

Nordex Group

Nordex SE – Investor Factbook

August - October 2021

> Experienced management team



José Luis Blanco
CEO

- > CEO at Acciona Windpower
- > Various senior management & Chief Officer positions at Gamesa



Dr Ilya Hartmann
CFO

- > CEO Division Europe at Nordex Group
- > Various management positions at Acciona Energy



Patxi Landa
CSO

- > Business development director and Executive Committee member at Acciona Windpower
- > Various Chief Officer positions at Acciona

> Agenda



- 1 Company overview & business model
- 2 Products & markets
- 3 Financials
- 4 Nordex share
- 5 Sustainability

> Investment Case

Strategic drivers

Global

Global player with strong presence in all volume and growth markets for onshore wind energy



Technology

Competitive product portfolio will be developed further, ramp-up of production in India for global demand and company program



Onshore

Onshore wind energy is the key technology for the irrevocable transition to renewable energy



Shareholder

Strong anchor shareholder supports growth strategy

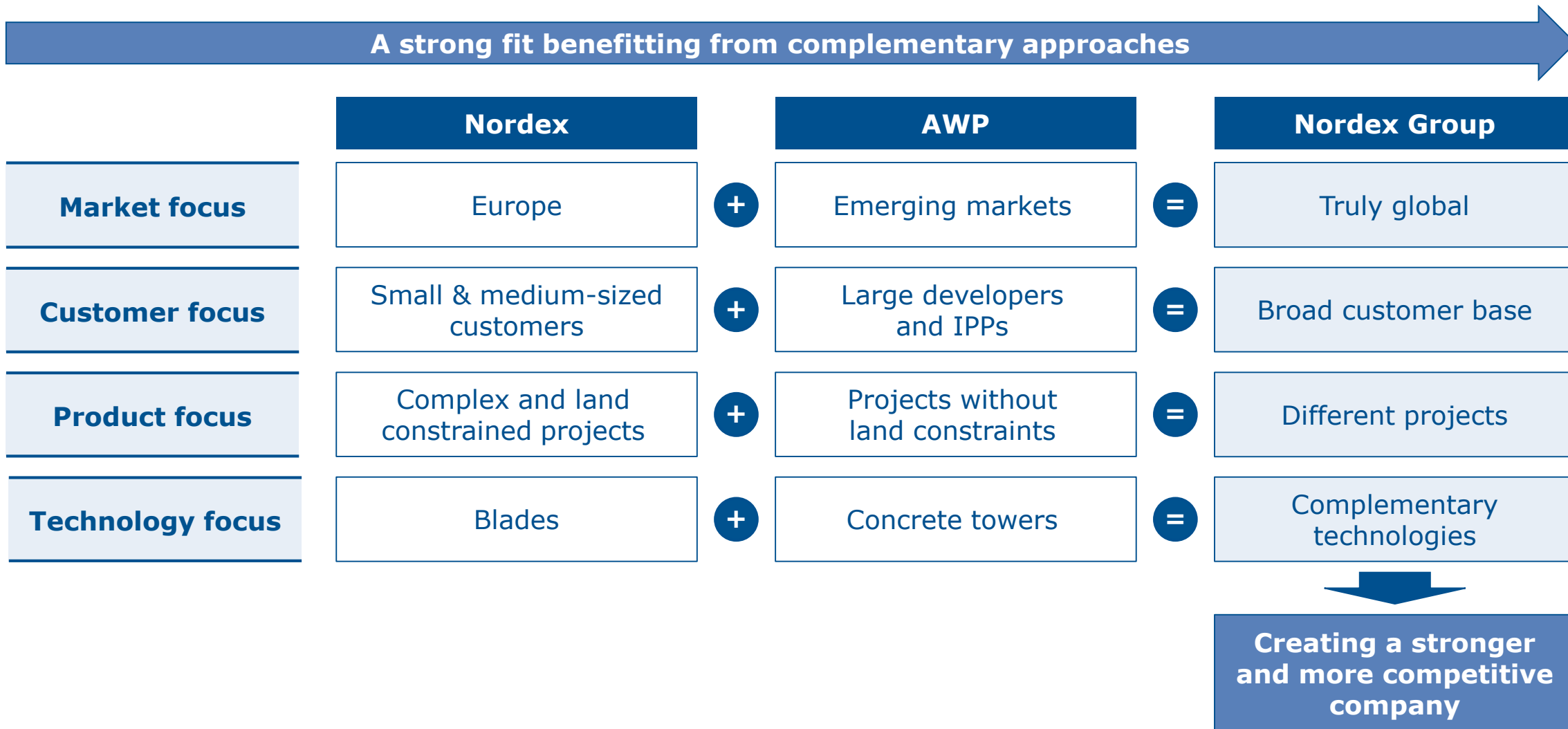


Team

Experienced management and outstanding team



> Nordex and Acciona Windpower created a global player



> Nordex – a pioneer in wind with more than 35 years of experience

Nordex is deeply rooted in Germany...

Global manufacturer of onshore wind energy systems with growing market share.

Founded 1985, listed company in the German **MDAX** and **TecDax**.

Track record of **35 GW** in over **40 countries**.

Headquarters in Hamburg; subsidiaries for sales and service in all core markets.

Production sites in Germany, Spain, Brazil, India, USA (mothballed) and Mexico.

Revenues 2020: around EUR 4.6bn.

Main shareholder Acciona S.A. (33.6%).

...and a global industry leader in the wind turbine market

Innovative global manufacturer of onshore wind turbine systems: Among the

Top 4

industry leaders worldwide*

Highly attractive and resilient Service business with more than:

24 GW
under service

Leading product in the 4 MW+ and 5 MW+ class:

Leading-edge
product portfolio

More than

35 years

of industry experience:

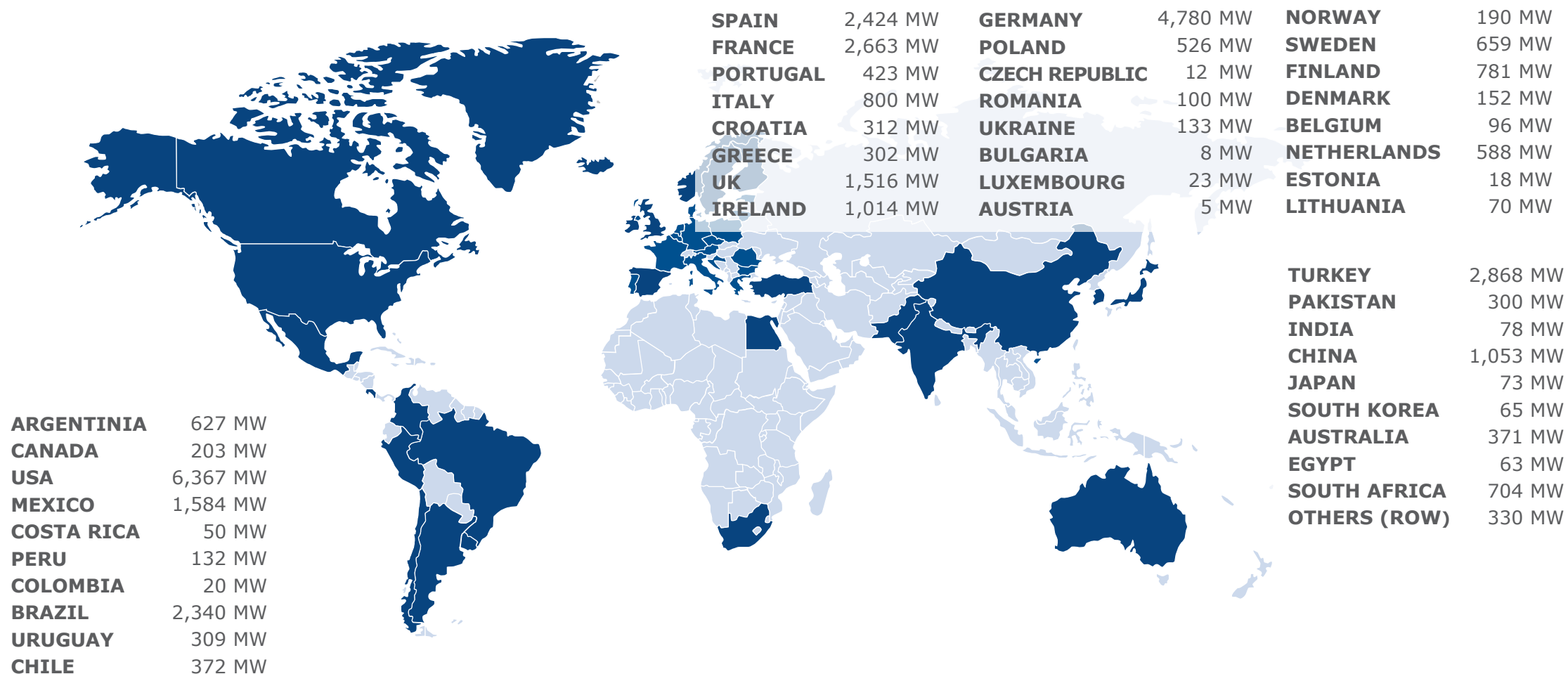
At the forefront of the technological development

Nordex has around **5,000 suppliers in Germany**.

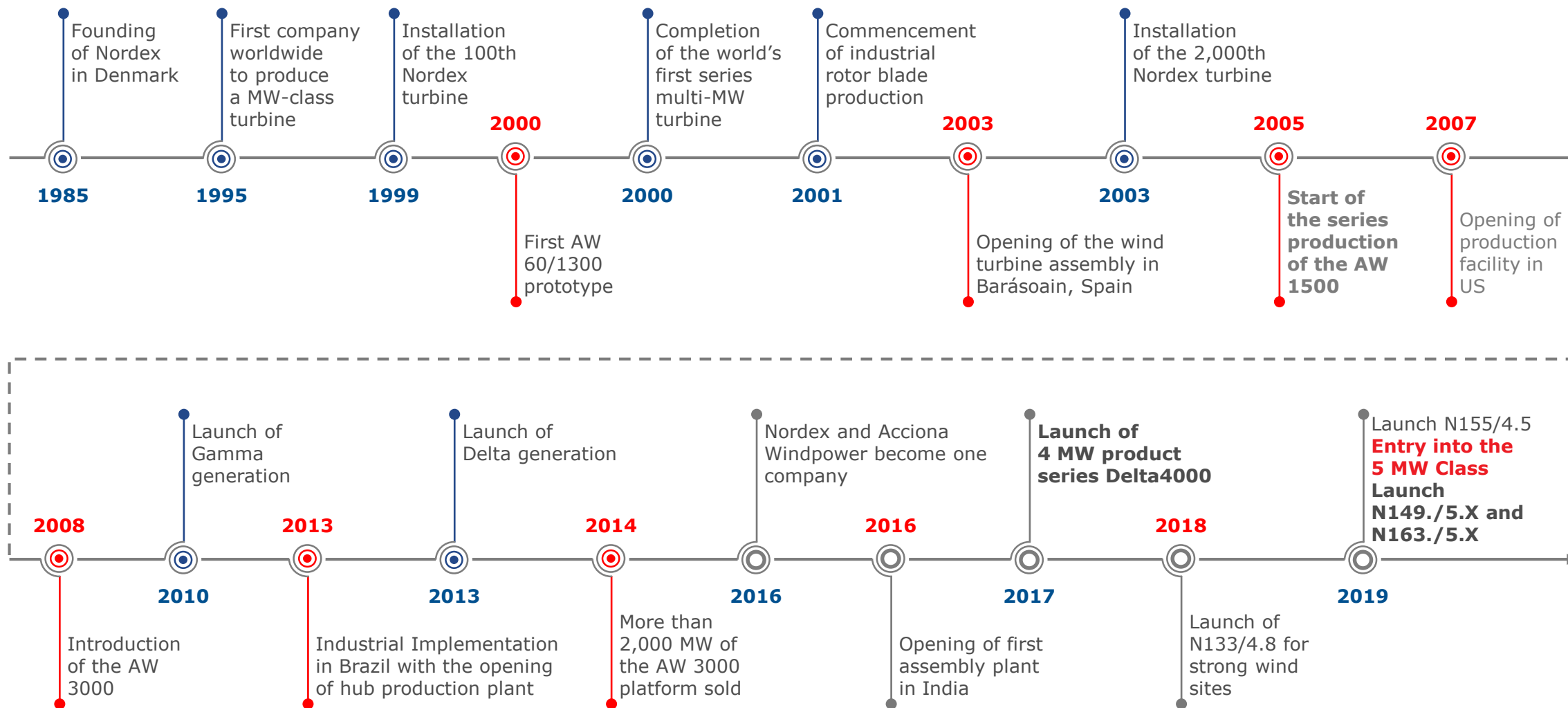
Thereof many large **industrial component suppliers**; and numerous small **local suppliers**, such as small **service, logistics** and **specialised construction companies**, many of them depending on Nordex to a large extent.

