



Nordex Group

Nordex SE – Financial figures Q1/2021

11 May 2021

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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 FY 2021	José Luis Blanco
Strategic targets	José Luis Blanco
Q&As	All
Key takeaways	José Luis Blanco

> Executive summary Q1/2021

> Q1/2021 RESULTS

Sales
EUR 1,251m

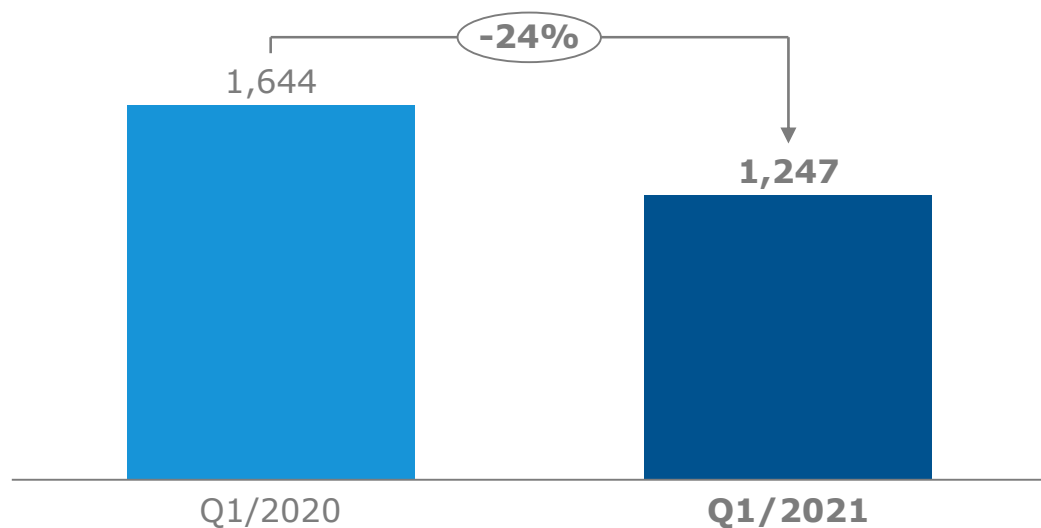
EBITDA margin
0.8%

Working capital ratio
-7.6%

- > Order intake of 1.25 GW in Q1/2021 shows a good start into 2021.
- > 73% of the order intake accounts for Delta4000 turbine series.
- > Sales increased to EUR 1,251m compared to EUR 965m last year reflecting high activity level.
- > EBITDA margin of 0.8% as expected due to challenging market environment and ongoing Covid-19 pandemic.
- > Refinancing of SSD secured via shareholder loan from anchor shareholder Acciona successfully executed.
- > Nordex share included in the mid cap index (MDAX) of Deutsche Boerse Group since 22 March 2021.
- > Guidance for FY 2021 maintained.

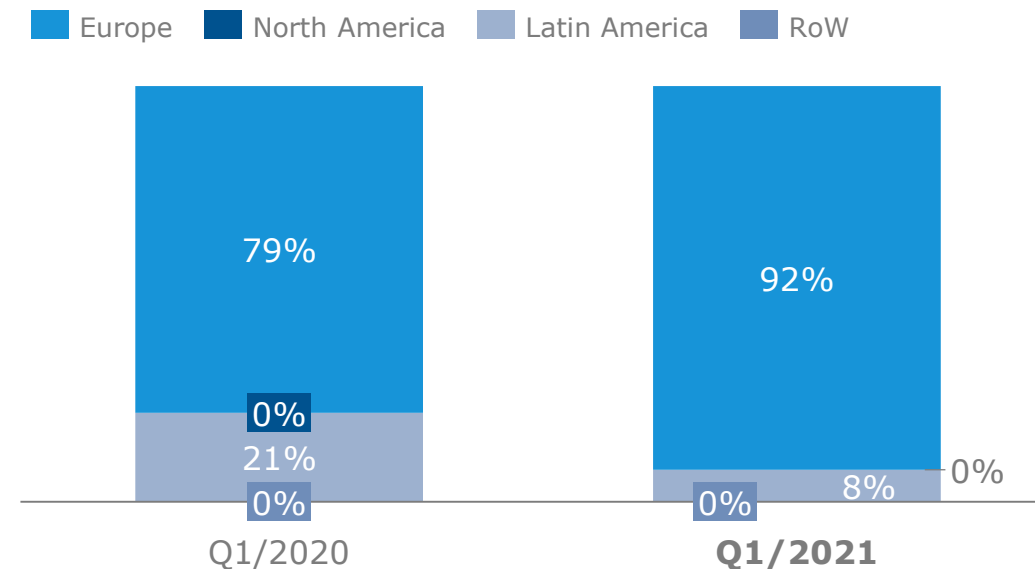
> Order intake Q1/2021

Order intake turbine* (in MW)



