Annual General Meeting 2020
of Nordex SE

Speech of the Chief Executive Officer
José Luis Blanco

On 26 May 2020 (virtual)
Group headquarters, Hamburg

Please 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 first virtual Annual General Meeting. Today we are reporting from the Group’s headquarters in Hamburg. I would have preferred to welcome you to Rostock and answer your questions in person. However, COVID-19 is currently dominating the agenda indefinitely and the health and safety of our staff and business partners is our main priority.

I would like to start by providing you with a report on the past financial year.

Our aim for 2019 was to continue developing the Nordex Group as a competitive global company with positive long-term prospects. After all, the wind industry still offers excellent market opportunities across the world. In order to profit from these opportunities, we must have global reach in terms of sales and production, a highly-efficient product portfolio tailored to the needs of our customers and a solid financial structure.

In 2019, we recorded a very dynamic order intake, a sharp rise in installations, most of which performed in the second half of the year, and the expansion of our supply chain. At the same time, we also took key steps to enhance our product portfolio. In this respect, 2019 was also a very challenging year overall.

I am pleased to present the development of the Nordex Group and our markets to you. I will give my presentation in English as I am more familiar with the English language. Thank you for your understanding.

As I reported to you last year, the markets in our industry still work almost exclusively with auction systems and no longer use fixed feed-in tariffs. This has led to fierce competition in which a wind turbine's cost of energy is a crucial factor. However, it has also caused the wind industry to establish itself as the most cost-effective source of power in many markets and has emphasized its attractiveness. Meanwhile prices in the market have also stabilized once again. I will go into more detail on this point later.

Now I would like to present to you the Nordex Group's

Strategy:

Our goal remains to create long-term value for our shareholders, serving our customers globally, and developing Nordex into a Top Wind OEM as a global and lasting player of the industry based on 3 pillars:

1. <u>Developing Best In Class Product portfolio</u>:

Our competitive new Delta4000 platform represents the core of our product portfolio, with its characteristic scalability and low cost of energy. It can also be used in all relevant markets worldwide. For example, we have received orders from the Nordic countries, the USA, Australia, Argentina and Turkey. We started with the N149/4.0-4.5 for sites with moderate wind speeds before expanding the range to include the N133/4.8 strong-wind turbine in 2018. Both turbine types are in the four-megawatt class. Based on this platform, we added three new turbine types in 2019. In April 2019, we have already entered the five-megawatt class with our new N149/5.X model. This turbine is ideally suited for light to moderate wind conditions. We followed this up by unveiling another promising addition to the range, the N155/4.5, in May 2019. This turbine is particularly suitable for use in growth markets such as North and South America, where it offers cost benefits for our customers. In August, we launched our second turbine in the five-megawatt class, the N163/5.X, which performs particularly well in regions with low wind speeds. It generates up to 20 percent more energy (AEP) at a reduced cost of energy and enables higher returns on capital employed. We believe that this product portfolio makes us well positioned – and I think our sales success proves us right. We recorded our first order for a 286-megawatt wind farm with 53 N149/5.X turbines at the end of 2019, the first deployment of our new five-megawatt turbines.

I would like to take this opportunity to also highlight how the Delta4000 platform’s share of order intake has developed over the course of 2019. In both the first and second quarter, the platform’s share of orders was around 35 percent. This rose to 49 percent in the third quarter before increasing again to 57 percent in the final quarter of the year, showing a continuing upward trend. In 2019, the Delta4000 platform comprised a solid 44 percent of the total order volume of 6.2 gigawatts. We expect this trend to continue and further increase the share of Delta4000 in our future sales.

To complete our competitive positioning, we have the AW3000-range of turbines, a reliable and efficient turbine that is particularly suitable for use in markets with limited grid availability. This turbine has proven itself over many years in major projects for international utilities.

2. Developing a Global Best in Class Supply Chain:

As a global company with international demand for our products, enhancing and expanding our supply chain and its procurement processes is another key element of our strategy. Production, logistics and installation are closely coordinated to ensure that projects both inside and outside Europe can be processed efficiently. The extent and location of our production capacity are based on demand in order to optimize transport routes and times as well as costs. With this in mind, we have expanded our supply chain into the countries that allow us to profitably serve the markets where we operate serving our global customers.

