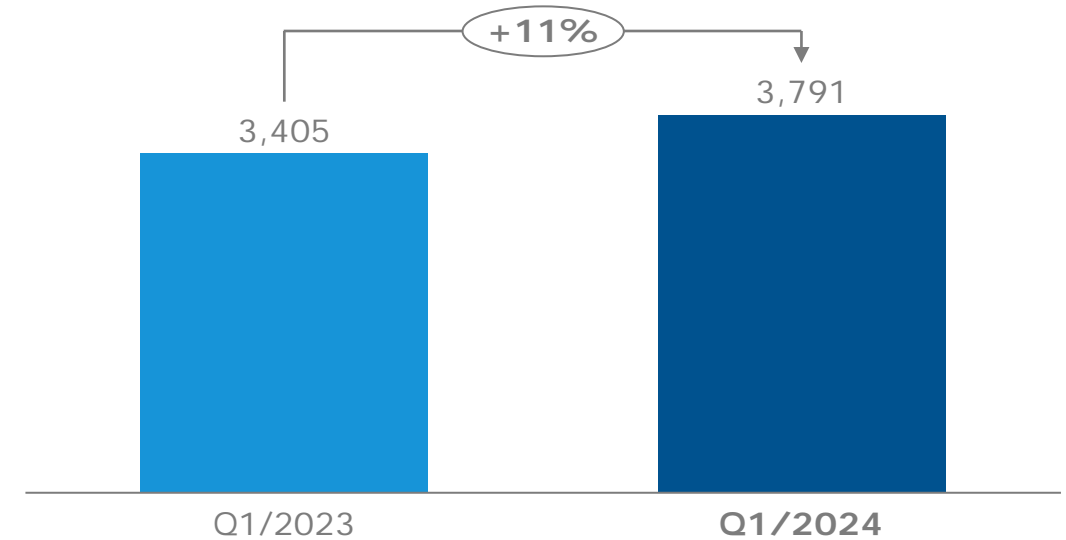
> Combined order book of over EUR 11bn at the end of Q1/2024

Order book turbines (EUR m)



- > Solid growth of order book by around 14% to around EUR 7.3bn at the end of Q1/2024
- > Geographical distribution of the order book in Q1/2024: Europe (80%), Latin America (8%), North America (2%) and Rest of World (9%)

Order book service (EUR m)



- > 11,700 wind turbines under service agreement - corresponding to 36 GW at the end of Q1/2024

> Income statement Q1/2024

in EUR m (rounded figures)	Q1/2024	Q1/2023	abs. change
Sales	1,574	1,217	357
Total revenues	1,458	1,243	215
Cost of materials	-1,149	-1,135	-14
Gross profit	309	108	201
Personnel costs	-167	-147	-20
Other operating (expenses)/income	-90	-76	-14
EBITDA	52	-115	167
Depreciation/amortization	-45	-51	6
EBIT	7	-166	173
Net profit	-13	-215	202
Gross margin*	19.6%	8.9%	
EBITDA margin	3.3%	-9.4%	
EBIT margin w/o PPA	0.5%	-13.5%	

Comments

- > Growth of ~29% recorded in sales at the end of Q1/2024 compared to previous year quarter
- > Gross margins continue to uptick partly on account of better project mix and better execution in the quarter
- > EBITDA margin materially improved partly as high operational costs of last year have largely receded and partly due to improving margin profile of orders

