

# NORMA Group SE

First Quarter 2021 Results

Maintal,  
May 5, 2021



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## Facts & Figures Q1 2021

Good Q1 2021 results confirming FY 2021 guidance

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## Top Line, Segment Reporting and P&L

Sales and margins showing good recovery

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## Net Debt & Equity Ratio

Slight increase in Net Debt, Leverage with sequential improvement

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## Cash Flow & NORMA Value Added

Positive Net Operating Cash Flow and NOVA

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## Guidance

Good Q1 2021 results confirming FY 2021 guidance

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## FY 2020 IR Presentation

A challenging year 2020 behind  
All eyes on 2021 and beyond!

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## Sales growth

Sales up by 13.0% to EUR 286.4 million (Q1 2020: EUR 253.6 million), thereof +17.8% organic growth and -4.9% currency effects

## Adjusted EBITA (Margin)

Adjusted EBITA at EUR 39.5 million, respectively +45.5% (Q1 2020: EUR 27.1 million)  
Margin at 13.8% (Q1 2020: 10.7%)

→ [NORMA Group's Sales & Earnings Development \(p. 10\)](#)

## Adjusted EBIT (Margin)

Adjusted EBIT at EUR 36.9 million, respectively +47.0% (Q1 2020: EUR 25.1 million)  
Margin at 12.9% (Q1 2020: 9.9%)

## Net Operating Cash Flow

Net Operating Cash Flow of EUR 2.5 million (Q1 2020: EUR 6.7 million)

## Balance Sheet

Equity Ratio of 42.5% (Dec. 31, 2020: 41.7%)  
Net Debt at EUR 352.0 million (Dec. 31, 2020: EUR 338.4 million)

## Dividend

Dividend proposal of EUR 0.70 (2020: EUR 0.04) per share to be confirmed at the Annual General Meeting on May 20, 2021

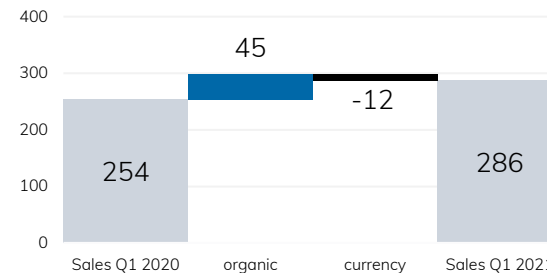
# Top Line Development Q1 2021

## Sales Development YoY\*

in EUR million	2020	2021	Change	Change in %	Thereof organic	Thereof currency
Q1	253.6	286.4	32.9	+ 13.0%	+ 17.8%	- 4.9%

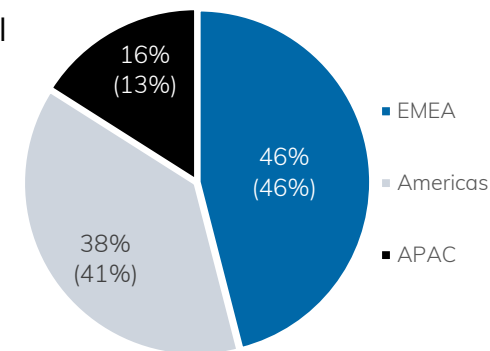
- **Organic Growth**
  - Organic growth of 17.8% due to a significant contribution by all regions
  - EJT sales with very good recovery of +17.5% in Q1 2021
  - SJT also showing a very good recovery of +18.3% in Q1 2021
- **Currency Effects**  
Negative translation effects of EUR -12.3 million or -4.9%

## Sales Development YoY\*



## Regional Split

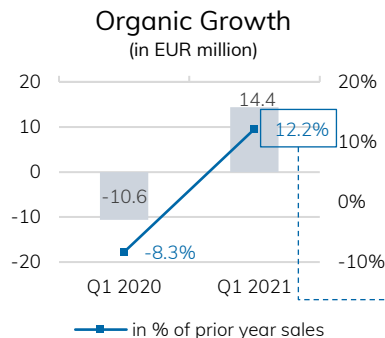
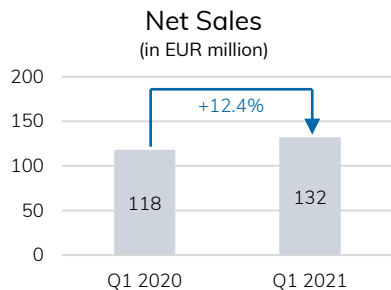
(in % actual vs. (Q1 2020))



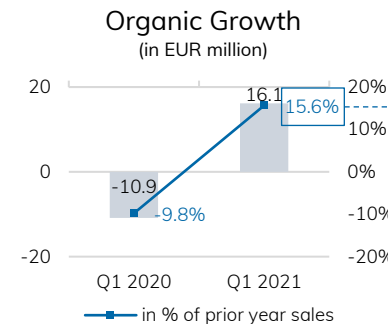
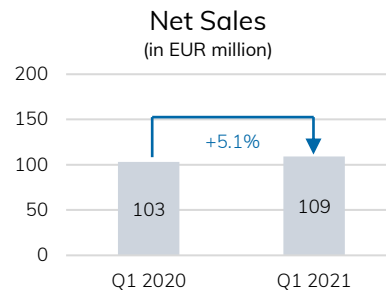
# Segment Reporting Q1 2021



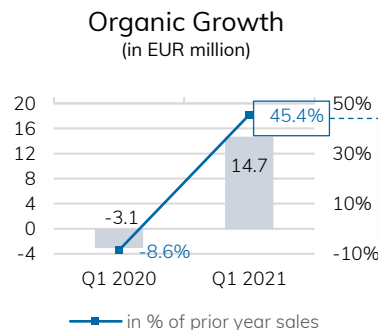
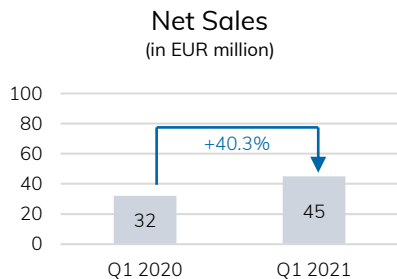
## EMEA



## Americas



## APAC



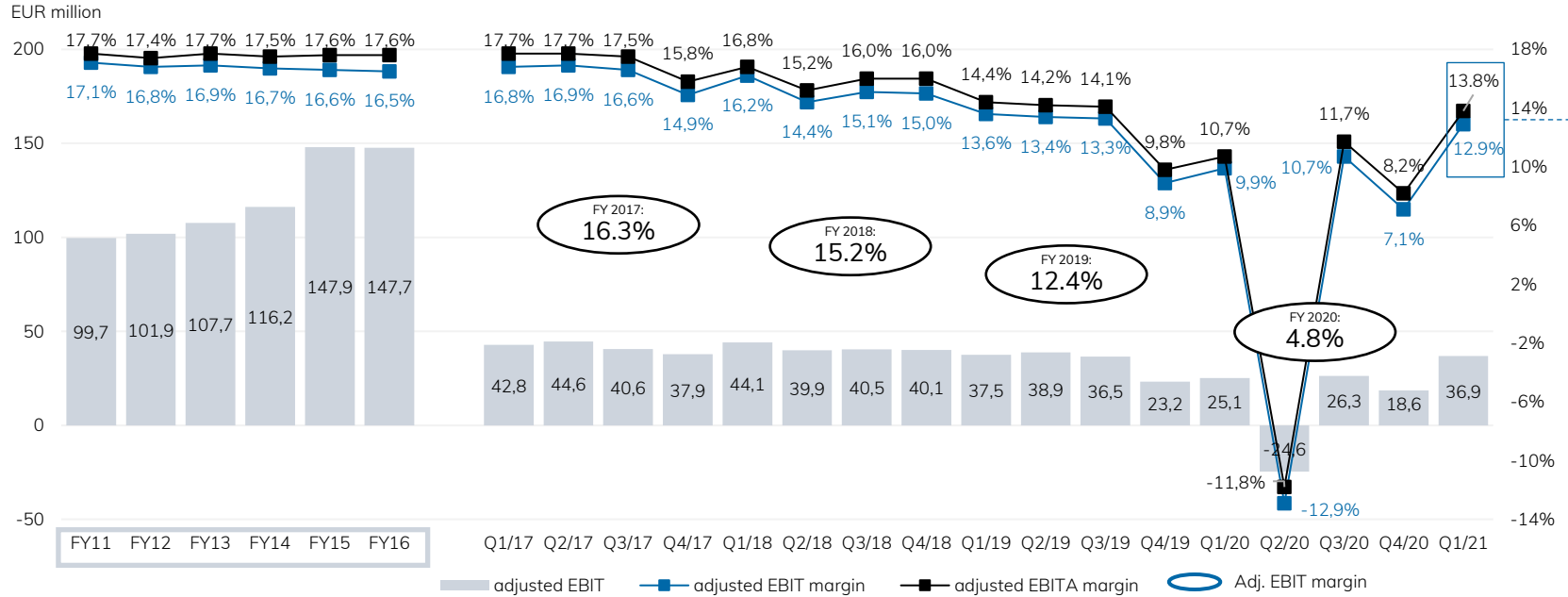
Both EJT and SJT showed double-digit growth due to an increase in production in the EJT business and restocking in the SJT business

Good high single-digit growth in demand in the EJT business and very strong double-digit SJT growth including NDS water management growth of 29.9%

Especially strong recovery of APAC region after Q1 2020 already being impacted by COVID-19 related lockdown

→ [NORMA Group's Segment Development \(p. 20\)](#)

# EBITA & EBIT Margin Development



Economic recovery and strict cost control measures resulting in a relatively strong Q1 2021 margin confirming FY 2021 guidance

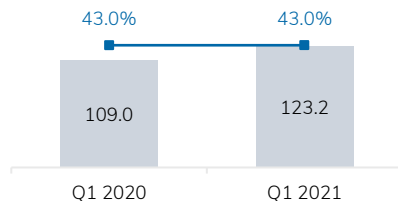
# (Adjusted) Profit & Loss Development Q1 2021

→ [NORMA Group's P&L Development \(p. 11\)](#)



### Material Costs

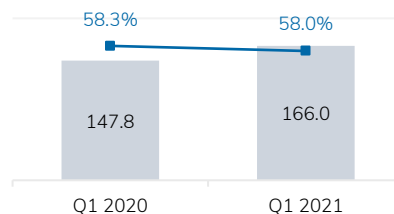
(in EUR million and % of sales)



Material cost and Gross Profit ratios (almost) stable despite increased material prices in tough market environment.

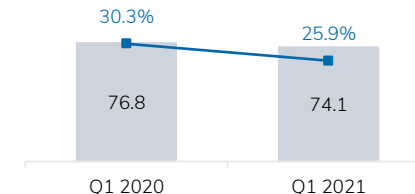
### Gross Profit

(in EUR million and % of sales)



### Personnel Expenses

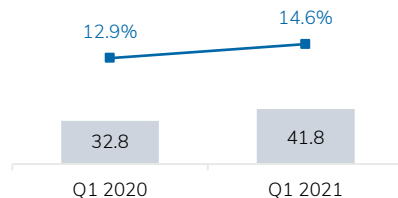
(in EUR million and % of sales)



Personnel cost ratio improved due to less full-time personnel and prior years not adjusted costs related with the "Get on track" program.

### Net Expenses from other oper. Income and Expenses

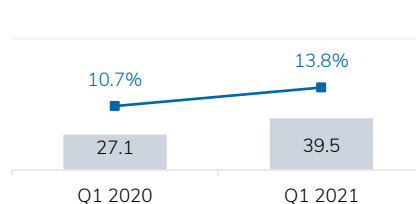
(in EUR million and % of sales)



Increased OPEX ratio due to higher number of temp workers and some extraordinary costs, e.g. weekend work

### Adjusted EBITA

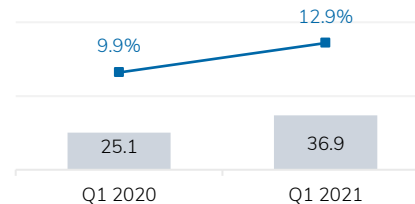
(in EUR million and % of sales)



Economic recovery and strict cost control measures resulting in a relatively strong Q1 2021 EBITA and EBIT margin confirming FY2021 guidance

### Adjusted EBIT

(in EUR million and % of sales)



# Operational Adjustments Q1 2021

→ [NORMA Group's P&L Development \(p. 9\)](#)



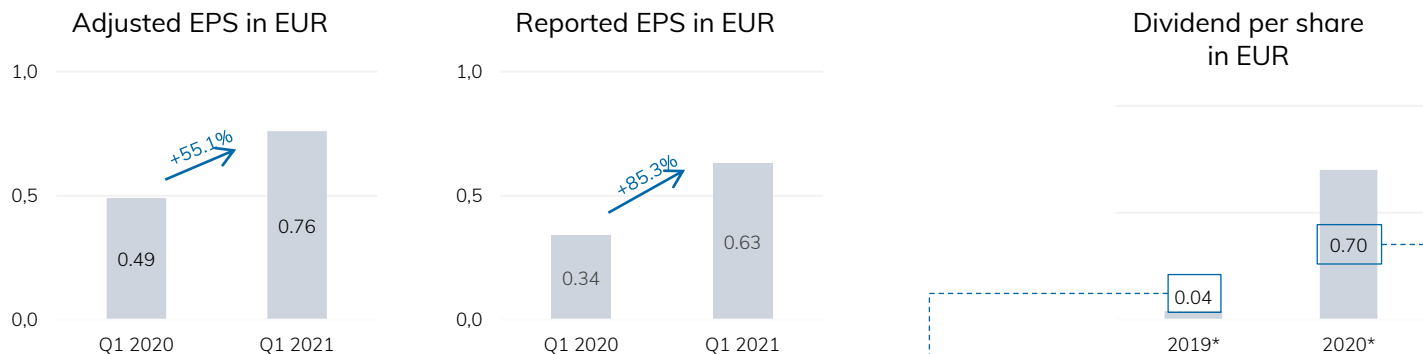
in EUR million*	Reported	Adjustments	Adjusted
Sales	286.4		286.4
EBITDA	50.1	0	50.1
EBITDA margin	17.5%		17.5%
EBITA	39.1	0.4 (depreciation PPA)	39.5
EBITA margin	13.7%		13.8%
EBIT	31.5	5.4 (incl. EUR 5.0 million amortization PPA)	36.9
EBIT margin	11.0%		12.9%
Net Profit	20.3	4.0 (incl. EUR -1.3 million post tax impact)	24.3
Net Profit margin	7.1%		8.5%
EPS (in EUR)	0.63	0.13	0.76

No adjustments on EBITDA level in Q1 2021 as EUR 0.6 million costs related to the „Get on track“ change program are not being adjusted

\* Deviations may occur due to commercial rounding.