> Where We Are – Track Record

TOTAL COMMISSIONED: MORE THAN 35,500 MW WORLDWIDE (AT THE END OF Q2/2021)



> Long history as one of the pioneers in onshore wind industry



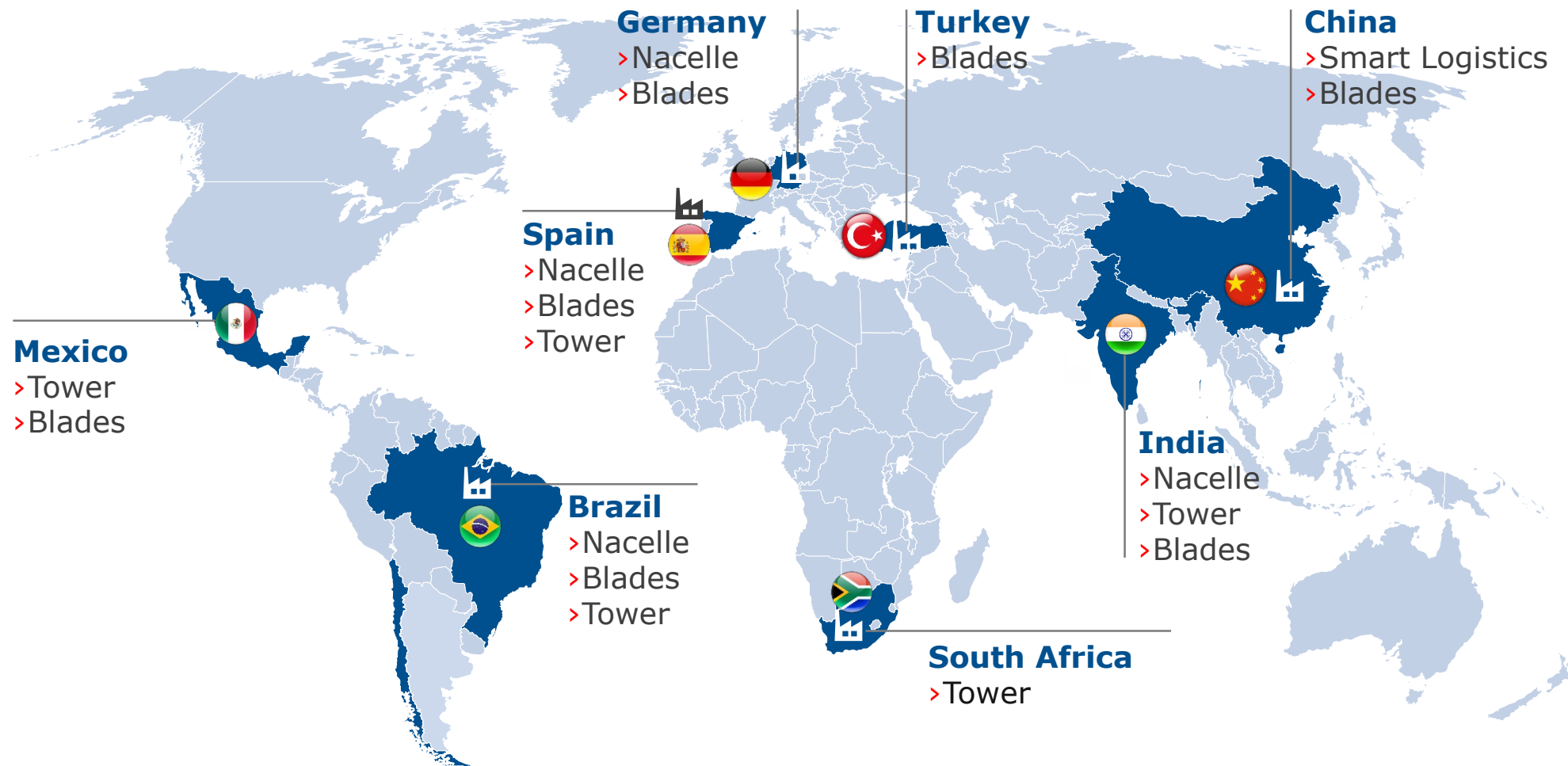
> Value chain - Nordex core business

> MORE THAN A MANUFACTURER.



> Production footprint* supports international supply chain and demand

> GOOD GEOGRAPHICAL FIT FOR PRODUCTION TO SERVE GLOBAL DEMAND.



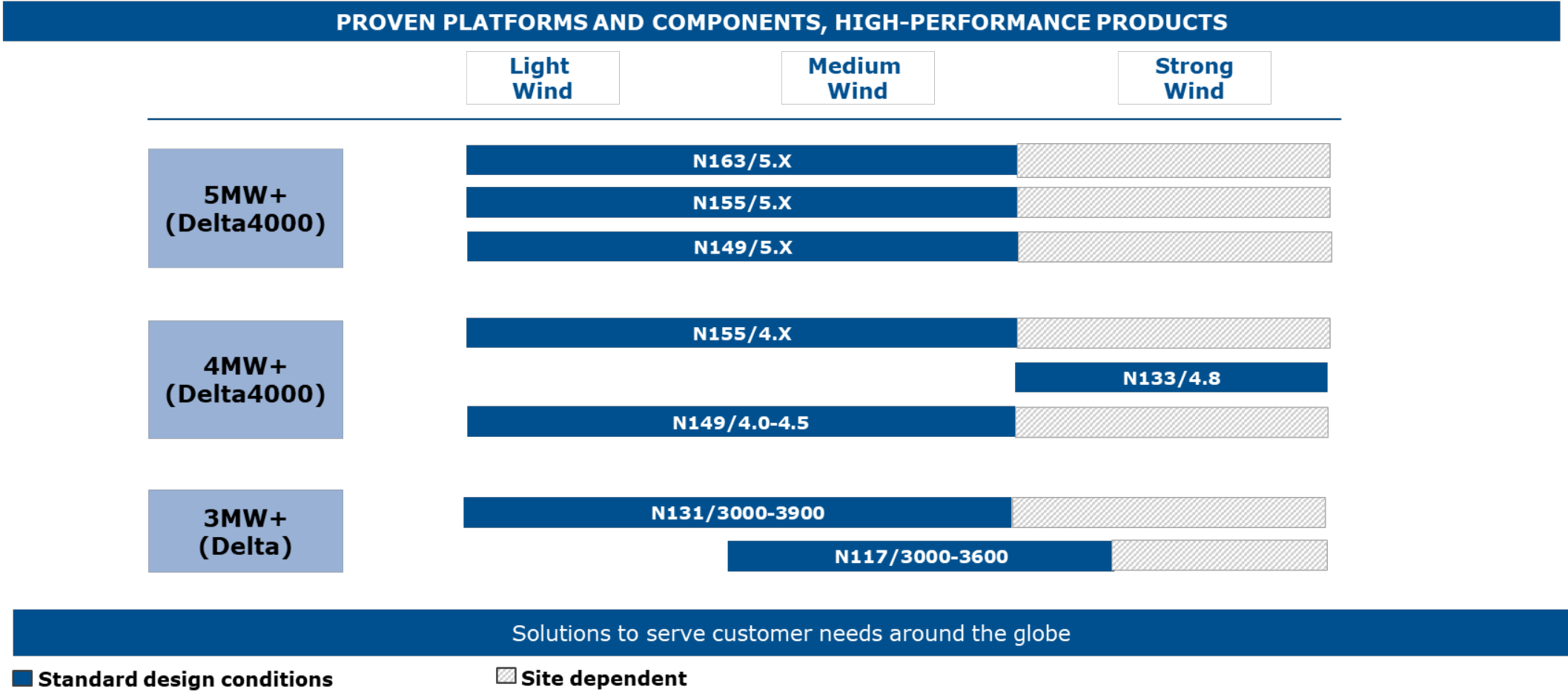
> Agenda



- 1 Company overview & business model
- > 2 Products & markets
- 3 Financials
- 4 Nordex share
- 5 Sustainability

> Competitive portfolio for all different sites

BASED ON OUR EVOLUTIONARY PRODUCT DEVELOPMENT PHILOSOPHY AND THE FLEXIBLE DELTA4000 PLATFORM, WE OFFER HIGHLY EFFICIENT PRODUCTS FOR SITE REQUIREMENTS AROUND THE WORLD.



> N163/5.X – Key Facts

**WTG design purely focused
on lowest possible COE**

lifetime extension up to 25 years
Standard design lifetime of 20 years

Same nacelle as N149/5.X

163m rotor

IEC S class

N163/5.X

>5MW rating
utilizing site potential

various site-specific towers
up to 164m hub height

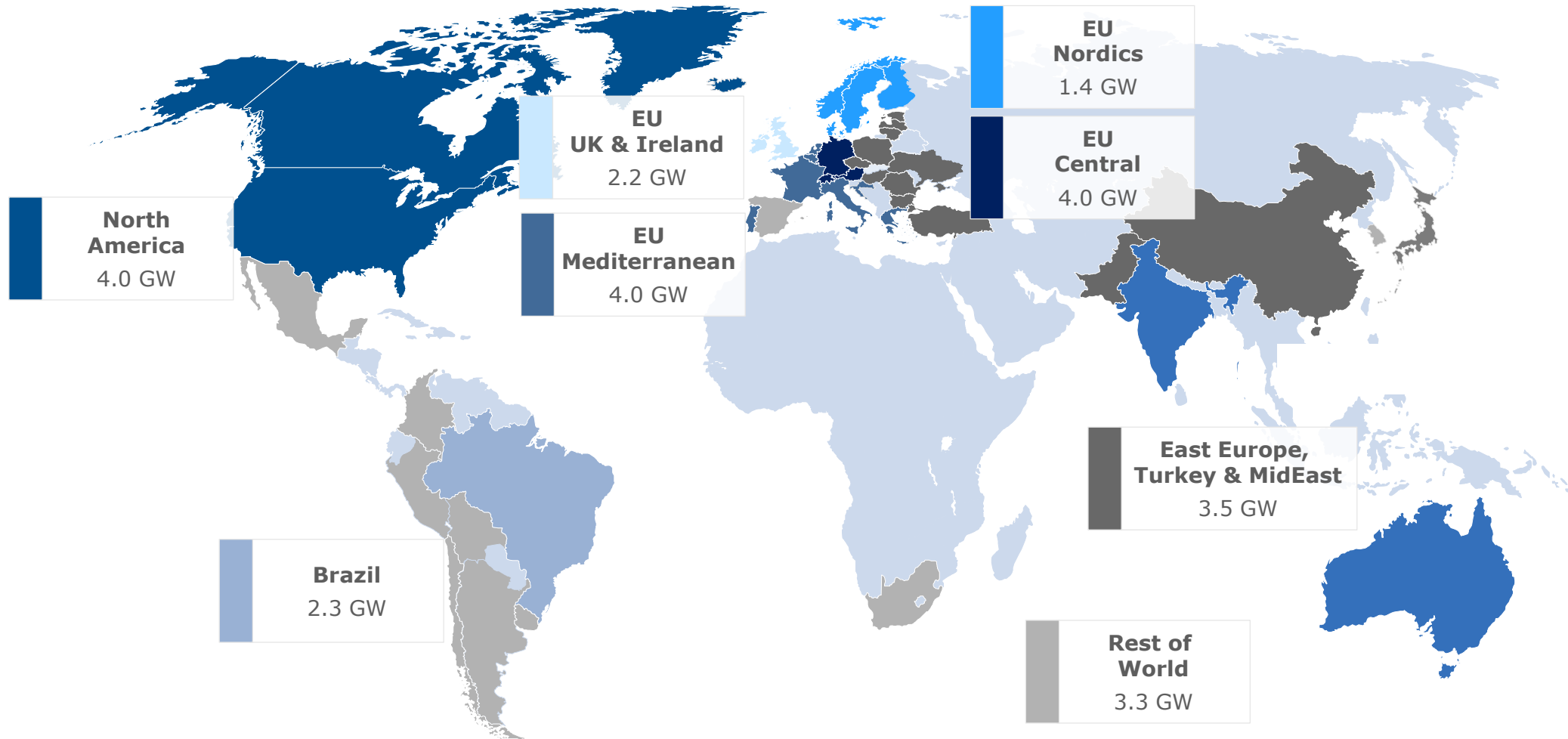
Suitable in core
low-to-medium wind speed sites

Single-piece blade
based on N149 design

numerous sound modes

+20% AEP
(Annual Energy Production)
(vs. N149/4.0-4.5)

> Nordex global service network with more than 24 GW under contract



> Service portfolio: Nordex service makes the difference

On-site



Maintenance & Inspections

- > Maintenance
- > HSE inspections



Trouble Shooting & Repair

- > Onsite repair & troubleshooting
- > Exchange & overhaul of major components

Off-site



Monitoring & Technical Support

- > 24/7 Control Centre
- > Support for technical issues



Spare Parts Management

- > Worldwide supply of spare parts, 365 days a year



Training

- > Uniform qualification of all service technicians worldwide



Digital and Data Analytics

- > Driving digital change, remote diagnostics & predictive maintenance.