- > Solid order intake in Q1/2021 against the backdrop of the industry`s soft start into 2021
- > Order intake totaled EUR 911m in Q1/2021 (EUR 1,185m in the previous year period)
- > Increased ASP of EUR 0.73m/MW in Q1/2021 compared to 0.72m/MW in the previous year period

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



- > Orders received from 11 different countries in Q1/2021
- > Largest single markets in Q1/2021: Spain, Turkey, Germany and Finland
- > 73% of the order intake accounts for Delta4000 turbine generation in the first quarter 2021

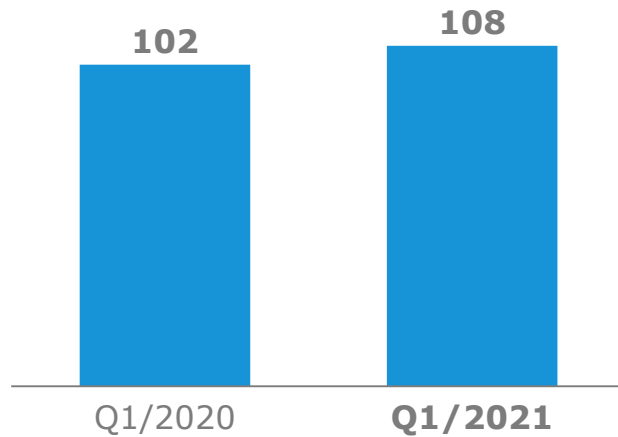
> Steady growth in service business Q1/2021

Development of service revenues (EUR m) and EBIT margin

EBIT margin

18.0%

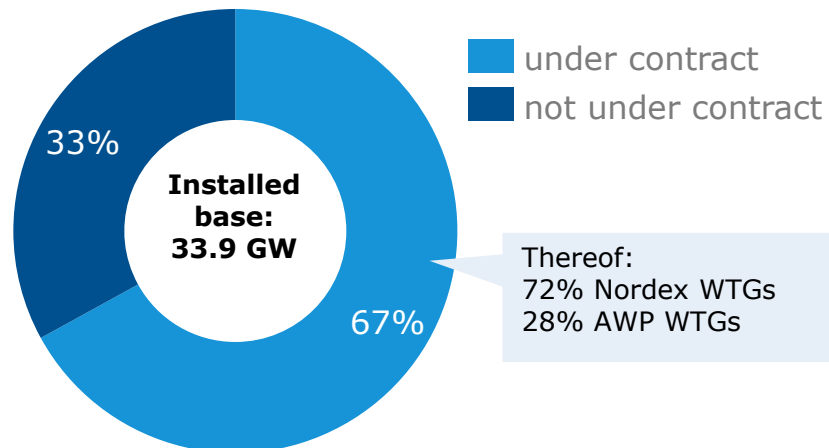
16.5%



Comments

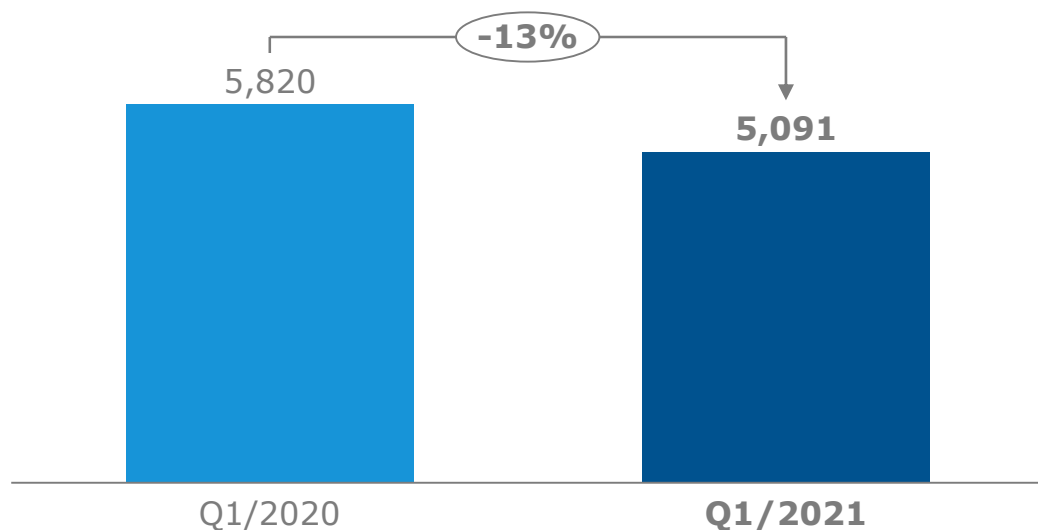
- > Service sales share totaled 8.6% of group sales in Q1/2021
- > Service EBIT margin of 16.5% in the first three months 2021
- > 97% average availability of WTGs under service in Q1/2021
- > Service order book remains strong of around EUR 2.8bn at the end of the first quarter 2021

