Extraordinary General Meeting 2020
of Nordex SE

Speech of the Chief Executive Officer
José Luis Blanco

On 16 July 2020 (virtual)
Group headquarters, Hamburg

Check against delivery
Dear Shareholders,
Ladies and gentlemen,

On behalf of the entire Management Board, I would like to welcome you to Nordex SE's extraordinary General Meeting, which takes place as a virtual meeting. We are reporting from the Group’s headquarters in Hamburg. As you all know, COVID-19 is not over, but still dominating the agenda indefinitely. The health and safety of our staff and business partners remains our main priority.

I would like to start by explaining to you why we decided to invite you to this extraordinary shareholders’ meeting. As you all know, just about two month ago at the Annual General Meeting on 26 May 2020, we made some resolution proposals to provide the Management Board of Nordex with authorizations to increase the share capital flexibly – Authorized Capital I and Contingent Capital I. Unfortunately, the required majority of 75 percent of the represented share capital was narrowly missed – by about three percentage points. Therefore, Nordex currently has only very limited means to implement capital measures.

The Supervisory Board and the Management Board of Nordex firmly believe that this outcome does not meet the interest of Nordex or its shareholders. We have therefore invited you to this extraordinary General Meeting with the aim to correct the result of the last AGM and convince you as our shareholders of the necessity of the authorizations and rallying your required support in favour of these resolution proposals.

Why do we believe you should support our proposals? As you know, the Nordex Group is an internationally leading manufacturer of onshore wind turbine systems that are installed worldwide. We are on course for growth and are experiencing continuous high demand for our
products, especially for the new Delta4000 turbine generation. We are currently shifting our supply chain towards our demand and are planning to further expand our production capacities. Going down this path, our capital resources play a key role, for instance to meet financial requirements flexibly, make use of market opportunities, but also to meet the requirements of markets and business partners. Especially in a situation of an ongoing pandemic.

The revised authorizations we are proposing today to this extraordinary General meeting would provide Nordex with the requisite powers for the Management Board and the Supervisory Board to be able to meet financing needs of Nordex quickly and flexibly. This includes several scenarios. On the one hand being equipped with such instruments would very much help us to steer the Nordex Group safely through the COVID-19 crisis – which remains unpredictable and still causes uncertainties. On the other hand, we would also be in a position to exploit opportunities that might also arise in the current environment. Above all, the management would be enabled to prepare and support Nordex Group’s further growth trajectory, always provided that the measures taken are in the best interests of Nordex and its shareholders under the circumstances given.

Against this background, we have revised our agenda that we are proposing to you and which I would like to explain to you now:

**Agenda item 1** concerns the creation of a new Authorized Capital I with a volume of up to 24.55 percent of the current share capital. The existing Authorized Capital I expires on 9 May 2021. After its partial utilization to carry out the cash capital increase completed on 8 October 2019 this authorized capital now only amounts to around 9.7 million euros. To ensure that the company will still be able to flexibly and sustainably adjust - within narrow borders - its equity base at any time
in the future to reflect any requirements or opportunities that may arise, we will propose the creation of a new Authorized Capital I to today’s extraordinary General Meeting. The Authorized Capital I further comprises the authorization of the Management to exclude subscription rights of shareholders in certain cases with the approval of the Supervisory Board, but - in the interest of dilution protection for the current shareholders - only for up to 10 percent of the current share capital as a max.

**Agenda item 2** concerns the creation of a new Authorized Capital III with a volume of up to 15 percent of the current share capital. This Authorized Capital III is intended to provide Nordex with a second instrument to support the equity base of the company in a flexible and sustainable manner, so that the Nordex Group is able to address any financial requirements or opportunities that may arise. The Authorised Capital III only allows for cash capital increases and comprises the authorisation of the Management to exclude subscription rights of shareholders only for fractional amounts.

The Authorised Capitals I and III are intended to allow the management, for the next three years, to raise fresh capital if needed within a timely and flexible manner. The availability of such financial instruments, irrespective of the turn of the annual general meetings, is of particular importance, since the date on which appropriate funds must be raised cannot always be determined in advance. In addition, transactions can often only be carried out successfully in competition with other companies if secured financial instruments are already available at the time of the start of the consultations. In any case, the authorisations would provide the company with very short-term development opportunities on market conditions by being able to carry out both cash and non-cash capital raises in the short term.
**Agenda item 3** relates to the Management Board’s authorization to issue convertible and/or warrant-linked bonds and to decide on a corresponding Contingent Capital I of 17.28 percent of the current share capital. The previous authorization from 2016 expires on 9 May 2021. This authorization has not been utilized. To maintain the company's existing capabilities to establish suitable financing structures in this respect, we will today propose the creation of a renewal of such authorization and a new Contingent Capital I.

Compared to the Annual General Meeting on 26 May 2020, we have modified our resolution proposals for this extraordinary General Meeting as follows, especially to improve shareholder dilution protection and - by that - to find the acceptance even of skeptical shareholders or shareholder groups:

Firstly, we have introduced an overall limit for the capital authorizations of 40 percent of the current share capital applying for aggregate Authorized Capital and Contingent Capital. This ensures that under no circumstances can the current share capital be increased by more than 40 percent on the basis of the authorisations granted by today’s General Meeting.

Secondly, we have implemented an overall limit of 10 percent of the current share capital for the issue of new shares with the exclusion of subscription rights for all proposed authorisations. This means that all new shares that are sold or issued on the basis of the authorizations with the excluding of subscription rights from Authorized or Contingent Capital are capped at 10 percent and are to be counted against this limit.

Thirdly, regarding all agenda items, we are asking now for a term of **three years only** instead of five years as permitted by law.
Please note that the Authorized Capital 2019 and Contingent Capital 2019, representing 5.44 percent of the current share capital in sum, would theoretically need to be added to the thresholds, but only under certain circumstances, which are actually very unlikely. That would only be the case if all new authorizations were used first and afterwards the authorizations regarding employee participation programs would be exercised.

We are convinced that the revised resolution proposals strike a measured balance between Nordex’s ability to raise capital as needed from a management’s point of view and the legitimate interests of our current shareholders in adequate protection against dilution. By adjusting the proposed authorizations in terms of the amount, duration and cumulative maximum compared to the resolution proposals at the previous Annual General Meeting, the dilution protection for the existing shareholders was significantly improved.

I therefore kindly ask you to support us in equipping the company with the necessary means with your vote in favour of the proposed resolutions.

Thank you very much!