It remains important for us to address the wishes and requirements of our customers at all times and enable them to win auctions and successfully complete projects.

Nacelles:

After successful test runs, turbines in the Delta4000 product range have been in series production in Rostock since mid-March 2019. We produce the nacelles, hubs, drive trains and control cabinets required for these turbines.

The Delta4000 product range enables Nordex to offer different turbine types for all wind classes while maintaining the same outer dimensions for the nacelles. This, together with identical transport requirements for all of the models in this range, is also a major benefit when it comes to

production line adjustments. Overall, we can manufacture more than 800 turbines in Rostock each year.
We also began series production of the Delta4000 product range at our Spanish plant in La Vall d'Uixó in December to meet the global increase in demand. Approximately 250 turbines with output of over one gigawatt can be produced at this plant each year.
Furthermore, we have started to use China for our sourcing activities, especially of major components. In addition to support our worldwide logistic activities we are preassembling key modules of our turbines here as well (smart logistics). Further development of the nacelle production sites will continue in 2020 in order to serve the demand.

<u>Blades:</u>

In Rostock in Germany we have started with the production of the blades for our new Delta4000 platform. Later on we have expanded the rotor blade production in India. In the third quarter of 2019, rotor blade production began in Matamoros, Mexico, where blades for the AW and Delta4000 platforms are being manufactured. With blades from these plants, we can supply both the local markets as well as the North and Latin America. Moreover, we have changed our production line in Spain so that we are now able to produce blades for the Delta4000 here as well, in order to cover the strong demand accordingly. We are also ramping-up Delta 4000 blade production sites with our third party suppliers in Turkey and Brazil.

<u>Concrete Towers:</u>

Looking into our history we have a long-standing expertise to produce concrete towers on our own. This is a clear strategic advantage of the merger since this special technological knowledge coming from the Acciona Windpower’s side is delivering continuously additional value. Today we are the only company of the global four OEMs being able to serve and provide our customers with this type of towers. We are producing all concrete towers in-house, meanwhile in 11 factories in 8 countries. All of these factories are mobile, supporting not only logistics and costs but also the local value chain for e.g. blue collar workers which is important in markets like Brazil. Our target is to increase and prepare our units to produce up to 1,000 towers per year in the future. On the other side we have outsourced steel towers completely to keep our flexibility high.

And

3.- Supported by a Stable Organically growing Service Business:

Our Service business is a major strategic pillar of our business generating stable, predictable and recurring cash flows and attractive margins. Now we offer our services to onshore wind turbine operators in more than 40 countries around the globe. We have overhauled our range of services in 2019 to ensure that we can offer major customers modular services. Our service portfolio offers a wide range of service products such as replacement parts, spare part management, yield-boosting upgrades, training sessions, and 24/7 control of wind parks. We have seen top line growth of about 10 percent in this segment for some years now. Our target remains to further expand this segment to offer our customers attractive terms and services going forward.

In summary we have meanwhile installed more than 28 Gigawatt in more than 40 countries. We have increased our manufacturing capacities and have laid down the foundation for setting up a global supply chain for 6-plus gigawatt company in the near future, the majority of which will be based on the more profitable Delta4000 platform.

As our shareholders, ladies and gentlemen, you can see that our company remains on track for long-term growth. Our incoming orders are increasing, and we are profiting from our cutting-edge products as well as generally positive developments in the global market. This prompted Nordex SE to seek additional financing. To this end, we carried out a 10 percent capital increase via a direct placement with our anchor shareholder Acciona S.A. in October 2019 to finance our growth trajectory. We generated 99 million euros in gross issuing proceeds, which has strengthened our equity base as part of our growth plans and is providing us with support as we process our high order volume. Acciona S.A.'s commitment to the capital increase sent our other stakeholders a clear signal of its confidence in our company and thus in our business model and the quality of our products. At this point I would like to make reference to the Management Board’s report on the utilization of the Authorized Capital I to create 9,698,244 [nine million, six hundred and ninety-eight thousand, two hundred and forty-four] new shares in Nordex SE, which we have published on the Investor Relations section of our website under Annual General Meeting. I will also speak about this in more detail towards the end of my speech.