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



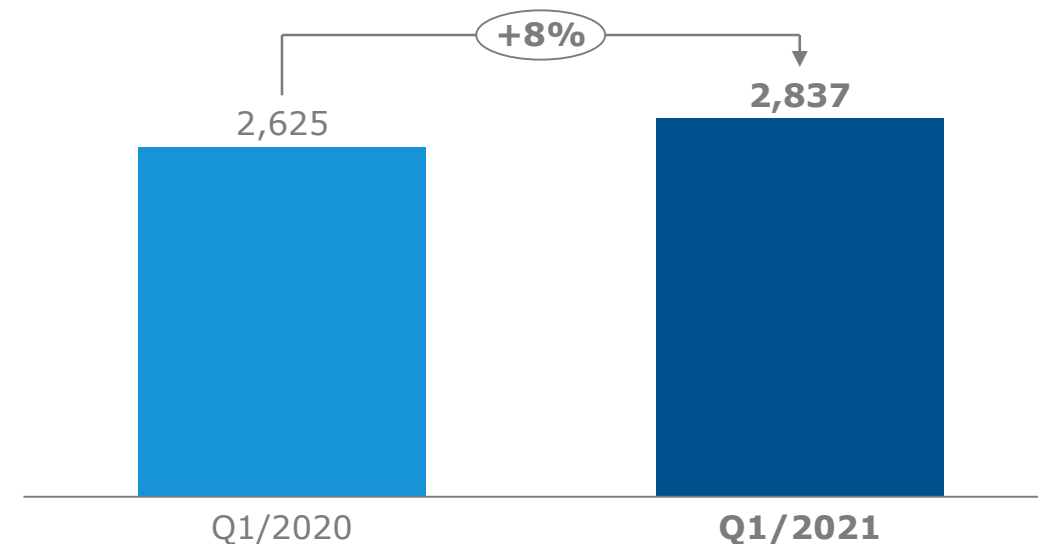
> Combined order book of over EUR 7.9bn at the end of Q1/2021

Order book turbines (EUR m)



- > Order book of around EUR 5.1bn at the end of Q1/2021 due to continuously good order intake
- > Order book development due to pick up in execution (EUR 5.3bn YE 2020)
- > Distribution of the markets in Q1/2021: Europe (68%), Latin America (16%), North America (12%) and Rest of World (4%)

Order book service (EUR m)



- > 8,558 wind turbines under service at the end of Q1/2021 corresponding to 22.6 GW

> Income statement Q1/2021

in EUR m (rounded figures)	Q1/2021	Q1/2020	abs. change
Sales	1,251	965	286
Total revenues	1,121	1,022	99
Cost of materials	-905	-865	-40
Gross profit	216	156	60
Personnel costs	-118	-90	-28
Other operating (expenses)/income	-88	-54	-34
EBITDA	10	13	-3
Depreciation/amortization	-38	-37	-1
EBIT	-28	-24	-4
Net profit	-55	-38	-17
Gross margin*	17.3%	16.2%	
EBITDA margin	0.8%	1.4%	
EBIT margin w/o PPA	-1.8%	-1.7%	

Comments

- > Strong sales of EUR 1,251m at the end of Q1/2021 reflects increased execution level
- > EBITDA margin of 0.8% as expected in Q1/2021
- > PPA depreciation amounted to EUR 5.4m in Q1/2021 (EUR 7.2m in previous year quarter)