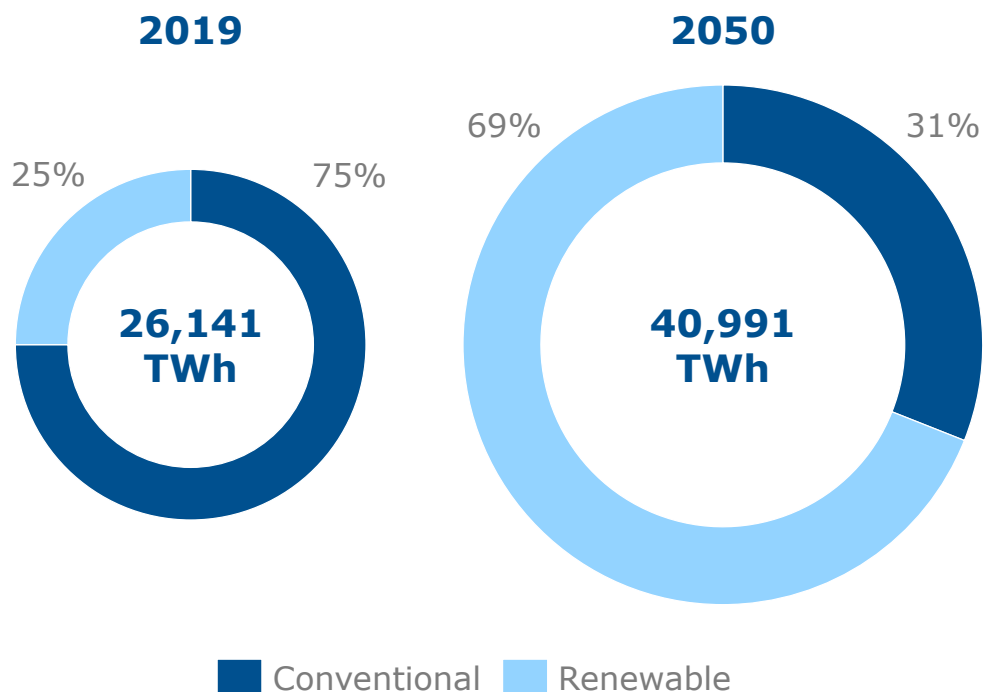
Upgrades & Modernizations

- > Products to enhance the performance of the installed fleet

> Wind will be a prominent source as global energy production rises

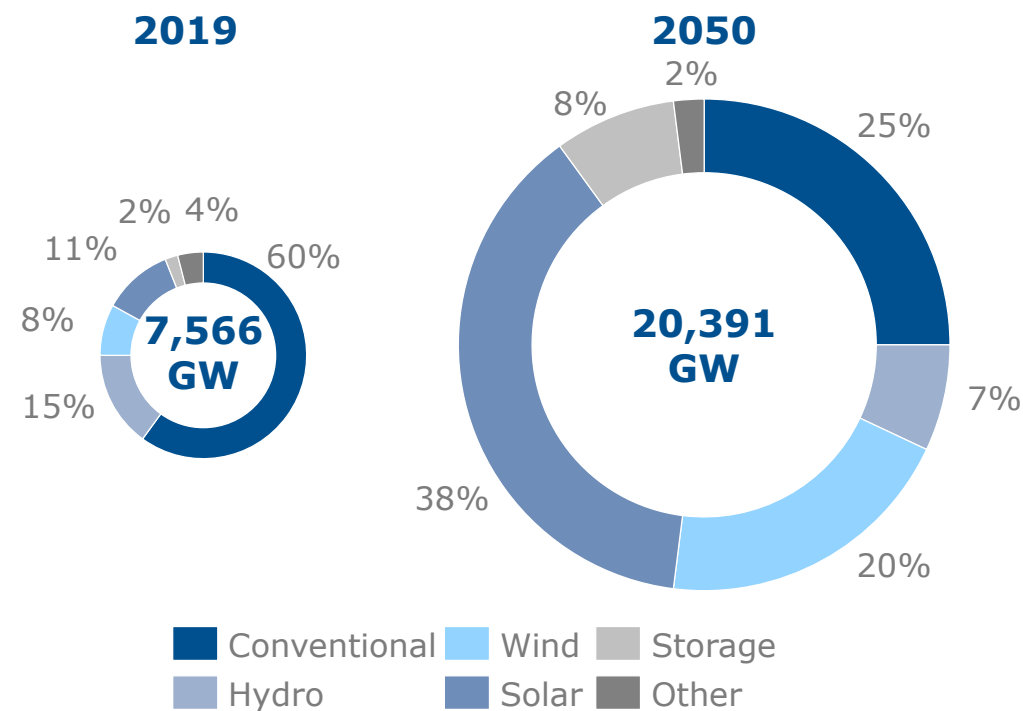
World energy production is rising ...

Electricity generation in 2019 and 2050



... with wind as a major contributor

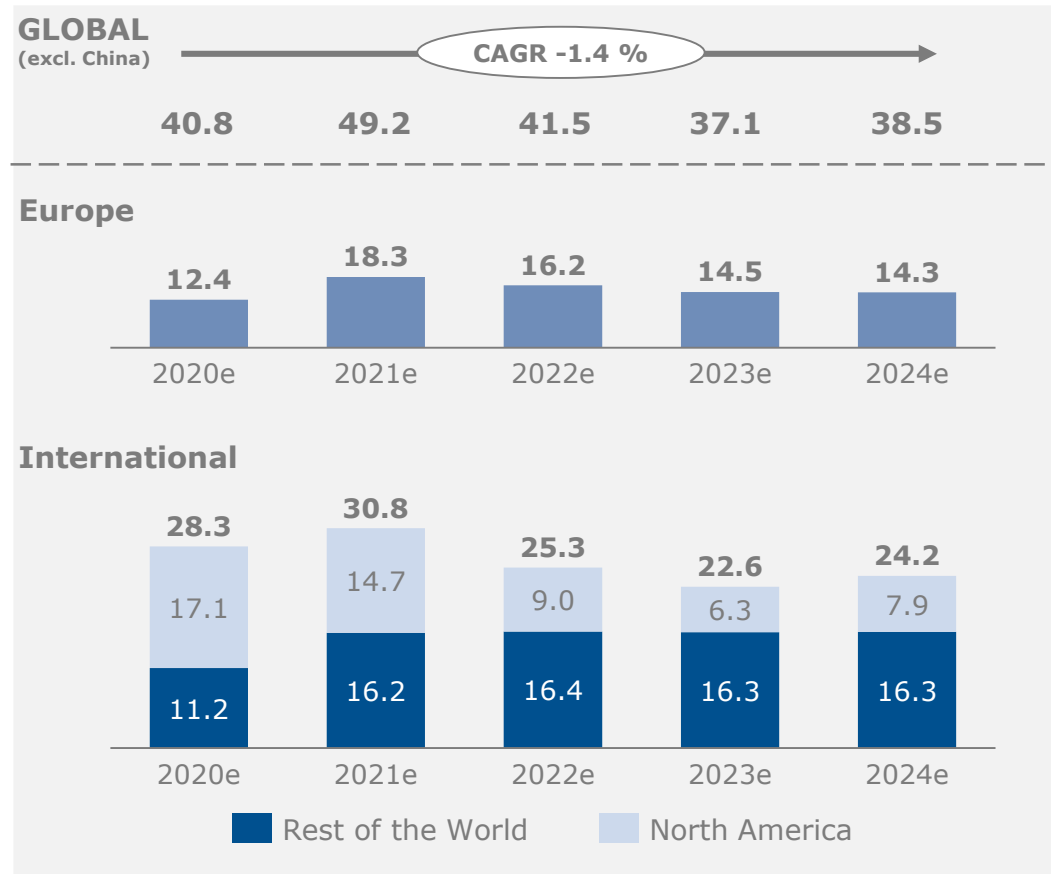
Global installed capacity mix in 2019 and 2050



Strong, continuous growth of onshore wind in the medium term expected

> Global onshore wind market (excl. China) expected to peak in 2021; CAGR 2020 to 2024 at -1.4%

Capacity addition (GW)



Key highlights

Europe

- > German market slowly recovering fueled by permitting support
- > Positive near-term momentum in Finland and Sweden
- > New FIT announced in Turkey at higher than expected pricing, enabling continuity in the market
- > New auction held in Spain with disappointing pricing level. Solar PV beat wind
- > Italy: Tech-neutral auction hosted in 2020 undersubscribed by 45% as developers struggle with permitting projects in time

North America

- > USA: One year prolongation of PTC value and project spillover from 2020 will support market volumes in 2021. Biden's win expected to improve regulation

Rest of the world

- > Positive market momentum in Brazil and Chile continued fueled by PPA demand
- > Negative momentum in Mexico continues with very limited activity in the market
- > South Africa held the accelerated round auction
- > Delays in Federal and State auctions in India with increasing focus on hybrid projects

> Agenda



1 Company overview & business model

2 Products & markets

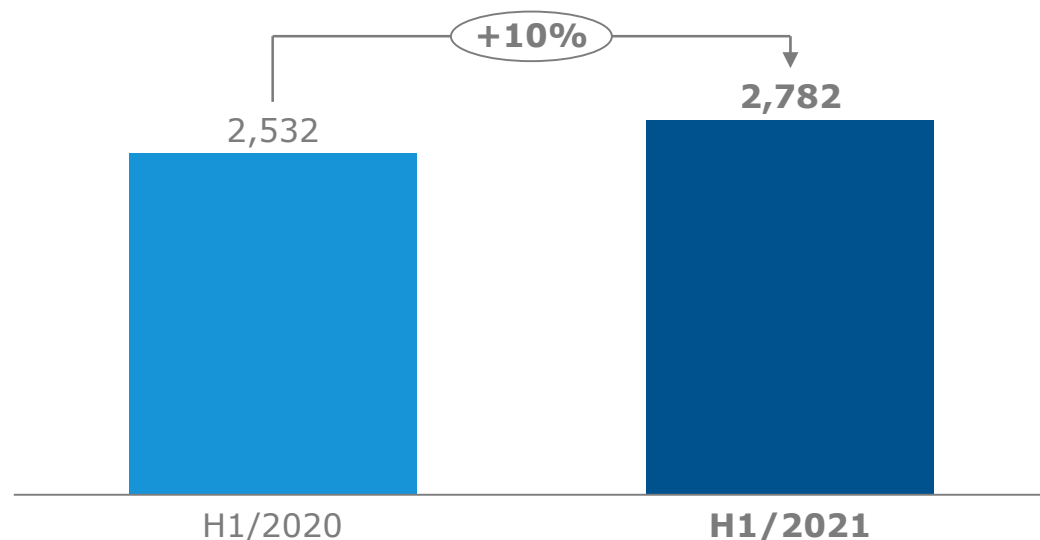
> 3 Financials

4 Nordex share

5 Sustainability

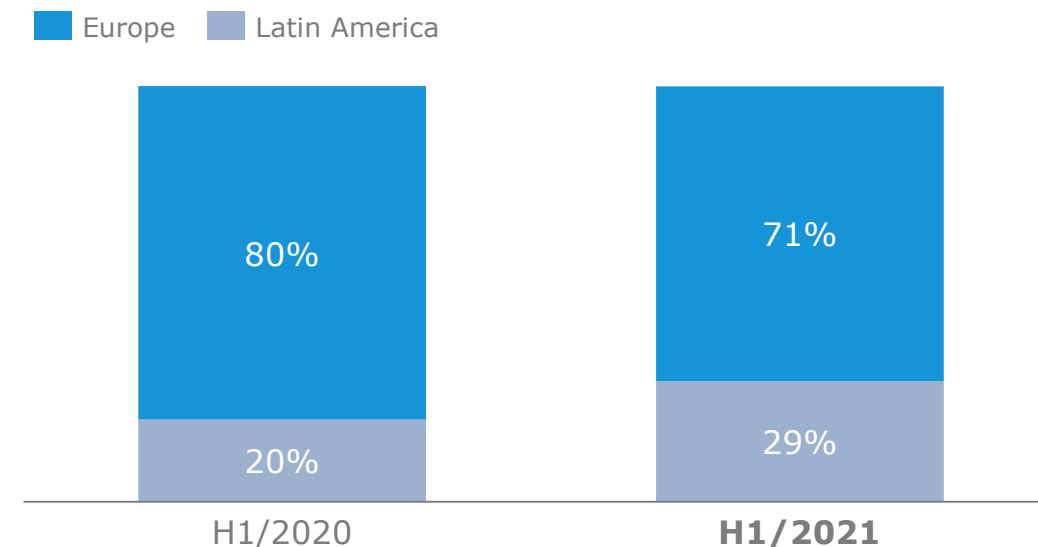
> Order intake H1/2021

Order intake turbine* (in MW)