# EPS Q1 2021 and Dividend Development



Net Income  
(in EUR million)

15.6

24.3

10.8

20.3

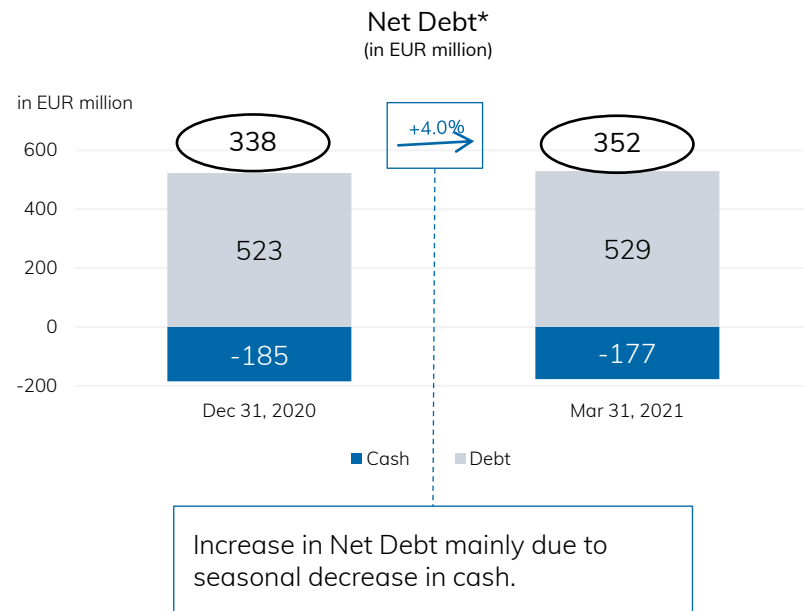
Minimum dividend of EUR 0.04 due to COVID-19 pandemic

Dividend proposal of EUR 0.70 or around 92% of adjusted Group net profit for the fiscal year 2020 to the AGM on May 20, 2021

\*The date is referring to the financial year for which the dividend is being paid after the approval in the AGM

# Net Debt and Equity Ratios Q1 2021

→ [NORMA Group's Balance Sheet Development \(p. 14\)](#)



## Equity Ratio

	Dec 31, 2020	March 31, 2021
<b>Equity Ratio</b> (Equity / balance sheet total)	41.7%	42.5%

## Debt Ratios

	Dec 31, 2020	March 31, 2021
<b>Leverage</b> (Net debt / EBITDA)	3.4x	3.1x
<b>Gearing</b> (Net debt / equity)	0.6x	0.6x

Leverage excluding costs related to "Get on track" (leverage relevant for financing contracts and covenants) at around 2.5x far better than any covenant levels

\* Deviations may occur due to commercial rounding.

# Cash Flow Development in Q1 2021

→ [NORMA Group's Cash Flow Statement \(p. 18\)](#)



in EUR million	2017	2018	2019	2020	Q1 2020	Q1 2021	Variance (Q1 2020 vs. Q1 2021)
(Adjusted) EBITDA	199.7	201.4	187.2	99.3	38.2	50.1	+31.2%
Δ ± Trade Working capital	-19.1	-13.7	-9.5	20.2	-24.2	-38.4	-58.7%
Net operating cash flow before investments from operating business	180.6	187.7	177.7	119.5	14.0	11.7	-16.4%
Δ ± Investments from operating business	-47.7	-63.3	-54.8	-41.2	-7.3	-9.2	-26.0%
Net Operating Cash Flow	132.9	124.4	122.9	78.3	6.7	2.5	-62.7%

Higher EBITDA due to economic recovery and strict cost control measures.

Trade working capital outflow increased due to higher WC requirements related to strong growth.

Increased investments from operating business reflecting higher business activities.

## NORMA Value Added

in EUR million	Q1 2020	Q1 2021
Adjusted EBIT after taxes	17.9	27.0
Capital Cost (WACC x CE per January 1st)	-20.4	-17.7
NOVA	-2.5	9.3

- The NORMA Value Added (NOVA) is NORMA Group's long term strategic target
- NORMA Group determines the annual value creation in form of the NORMA Value Added (NOVA)
- NOVA is calculated on the basis of adjusted EBIT, tax rate and the cost of capital
- The cost of capital is defined by the weighted average cost of capital (WACC) and the capital employed (equity plus net debt)

# Outlook 2021 – Company Guidance confirmed

↳ [NORMA Group's FY 2021 Guidance \(p. 22\)](#)



## Organic Sales Growth

Low double-digit

## Adjusted EBITA Margin

More than 13%

## Adjusted EBIT Margin

More than 12%

## Net Operating Cash Flow

More than EUR 110 million

## NOVA

Between EUR 10 million and EUR 25 million

# NORMA Group SE

Full Year Results 2020

Maintal,  
March 24, 2021



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## 2020 Review

A challenging year behind  
All eyes on 2021 and beyond!

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## P&L Statement and Segment Reporting

Sales and margins influenced by pandemic  
Strong year-end performance in Q4 2020  
Strong Water & APAC EJT business

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## Balance Sheet & Maturity Profile

Lower Net Debt due to strict capital management  
Leverage with sequential improvement through 2020  
Solid, multi-year financing strategy

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## Cash Flow & NORMA Value Added

Strong Net Operating Cash Flow  
Factoring programs significantly reduced  
NOVA impacted by pandemic

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## Status on “Get on track”

Implementation of the change program well on track  
Major savings to be achieved in 2021

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## Guidance and Outlook

Low double-digit organic group sales growth  
Adjusted EBITA margin of >13% and  
Net Operating Cash Flow of >EUR 110 million

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## Strategy and Business Model

Strong business model with growth opportunities  
“Get on track” contribute to margin improvement  
Resilient business model driven by global mega trends

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## Financial Track Record

Long-term P&L, Net Operating Cash Flow,  
Working-Capital, CAPEX and Factoring Programs  
development

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## Corporate Responsibility

Business driven by mega trends climate change and  
resource scarcity  
CR-roadmap until 2024 in place

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## Share Information & Others

Good recovery of share price between April and  
December 2020  
Q1 2021 results on May 5, 2021

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# 2020 Review



## Facts and Figures FY 2020 – Financials (I/II)

<b>Sales</b>	Decrease of net sales of 13.4% leads to sales of EUR 952.2 million (2019: EUR 1,100.1 million) mainly driven by COVID-19 pandemic	
<b>Organic Sales</b>	12.1% organic sales decline for the full year 2020 (2019: -2.0%)	<a href="#">↪ NORMA Group's FY 2020 Top Line Development</a>
<b>Adjusted EBITA &amp; EBIT</b>	Adjusted EBITA decreased to EUR 54.6 million* (2019: EUR 144.8 million) and Adjusted EBIT to EUR 45.3 million* (2019: EUR 136.1 million) due to the COVID-19 pandemic	
<b>Margins</b>	Adjusted EBITA margin at 5.7%* (2019: 13.2%) and adjusted EBIT margin at 4.8%* (2019: 12.4%); Pro forma EBITA and EBIT margin excluding costs related to "Get on track" at 8.8% and 7.8%	
<b>EPS</b>	Adjusted EPS at EUR 0.77 (2019: EUR 2.76) Reported EPS at EUR 0.18 (2019: EUR 1.83)	<a href="#">↪ NORMA Group's FY 2020 full Profit and Loss Statement</a>
<b>NOVA</b>	NORMA Value Added** at EUR -46.4 million (2019: EUR 17.3 million)	

\* Including not adjusted costs for „Get on track“ of EUR 29.1 million

\*\* NOVA = [adj. EBIT x (1-t)] – (WACC x capital employed per January 1st)

## Facts and Figures FY 2020 – Financials (II/II)

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### Equity

Strong balance sheet with a slightly improved equity ratio of 41.7% (2019: 41.6 %)

### Net Debt

Net debt decreased to EUR 338.4 million (2019: EUR 420.8 million) due to strict cash collection and cash management

### Leverage

Leverage at 3.4x (December 31, 2019: 2.2x); Leverage excluding costs related to "Get on track" (relevant for financing contracts and covenants) at 2.6x far better than any covenant levels

→ [NORMA Group's FY 2020 Balance Sheet](#)

### Net Operating Cash Flow

Despite challenging year strong net operating cash flow of EUR 78.3 million (2019: EUR 122.9 million), even though Factoring programs down to EUR 52 million on December 31, 2020 (December 31, 2019: EUR 70 million)

### Dividend

Dividend proposal of EUR 0.70 for the fiscal year 2020 to the AGM on May 20, 2021

### Corporate Responsibility

CO<sub>2</sub> emissions reduced by 8.6% in 2020  
Goal for 2024: reduction of greenhouse gas emissions by around 19.5%

→ [NORMA Group's CR activities \(FY 2020\)](#)

- COVID-19 pandemic affected NORMA Group's business in 2020
- P&L impacted by costs due to faster implementation of “Get on track” change program
- Strong net operating cash flow and decreased net debt

## Looking back (2020)



## NORMA Groups actions

- Strong focus on pandemic-related health and safety measures
- Strict cash collection and cash management
- Consistent realization of “Get on track” program
- Expand water management business
- Increase e-commerce activities

→ [NORMA Group's strategy & business model](#)

## Looking forward (2021)

- Strong sales growth expected incl. rebound in automotive
- Focus on Water Management and Industry Applications
- Margin improvement to result in adjusted EBITA margin of >13%
- Positive net effect of the “Get on track” program is expected at EUR 25 million

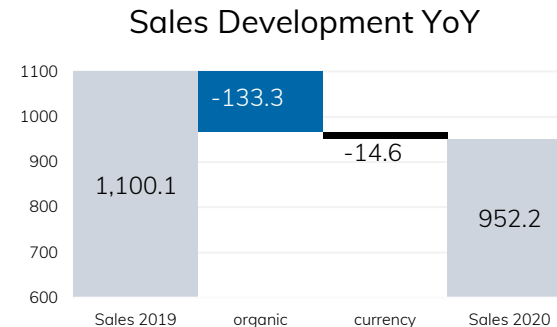
# Segments and P&L Statement FY 2020

# Top Line Development FY 2020

## Sales Development

in EUR million	2019	2020	Change	Change in %	Thereof organic	Thereof currency
Q1	275.6	253.6	-22.0	-8.0%	-8.9%	0.9%
Q2	289.0	191.5	-97.6	-33.8%	-33.9%	0.1%
Q3	274.0	245.9	-28.0	-10.2%	-7.5%	-2.7%
Q4	261.4	261.2	-0.2	-0.1%	+3.8%	-3.9%
FY	1,100.1	952.2	-147.9	-13.4%	-12.1%	-1.3%

COVID-19 lockdown effect

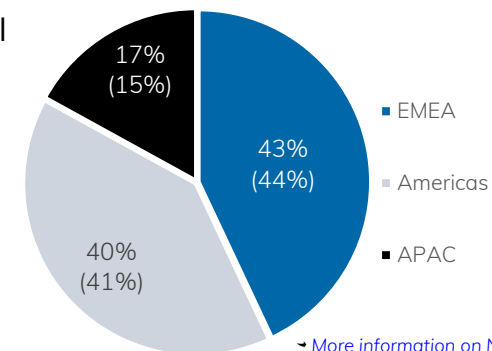


Strong year end performance of +3.8% in Q4 2020 led to an organic decline of 12.1% in 2020 (former guidance: around -16%)