> Balance sheet Q1/2021

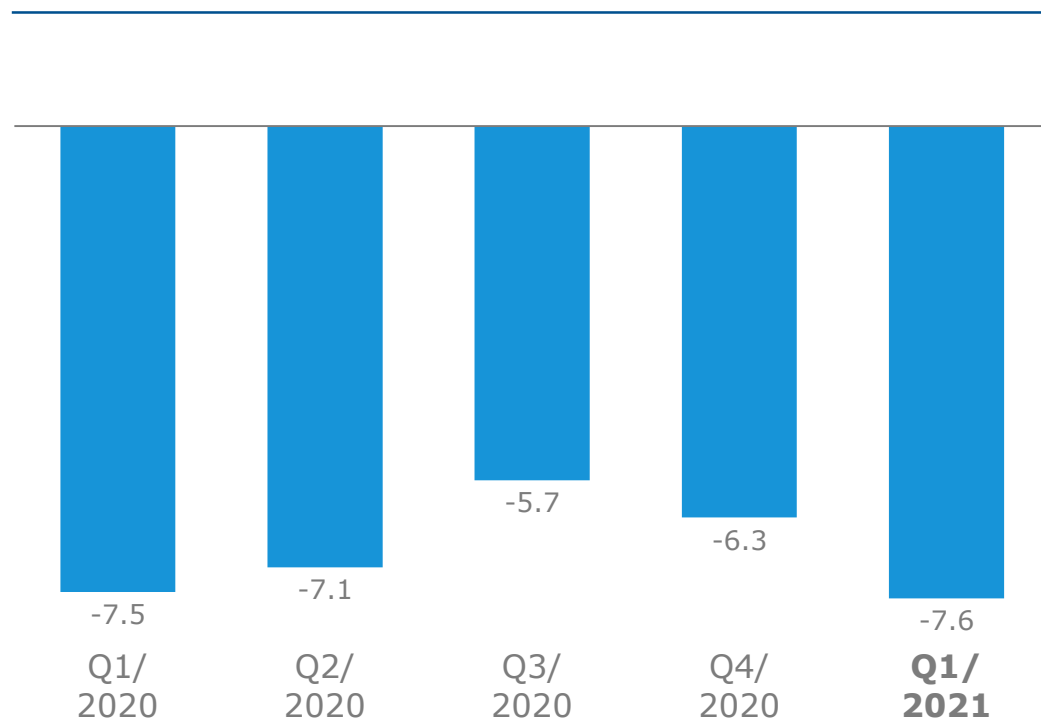
in EUR m (rounded figures)	31.03.21	31.12.20	abs. change	Δ in %
Non-current assets	1,523	1,526	-3	-0.2
Current assets	2,754	2,884	-130	-4.5
Total assets	4,277	4,410	-133	-3.0
Equity	693	774	-81	-10.4
Non-current liabilities	841	653	188	28.9
Current liabilities	2,743	2,984	-241	-8.1
Equity and total liabilities	4,277	4,410	-133	-3.0
<i>Net debt*</i>	33	41		
<i>Working capital ratio**</i>	-7.6%	-6.3%		
<i>Equity ratio</i>	16.2%	17.5%		

Comments

- > Cash position of EUR 743m at the end of Q1/2021 (EUR 778m at year-end 2020)
- > Refinancing of promissory notes (SSD) of EUR 215m successfully executed in April 2021