- > Order intake in H1/2021: EUR 1,962m (EUR 1,806m in H1/2020)
- > Stable ASP of EUR 0.71m/MW in the first half-year 2021 compared to the previous year period (EUR 0.71m/MW)

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



- > Largest single markets in H1/2021: Brazil, Finland, Germany and Spain
- > 82% of the order intake (in MW) in the first-half year 2021 is attributable to various turbine types of the Delta4000 generation

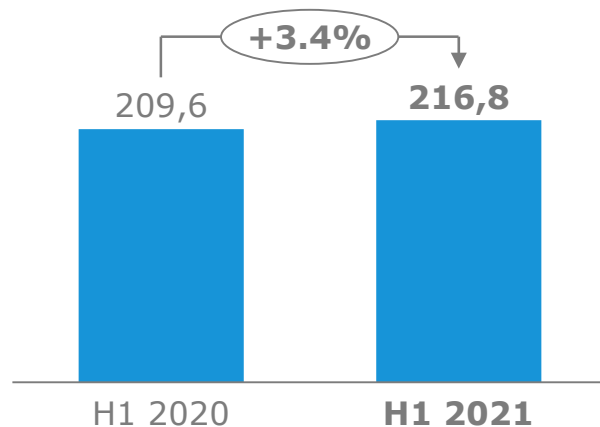
> Service business H1/2021

Development of service revenues (EUR m) and EBIT margin

EBIT margin

16.7%

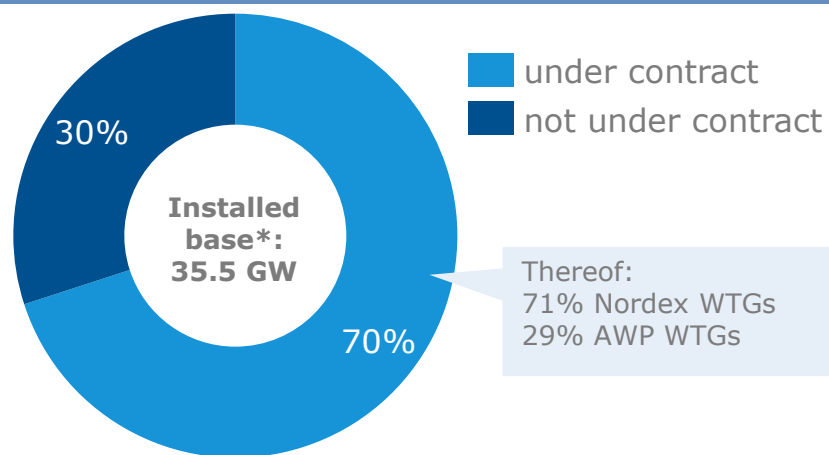
16.6%



Comments

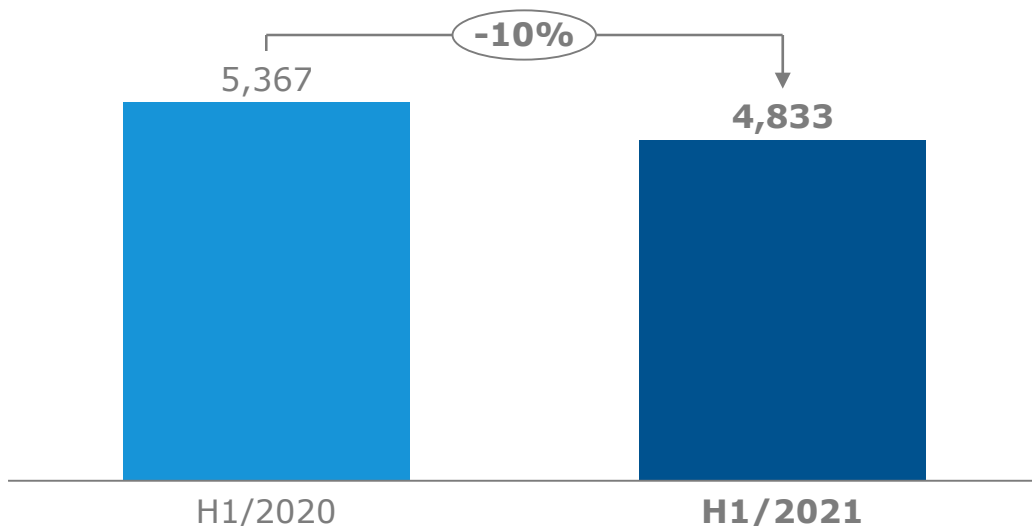
- > Service sales share totaled around 8% of group sales in the first half-year 2021
- > Service EBIT margin of 16.6% in the first six months 2021
- > 97.2% average availability of WTGs under service in first half-year 2021
- > Service order backlog stands at around EUR 2.9bn at the end of Q2/2021

Share of fleet under contract (as % of installed base)



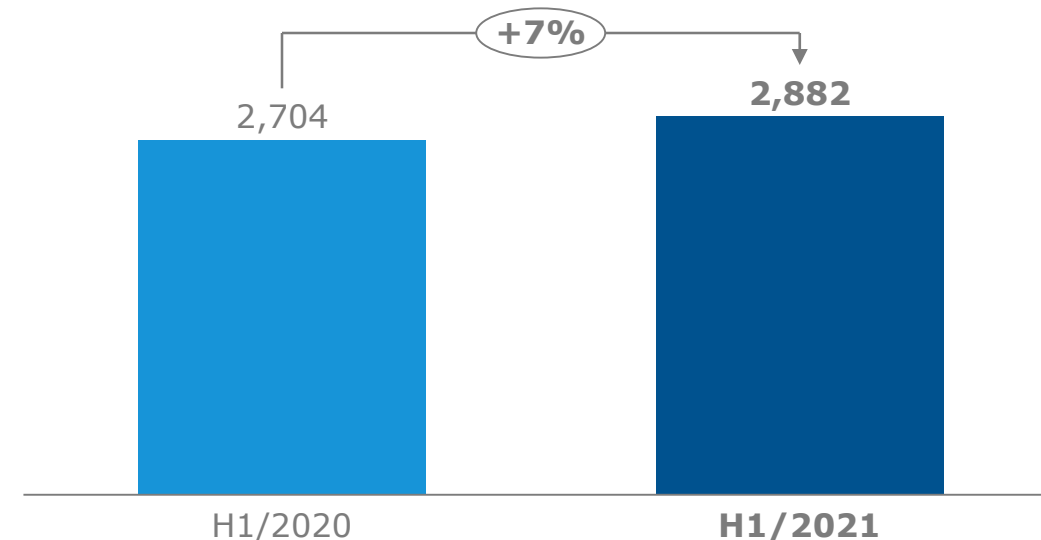
> Combined order backlog of around EUR 7.7bn at the end of H1/2021

Order backlog turbines (EUR m)



- > Order backlog of EUR 4.8bn at the end of Q2/2021 reflects ongoing high execution level
- > Geographical footprint of the order backlog: Europe (68%), Latin America (22%), North America (7%), Rest of World (2%)

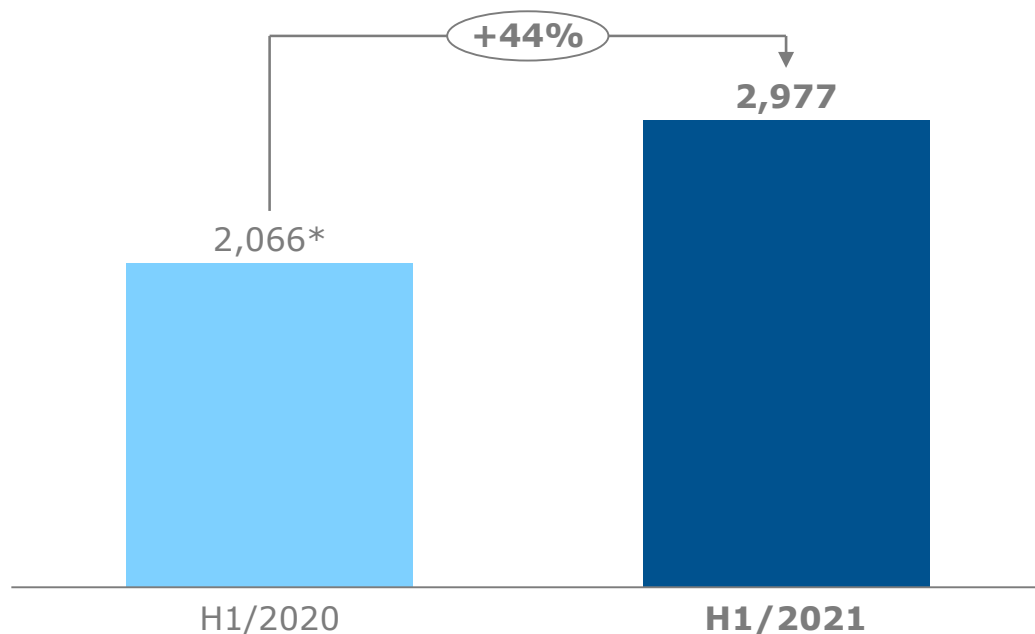
Order backlog service (EUR m)



- > 9,096 wind turbines under service corresponding to 24.7 GW at the end of Q2/2021

> Operations H1/2021

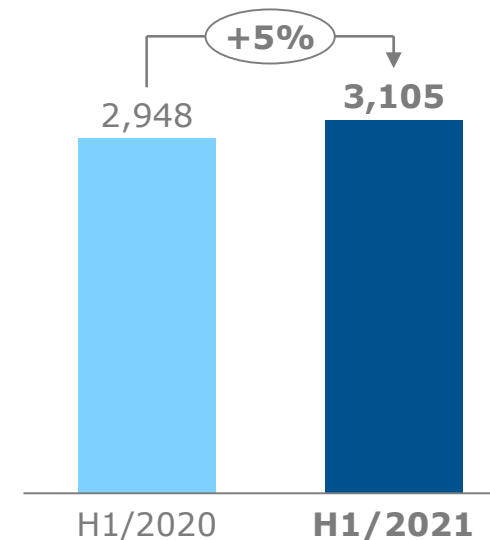
Installations (MW)



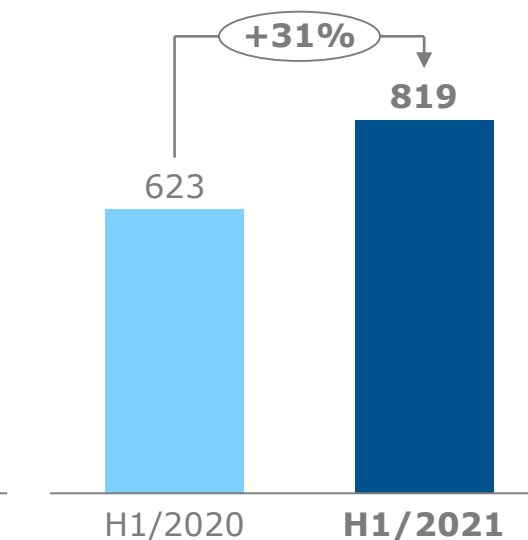
- > Total installations of 775 WTGs in 21 countries in H1/2021 (H1/2020: 610 WTGs)
- > Geographical split in H1/2021: 52% Europe, 19% Latin America, 14% North America and 15% Rest of World

Production

Turbine assembly (MW)



Inhouse blade production (#)



- > Output turbines of 685 units in H1/2021: 373 GER, 289 ESP, 20 BRA and 3 IND
- > Inhouse blade production of 819 units in H1/2021: 340 GER, 201 ESP, 196 MEX and 82 IND
- > Outsourced blade production of 1,209 units in the first-half year 2021

> Successful capital raise combined with increase and extension of guarantee facilities to re-set capital structure

€586m equity raise

Cash contribution: ~EUR 390m

Contribution in kind via conversion of SHL by Acciona: ~ EUR 197m



Increase and extension of bond line

Increased facility size:
EUR 1.41bn (EUR 171.25m increase, thereof EUR 100m committed cash ancillaries)

Maturity:
Apr-2024 (+1 via extension option)