> Balance sheet Q1/2024

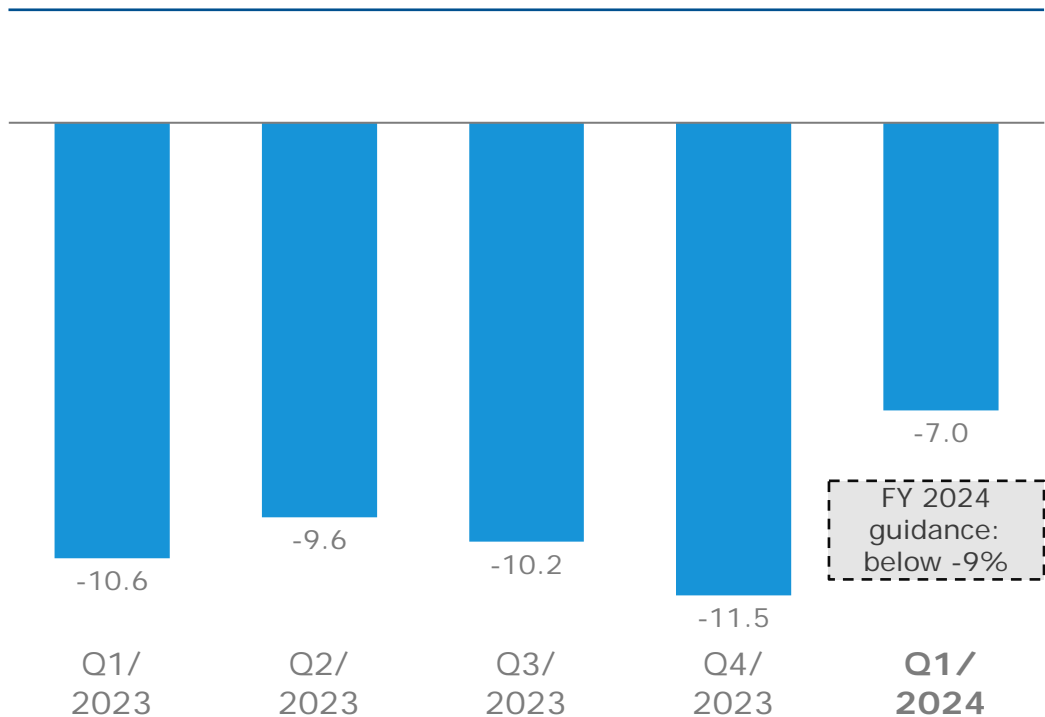
in EUR m (rounded figures)	31.03.24	31.12.23	abs. change	Δ in %
Non-current assets	1,915	1,869	46	2.4
Current assets	3,273	3,553	-280	-7.9
Total assets	5,188	5,422	-234	-4.3
Equity	964	978	-14	-1.4
Non-current liabilities	832	771	62	8.0
Current liabilities	3,392	3,673	-282	-7.7
Equity and total liabilities	5,188	5,422	-234	-4.3
<i>Net cash*</i>	359	631		
<i>Working capital ratio**</i>	-7.0%	-11.5%		
<i>Equity ratio</i>	18.6%	18.0%		

Comments

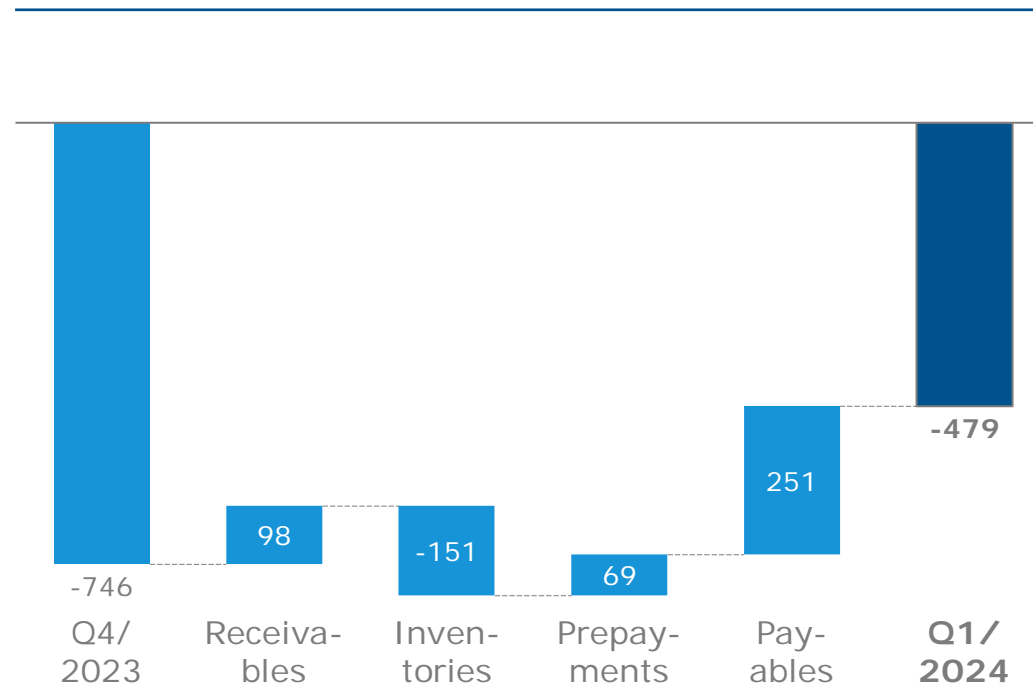
- > Solid liquidity levels of around EUR 741m at the end of Q1/2024
- > Lower net cash levels primarily driven by higher working capital investments