I would also like to mention another aspect of the capital increase. By acquiring the newly issued shares, Acciona S.A. increased its shareholding in Nordex SE beyond the 30 percent threshold, at which point German law required Acciona to make a takeover offer for all outstanding shares.

Accordingly, in November, Acciona submitted a voluntary takeover offer to Nordex shareholders for a purchase price of 10.34 euros per share. Only 0.14 percent of the shares were tendered by the end of the final offer period on 6 January 2020; Acciona's stake in Nordex SE increased to 36.41 percent as a result. I would like to emphasize once again that we very much welcome the support of our anchor shareholder for our growth plans.

I would now like to address the developments in our markets and explain our business performance for 2019. I will then come to developments in the first quarter of 2020 and discuss the impact of COVID-19, including in relation to the future outlook.

Market development 2019/2020

I would like to start with Germany. The volume in wind energy auctions in Germany is set to increase to 4.1 gigawatts in 2020 due to extra capacity added to the regular tenders. This increase is one of a set of measures with which the federal government hopes to achieve its internationally binding climate targets. But despite this effort, the reality is that wind projects are facing difficulties to get the building permits on time to be able to participate in the auctions, and as a consequence, all other auctions in 2019 prior to the December auction were undersubscribed, in some cases very significantly. As a result, the expansion of wind energy in Germany practically ground to a halt in 2019. Projects with a combined volume of around 15 gigawatts are currently awaiting permission to get built. In light of the anticipated transition to renewable energy and the achievement of climate goals, the pressure on political decision-makers to find a short-term solution is very high. Wind industry associations, trade unions and environmental organizations have presented politicians with an action plan aimed at supporting the development of the wind sector. Several different solutions are currently being pursued by political decision-makers and the industry.

The market is at an all-time low level of activity. Despite this, in the medium term we expect that there will be good market opportunities for us in Germany. Our new Delta4000 turbine is ideally suited to the German market due to its high degree of efficiency and flexible scope of application. Moreover, the federal government reaffirmed its intention to lift the share of total electricity generation attributable to renewables to 65 percent by 2030. Although Germany will remain an important market for us, fortunately, we are no longer dependent upon it.

Onshore wind energy has witnessed a tremendous increase in efficiency over the last few years, and as a result, today is the cheapest and cleanest form of electricity generation available to mankind. Many industries with a high level of electricity consumption and sustainability consciousness have realized this, and are now willing to enter into long term wind generated electricity supply agreements. This is sustaining the demand for wind turbines in numerous markets across the globe. In fact, today, efficient economics and sustainability are the main fundamental drivers for demand across the globe. This includes many European markets such as Spain, Sweden, Finland, Norway as well as Turkey, where Nordex is the market leader.

During 2019 we achieved a very significant growth in the European markets with 47 percent increase in turbine orders over 2018. The main drivers for this growth were southern markets like Spain, Turkey, Croatia or Greece, and eastern European markets like Poland and Ukraine.

I would now like to discuss the American markets.

The USA is and remains our biggest market. In 2019 we had a very successful year with a 145 percent increase in wind turbine orders compared to 2018. This year we are looking forward to seeing good order intake and executing very high installation volumes that are expected to remain at a healthy level in 2021. Additionally, at the end of 2019 the US Senate decided to increase the value of the Production Tax Credit or PTC system to 60% for the projects concluded by the end of 2024. This will help sustain demand in the market during the years 2023 and 2024.

Overall, the picture in the Latin American markets remains stable. Despite the difficulties experienced with auctions in Brazil or Mexico, again, private industries are entering into long-term power purchase agreements that help maintaining the activity level in the markets. Additionally, we are expecting to see auctions in Colombia, Chile or even Ecuador by the end of the year.

In terms of markets in the rest of the world, I would like to start with South Africa. With the reactivation of the market during 2019, our projects are currently in the implementation phase. Overall, South Africa remains a very attractive market for us. We are now expecting the fifth round of tenders to take place at the beginning of 2021, while beyond that, wind capacity of 14.4 gigawatts is also planned by 2030.