EUR 14.6 million negative currency effect in 2020

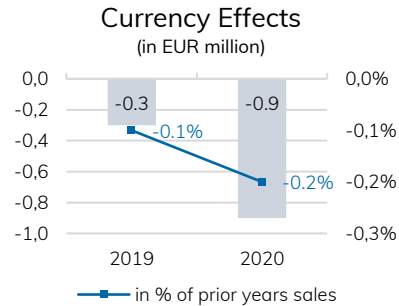
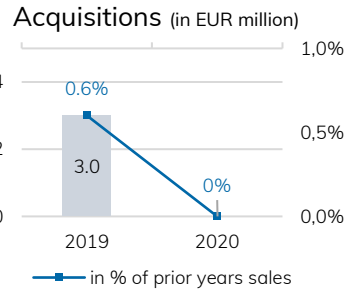
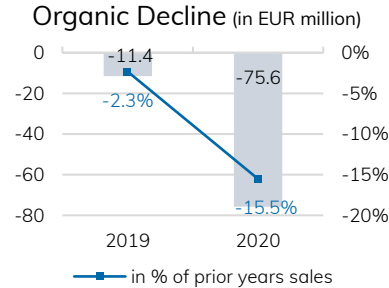
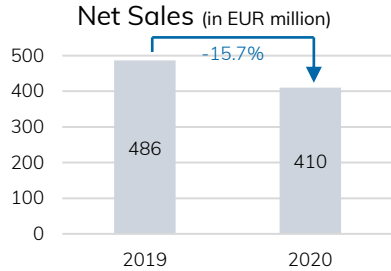
## Regional Split

(in % actual vs. (prev. year))



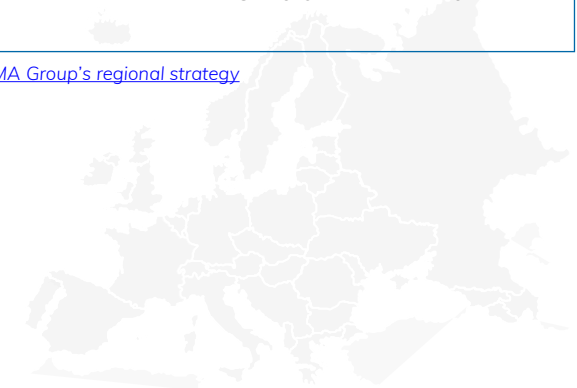
[More information on NORMA Group's regions for FY 2020](#)

# Segment Reporting: EMEA FY 2020



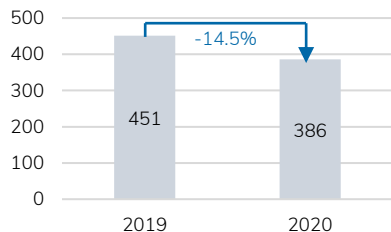
- **Organic Decline**
  - Sharp drop of 52.6% in Q2 2020 EJT sales due to COVID-19 pandemic-related weak European automotive sector
  - EJT sales with very good recovery of +10.9% in Q4 2020 led to -15.5% in EJT EMEA sales for the FY 2020
  - Significant drop of 15.5% in sales in the SJT segment mainly due to destocking
- **Acquisitions**  
No M&A effects in the EMEA region in 2020
- **Currency Effects**  
Negative translation effects of EUR 0.9 million or -0.2%

↳ [Information on NORMA Group's regional strategy](#)

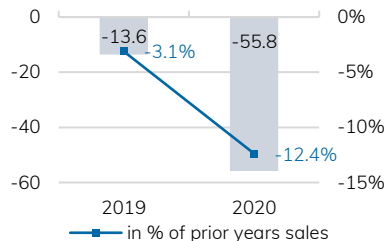


# Segment Reporting: Americas FY 2020

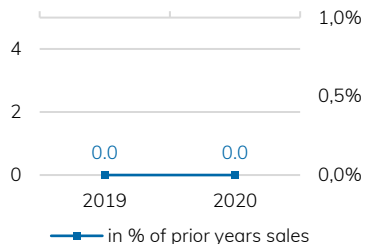
Net Sales (in EUR million)



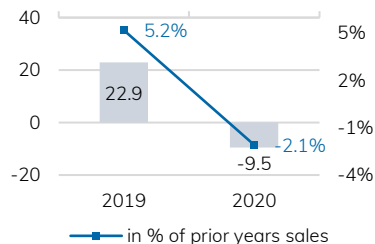
Organic Decline (in EUR million)



Acquisitions (in EUR million)



Currency Effects (in EUR million)

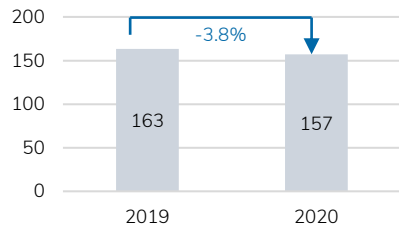


- Organic Decline
  - Significant drop in sales of 26.5% in the EJT business for the FY 2020 due to COVID-19 pandemic-related weak automotive sector
  - Sales drop of 0.5% in the overall SJT business due to
    - a significant decline in the SJT business (excluding water management) mainly due to destocking and
    - a strong water management showing organic growth of 6.7% in FY 2020
- Acquisitions
  - No M&A effects in the Americas region in 2020
- Currency Effects
  - Negative translation effects of EUR 9.5 million or -2.1%

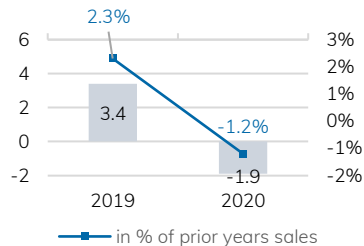
↳ [Information on NORMA Group's regional strategy](#)

# Segment Reporting: Asia-Pacific FY 2020

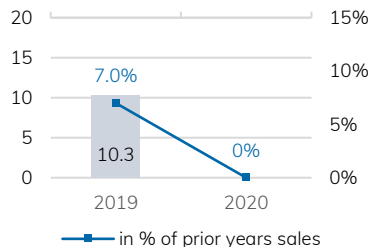
Net Sales (in EUR million)



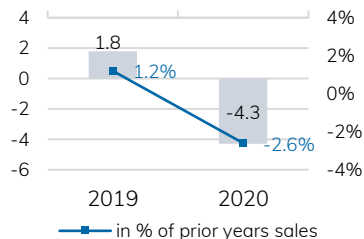
Organic Decline (in EUR million)



Acquisitions (in EUR million)



Currency Effects (in EUR million)



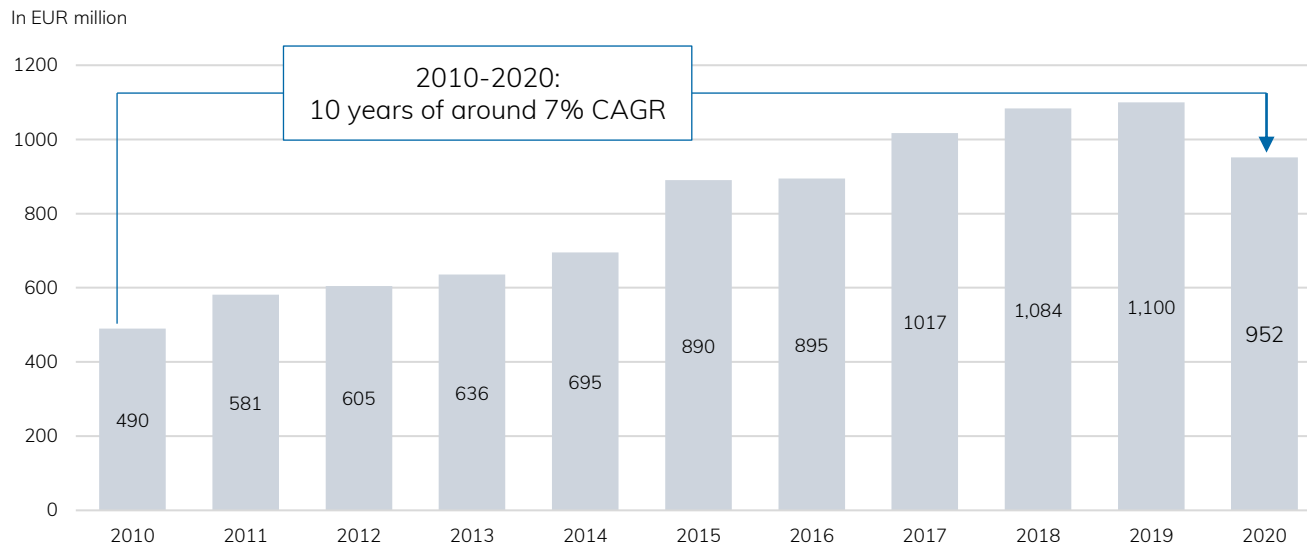
- Organic Decline
  - Very good recovery of the EJT business starting in Q2 2020 (except for Q1 2020 all quarters showed y-o-y growth) led to an organic sales growth of 5.1%
  - Significant drop of 12.2% in SJT sales mainly due to destocking and lockdowns in Malaysia and India
- Acquisitions
  - No M&A effects in the APAC region in 2020
- Currency Effects
  - Negative translation effects of EUR 4.3 million or -2.6%

↳ [Information on NORMA Group's regional strategy](#)





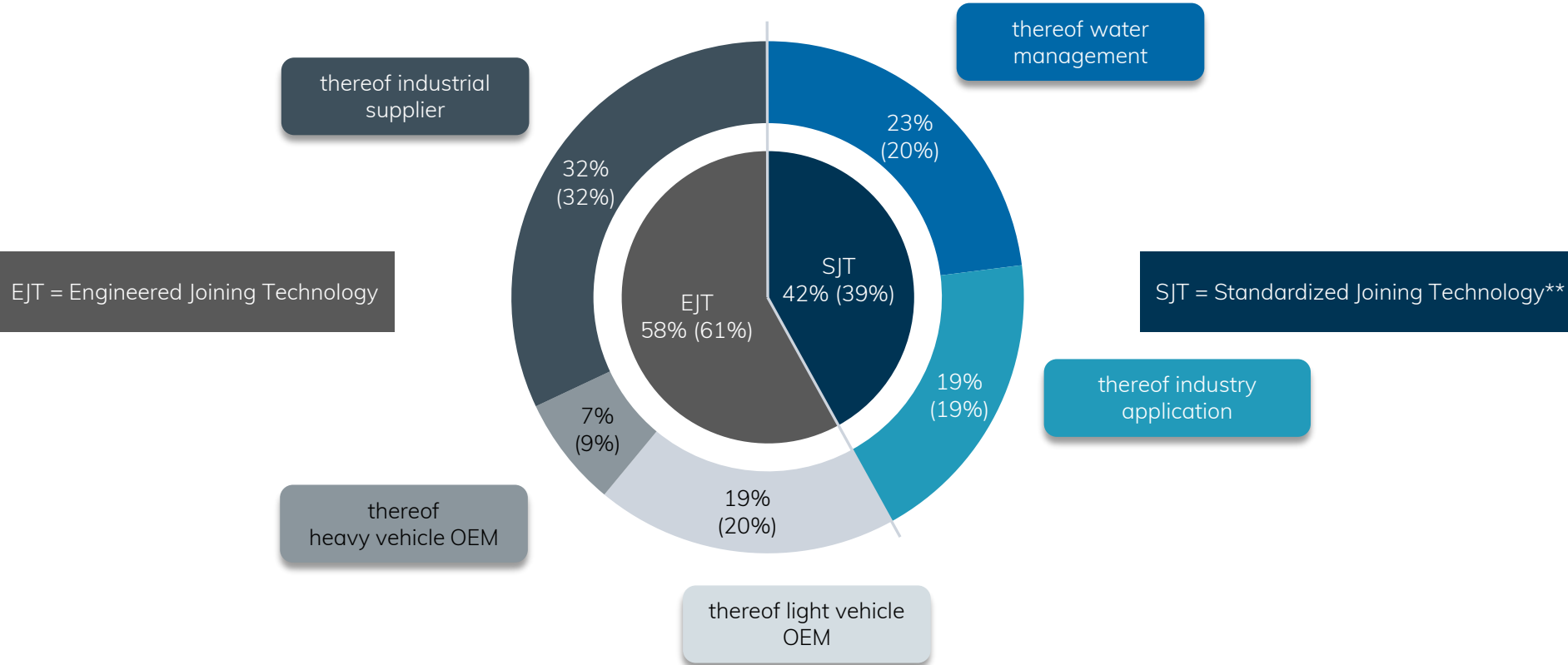
## Revenue Track Record FY 2020



Thereof organic development (in EUR million and %)

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Ø 10 years
In EUR million	65.6	-10.8	15.1	41.3	25.9	7.6	77.0	78.6	-21.6	-133.3	
In %	13.4	-1.9	2.5	6.5	3.7	0.9	8.6	7.7	-2.0	-12.1	2.7