> Working capital development Q1/2024

Working capital ratio (in % of sales)*



Working capital development (in EUR m)*



- > Lower working capital in Q1 to prepare for higher activity levels materializing later in the year
- > Working capital ratio likely to normalize in line with guidance within the year

- > Lower operational performance in Q1/2024 after strong Q4 led to increase in payables

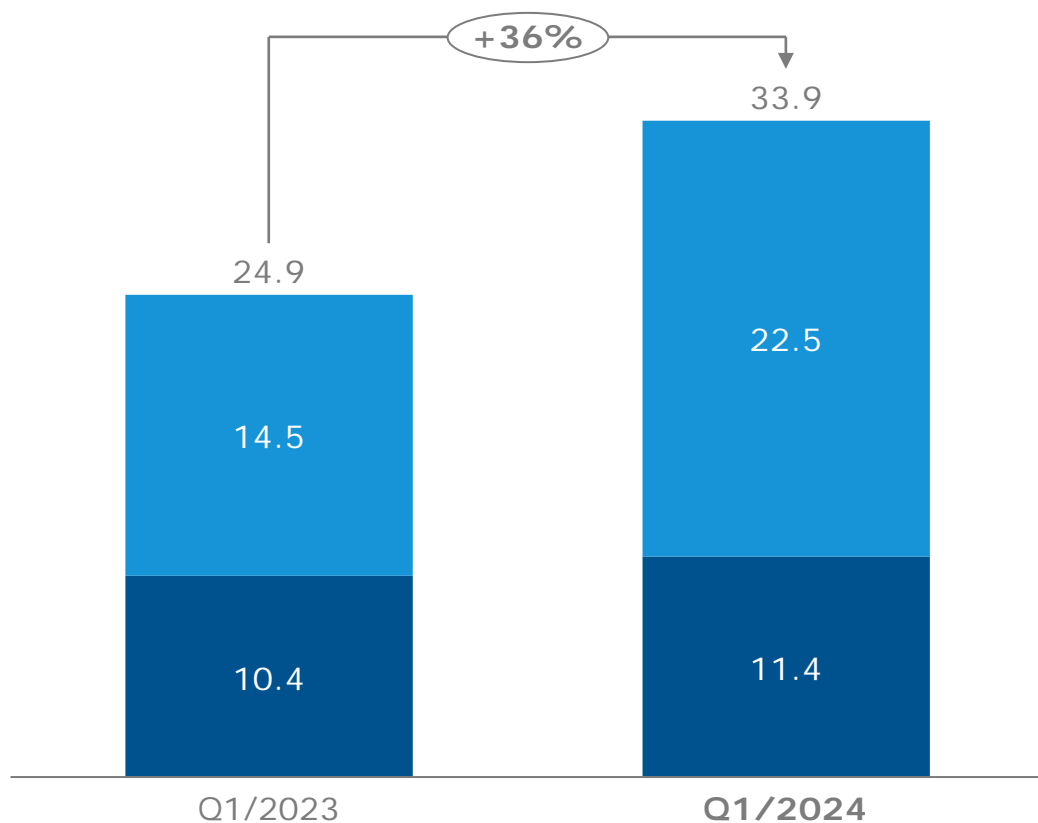
> Cash flow statement Q1/2024

in EUR m	Q1/2024	Q1/2023	Comments
Cash flow from operating activities before net working capital	65	-133	<ul style="list-style-type: none"> > Cash flow from operating activities before net working capital positive as operational performance normalized > This is partially offset by higher working capital investment > Cash flow from investing activities reflects expected investments in Q1/2024 and EUR 17m investment into our hydrogen activities > Marginal impact through cash flow from financing activities
Cash flow from changes in working capital	-267	57	
Cash flow from operating activities	-203	-76	
Cash flow from investing activities	-51	-39	
Free cash flow	-254	-115	
Cash flow from financing activities	-8	3	
Change in cash and cash equivalents*	-262	-112	

> Total investments in Q1/2024

CAPEX (in EUR m)