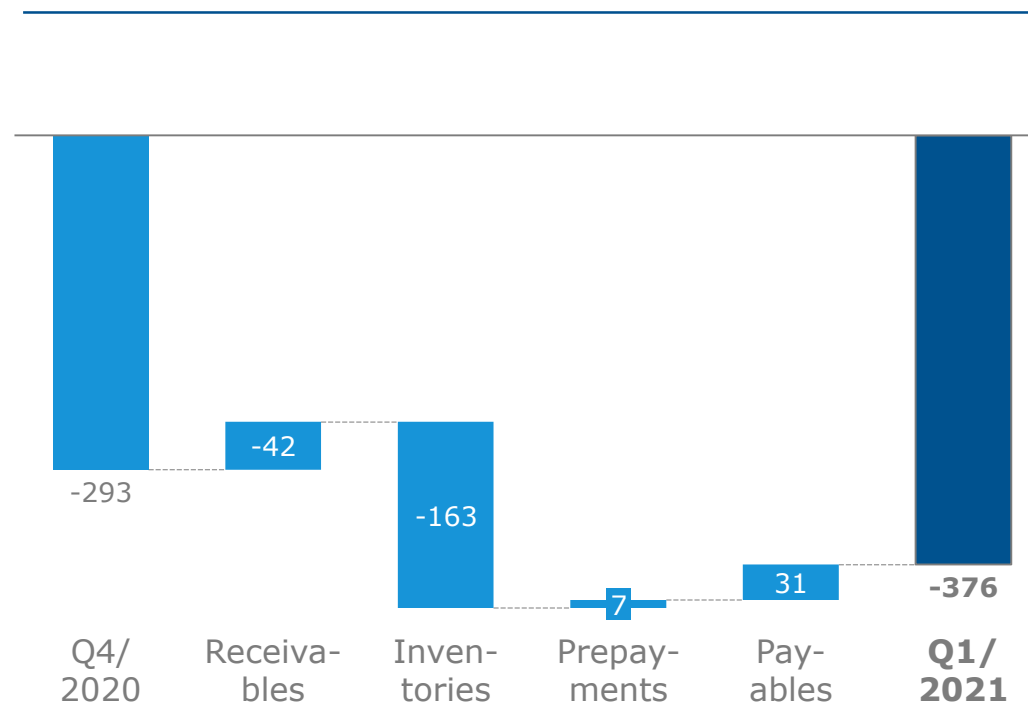
> Working capital development Q1/2021

Working capital ratio (in % of sales)*



- > Despite ongoing disruptions due to Covid-19 working capital further improved compared to year-end 2020
- > Low working capital ratio supported by ongoing stringent working capital management

Working capital development (in EUR m)*



- > Decrease in inventories driven by ongoing high installations

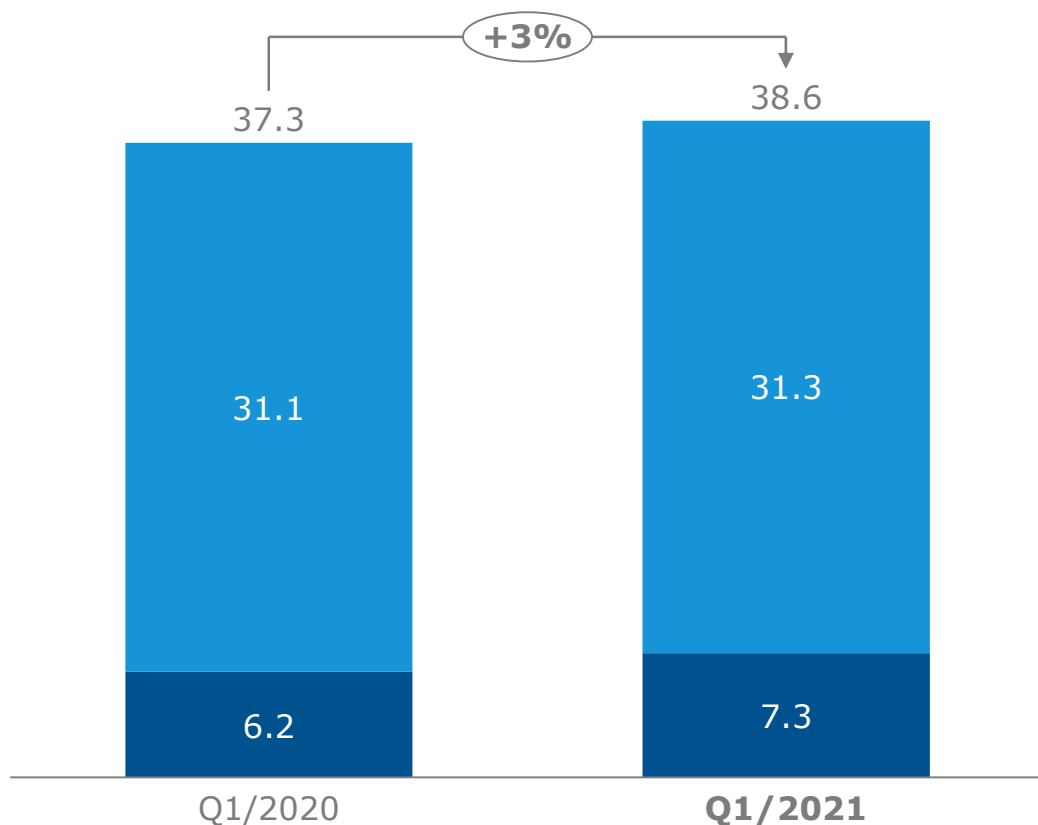
> Cash flow statement Q1/2021

in EUR m	Q1/2021	Q1/2020	Comments
Cash flow from operating activities before net working capital	-37.3	-10.3	<ul style="list-style-type: none"> > Cash flow from operating activities mainly supported by positive working capital development
Cash flow from changes in working capital	82.7	-11.5	
Cash flow from operating activities	45.5	-21.8	
Cash flow from investing activities	-35.1	-35.1	<ul style="list-style-type: none"> > Cash flow from investing activities reflects ongoing expansion of supply chain and blade production facilities
Free cash flow	10.4	-56.9	<ul style="list-style-type: none"> > Cash flow from financing activities largely determined by utilization of shareholder loan more than compensated by repayments under RCF and EIB facility
Cash flow from financing activities	-45.9	-6.7	
Change in cash and cash equivalents*	-35.4	-63.6	

> Total investments in Q1/2021

CAPEX (in EUR m)