# Balanced Industry Mix with two strong Ways to the Market\* FY 2020

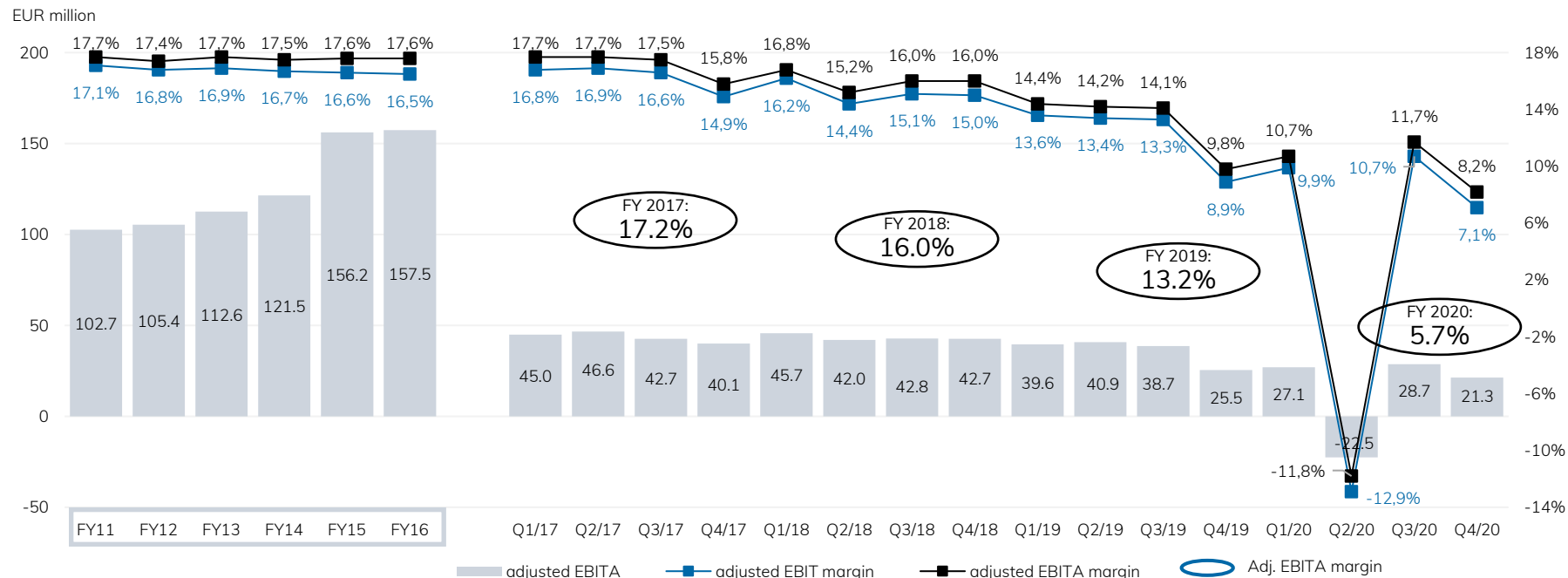


\* FY 2020 (2019 in brackets)

\*\* SJT = Standardized Joining Technology is the new term for the former DS = Distribution Services

# EBITA & EBIT Margin Development FY 2020

- Economic recovery and strict cost control measures resulting in a fast recovery of margins after weak Q2 2020
- Pro forma EBITA and EBIT margin excl. costs related to the "Get on track" change program at 8.8% and 7.8% in 2020



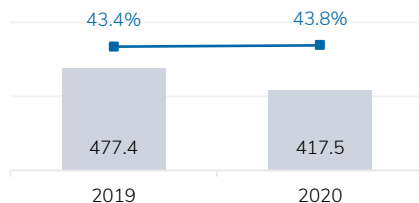
# (Adjusted) Profit & Loss Development FY 2020

→ [More information on NORMA Group's FY2020 P&L development in the annual report \(p.94\)](#)



### (Adjusted) Material Costs

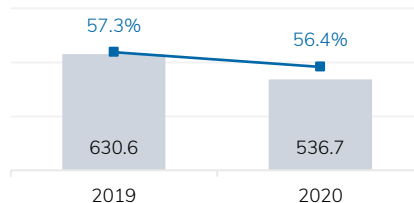
(in EUR million and % of sales)



Material costs decreased by 12.6%. Due to significant drop in sales the material cost ratio increased by 40 BPs

### (Adjusted) Gross Profit

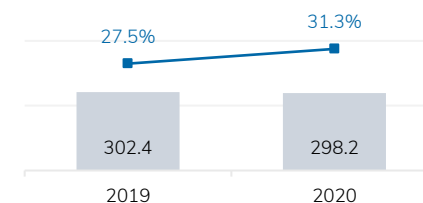
(in EUR million and % of sales)



Gross Profit decreased by 14.9% including write-offs resulting in 90 BPs lower gross profit margin

### (Adjusted) Personnel Expenses

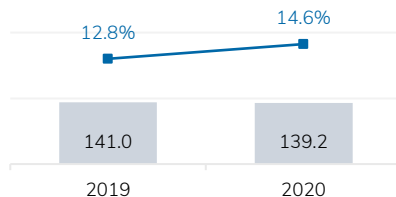
(in EUR million and % of sales)



Pro forma personnel costs ratio at 28.7% (adjusted for EUR 25.2 million costs related to the "Get on track" program)

### Net Expenses from adj. other oper. Income and Expenses

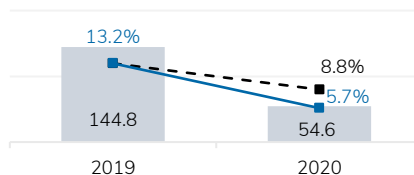
(in EUR million and % of sales)



Pro forma OPEX ratio at 14.2% (adjusted for EUR 3.9 million related to the "Get on track" program)

### Adjusted EBITA

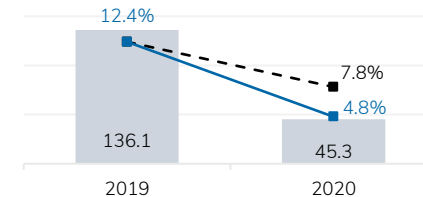
(in EUR million and % of sales)



Adjusted EBITA margin excl. EUR 29.1 million costs related to the "Get on track" change program at 8.8%

### Adjusted EBIT

(in EUR million and % of sales)



Adjusted EBIT margin excl. EUR 29.1 million costs related to the "Get on track" change program at 7.8%

# Operational Adjustments FY 2020

→ [More information on NORMA Group's adjustments in the annual report \(p.91\)](#)



in EUR million*	Reported	Adjustments	Adjusted
Sales	952.2		952.2
EBITDA	99.3	0	99.3
EBITDA margin	10.4%		10.4%
EBITA	51.1	3.5 (depreciation PPA)	54.6
EBITA margin	5.4%		5.7%
EBIT	20.1	25.1 (incl. EUR 21.7 million amortization PPA)	45.3
EBIT margin	2.1%		4.8%
Net Profit	5.5	18.8 (incl. EUR -6.3 million post tax impact)	24.3
Net Profit margin	0.6%		2.6%
EPS (in EUR)	0.18	0.59	0.77

No adjustments on EBITDA level in 2020 due to EUR 29.1 million not adjusted costs related to the „Get on track“ change program

\* Deviations may occur due to commercial rounding.

## Outlook on Adjustments 2021-2022

in EUR million	FY 2020	FY 2021*	FY 2022*
EBITDA level	0	0	0
EBITA level	3.5 (depreciation PPA)	ca. 1.5 (depreciation PPA)	ca. 1.0 (depreciation PPA)
EBIT level	25.1 (incl. EUR 21.7 million amortization PPA)	ca. 21.4 (incl. around EUR 20 million amortization PPA)	ca. 20.5 (incl. around EUR 19.5 million amortization PPA)
Net Profit	18.8 (incl. EUR -6.3 million post tax impact)	ca. 16.0	ca. 15.4
EPS (in EUR)	0.59	ca. 0.50	ca. 0.48

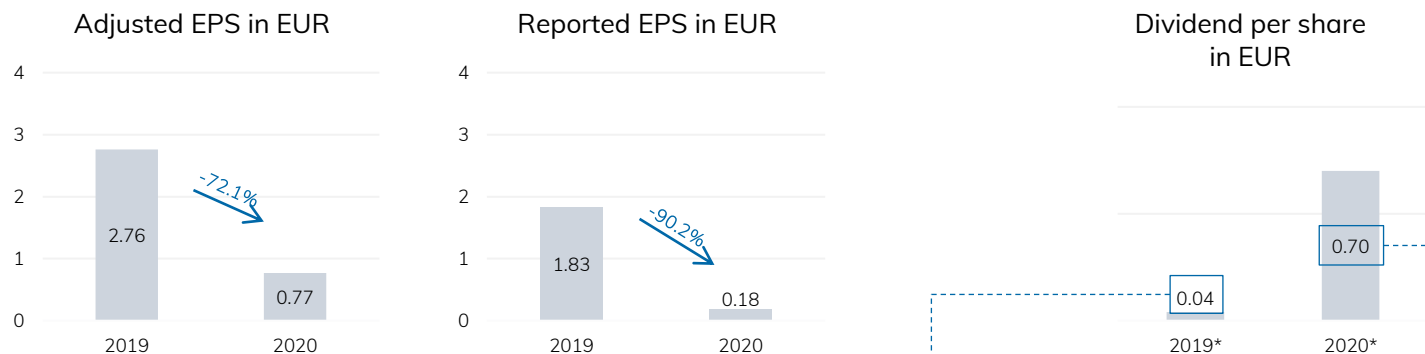
Costs related to the „Get on track“ change program are not being adjusted

Adjustments on EPS level declining in the upcoming years \*\*

\* Depending on foreign exchange rates

\*\* excluding possible new M&A transactions

# EPS and Dividend Development FY 2020



**Net Income**  
(in EUR million)



Minimum dividend of EUR 0.04 due to COVID-19 pandemic

Proposal for dividend of EUR 0.70 or around 92% of adjusted Group net profit for the fiscal year 2020 to the AGM on Mai 20<sup>th</sup>

\*The date is referring to the financial year for which the dividend is being paid after the approval in the AGM

# Profit and Loss Statement FY 2020



in EUR million and %	Adjusted		Reported		Pro forma*
	2019	2020	2019	2020	2020
Sales	1,100,1	952.2	1,100,1	952.2	952.2
Gross Profit	630.6	536.7	630.4	536.7	536.7
EBITDA	187.2	99.3	173.8	99.3	128.3
<i>in % of sales</i>	17.0%	10.4%	15.8%	10.4%	13.5%
EBITA	144.8	54.6	127.9	51.1	83.6
<i>in % of sales</i>	13.2%	5.7%	11.6%	5.4%	8.8%
EBIT	136.1	45.3	96.7	20.1	74.3
<i>in % of sales</i>	12.4%	4.8%	8.8%	2.1%	7.8%
Financial Result	-15.5	-14.8	-15.5	-14.8	
Profit before Tax	120.6	30.5	81.2	5.4	
Taxes	-32.7	-6.2	-22.7	0.1	
<i>in % of profit before tax</i>	27.1%	20.3%	28.0%	1.8%	
Net Profit	87.8	24.3	58.4	5.5	

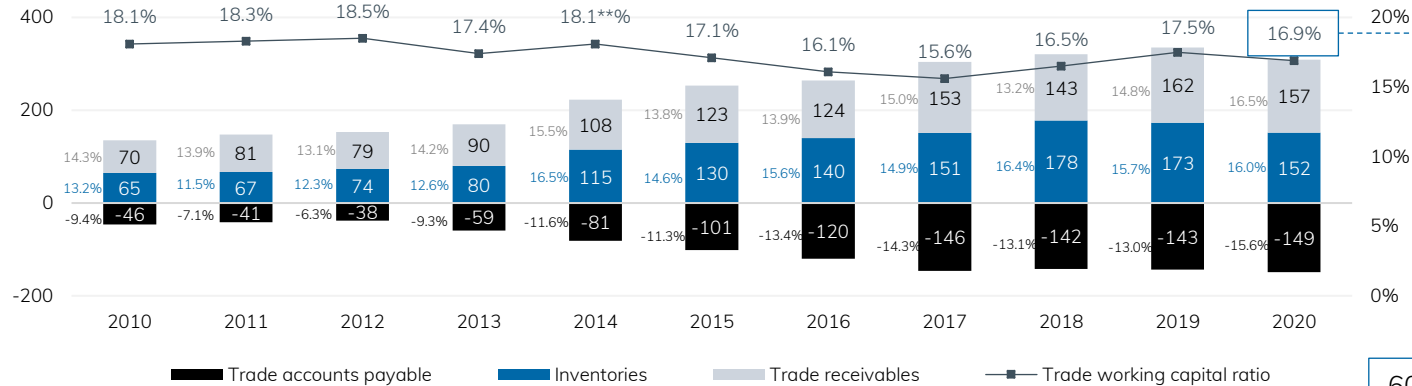
\*Pro forma figures showing NORMA Groups P&L adjusted for EUR 29.1 million costs related to the "Get on track" change program



# Balance Sheet and Maturity Profile FY 2020

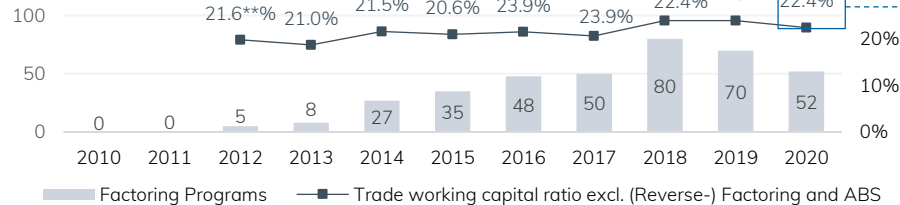
# Working Capital Development FY 2020

Working capital incl. (Reverse) Factoring and ABS programs (in EUR million and % of sales)



60 BPs lower working capital ratio due to strict cash collection and destocking even with EUR 18 million less ABS and factoring programs

Factoring Programs\* (in EUR million and % of sales)