Strengthened metrics

Q2 2021 reported

Q2 2021 pro-forma*

Net debt	EUR 68m	EUR -508m
Leverage	0.3	-2.2
Equity ratio	16.6%	27.3%

Lowered interest costs

Reduced shareholder loan leads to lower interest expenses

Lowered bond costs due to improved credit metrics

Flexibility to repay or refinance high yield bond



Positioning business for accelerated profitable growth



Balance sheet re-set in line with industry peers



Fully positioned to benefit from industry tailwinds

> Income statement H1/2021

in EUR m	H1/2021	H1/2020	abs. change
Sales	2,697	2,048	649
Total revenues	2,325	1,990	335
Cost of materials	-1,840	-1,702	-138
Gross profit	485	288	197
Personnel costs	-247	-203	-44
Other operating (expenses)/income	-169	-155	-14
EBITDA	68	-71	139
Depreciation/amortization	-74	-76	2
EBIT	-6	-146	140
Net profit	-64	-180	116
Gross margin*	18.0%	14.0%	
EBITDA margin	2.5%	-3.5%	
EBIT margin w/o PPA	0.0%	-6.5%	

Comments

- > Strong sales of EUR 2,697m in the first six months 2021 in line with high execution
- > EBITDA margin of 2.5% in line with expectations
- > PPA depreciation totaled EUR 6.5m (EUR 13m in the previous-year period)

> Income statement Q2/2021

in EUR m	Q2/2021	Q2/2020	abs. change
Sales	1,445	1,083	362
Total revenues	1,204	968	235
Cost of materials	-935	-837	98
Gross profit	268	131	137
Personnel costs	-129	-113	16
Other operating (expenses)/income	-81	-102	-21
EBITDA	58	-84	142
Depreciation/amortization	-35	-39	-4
EBIT	23	-123	146
Net profit	-9	-142	133
Gross margin*	18.5%	12.1%	
EBITDA margin	4.0%	-7.8%	
EBIT margin w/o PPA	1.7%	-10.8%	

Comments

- > Strong sales of EUR 1,445m in the second quarter 2021 in line with high execution level
- > EBITDA margin increased from 0.8% in Q1/2021 to 4.0% in Q2/2021 (H1/2021 of 2.5% in line with expectations)
- > PPA depreciation totaled EUR 1.1m in Q2/2021 (EUR 5.8m in the previous-year quarter)

> Balance sheet H1/2021

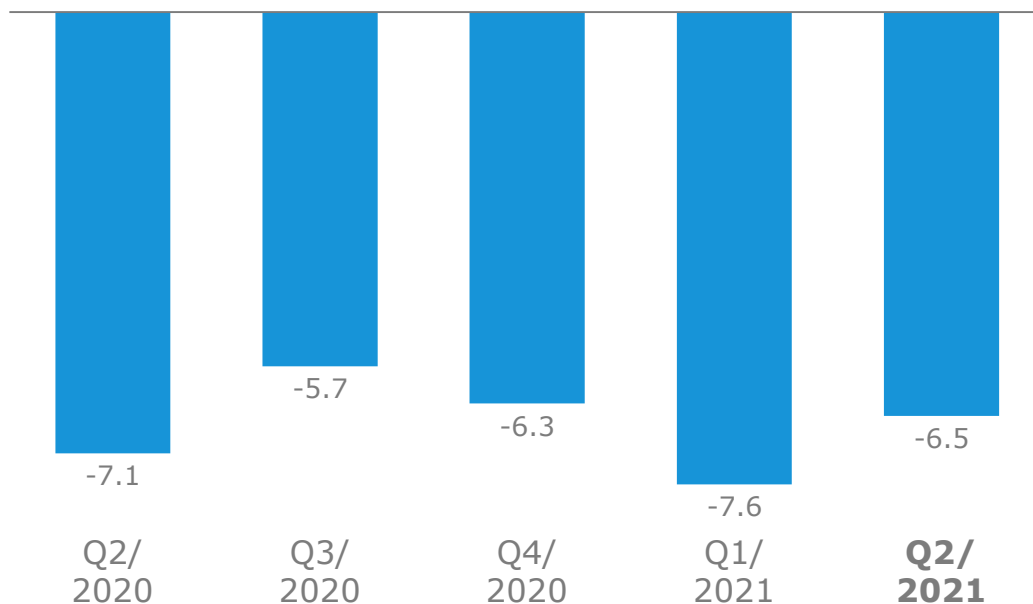
in EUR m	30.06.21	31.12.20	abs. change	Δ in %
Non-current assets	1,588	1,526	62	4.1
Current assets	2,500	2,884	-385	-13.3
Total assets	4,088	4,410	-322	-7.3
Equity	679	774	-94	-12.2
Non-current liabilities	902	653	249	38.1
Current liabilities	2,506	2,984	-477	-16.0
Equity and total liabilities	4,088	4,410	-322	-7.3
<i>Net debt*</i>	68	41		
<i>Working capital ratio**</i>	-6.5%	-6.3%		
<i>Equity ratio</i>	16.6%	17.5%		

Comments

- > Cash position of EUR 502m at the end of H1/2021 (EUR 334m H1/2020) not yet reflecting cash proceeds from capital increase
- > Increase in non-current liabilities due to shareholder loan of EUR 215m, of which EUR 197m was swapped to equity in July 2021 as part of the capital increase
- > Current liabilities decreased due to repayment under RCF and promissory note (SSD) of EUR 215m in April 2021

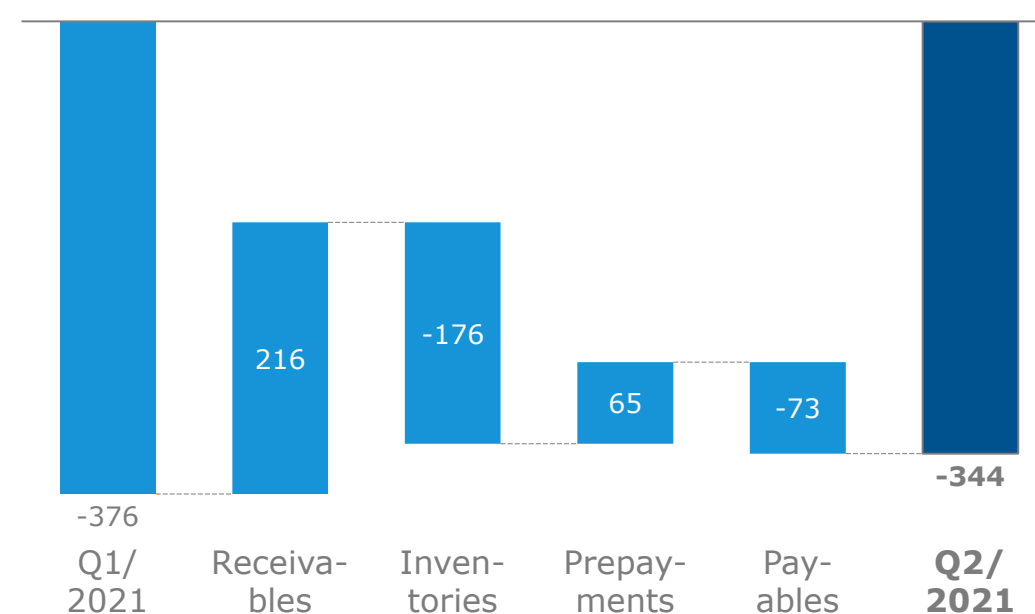
> Working capital development H1/2021

Working capital ratio (in % of sales)*



- > Despite ongoing disruptions, working capital developed as expected by the end of Q2/2021

Working capital development (in EUR m)*



- > Decrease in inventories driven by ongoing high installations

> Cash flow statement H1/2021

in EUR m	H1/2021	H1/2020
Cash flow from operating activities before net working capital	7.5	-74.2
Cash flow from changes in working capital	50.4	6.2
Cash flow from operating activities	57.9	-68.0
Cash flow from investing activities	-68.1	-69.0
Free cash flow	-10.2	-137.1
Cash flow from financing activities	-265.4	-24.1
Change in cash and cash equivalents	-275.7	-161.1

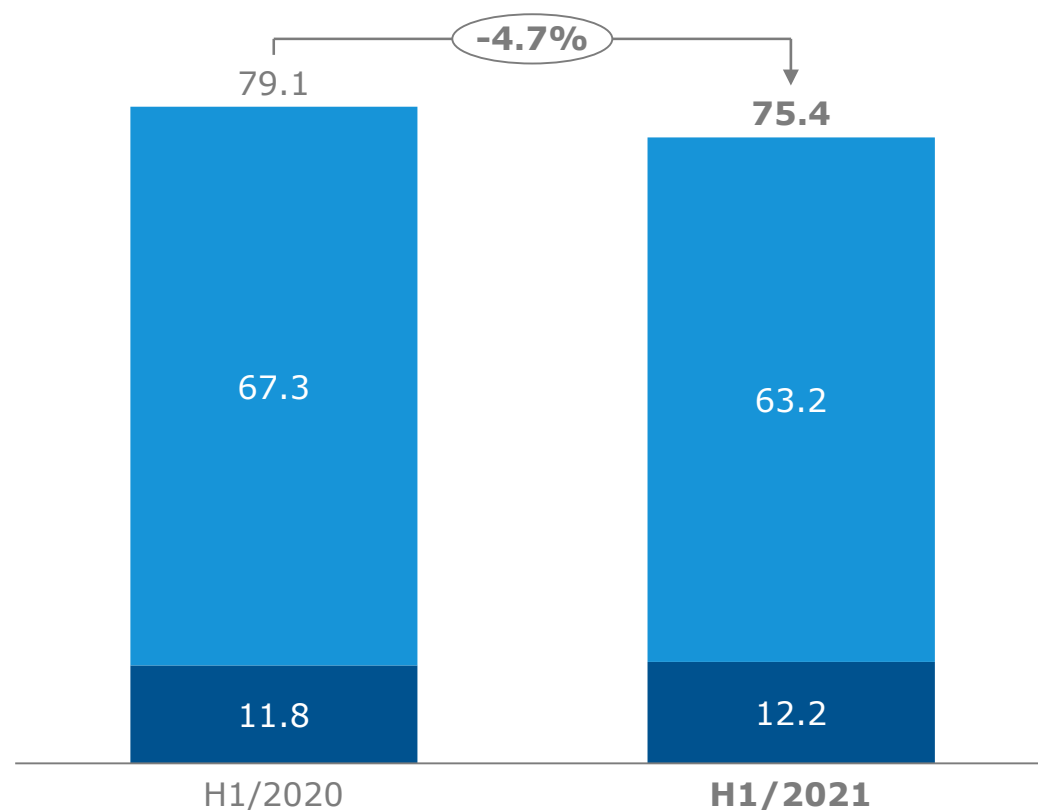
Comments

- > Cash flow from operating activities mainly supported by positive working capital development
- > Cash flow from investing activities in line with further expansion of supply chain and blade production facilities
- > Cash flow from financing activities largely driven by shareholder loan refinancing SSD, repayments under RCF and EIB facility
- > Cash proceeds from capital increase of EUR 390m not yet reflected in cash flow from financing activities

> Total investments in H1/2021

CAPEX (in EUR m)

- Property, plant, equipment
- Intangible assets

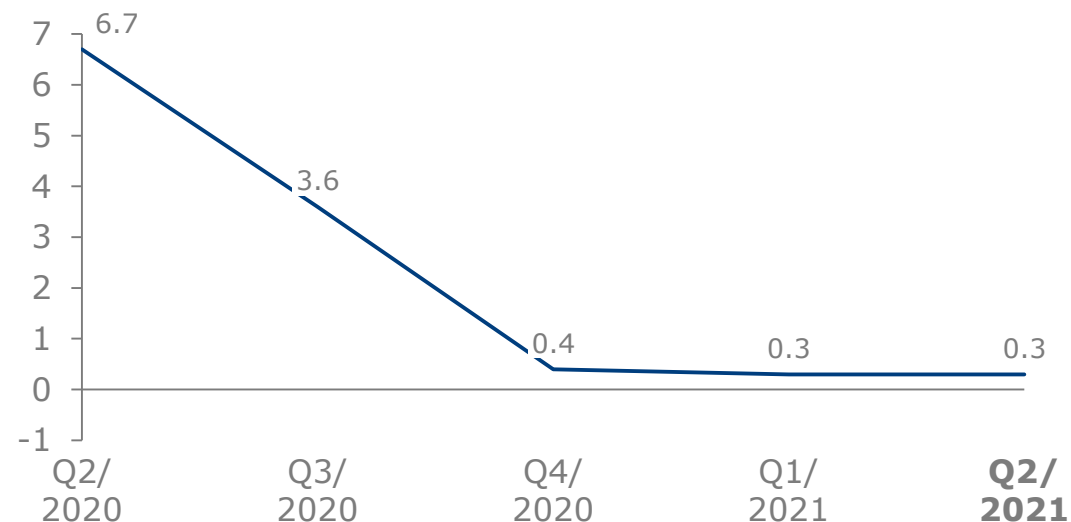


Comments

- > Investments in H1/2021 primarily comprise:
 - Investments in blade production facilities, moulds and tooling in India
 - Investments in transport and installation equipment for international projects
- > Slight increase in intangible assets due to higher level of development costs compared to previous year period