In India, there are structural problems that are currently preventing the market to develop to its full potential. The ultimate buyers of electricity are state owned distribution companies in financial difficulties, and until the government pushes for a privatization program there will be difficulties for the market to take off. There are difficulties as well for private companies to enter into bilateral power purchase contracts. However, the Indian government has announced its intention to promote bilateral power purchase agreements as well as to conduct new auctions without a price ceiling. Up to 175 gigawatts are planned overall.

We are also expecting further auctions in Australia and see good opportunities for additional orders in this market.

On that basis we believe that the medium-term outlook for our industry and thus for the Nordex Group remains positive. Demand for renewable energy after the COVID-19 pandemic will bolster the economic recovery as climate change will remain an important global issue. Our turbines have evolved in many ways in recent years, from their increased output and extended operating life time to lower cost of energy, not forgetting the role of digitalization as a key part of our product and service strategy. Last year I told you that we invested in a technology platform that guarantees fast and easy access to wind turbine data. We have now implemented this platform. Thousands of sensors attached to our customers’ turbines enable us to collect and evaluate huge amounts of data. By doing this, we gain insights that we can use to further refine the services we offer to our customers or to develop new innovations for our turbines. We can also better monitor wind farms or optimize business processes. This also helps us to maximize the amount of energy generated for our customers.

We took another important step this year by harmonizing our IT landscape. We introduced SAP in Spain and raised our IT infrastructure to a new level. This allows us to interlink and synchronize our business processes even further. Digitalization will remain with us and we will systematically take advantage of the technological opportunities it offers us. This will help us in our long-term partnerships as a strategic supplier to our customers.

Ladies and gentlemen, demand for energy will continue to rise and the trend towards renewable energy can no longer be reversed despite the current economic situation. It could even give our industry an additional boost – if renewable energy is placed at the heart of economic measures as has been frequently demanded. The latest technology is on the market, ensuring not only a stable price environment but also renewable energy production. As Nordex Group, we are part of the shift towards the decarbonisation of the economy and renewable power generation amid this environment, and we have made such a significant contribution to further reducing the cost of energy with our products that onshore turbines are now the most competitive energy source in many markets. We will continue to support this trend and play our part in making the transition to renewable energy a success. On the one hand, there are clear political signals from bodies such as the European Union, for example, which has laid down a target of generating at least 32 percent of its energy from renewable sources by 2030. Some countries are being even more ambitious. Sweden, for example, is aiming to be completely carbon neutral by 2045. On the other hand, we still need to convince some sections of society, the public and even some politicians about the advantages of renewable energy and actively encourage dialogue. One way in which we can do this is with the fourth edition of our Sustainability Report, which we published on 24 March together with our annual report for 2019. In our Sustainability Report we not only talk about the latest developments in the field of sustainability but also our strategy in this regard for 2019 to 2021, as well as about the process and results of the lifecycle analysis carried out on a wind farm with the new turbines on the Delta4000 platform. I find it remarkable that our new turbine only generates 6.4g of carbon emissions per kilowatt hour. To illustrate how low this figure is, it is significantly less than a person exhales in one hour. Clear political support and decision-making is now required to introduce the right measures, such as accelerating the approval processes for constructing wind farms and power lines, to name just one example. This is important for all those participating in the market, from consumers and energy companies to manufacturers like us.

Ladies and gentlemen, I would now like to discuss our business performance in 2019.

Business performance in 2019

2019 was an intense year for us. We expanded our product portfolio, began Delta4000 series production in Germany and Spain, forged ahead with the expansion and transition of our supply chain, lowered the cost of energy further and strengthened our capital structure with a capital increase. Together with our employees and teams, my fellow board members, CFO Christoph Burkhard, CSO Patxi Landa and I successfully implemented numerous measures and initiatives and enabled our company to make significant progress. With this in mind, we believe we are well positioned for the challenges ahead.

After all we were able to conclude the 2019 financial year in line with our guidance. At this point, I would like to thank our employees for their great passion, perseverance and immense longstanding commitment!