- Property, plant, equipment
- Intangible assets

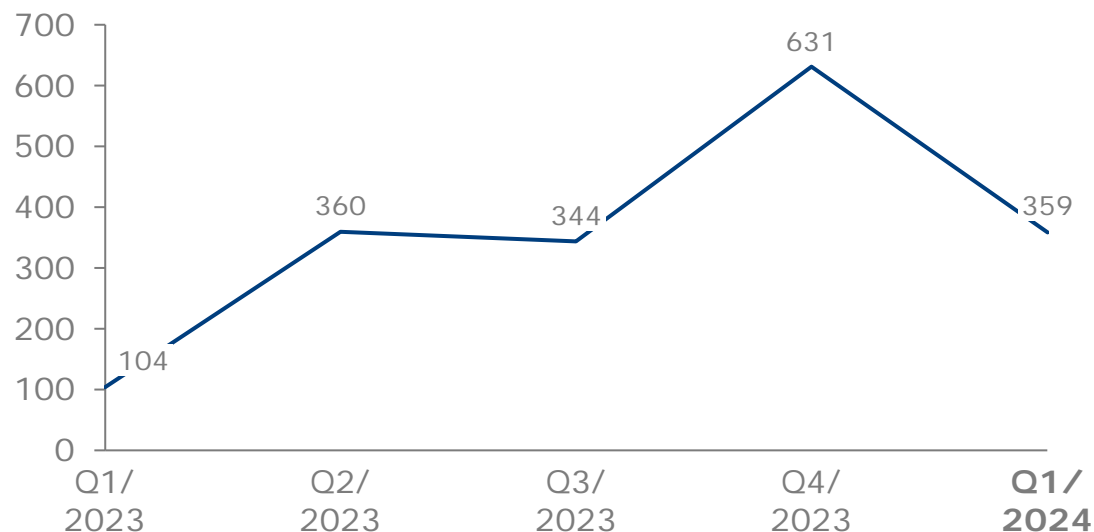


Comments

- > Key investment priorities in Q1/2024 mainly include the following:
 - Investments in blade and nacelle production facilities, moulds and tooling
 - Investments in installation and transport tooling and equipment for projects

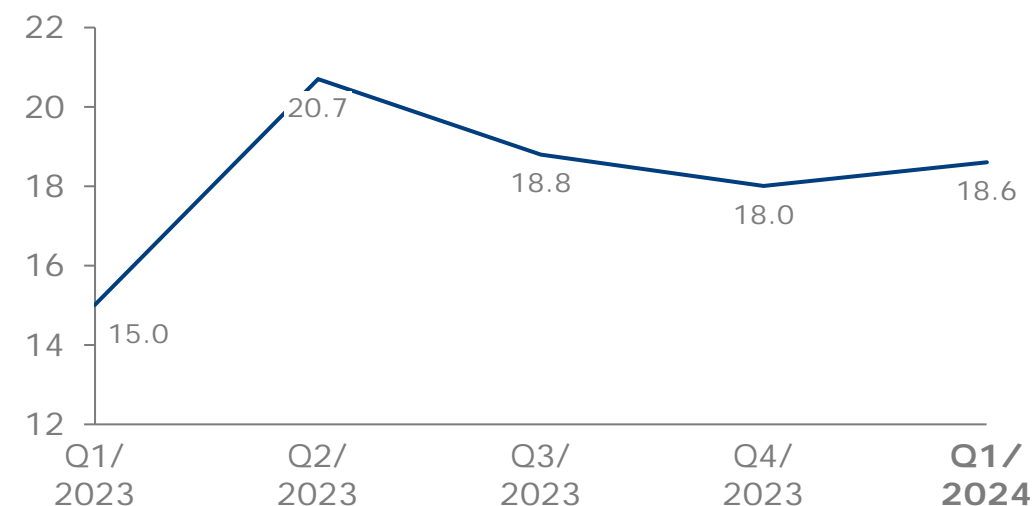
> Capital structure Q1/2024

(Net debt)/net cash*



- > Lower cash levels mainly reflecting the working capital investments that should reverse later in the year

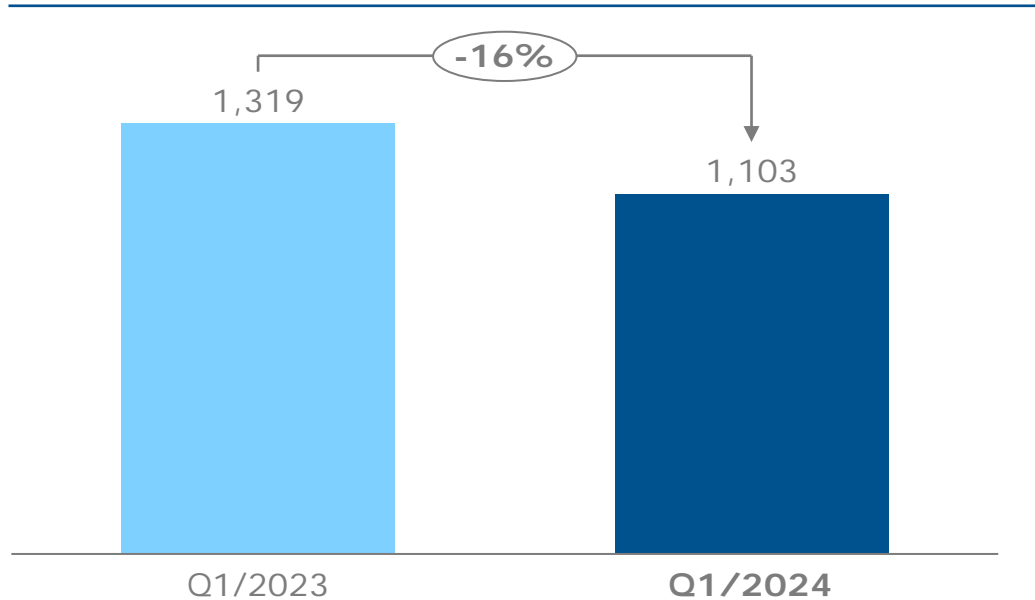
Equity ratio (in %)