- Property, plant, equipment
- Intangible assets

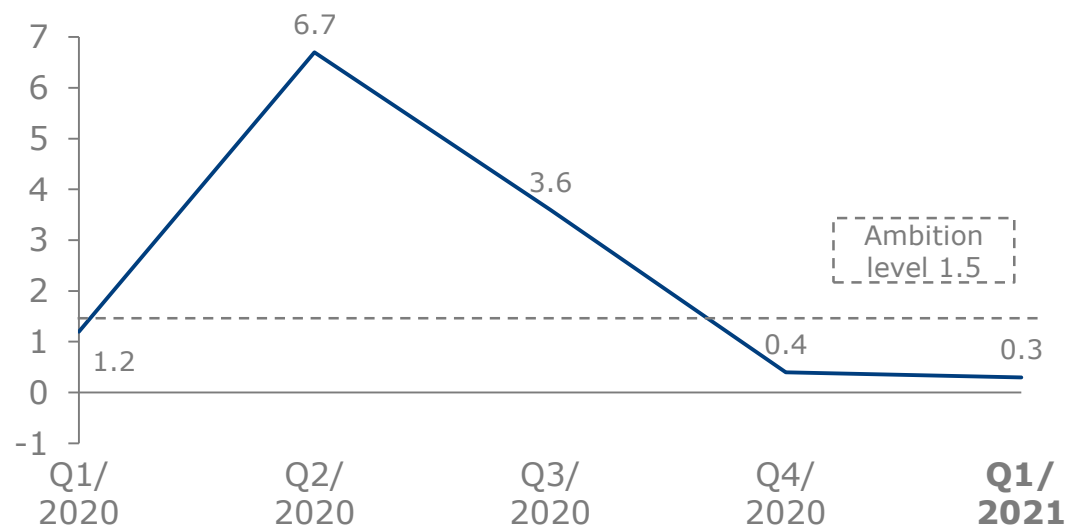


Comments

- > Investments in Q1/2021 mainly consists of:
 - Investments in blade production facilities in India
 - Investments in moulds
 - Investments in installation and transport tooling and equipment
- > Increase in intangible assets due to higher level of development costs compared to previous year period

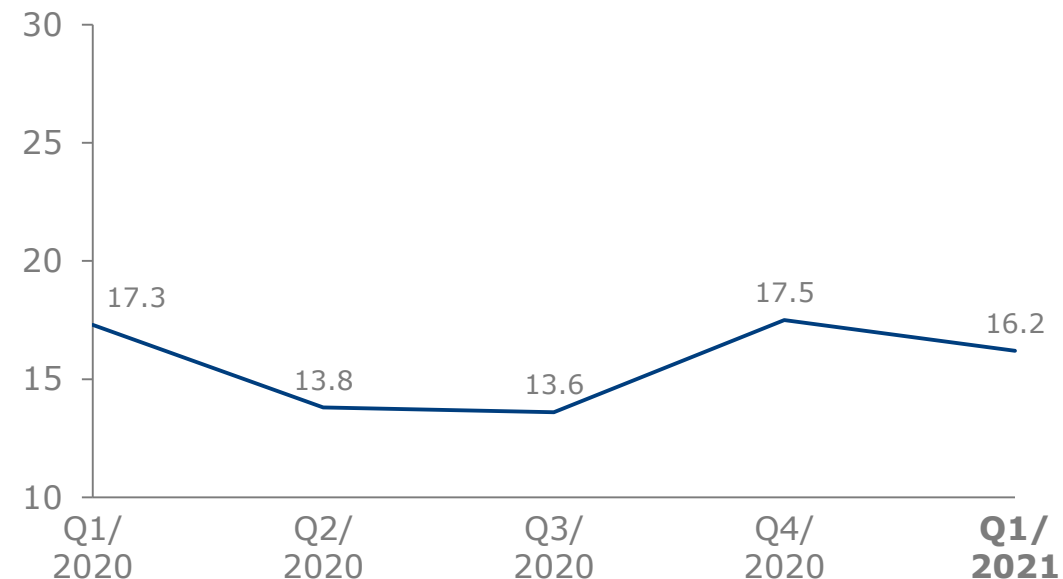
> Capital structure Q1/2021

Net debt*/EBITDA**



- > Leverage ratio stays further below own ambition level of 1.5 at the end of Q1/2021