In numbers: In 2019 we increased sales from just under 2.5 billion euros in the previous year to nearly 3.3 billion euros, almost in the middle of our forecast corridor of 3.2 to 3.5 billion euros. A good 2.9 billion euros in sales were attributable to the turbine business and about 400 million euros to the Service segment. The rise in sales, which we anticipated on this scale, is due in particular to significant growth in the number of installations.

Gross profit, which is gross revenue less the cost of materials, increased by 121.4 million euros to 775.4 million euros. As the cost of materials rose more sharply than gross revenue, the gross profit margin fell from 26.6 percent to 23.6 percent.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased to 123.8 million euros after 101.7 million euros in the previous year. Overall, sales grew more strongly than operating profit. As a result, the EBITDA margin of 3.8 percent was slightly below the previous year’s figure of 4.1 percent, but still within the expected range of three to five percent.

After deducting depreciation and amortization, earnings before interest and taxes (EBIT) was minus 19.6 million euros after minus 54.2 million in the previous year. We closed the year with a consolidated net loss of 72.6 million euros.

The significant increase in business volumes with the steady rise in installations caused total assets to increase by 31 percent, which meant that this figure grew more sharply than equity. The equity ratio decreased from 22.8 percent to 18.6 percent as a result. At the end of the year, the cash position amounted to 510 million euros after 610 million euros in the previous year, which means that we still have a robust balance sheet structure.

The program we initiated to reduce our capital commitments – otherwise known as working capital – continued to bear fruit over the past year. This key figure is very important in the project business, particularly in the operating business. We significantly improved our working capital ratio as a percentage of consolidated sales from minus 3.8 percent to minus 9.1 percent. We wanted to keep this figure below two percent, and have clearly succeeded in doing so.

Although we initially planned investments of 120 million euros for 2019, we linked the final amount to incoming orders during the year under review. As a result of the continuously high order intake, we then increased the investment amount to around 160 million euros. At the end of the year, investments were in line with expectations at 172.5 million euros. We primarily invested in the rotor blade plants in Mexico and Spain as well as the expansion of production in India. The procurement of production and installation equipment for international projects was yet another factor.

I would now like to discuss some key operating figures starting with our production where you may already see our efforts to enlarge and enhance our production footprint as I have mentioned at the beginning or my speech. Our turbine production rose by 90.9 percent from 727

units in the previous year to 1,388 in 2019, of which 146 came from the Delta4000 platform. The increase in megawatt is even higher due to lager name plate capacity of the turbines. This figure increased by more than 105 percent to 4,677 megawatt compared to 2,278 in the previous year.
Regarding the blade production we have also seen a strong jump of our in house production by 69 percent from 807 in 2018 to 1,366 in this year. Please let me add that have also outsourced 65 percent of our blade production in 2019 to keep the flexibility high. This year this share might change depending on the market conditions.

In 2019 our installed capacity increased by 22.5 percent, rising from 2.5 gigawatts to almost 3.1 gigawatts. Thus, in 2018 we constructed 828 turbines in 17 countries while we enhanced the number of constructed wind turbines to 938 in 21 countries in 2019, making us the fourth-largest manufacturer outside of China.

Order intake for projects increased once again in 2019, amounting to 4.4 billion euros for the full year after 3.6 billion euros in 2018. As a result, our order book in the turbine business also grew from 3.9 billion euros to 5.5 billion euros. The order book demonstrates the global positioning of our company and as it is well distributed across the different regions, with 52 percent relating to Europe, 19 percent to North America, 17 percent to Latin America and 12 percent to the rest of the world.

Our service business is characterized by a high level of stability, steady cash flows, attractive margins and continuous growth. It also enables us to maintain a close relationship with our customers and thus remains an important and strategic enabler of our business. At the end of 2019, we serviced more than 7,760 turbines with a total output of 19.6 gigawatts – and these figures are expected to rise further. Sales in the Service segment increased by 17.7 percent from 343 million euros to 403 million euros and thus accounted for 12.3 percent of consolidated sales. The EBIT margin rose from 16.1 percent in the previous year to 17.7 percent.

Order intake in the service business also increased significantly by 28 percent from 543 million euros to 695 million euros. As a result, the volume of our current service contracts also grew by 14.4 percent from 2.2 billion euros to 2.5 billion euros.