- > Equity ratio at a comparable level to previous year end as operations stabilise and margins further improve

> Operational performance Q1/2024

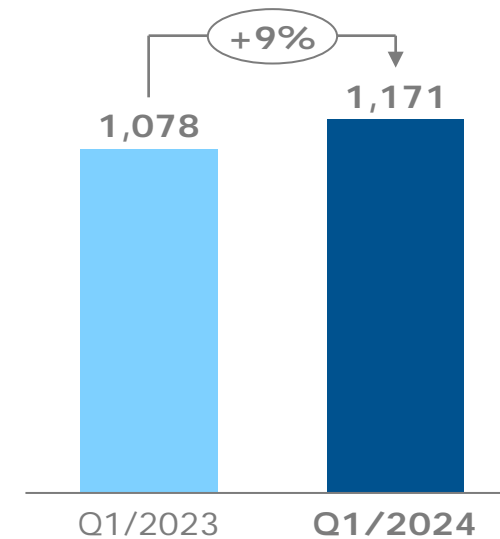
Installations (MW)



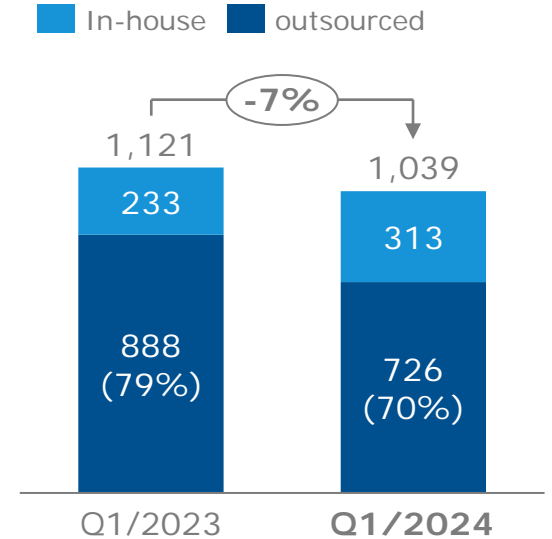
- > Total installations of 227 WTGs in 13 countries in Q1/2024 (276 WTGs in Q1/2023)
- > Installations of 1,103 MW in Q1/2024; run rate slightly lower than our plan, but expected to improve during the next quarters
- > Geographical split (MW) in Q1/2024: 71% Europe, 19% Latin America and 10% RoW

Production

Turbine assembly (MW)




Total blade production (#)



- > Output turbines totaled 199 units in Q1/2024: 95 GER, 48 ESP and 33 CHN and 23 IND
- > Inhouse blade production of 313 units in Q1/2024: 235 IND and 78 ESP
- > Outsourced blade production of 726 units in Q1/2024

> Guidance for FY 2024 confirmed

	Q1/2024	2024 guidance
Sales:	EUR 1,574m	EUR 7.0 - 7.7bn
EBITDA margin:	3.3%	2.0% to 4.0%
Working capital ratio:	-7%	below -9%
CAPEX:	~EUR 34m	approx. EUR 175m



Please note the guidance is based on the assumptions of a stable supply chain.

 Time for your questions



Key takeaways

- 1 Macro environment improving, but near-term headwinds remain in the form of inflation, higher interest rates and supply chain reliability.
- 2 Order intake and pipeline continues to be healthy with improving margin profile on a more stable cost base.
- 3 Q1/2024 performance shows material improvement, providing a solid start to the year.
- 4 Margin profile likely to be more stable throughout the year, with small step ups expected each quarter.
- 5 Guidance for 2024 confirmed and mid-term strategic target remains in place subject to a stabilized macroeconomic environment.

 Thank you for your attention



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