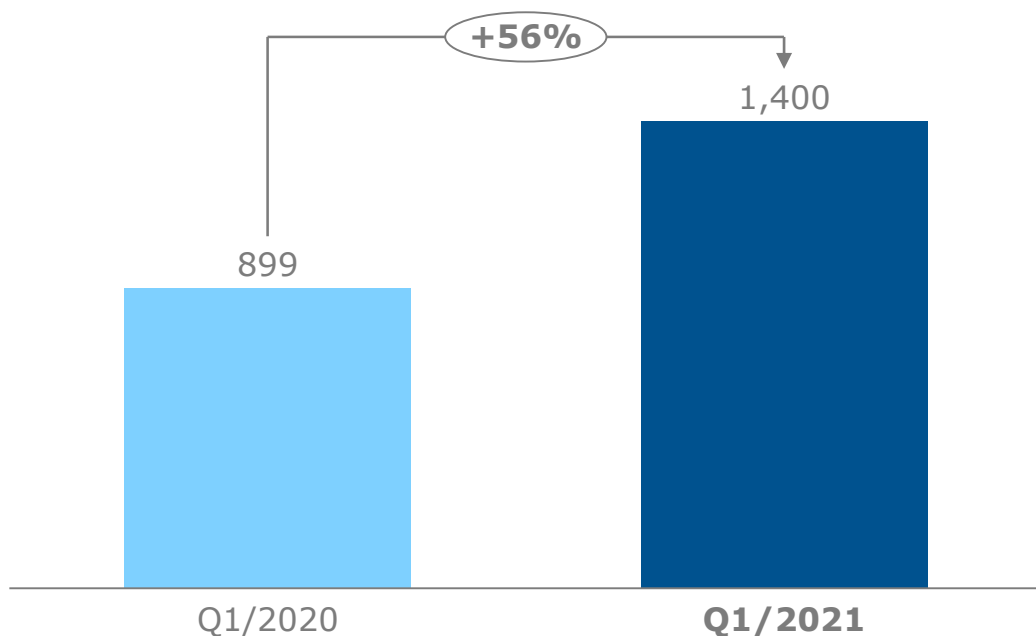
Equity ratio (in %)



- > Equity ratio slightly decreased due to negative net result

> Operations Q1/2021

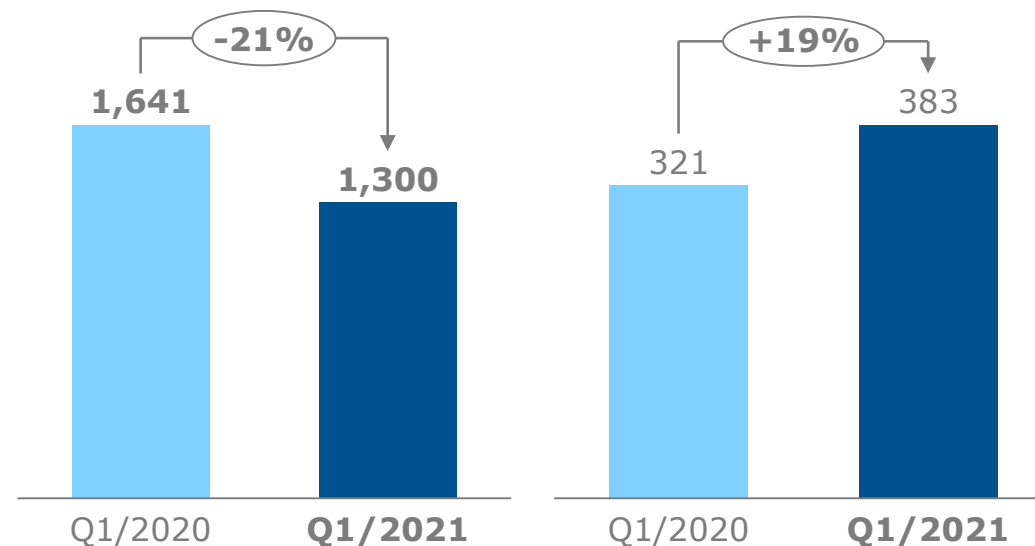
Installations (MW)



- > Total installations of 356 WTGs in 20 countries in Q1/2021 (Q1/2020: 269 WTGs)
- > Geographical split (MW) in Q1/2021: 57% Europe, 21% North America, 16% Latin America and 6% Rest of World

Production

Turbine assembly (MW) Inhouse blade production (#)



- > Output turbines amounted to 304 units in Q1/2021: 174 GER, 118 ESP and 12 BRA
- > Inhouse blade production of 383 units in Q1/2021: 172 GER, 95 MEX, 82 ESP and 34 IND
- > Outsourced blade production of 570 units in the first quarter 2021

> Guidance for FY 2021 in place

Sales: EUR 4.7 – 5.2bn

EBITDA margin: 4.0 – 5.5%

Working capital ratio: below -6%

CAPEX: approx. EUR 180m



Please note the assumptions underlying the guidance are subject to greater uncertainties than normal.