This caused the order book for new turbines and maintenance contracts to expand from 6.1 billion euros to 8.1 billion euros by the end of 2019.

Q1/2020

Before I turn to the outlook for the current financial year, I would like to present to you our figures for the first quarter of 2020, which we published on a preliminary basis on 5 May and in full on 11 May 2020. Let me start by saying that our results for the first quarter of 2020 were not yet affected by COVID-19 and the measures taken globally to combat its spread.

We more than doubled our sales from just under 400 million euros to around 965 million euros. This positive performance is primarily due to the significant rise in installation numbers in the Projects segment. Approximately 863 million euros of consolidated sales was attributable to the Projects segment and 102 million euros to the Service segment, which grew by almost 17 percent year-on-year. The EBITDA margin was 1.4 percent, thus exceeding the previous year’s figure of 0.8 percent.

The encouraging order performance continued in the first quarter of 2020 with 1.6 gigawatts in the Projects segment, the tenth quarter in succession that we have generated order intake of one gigawatt or more. Of these new orders, 79 percent came from Europe and 21 percent from Latin America. The most important individual markets were Norway, Chile and the United Kingdom. The share of orders comprised by our Delta4000 turbines also increased significantly to 85 percent.

Turbine assembly grew from 698 megawatts to 1,641 megawatts, while rotor blade production levels increased to 321 units, up slightly on the previous year's figure of 300 units.

We reached a very important milestone for our business in April by successfully refinancing our guarantee line of 1.21 billion euros for at least another three years in a very challenging market environment. This guarantee facility is provided by an international syndicate of 21 banks and insurance companies and enables us to ensure that our project business can continue to provide our customers with the customary bank guarantees in relevant key currencies. This guarantee line is linked to ESG criteria and has been certified accordingly as a sustainable investment.

Outlook on 2020

Let me now turn to the outlook for the current financial year. The effects of the COVID-19 pandemic have been dominating our everyday lives in Europe and many other regions for several months now. The Nordex Group and the wind energy sector as a whole are being impacted by this crisis.

We have made a good start into the year, as expected. As our operations were largely unaffected by COVID-19 effects until well into March, we decided to publish a guidance for 2020, but to attach a caveat. Our guidance issued on 24 March was based on the expectation that we would be able to process our strong order book efficiently and without any material interruptions despite the measures taken at the time and any subsequent measures to contain COVID-19.

Against this backdrop, we expected to generate consolidated sales of 4.2 to 4.8 billion euros and EBITDA of 160 to 240 million euros in 2020. These broad ranges were intended to take into account the high activity levels and the wide-ranging operational challenges and uncertainty on the production side. The working capital ratio as a percentage of consolidated sales was predicted to be in negative territory at the end of the year. Capital expenditures were anticipated to amount to at least 140 million euros in 2020, with the final amount ultimately depending on the market situation and the pace in which the supply chain continues to evolve.

In the last few days of March – after the publication of our guidance – we began to feel the effects of the Covid-19 pandemic. Since April this led to repeated interruptions in our supply chain and in production that are still continuing.

In view of the continuing uncertainty regarding the duration and severity of the disruptions, the potential further consequences on supply

chain, productions and execution of project installations cannot be reliably assessed - which is why the prerequisites for a realistic and robust estimation of Nordex's performance this year do not exist. We therefore decided on 5 May 2020 to withdraw the guidance for the financial year 2020.
Unfortunately, owing to the current situation and the uncertainty surrounding its duration, it is not possible to predict with any certainty when a new guidance for financial year 2020 will be available.

Our main focus is on safeguarding the health and safety of our employees and business partners. We are also working hard to keep our supply chain and our production up and running to the extent feasible, and to process our customers' projects as well as we can, despite all the disruption and uncertainty.

This concludes my report on financial year 2019, the outlook and current performance of the Nordex Group.

As announced by the Chairman of our Supervisory Board and Chairman of today's Annual General Meeting Dr. Ziebart, I would like to briefly mention the proposed resolutions on today's agenda.

Agenda items 1 to 3 relate to the aforementioned annual financial statements for 2019 and the resolutions to ratify the acts of the Management Board and Supervisory Board for the past 2019 financial year. Agenda item 6 concerns the election of the auditor for the current 2020 financial year.