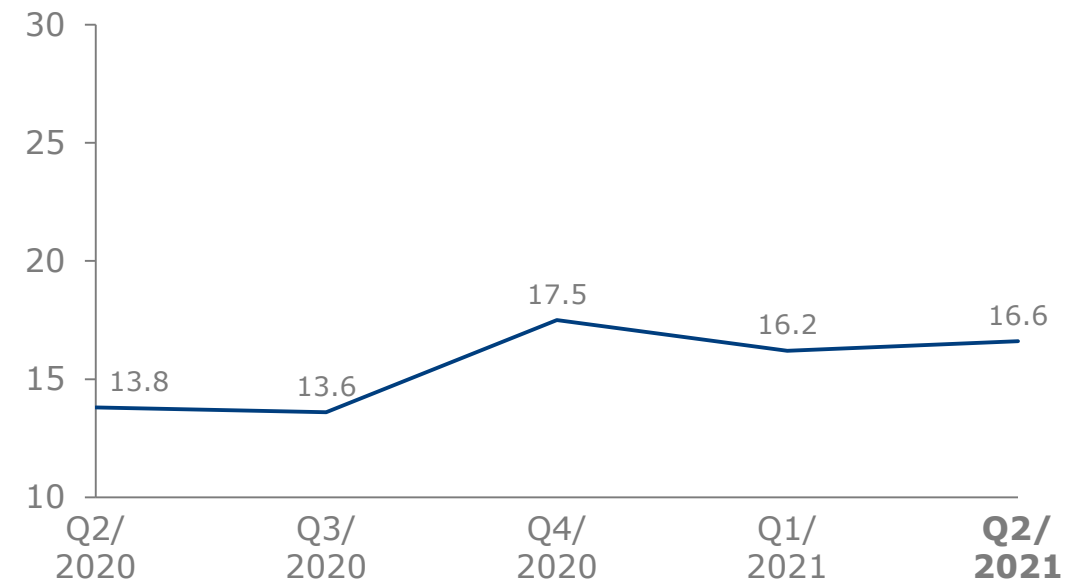
> Capital structure H1/2021

Net debt*/EBITDA**



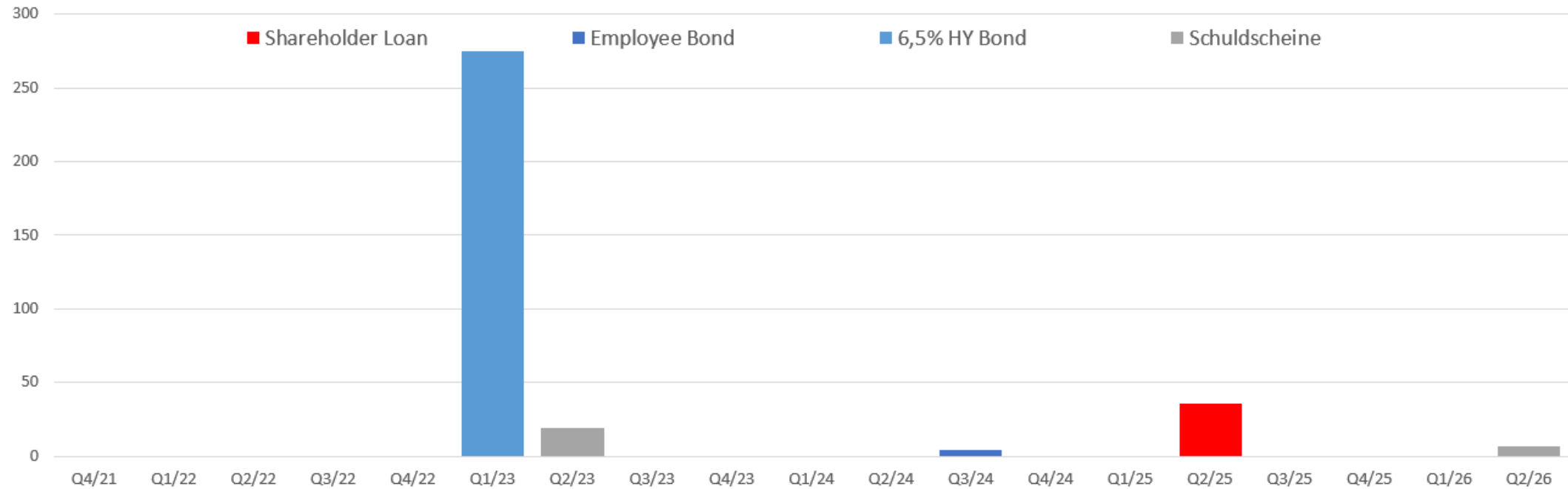
- > Leverage ratio remains further below own ambition level of 1.5 at the end of H1/2021

Equity ratio (in %)



- > Equity ratio will substantially improve in Q3/2021 due to inflows coming from capital increase

> Debt maturity profile

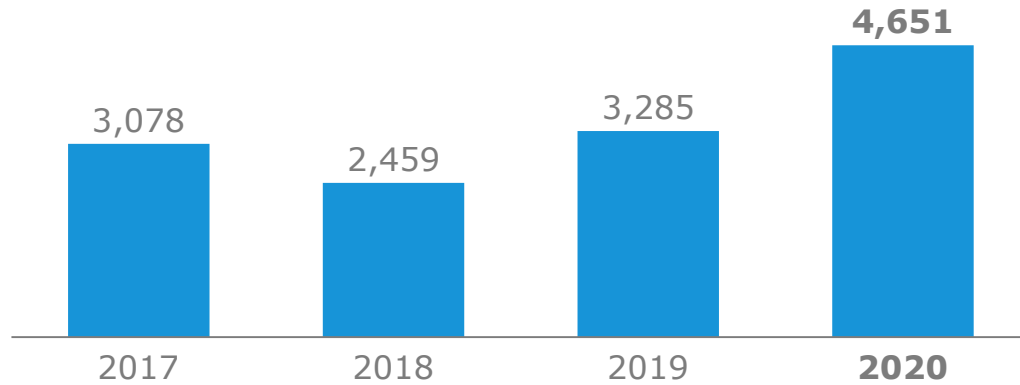
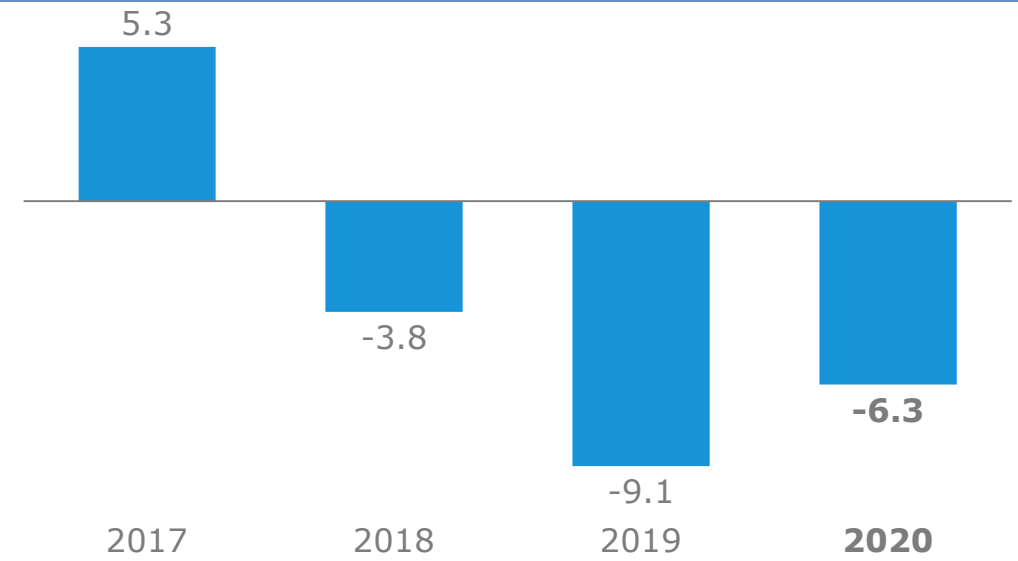
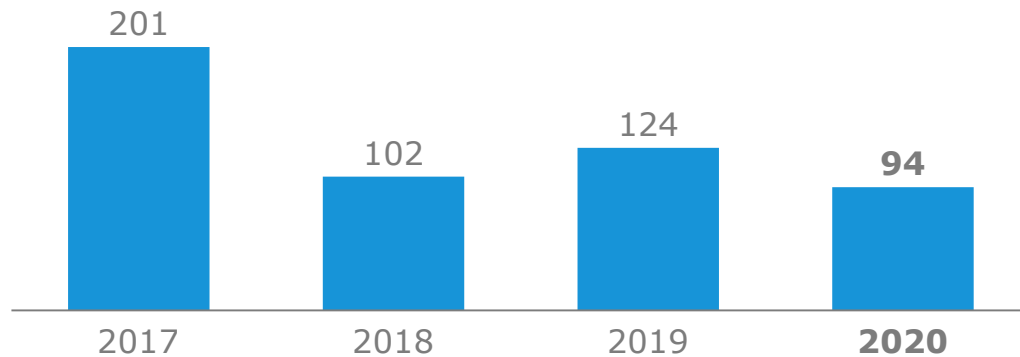


- > Very solid debt maturity profile with next real refinancing due in 2023 (HY-Bond).
- > EUR 1.41bn multi-currency guarantee facility (MGF) due in April 2024.

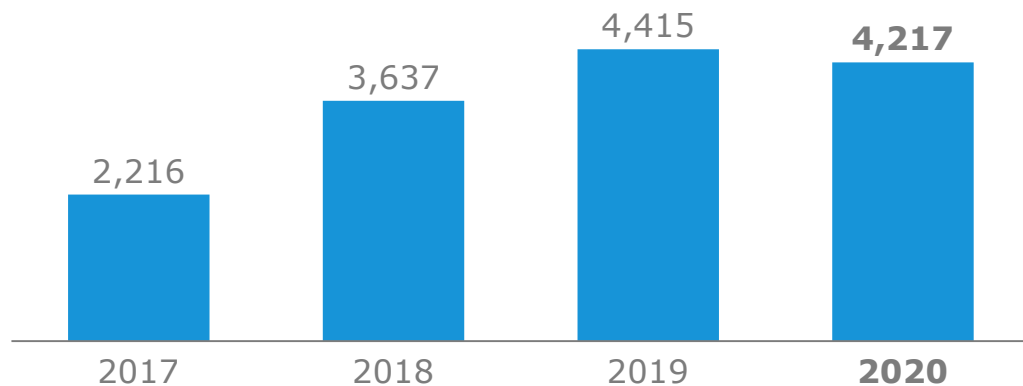
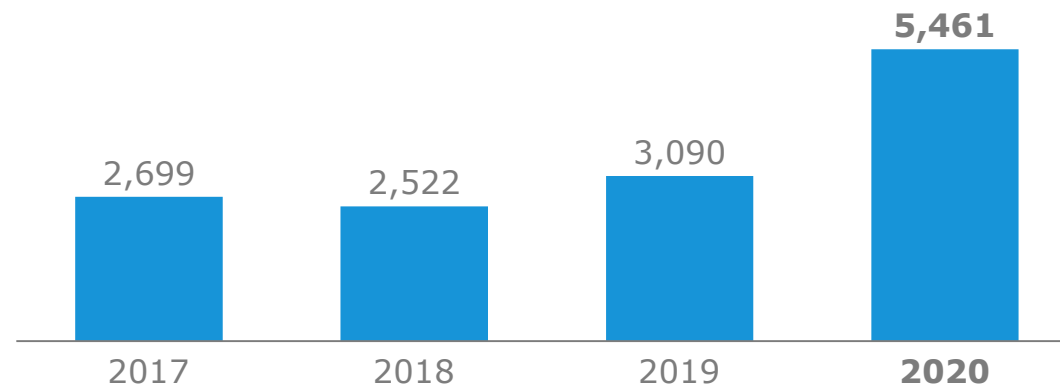
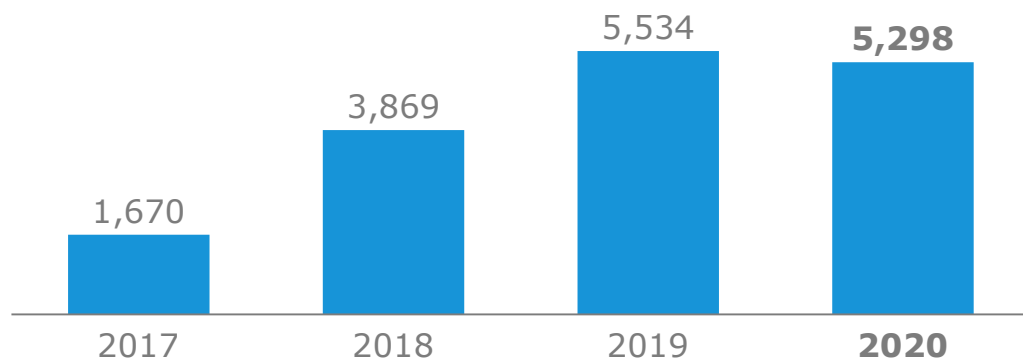
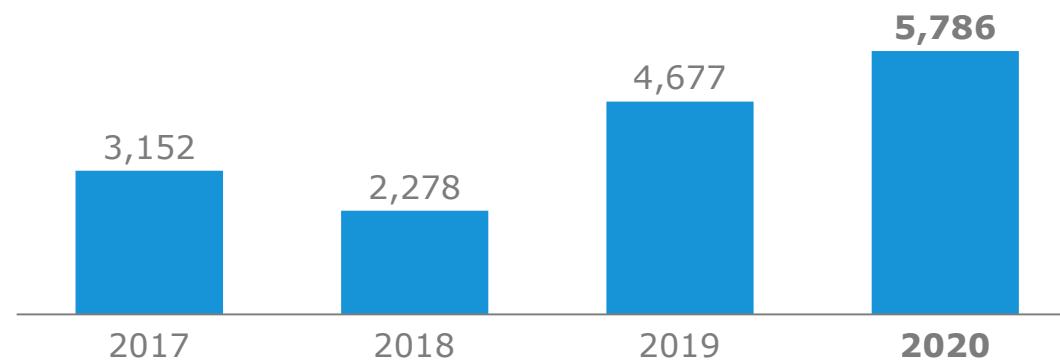
> Guidance for FY 2021 maintained