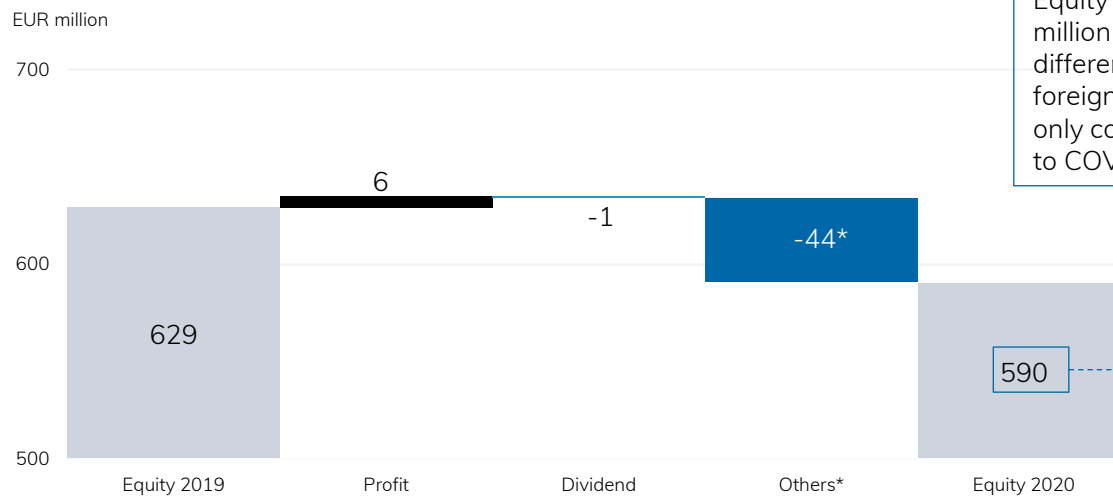
EUR 18 million less ABS and factoring programs led to 150 BPs lower „working capital excluding effects of factoring to sales ratio”

\* (Reverse) Factoring and ABS programs

\*\* in % of sales runrate of EUR 784 million including NDS sales on full year 2014 basis

# Equity Ratio on strong level of 41.7% - FY 2020

→ [More information on NORMA Group's FY2020 balance sheet in the annual report \(p.97\)](#)



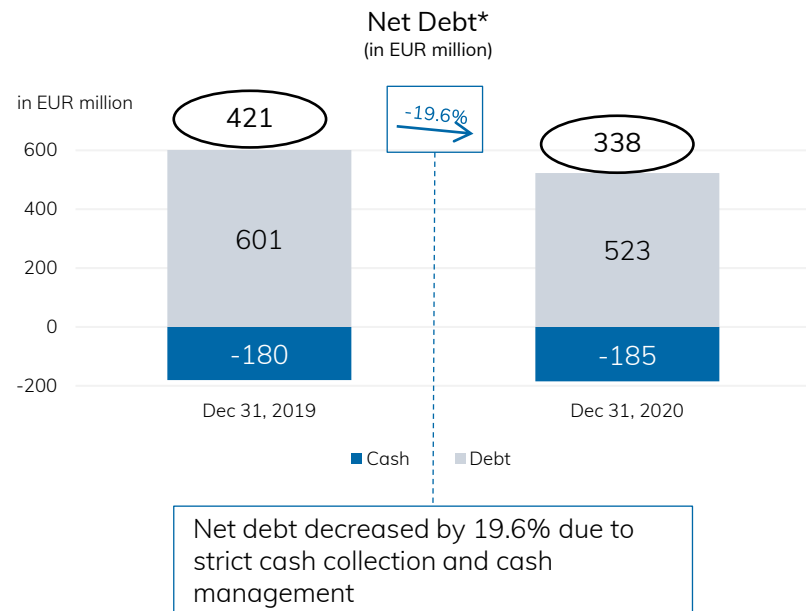
Equity decreased by EUR 39 million mainly due to exchange differences on translation of foreign operations while profit only contributed EUR 6 million due to COVID-19 pandemic

Balance Sheet Total (in EUR million)	1,514
Equity Ratio	41.6%

Balance Sheet Total (in EUR million)	1,415
Equity Ratio	41.7%

\* includes exchange differences on translation of foreign operations of EUR 43.3 million and cash flow hedges net of tax amounting to EUR 0.6 million

## Net Debt and Net Debt Ratios FY 2020



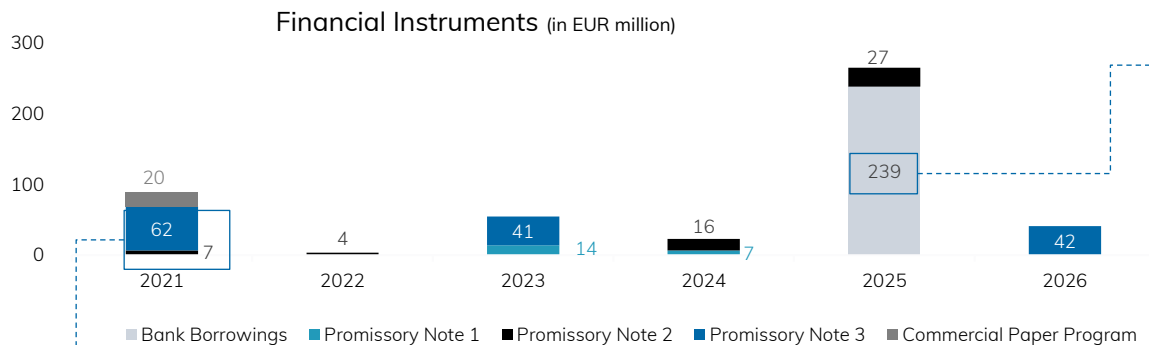
### Debt Ratios

	Dec 31, 2019	Dec 31, 2020
Leverage (Net debt / adjusted EBITDA)	2.2x	3.4x
Gearing (Net debt / equity)	0.7x	0.6x

Leverage excluding costs related to "Get on track" (leverage relevant for financing contracts and covenants) at around 2.6x far better than any covenant levels

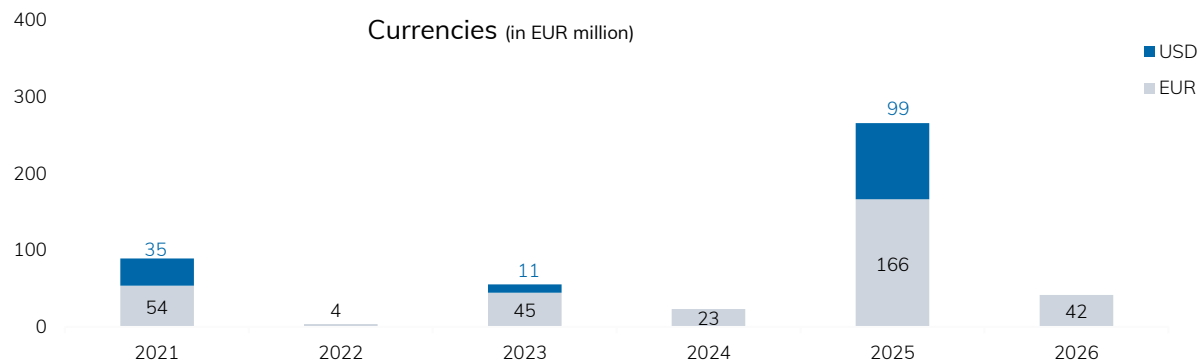
# Solid Maturity Profile FY 2020

→ [More information on NORMA Group's FY2020 financial position in the annual report \(p.99\)](#)



Bank borrowing of EUR 239 million with the opportunity of prolongation until 2026

Negotiations of repayment of EUR 69 million in 2021 well under way



Balanced currency mix in EUR and USD for repayments in local currency

# Balance Sheet FY 2020



in EUR million	Dec 31, 2019	Dec 31, 2020
Assets		
Non-current assets		
Goodwill / Other intangible assets / Property, plant & equipment	949.3	870.3
Other non-financial assets / Derivative financial assets / Deferred- and income tax assets	13.5	21.5
Total non-current assets	962.8	891.7
Current assets		
Inventories	173.2	152.2
Other non-financial / other financial / derivative financial / income tax assets	35.7	28.1
Trade and other receivables	162.4	157.3
Cash and cash equivalents	179.7	185.1
Contract assets	0.5	0.3
Total current assets	551.5	523.0
Total assets	1,514.3	1,414.7

in EUR million	Dec 31, 2019	Dec 31, 2020
Equity and liabilities		
Equity		
Total equity	629.4	589.5
Non-current and current liabilities		
Retirement benefit obligations / Provisions	30.4	55.2
Borrowings and other financial liabilities	561.0	488.2
Other non-financial liabilities	37.0	35.5
Contract liabilities	0.5	1.2
Lease liabilities	38.7	33.8
Tax liabilities and derivative financial liabilities	74.2	62.6
Trade payables	143.1	148.7
Total liabilities	884.9	825.2
Total equity and liabilities	1,514.3	1,414.7

# FY 2020 Cash Flow & NORMA Value Added

# Strong Cash Flow Development 2011 - 2020

→ [More information on NORMA Group's FY2020 cash flows in the annual report \(p.100\)](#)



## Excellent Net Operating Cash Flow in a challenging year 2020

in EUR million	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Variance (2020 to 2019)
(Adjusted) EBITDA	117.0	120.8	129.3	138.4	177.5	179.4	199.7	201.4	187.2	99.3	-47.0%
Δ ± Trade Working capital	-19.5	-9.8	+5.1	+10.4	-0.6	+17.0	-19.1	-13.7	-9.5	20.2	+312.6%
Net operating cash flow before investments from operating business	97.5	111.0	134.4	148.8	176.9	196.4	180.6	187.7	177.7	119.5	-32.8%
Δ ± Investments from operating business	-30.7	-30.0	-30.5	-39.6	-42.2	-47.9	-47.7	-63.3	-54.8	-41.2	-24.8%
Net Operating Cash Flow	66.8	81.0	103.9	109.2	134.7	148.5	132.9	124.4	122.9	78.3	-36.3%

Strong inflow of working capital led to an only 32.8% lower net operating cash flow before investments from operating business despite a 47.0% lower EBITDA

EUR 41.2 million CAPEX spending lowered by 24.8%. Investments mainly for Serbia, UK, Poland, Mexico, the US, China and Malaysia

Despite challenging year strong net operating cash flow of EUR 78.3 million, even though factoring programs reduced by EUR 18 million in 2020 and non-cash effect of not-adjusted costs related to "Get on track"



# NORMA Value Added and ROCE FY 2020



## NORMA Value Added

in EUR million	2019	2020
Adjusted EBIT after taxes	98.4	36.1
Capital Cost (WACC x CE per January 1st)	-81.1	-82.4
NOVA	17.3	-46.4
ROCE (adjusted EBIT / Ø CE)	13.4%	4.6%
ROCE (reported EBIT / Ø CE)	9.6%	2.2%

- The NORMA Value Added (NOVA) is NORMA Group's long term strategic target
- NORMA Group determines the annual value creation in form of the NORMA Value Added (NOVA)
- NOVA is calculated on the basis of adjusted EBIT, tax rate and the cost of capital
- The cost of capital is defined by the weighted average cost of capital (WACC) and the capital employed (equity plus net debt)

# Status on “Get on track”

# "Get on track" (I/II) – Scope

EUR 50 million savings p.a.

Scope	Locations	<ul style="list-style-type: none"> <li>▪ Increase share of best cost country production</li> <li>▪ Reduction of complexity</li> </ul>	Saving: EUR 20 million
	Product Portfolio	<ul style="list-style-type: none"> <li>▪ Streamlining of product portfolio through active portfolio management</li> <li>▪ Bundle and transfer low volume products and business to wholesaler</li> </ul>	Saving: EUR 5 million
	Structures	<ul style="list-style-type: none"> <li>▪ Strengthen commodities strategy</li> <li>▪ Focus on best cost country purchasing</li> <li>▪ Improvement of structures and processes</li> </ul>	Saving: EUR 25 million