In the context of agenda items 4 and 5, which I would like to address in more detail, allow me first to once again take a look at the capital measures implemented by the Company in 2019.

Part of Authorized Capital I approved by the AGM 2016 was used with the consent of the Supervisory Board during the past year. As I have briefly mentioned already, the aim of this was to strengthen our equity base to enable us to address the growing demand reflected in our strong order momentum. We increased the share capital of the Company by around 9.7 million euros, which represents a rise of just under 10 percent. The new shares were subscribed for and acquired by our major shareholder Acciona S.A. as part of a private placement. This is highly encouraging and sends a strong signal to the market and other shareholders of our major shareholder Acciona’s confidence in our company's business model and the quality of our products. The issue price was 10.21 euros, thus exceeding the stock’s closing price in XETRA trading on the day the resolution was passed by the Management Board and Supervisory Board. The shareholders’ subscription rights were excluded; essentially because granting such pre-emptive rights would not have allowed to facilitate such rapid response to the company's capital requirements. In addition, it is likely that the price for new shares in the market at that time would have had to be substantially discounted and the issuing costs would have been comparatively higher – as we would otherwise have had to prepare a securities prospectus, for example. In the light of this, it is our firm view that the exclusion of subscription rights was well justified and very much in the Company’s best interest. A detailed explanation of this decision can be found in a written report by the Management Board on our website.

To enable the Company to act quickly again or to raise extra capital - as may be required in the future - we have added the following proposed resolutions to today's agenda:

Agenda item 4 concerns the creation of a new Authorized Capital I accounting for around 30 percent of 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 – which I mentioned a few moments ago – this authorized capital now only amounts to around 9.7 million euros. To ensure that the company will also be able to flexibly and sustainably adjust its equity base at any time in future to reflect any requirements or opportunities that may arise, we will propose the creation of a new Authorized Capital I to today's Annual General Meeting.

Agenda item 5 relates to the Management Board's authorization to issue convertible bonds or options with warrants and create a Contingent Capital I for this purpose with the approval of the Supervisory Board. The previous authorization from 2016 expires on 9 May 2021. This authorization has not been utilized. To maintain the company's existing opportunities to establish suitable financing structures in this respect, we will today propose the creation of a new, extended authorization and a new Contingent Capital I.

Please allow me to emphasise that the authorisations sought from you with these resolution proposals today - specifically the volumes of potential new share issues - should also be assessed against the background of the current economic environment. The evolving pandemic and its impact on life, society and the economy are unprecedented and it will be impossible for some time to come to predict outcomes or the potential capital needs of the Company over the coming months and years. These authorisations are meant to put as much flexibility as may reasonably be required at the disposal of the joint management of the Company, for the Management Board acting with the consent of the Supervisory Board.

I therefore kindly ask you to support us in equipping the Company with the means to be able respond to the challenges we may be facing in this rapidly changing market environment, should the need arise.

For further details about today's agenda items together with the necessary reports, please consult your invitation to this Annual General Meeting, which has been provided to you in printed form and is also available on the Investor Relations section of our website under Annual General Meeting.

Before we start answering the questions you submitted to us ahead of the Annual General Meeting, I would like to take this opportunity to thank you for placing your trust in us. The effects of COVID-19 have already begun to make themselves felt and will continue to impact large parts of 2020. This will also affect our company's business performance and will require you to have a certain degree of patience. Interruptions on the procurement and production side will continue to occupy us and present us with challenges. Nevertheless, demand for our turbines, particularly the new Delta4000 platform, remains high. The service business is also running almost without spare capacity despite COVID-19 and is thus delivering stable cash flows. Overall, we believe we are well equipped for the challenges ahead, even though the share price is still characterized by volatility and uncertainty. We firmly believe that demand for renewable energy will continue to grow and will provide sustainable support for the economic recovery after the COVID-19 pandemic. Our goal here is the same as ever: to ensure that you, our shareholders, can benefit from the fundamentally positive outlook for our industry and the Nordex Group in the long term.

I would also like to thank our business partners, employees and employee representatives.

Thank you very much!