Guidance	Comments
Sales: EUR 4.7 – 5.2bn	<ul style="list-style-type: none"> > Assumptions remain subject to greater uncertainties than usual > As of today, for H2/2021 limited impact from Covid-19 assumed > However, additional layers of risk for the sector remain, in particular: <ul style="list-style-type: none"> - extraordinary volatility within commodities and logistics markets - new waves of Covid-19 causing further repercussions for commodities or logistics - in case of such impacts causing delays, there could be extra costs including LDs
EBITDA margin: 4.0 – 5.5%	
Working capital ratio: below -6%	
CAPEX: approx. EUR 180m	

> Financial key figures in the multi-year overview

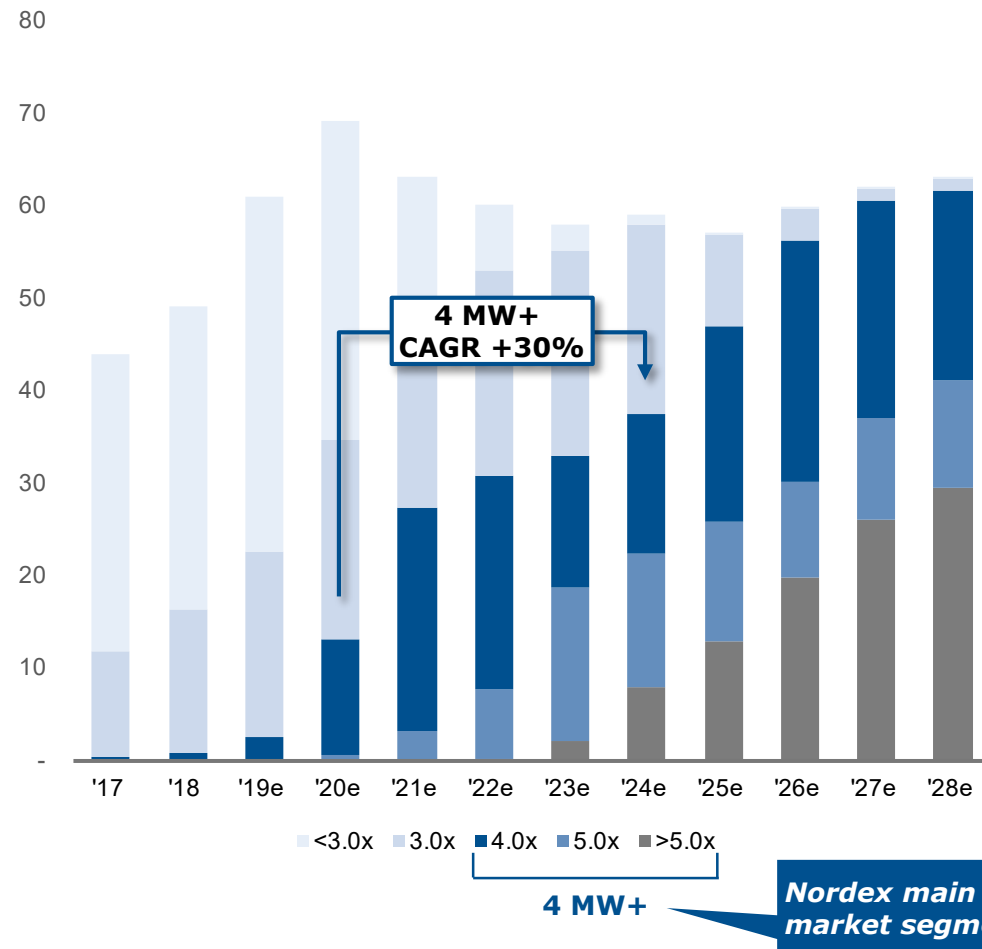
Sales (in EUR m)**Working Capital ratio****EBITDA (in EUR m)**

> Operational key figures in the multi-year overview

Order intake turbines (in EUR m)**Installations (in MW)****Order book turbines (in EUR m)****Production output turbines (in MW)**

> Strong demand in 4 MW+ segment, driving revenue growth for Nordex

Woodmac Global Onshore Installation Forecast (GW)



Comments

- > Demand for 4 MW+ turbines expected to be very strong, growing at a CAGR of 30% from 2020 to 2024.
- > Nordex's Delta4000 is one of the most competitive 4 MW+ platforms in the market with the second highest cumulative order intake in 2020.*
- > Furthermore, Nordex order intake in 2020 consisted of 81% generated with the latest Delta4000 turbines.
- > Commercial success of the Delta4000 and forecasted strong demand for 4 MW+ turbines will support the revenue and profit profile of Nordex over the next 4 years.

> Strategic capacity expansion as part of comprehensive company program - India for Global Initiative

India for Global (I4G) marks **Nordex strategic initiative** to leverage its existing local expertise to increase Delta4000 production capacity in best cost countries.



- > Production from India is planned for export only and will support Nordex ambitions to grow further and to gain market share in the wind onshore segment globally.
- > Components from additional Indian capacity expected to create a significant cost advantage compared to other currently operating production locations.
- > Ramp-up of new capacity is going to benefit from existing infrastructure and staff.
- > Quality of products secured through European suppliers delivering their components also locally from India.
- > Well experienced management to run the initiative.
- > Additional new blade facility* starts operations in 2021. Existing blade and nacelle facilities already converted to produce Delta4000 platform. Necessary Capex considered in 2021 budget.

> Strategic targets

Sales: ~ EUR 5.0bn (in the short term)

EBITDA margin: 8% in FY 2022

Capacity: 6 GW+

Assumptions underlying the strategic targets are subject to greater uncertainties than normal.

> Agenda



1 Company overview & business model

2 Products & markets

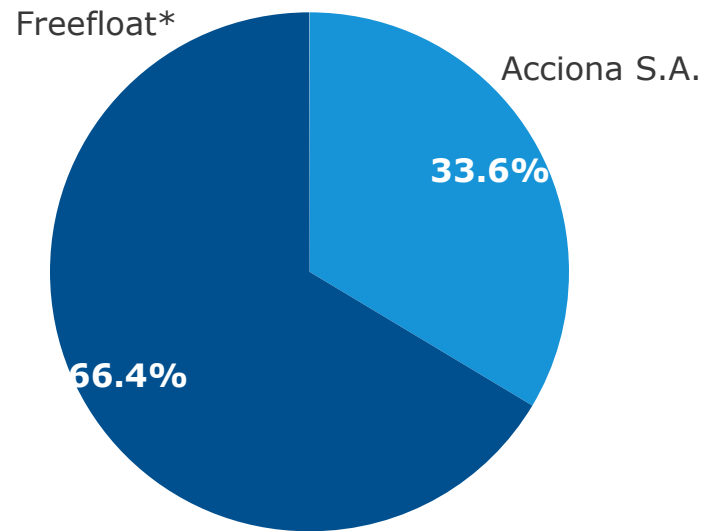
3 Financials

> 4 Nordex share

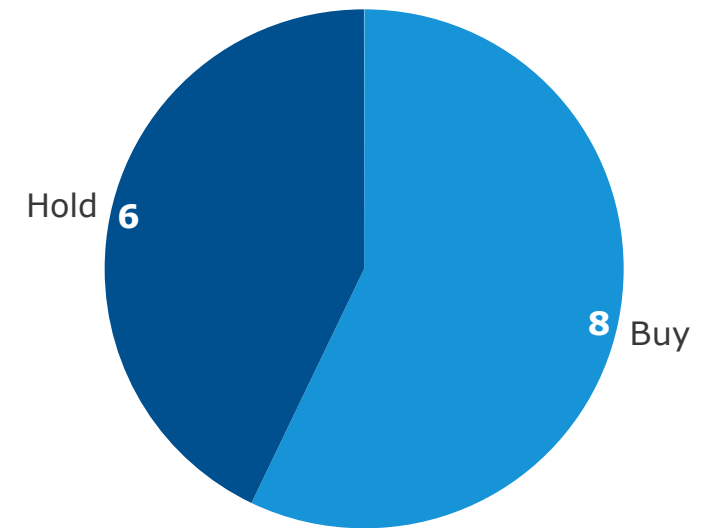
5 Sustainability

> Stable shareholder structure and strong market coverage

Shareholder structure



Analyst coverage



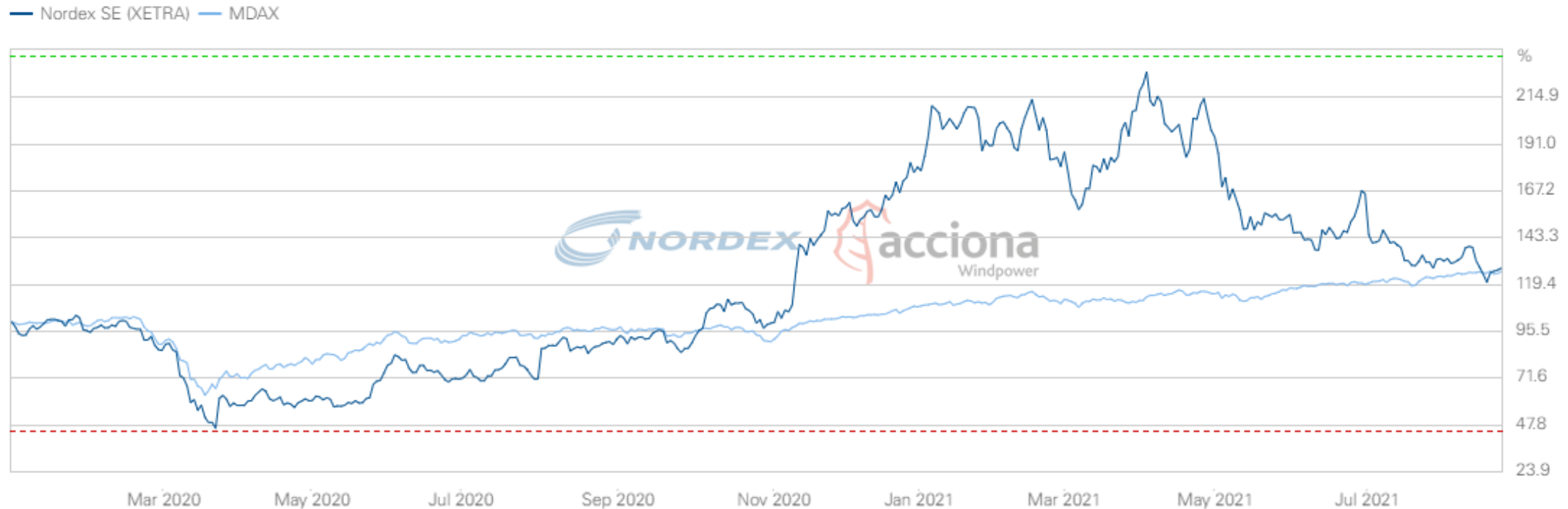
Key figures:**

- > Number of shares: 160,021,035
- > Share price: EUR 15.77
- > Market capitalization: EUR 2.5bn

Consensus of 14 analysts FY 2021:***

- > Ø Share price: EUR 23.10
- > Ø 2021 Revenues (e): EUR 4.9bn
- > Ø 2021 EBITDA margin (e): 4.4%

> Nordex share price development (January 2020 – August 2021)



- > Nordex share price significantly recovered since Covid-19 dip in March 2020.
- > The interest of the capital market in Nordex remains on a high level, leading to a higher valuation of the share price and increased liquidity.
- > Nordex included in MDAX for mid-caps since 22 March 2021.