**Implementation Costs**

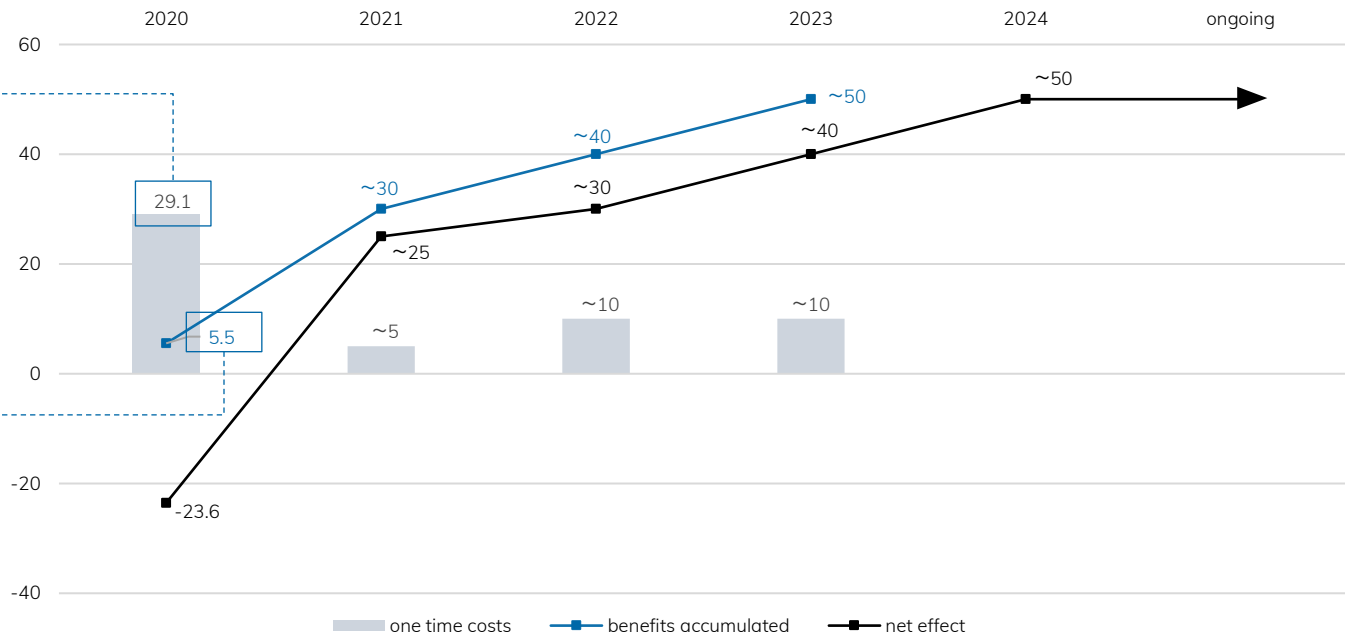
- Accumulated total cost volume of around EUR 55 million until 2023
- Implementation costs will be shown on an unadjusted basis

# "Get on track" (II/II) – Costs & Savings\* Timeline

"Get on track" program well under way with major savings in 2021

Most costs already booked in 2020 with only additional EUR 5 million to come in 2021 (not adjusted)

Successful savings of EUR 5.5 million in 2020 as planned



\* All figures are given approximately according to current planning

# Guidance & Outlook

# Comparison of Guidance and Actual Results FY 2020

Actual business development compared to the forecast	Results in 2019	March 2020*	Oct. 2020	Results in 2020
Group sales	EUR 1,100.1 million.	n/a	n/a	EUR 952.2 million
Organic growth of Group sales	- 2.0% organic growth additionally EUR 13.3 million from acquisitions	noticeable decline in organic sales of - 2% to - 4%	organic decline of around 16%	-12.1%
Organic sales growth EMEA	- 2.3%	stable organic sales	significant organic decline	-15.5%
Organic sales growth Americas	- 3.1%	noticeable organic decline	significant organic decline	-12.4%
Organic sales growth Asia-Pacific	2.3%	slight organic decline	noticeable organic decline	-1.2%
Sales growth EJT	- 2.8%	solid organic growth	significant decline	-15.8%
Sales growth SJT (former DS)	9.2%	noticeable organic decline	noticeable decline	-6.5%
(Adjusted) cost of materials ratio	43.4% <sup>2</sup>	roughly at the same level as in the previous year	higher than in the previous year	43.8%
(Adjusted) personnel expense ratio	27.5% <sup>2</sup>	roughly at the same level as in the previous year	noticeable increase compared to the previous year	31.3%
Adjusted EBITA margin	13.2%	more than 13%	more than 5%	5.7%
Adjusted EBIT margin	12.4%	more than 12%	more than 4%	4.8%
NOVA	EUR 17.3 million.	between EUR 10 million and EUR 20 million	between EUR -60 million and EUR -45 million	EUR -46.4 million
Financial result	EUR - 15.5 million	up to EUR -15 million	no adjustments	EUR -14.8 million
Adjusted tax ratio	27.1%	between 26% and 28%	tax expenses/income: EUR -12 million to EUR +3 million	20.3%
Earnings per share	EUR 2.76 (adjusted) EUR 1.83 (reported)	slight decline	strong decline compared to the previous year	EUR 0.77 (adjusted) EUR 0.18 (reported)
Net operating cash flow	EUR 122.9 million	around EUR 110 million	more than EUR 60 million	EUR 78.3 million

\* The assumptions were revised before the Annual Report was published due to the unexpectedly rapid spread of the corona. At this point in time, due to the high level of uncertainty, it was not possible to make a reliable forecast for the fiscal year 2020, which is why the Management Board assumed a significantly negative deviation from the original forecast without specifying it in more detail.

# Outlook 2021 – Company Guidance



<b>Organic sales growth</b>	Low double-digit
<b>EJT</b>	Strong organic sales growth in the low double-digit range
<b>SJT</b>	Significant organic sales growth in the high single-digit range
<b>EMEA</b>	Strong organic sales growth in the low double-digit range
<b>Americas</b>	High single-digit organic sales growth
<b>APAC</b>	Slight organic sales growth
<b>Material costs ratio</b>	Significantly improved material costs ratio
<b>Personnel costs ratio</b>	Significantly improved personnel costs ratio
<b>R&amp;D investment ratio</b>	Around 3% of sales*
<b>Adjusted EBITA margin</b>	More than 13%
<b>Adjusted EBIT margin</b>	More than 12%

<b>Financial result</b>	Up to EUR – 13 million
<b>Tax rate</b>	Between 27% and 29%
<b>Adjusted earnings per share</b>	Strong increase in adjusted earnings per share
<b>NORMA Value Added (NOVA)</b>	Between EUR 10 million and EUR 25 million
<b>Investment rate (without acquisitions)</b>	Investment ratio between 5% and 6% of Group sales
<b>Net operating cash flow</b>	More than EUR 110 million
<b>Dividend</b>	Around 30% to 35% of adjusted Group earnings
<b>CO<sub>2</sub> emissions</b>	Reduction in CO <sub>2</sub> emissions by around 19.5%** by 2024 (CAGR: 3.0 %)
<b>Number of invention applications</b>	More than 20
<b>Number of defective parts (parts per million / PPM)</b>	Below 10

\* Due to the increasing strategic relevance of the area of water management, NORMA Group includes the R&D expenses in this area in the calculation from the reporting year 2020 onwards and uses total sales as a reference value to determine the R&D ratio (previously 5% of EJT sales)

\*\* Reference year 2017

# Strategy and Business Model









## Outlook 2021 – Strategy

---

- 1 Continue to develop Water Management and Industry Applications
- 2 Expand Mobility and New Energy
- 3 Expand e-commerce channels
- 4 Execution of “Get on track” projects as a foundation of further profitable growth
- 5 Continue dialogue with potential M&A targets in Water Management and Mobility and New Energy in all regions
- 6 Close monitoring of market dynamics regarding Coronavirus (COVID-19) and strong cyclical rebound

## NORMA Group „Strategy 2025“ including Corporate Responsibility Roadmap

-  Focus on our stakeholders ...
-  ... by being market leader in Joining & Fluid-handling technology ...
-  ... in existing & future markets, focusing on profitable & sustainable growth ...
-  ... in Water Management and Industry Applications especially in stormwater & irrigation business via e-commerce ...
-  ... in Mobility and New Energy focusing on the roll-out of global best-practices as well as selected, high profitability projects ...
-  ... with selective acquisitions, especially in Water Management, supporting NORMA Group's value creation.

✓ **Exceeding customer expectations**

✓ **Being an employer of choice**

✓ **Value Creation**

Strong focus on sustainable economic activities

Maintain high quality standards

Target to reduce CO<sub>2</sub> emissions

Continuous reduction of water consumption and waste volume

Target for trainings hours per employee

Improve health and safety



# NORMA Group „Strategy 2025“ – Strategic focus by region

## Americas

- **Water Management:**  
Expansion of stormwater and irrigation business
- **Industry Applications:**  
Strengthening online and e-commerce channels
- **Mobility & New Energy:**  
Focus on selected and profitable business



## EMEA

- **Water Management:**  
Organic expansion might be enhanced via M&A
- **Industry Applications:**  
Active management of the product portfolio including online and e-commerce channels
- **Mobility & New Energy:**  
Focus on growth opportunities, both inside and outside of the car



## Asia-Pacific

- **Water Management:**  
Expansion of existing business
- **Industry Applications:**  
Increase product availability and localization
- **Mobility & New Energy:**  
Expansion of alternative mobility solutions



# NORMA Group's Key Facts



NORMA serves various markets via its strategic business units Water Management, Industry Applications and Mobility & New Energy



Global market and technology leader in joining and fluid handling technology.



Offers more than 40,000 innovative joining solutions in three product categories: **Water, Fluid, Fasten.**



Delivers to more than **10,000 customers** in **100 countries.**



Employees **> 8,900** worldwide.



Operates a global network of **27 manufacturing facilities.**

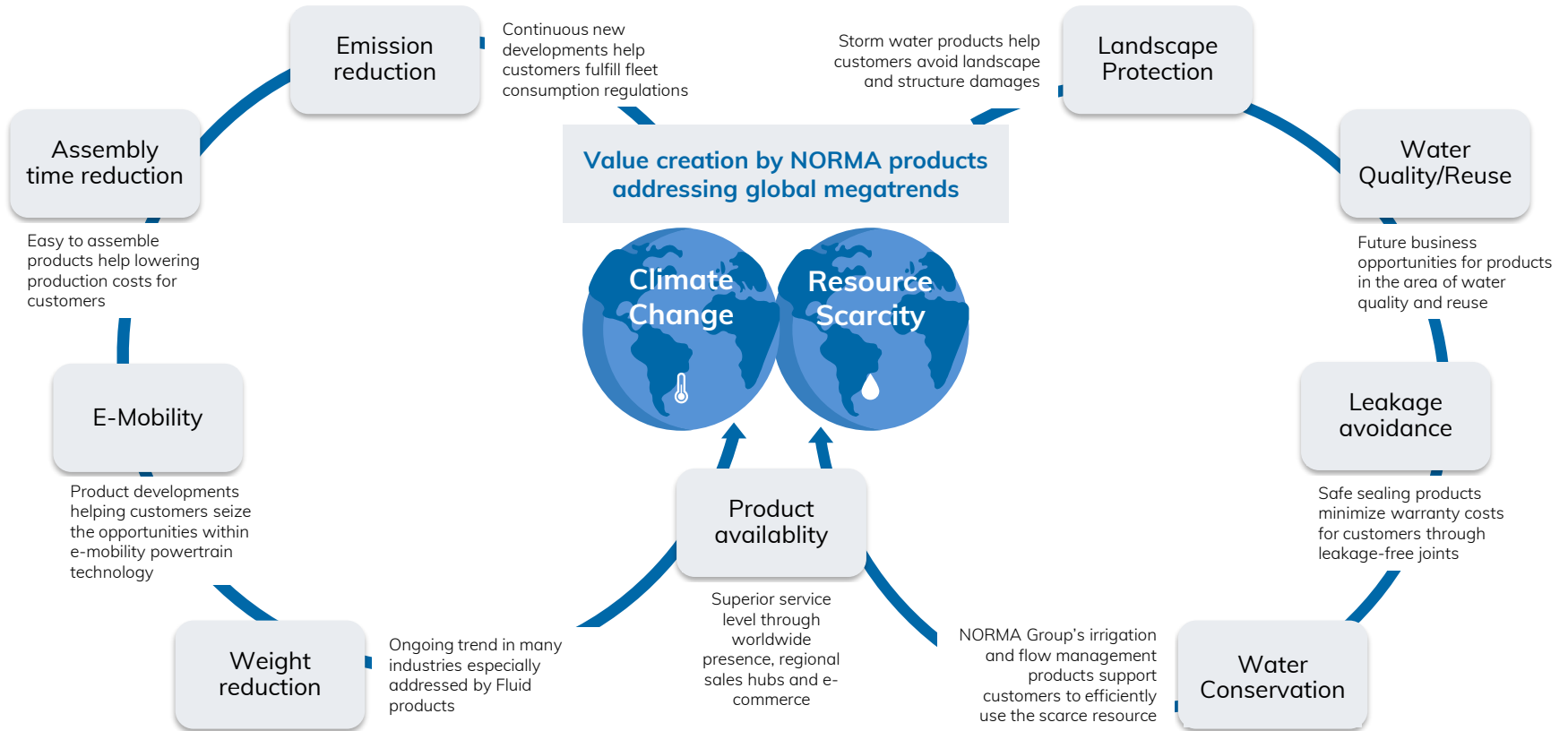


Numerous sales and distribution sites **across Europe, the Americas and Asia-Pacific.**



Sales of about **EUR 952 million** in 2020.

# Proven business model addresses global megatrends



## Water Products



### Dura Flo HD

- Dripwater irrigation product
- Saves up to 30% of water



### Spee-D Channel

- Stormwater management product
- Lightweight and easy to install drainage systems



### Compression Fittings

- Flowmanagement product
- High resistance to temperature and UV exposure

## Fluid Products



### PS3-Connector

- "Push & Seal" plastic quick connector
- Ideal for the secure connection of cooling water and heating hoses



### eM Compact

- Smallest Quick Connector in the electric and hybrid car market
- Robust design to ensure a leak-free interface



### NORMAQuick Connector

- Combines reinforced and unreinforced materials
- Enables safe connection of the connector with the plastic fuel tank

## Fasten Products



### Torro Clamp

- Multi-range hose clamp remaining the benchmark within modern clamp construction
- Ideally suited to applications with high mechanical loads



### FGR Combi Grip

- Connect plastic pipes with metal pipes without welding
- Special design of the anchoring ring the coupling can withstand even high vibration loads



### VPP Compact

- Connection solution to applications exposed to high temperatures
- V PP profile clamps are reliable and time-effective connection elements

# Good Balance in the Two Distinct Ways to Market



Standardized Joining Technology (SJT)\*  
ca. 42% of 2020 sales

Engineered Joining Technology (EJT)  
ca. 58% of 2020 sales

**High quality, branded and standardized joining products** provided at competitive prices to broad range of customers, especially via e-commerce.