> Strategic targets

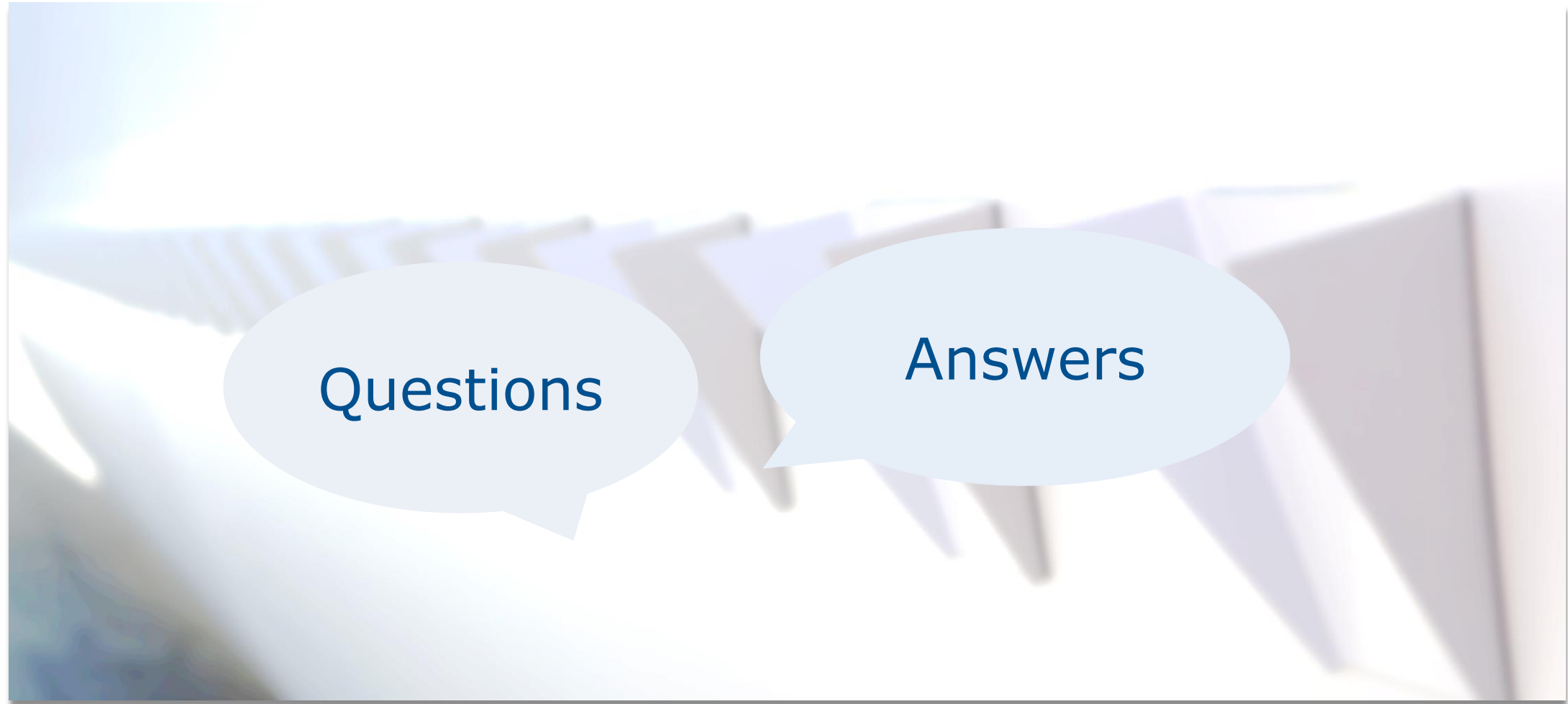
Sales: ~ EUR 5.0bn (in the short term)

EBITDA margin: 8% in FY 2022

Capacity: 6 GW+



> Time for your questions



Key takeaways

- > Positive business development expected in 2021 with increasing EBITDA margin in the course of the year.
- > Demand for Delta4000 series remains promising, even for new rotor variants.
- > Volatility and inflation in commodities, ongoing Covid-19 pandemic and logistical risks may have an impact in the short term.
- > However in the medium term prices could structurally improve, as the wind industry remains one of the key pillars in the global drive to achieve net zero emissions.
- > Challenging situation in India due to Covid-19, causing some delays in the ramp up.
- > Guidance for financial year 2021 confirmed.

 **Contact details****IF YOU HAVE ANY QUESTIONS PLEASE
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