> Strong and committed anchor shareholder

Acciona Group profile / strategy

- > Holding company with a presence in over 40 countries that invests, develops and operates infrastructure, with a particular emphasis on renewable energy
- > Group operates through three main business segments:
 - > **Infrastructure:** Covers construction activities, industrial activities, concessions, water and services
 - > **Energy:** Includes activities ranging from construction of wind farms to generation and distribution
 - > **Other:** Deals with businesses relating to fund management and stock market brokerage, wine production, real estate business and other investments

Key facts Q2/2021:

- > Market capitalization: EUR 6,983m
- > Revenue: EUR 3,555m
- > EBITDA: EUR 643m
- > Established track record across Debt and Equity Capital Markets
- > Entrecanales family as main anchor shareholder

Recent support for Nordex

Continuously strong commitment to strategic investment into Nordex underpinned by:

- > **EUR 99m capital increase** in October 2019
- > **EUR 200m capital increase** in December 2020
- > **Refinancing of SSD** in April 2021 funded by Acciona
- > **EUR 197m contribution in kind** via conversion of shareholder loan in July 2021

- 1** Long-term supportive shareholder since merger of wind turbine business into Nordex in 2016
- 2** Additional liquidity facilitates expected growth due to ongoing demand for Delta4000 platform
- 3** Commitment of anchor shareholder proves Nordex' path of profitable growth



> Agenda



1 Company overview & business model

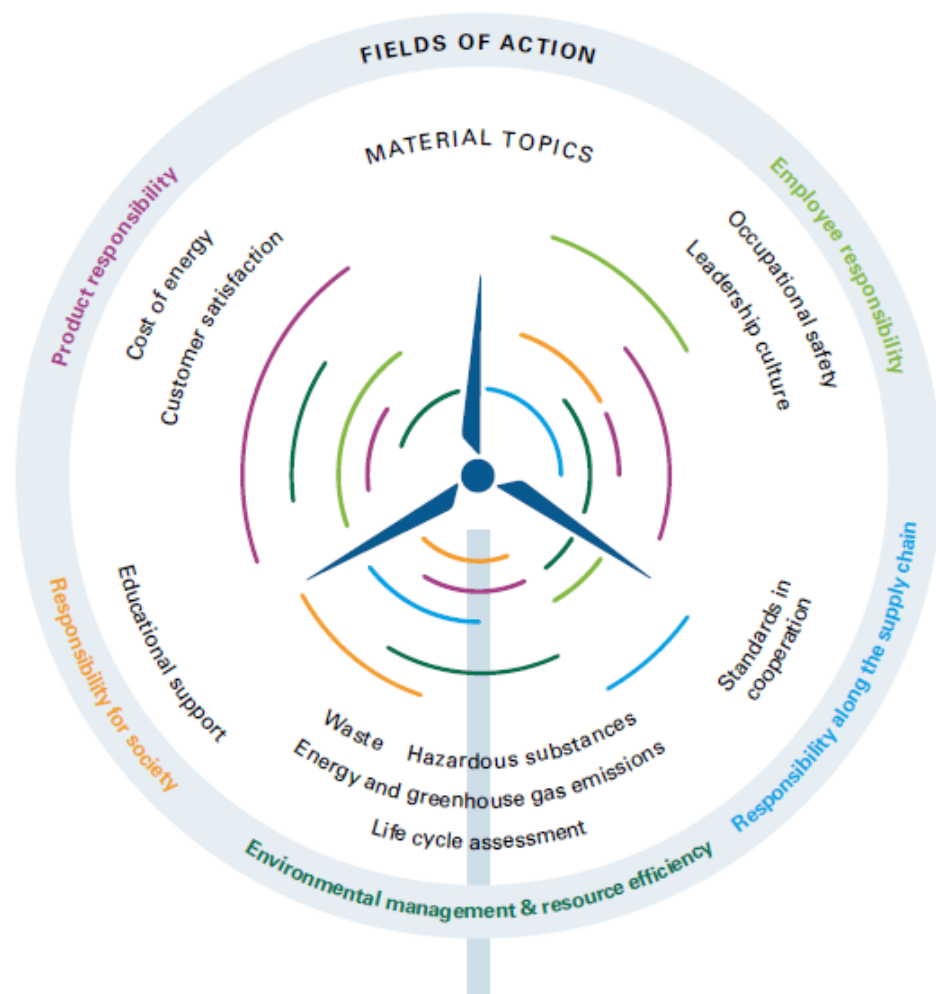
2 Products & markets

3 Financials





4 Nordex share

> 5 Sustainability

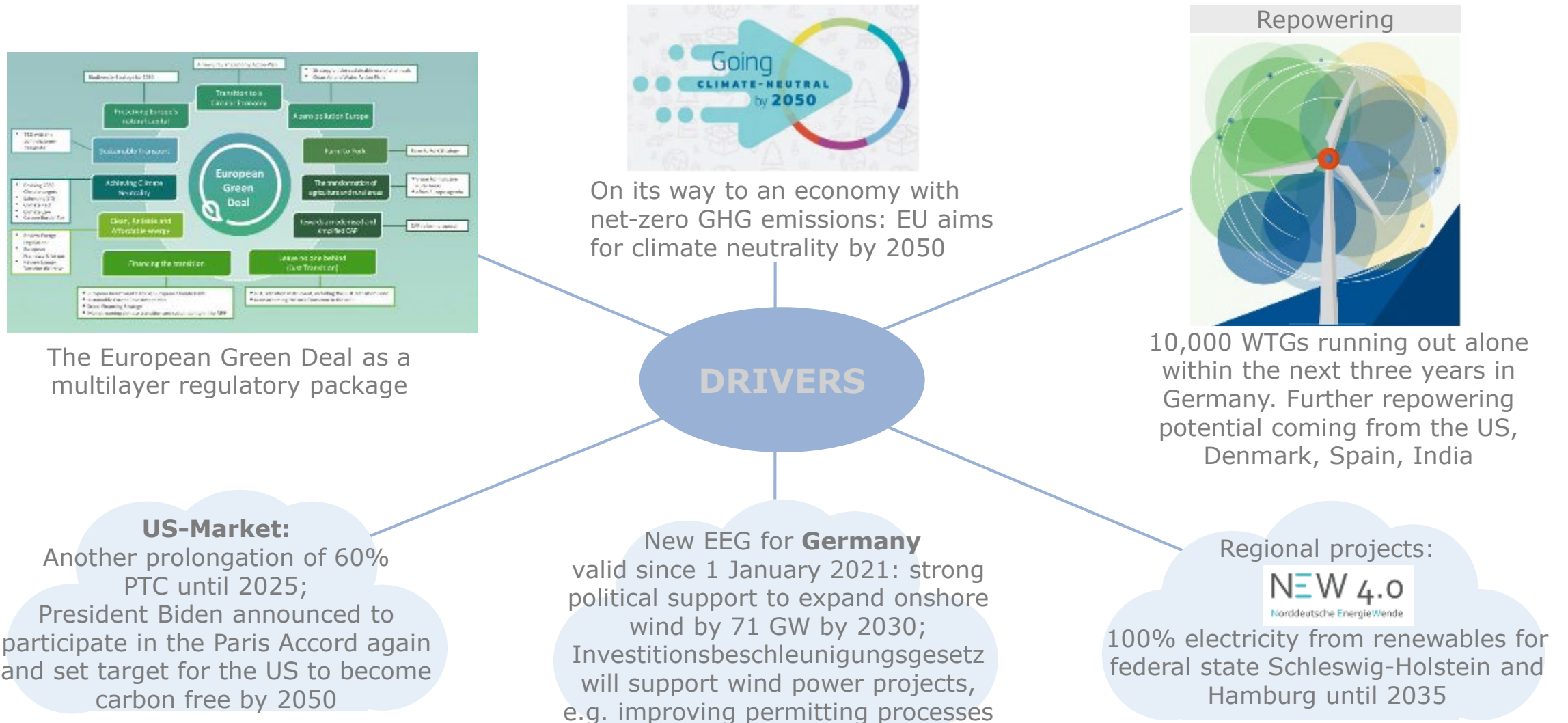
> Sustainability strategy 2019 to 2021



Sustainability objectives 2019-2021

Fields of action	Material topics	Specific objectives
 Product responsibility	■ Cost of energy	Reduce cost of energy continuously
	■ Customer satisfaction	Achieve a high recommendation rate
	■ Occupational safety	Reduce accidents to a lost time injury frequency (LTIF) of less than 5 per 1 million working hours
 Employee responsibility	■ Leadership culture	Further strengthen leadership culture and values Continue established programs & processes for employee development Promote diversity in the company
	■ Standards in cooperation	Optimize the supplier due diligence process
	■ Waste	Avoid and reduce waste by -10 %
 Environmental management & resource efficiency	■ Hazardous substances	Reduce hazardous substances and minimize their hazard potential
	■ Energy and greenhouse gas emissions	Procure 100% of the electricity we consume from renewable energy sources
	■ Life cycle assessment	Improve the environmental balance of wind turbines
 Responsibility for society	■ Educational support	Support education initiatives in the region of our sites

> Macro & long-term drivers: the trend to renewables is irrevocable



> Latest sustainability key facts

Product

Lifecycle assessment of wind farm with Delta4000 turbines shows:
only 6.5 g CO₂e
 are emitted per kilowatt-hour electricity generated.

A single Nordex large-scale turbine¹ covers the average annual electricity demand of about
4,125
 four-person households².

469 g of CO₂
 are saved per kWh generated by wind turbines (compared to the global electricity mix 2018³).
 Projection for one Delta4000 N149/4.0-4.5 at low wind speed:
 savings of approx.
5,392 t CO₂ per year.

Employees

Lost time injury frequency (LTIF) was lowered to
3.9 in FY 2020 (FY 2019: 4.6).

86
 nationalities were working at Nordex in FY 2020.

Environment

65.1 %
 of the overall amount of purchased electricity in 2020 was generated by the use of
renewables.

ESG-Rating

ISS-ESG (B), MSCI (A), SUSTAINALYTICS (24.1), CDP (B) and IMAG (AA).

Financial calendar 2021

2021	Event
05 March	Publication of preliminary figures FY 2020
23 March	Publication of Annual Report 2020
05 May	Annual General Meeting
11 May	Interim Statement Q1/2021
12 August	Interim Report H1/2021
15 November	Interim Statement 9M/2021

Disclaimer

- > This presentation was produced in August 2021 by Nordex SE solely for use as a source of general information regarding the economic circumstances and status of Nordex SE. It does not constitute an offer for the sale of securities or an invitation to buy or otherwise acquire securities in the Federal Republic of Germany or any other jurisdiction. In particular it is not intended to be an offer, an investment recommendation or a solicitation of an offer to anyone in the U.S., Canada, Japan and Australia or any other jurisdiction. This presentation is confidential. Any reproduction or distribution of this presentation, in whole or in part, without Nordex SE's prior written consent is expressly prohibited.
- > This presentation contains certain forward-looking statements relating to the business, financial performance and results of Nordex SE and/or the industry in which Nordex SE operates, these statements are generally identified by using phrases such "aim", "anticipate", "believe", "estimate", "expect", "forecast", "guidance", "intend", "objective", "plan", "predict", "project", and "will be" and similar expressions. Although we believe the expectations reflected in such forward-looking statements are based upon reliable assumptions, they are prepared as up-to-date and are subject to revision in the future. We undertake no responsibility to update any forward-looking statement. There is no assurance that our expectations will be attained or that any deviations may not be material. No representation or warranty can be given that the estimates, opinions or assumptions made in, or referenced by, this presentation will prove to be accurate.

> Contact details



**IF YOU HAVE ANY QUESTIONS PLEASE
CONTACT THE INVESTOR RELATIONS TEAM:**

Felix Zander

Phone: +49-40-30030-1116

Email: fzander@nordex-online.com

Tobias Vossberg

Phone: +49-40-30030-2502

Email: tvossberg@nordex-online.com

Nordex SE
Langenhorner Chaussee 600
22419 Hamburg / Germany
www.nordex-online.com