↳ [More information on NORMA Group's brands on the website](#)

- High quality, standardized joining technology products
- No. 1 product portfolio & service level
- B2B and B2C

## Unique business model with two distinct ways-to-market

- Significant economies of scale in production
- Resident engineers with close contact to international EJT customers
- National and international SJT service level and SJT product portfolio

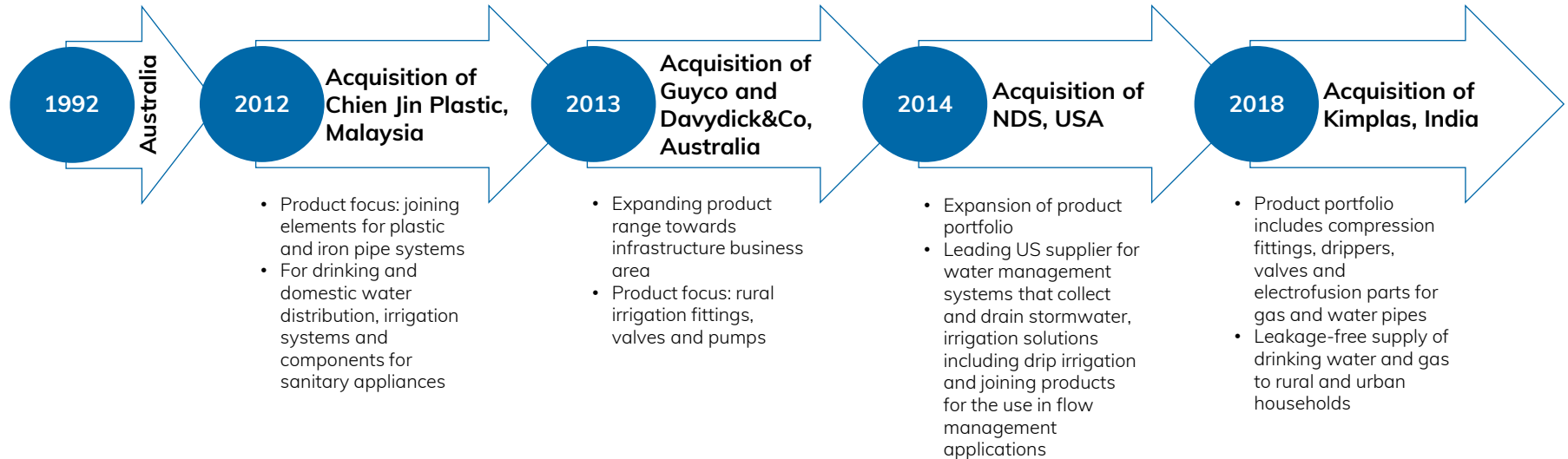
**Innovation and product solution partner** for customers, focused on engineering expertise **with high value-add, including digital solutions.**



- Customized, engineered solutions
- 985 patents and utility models
- B2B

\* Standardized Joining Technology (SJT) is the new term for the former Distribution Services (DS)

## Scarce resource calling for water handling products



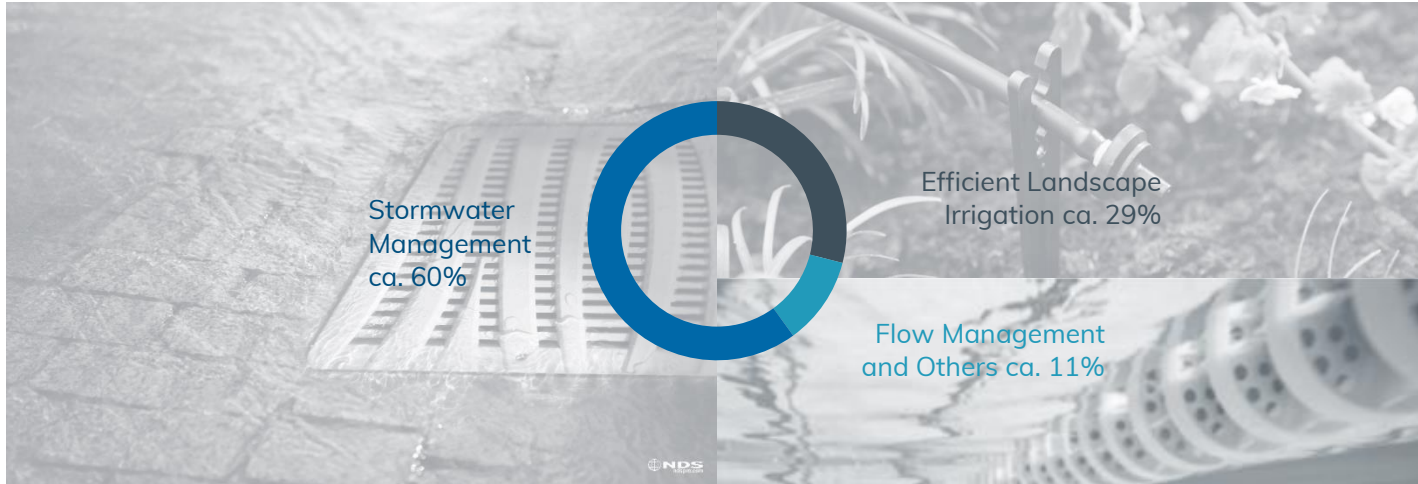
- 23% of sales or EUR 220.5 million in 2020
- Production and distribution sites in Australia, Malaysia, the US, Mexico and India
- Expanding Water Business organically and through M&A transactions



# NDS Provides Full Breadth of Water Management Solutions



Broad diversification in terms of application areas and products



Large target markets for all NDS application areas nationwide and international

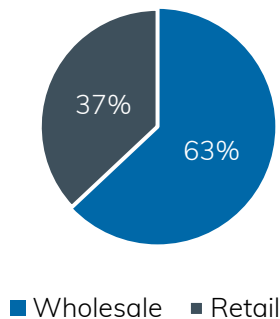
International expansion with mid-term focus

# NDS has deep and longstanding Customer Relationships

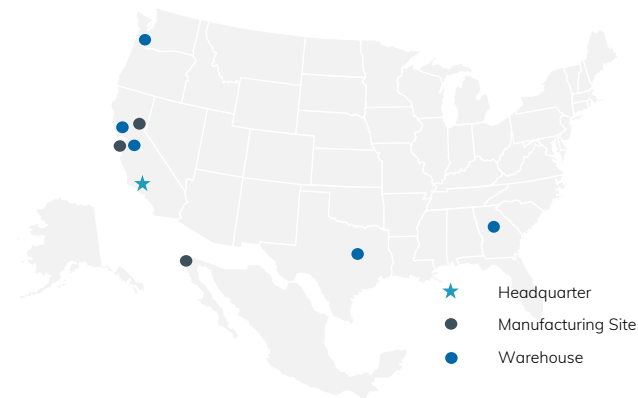
## Highly differentiated distribution and service model

- More than 4,950 products
- Over 15,800 customer locations (retail and wholesale customers)
- Two production sites (CA), six warehouses in the US, more than 500 employees
- Orders received by 11 am are shipped the same day for wholesale orders
- 97% order fill rate, 98% on-time shipment of orders, and 98% order accuracy

### Over 15,800 customer locations

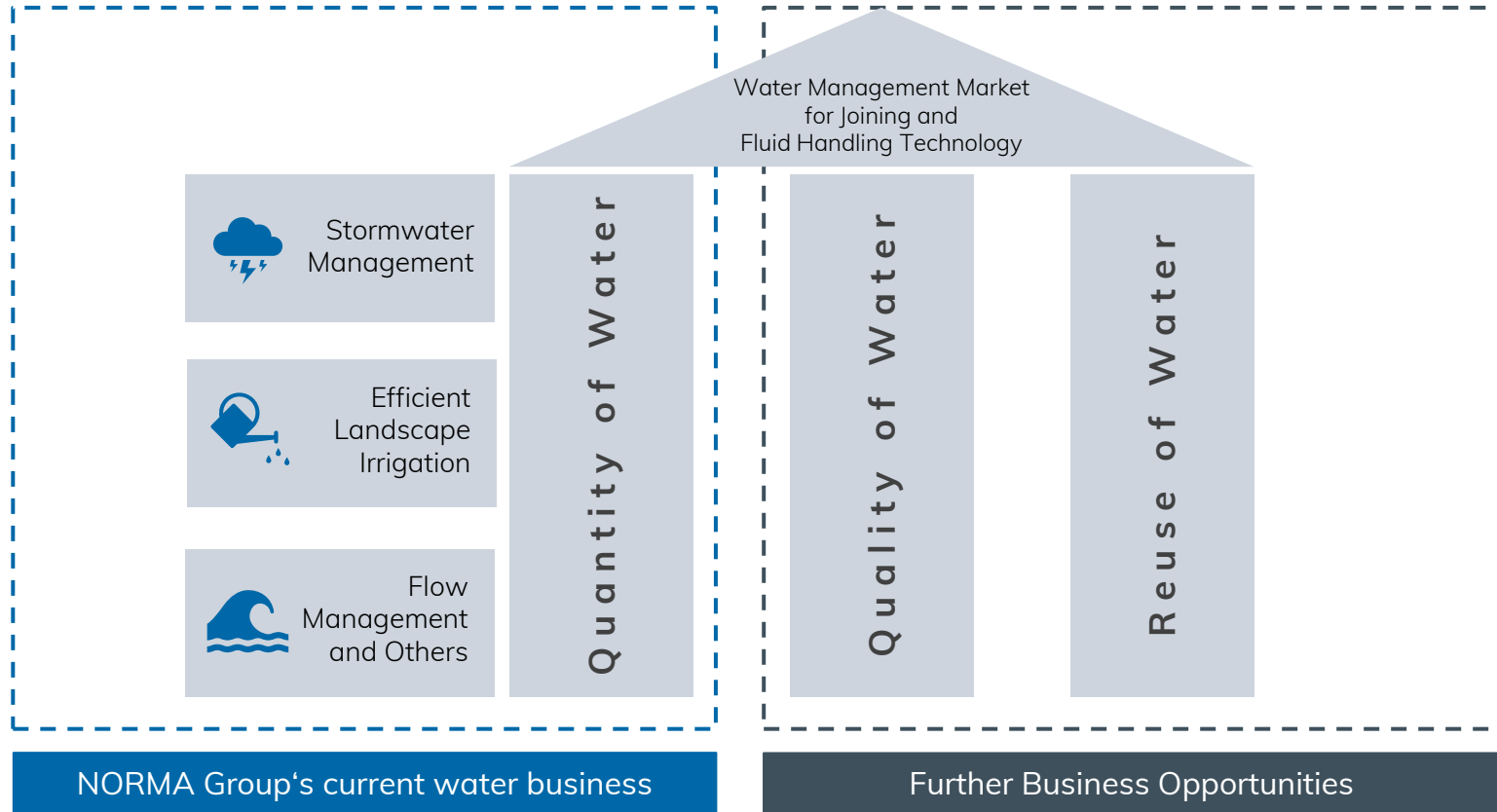


### Nation-wide presence



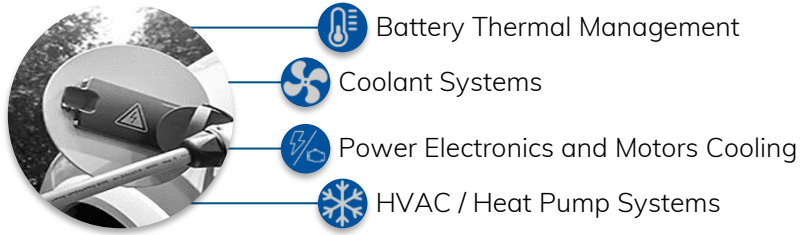
Over 25 years relationship with all of our top retail and wholesale customers

# Business Opportunities in Water Management

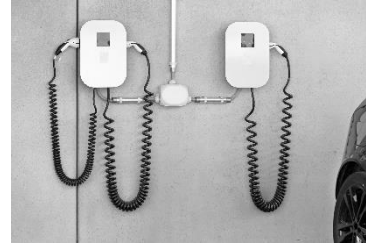


# NORMA Group's growth opportunities for E-Mobility Developments

## Growth opportunities within the car



## Further growth opportunities outside the car



✓ Charging stations and wallboxes for e-mobility

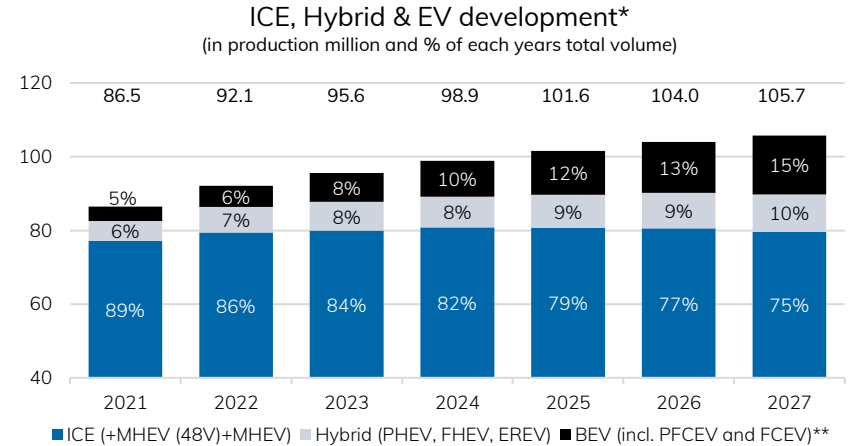
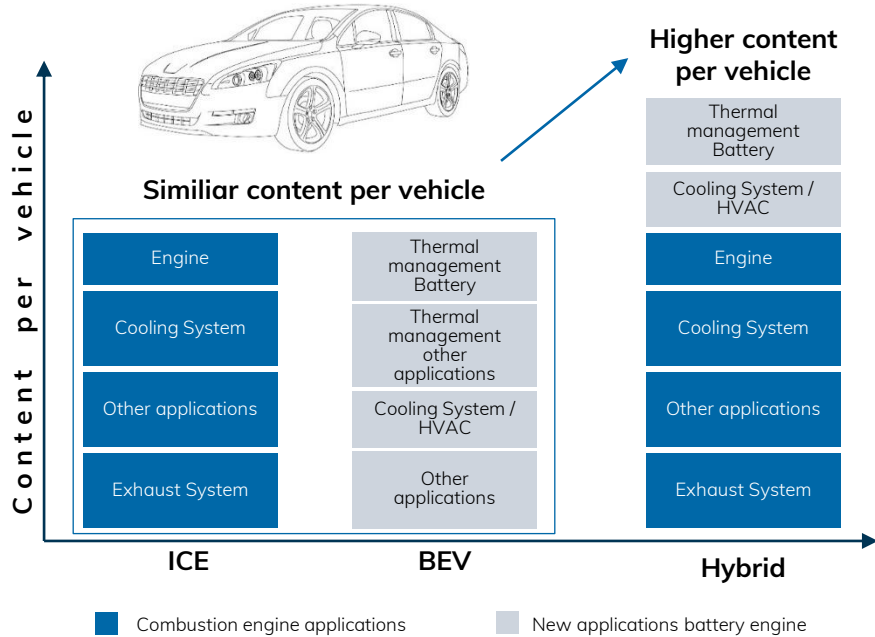
✓ Joining technology within renewable energy sector (e.g. windmills)

➤ [More information on NORMA Group's E-Mobility solutions on the website](#)

# NORMA Group well on track for Mobility & New Energy



Benefit from hybridization and maintain content in Battery Electric Vehicles (BEV) vs. Internal Combustion Engines (ICE)



\*Source: LMC / NORMA Group as of April 30, 2021

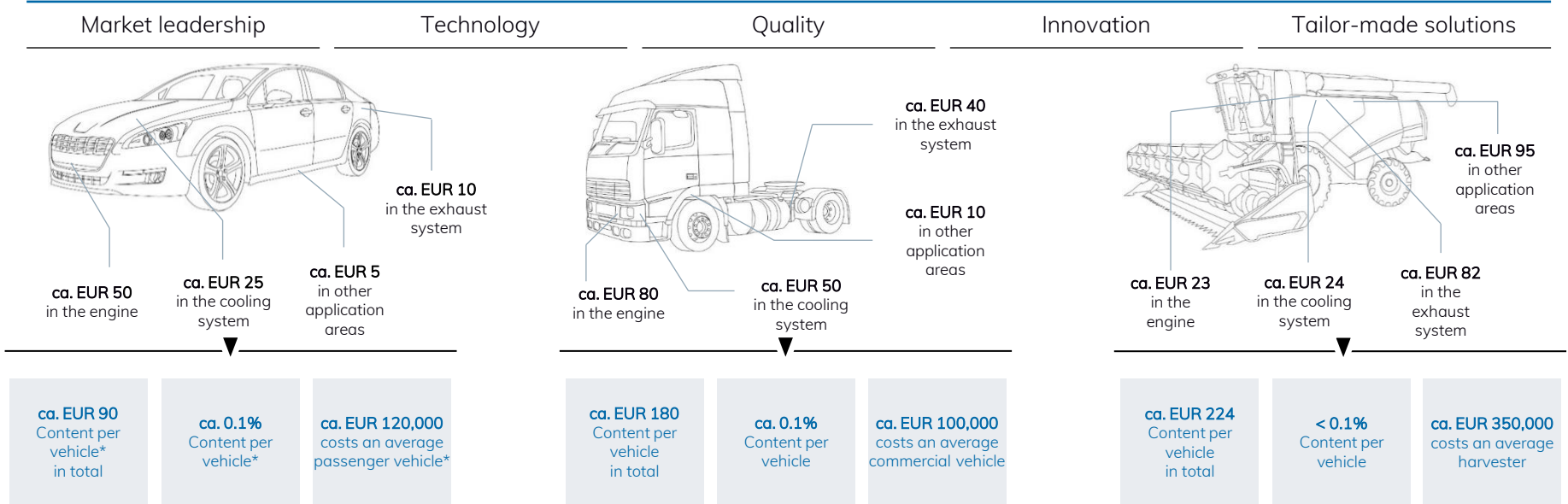
\*\* MHEV= Mild Hybrid EV, PHEV= Plug-in hybrid EV, FHEV= Full Hybrid EV, EREV= Extended-range EV, PFCEV= Plug-in fuel cell EV, FCEV= Fuel cell EV

# Premium Pricing through Technology and Innovation Leadership in Mission-Critical Components



## Mission-criticality: Small relative costs – high impact

### Basis for premium pricing



### High switching costs for customers

\* Example: Premium gasoline combustion engine passenger vehicle

# Enhanced Stability through Broad Diversification Across Products, End Markets and Regions



## Examples of NORMA Group's key end markets

Construction / infrastructure  
/ water management



Commercial vehicles



Engines



Passenger vehicles



Construction equipment



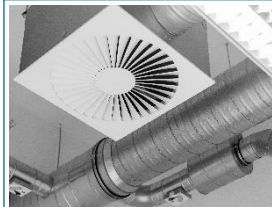
Agricultural equipment



Shipbuilding



HVAC



Pharma & Biotech



Wholesalers & technical  
distributors and E-  
Commerce



- >40,000 products, manufactured in 28 locations and sold to more than 10,000 customers in 100 countries
- Top 5 customers account only for around 15% of 2020 sales

# NORMA Group Provides Mission-Critical Products and Solutions with Clear Added-Value



## A World without NORMA Group



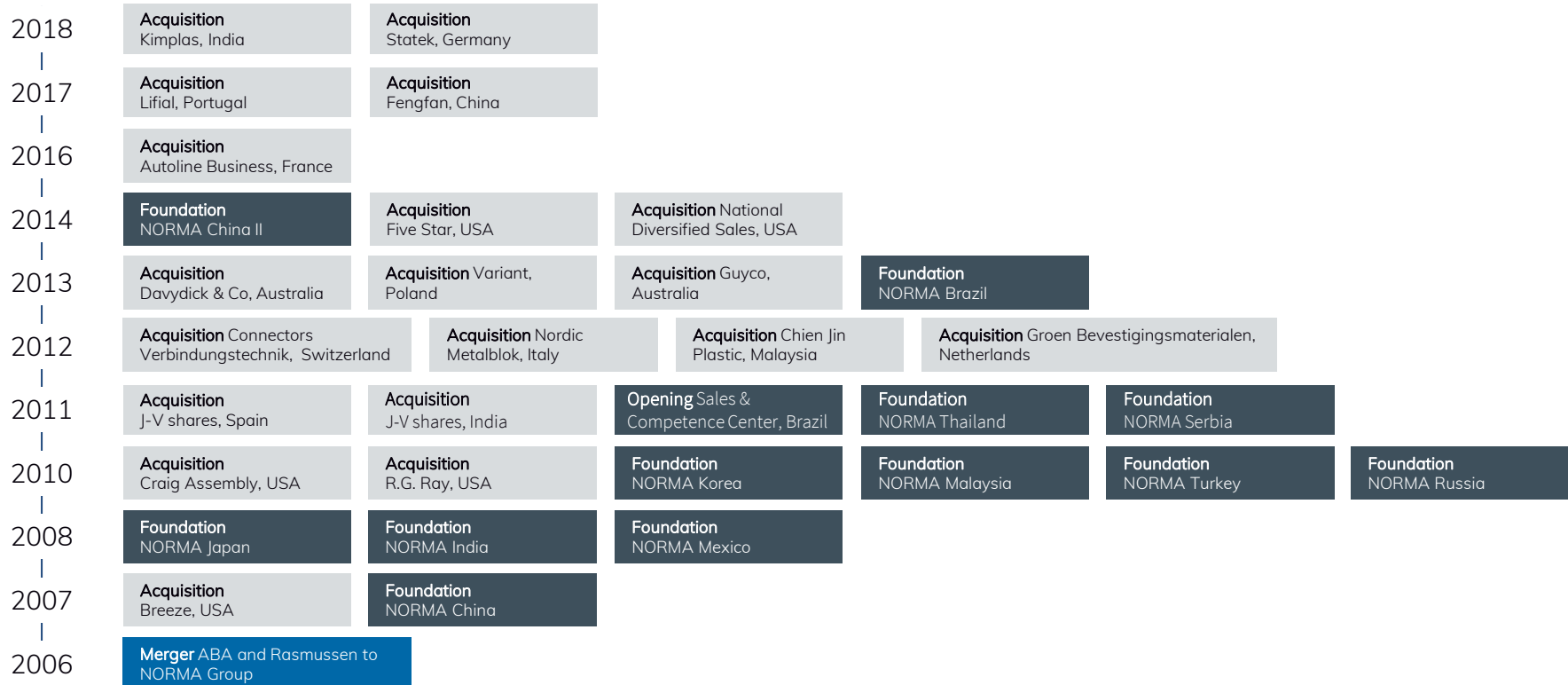
## Customer Impact

- Reputation loss
- Image loss
- Warranty costs
- Non-compliance with legal requirements/regulations

Loss of End Customers



# History of Acquisitions and Foundations



## 14 Acquisitions since IPO in 2011 representing 46% of Sales in 2011



Sales Consolidation Effects (in EUR million)	Date of Acquisition		Total Sales
CONNECTORS Verbindungstechnik AG, Switzerland	04/12	Market entry in connecting technology in Pharma & Biotech	16.6
Nordic Metalblok S.r.l., Italy	07/12	Market consolidation heating and air conditioning clamps	5.2
Chien Jin Plastic Sdn. Bhd., Malaysia	11/12	Market entry joining elements for water distribution	7.7
Groen Bevestigingsmaterialen B.V., Netherlands	12/12	Securing market with national dealer	3.4
Davydick & Co. Pty. Limited, Australia	01/13	Enforce market position with distribution of water & irrigation systems	3.4
Variant SA, Poland	06/13	Securing market with national dealer	2.3
Guyco Pty. Limited, Australia	07/13	Enforce market position with distribution of water & irrigation systems	7.2
Five Star Clamps Inc., USA	05/14	Consolidation of multi-industrial engineered clamps	4.0
National Diversified Sales, Inc., USA	10/14	Expanding water management product portfolio	129.3
Autoline, France	12/16	Expanding product portfolio and strengthening market position in the area of quick connectors	46.2
Lifial - Indústria Metalúrgica de Águeda, Lda., Portugal	01/17	Strengthening product portfolio of DS business and market consolidation	7.4
Fengfan Fastener (Shaoxing) Co., Ltd., China	05/17	Expanding product portfolio and market position	11.5
Kimplas Piping Systems Ltd., India	07/18	Expanding water management product portfolio	20.4
Statek Stanzereitechnik GmbH, Germany	08/18	Expanding value chain for stamping and forming technology	5.1
<b>Total</b>			<b>269.8</b>

## EMEA

Czech Republic (P)  
France (P, D)  
Germany (P, D)  
Italy (D)  
Poland (P, D)  
Portugal (P,D)  
Russia (D)  
Serbia (P)  
Spain (D)  
Sweden (P, D)  
Switzerland (P, D)  
Turkey (D)  
United Kingdom (P, D)

## Americas

Brazil (P, D)  
Mexico (P, D)  
USA (P, D)

## Asia-Pacific

Australia (D)  
China (P, D)  
India (P, D)  
Japan (D)  
Malaysia (P, D)  
Singapore (D)  
South Korea (D)  
Thailand (D)



↳ [More information on NORMA Group's locations on the website](#)

- 27 Production sites
- 22 Countries with Distribution, Sales & Competence Centers
- Sales into more than 100 countries

## NORMA Group – Key Investment Highlights

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- 1 Focus on Joining & Fluid-handling technology with profitable & sustainable growth in existing & future markets driven by global mega trends such as climate change and resource scarcity
- 2 Active in Water Management, Industry Applications and Mobility & New Energy
- 3 Enhanced stability through broad diversification across products, end markets and regions
- 4 Strong global distribution network with one-stop-shopping service to specialized dealers, wholesalers and distributors as well as increased focus on e-commerce channels
- 5 Well positioned with engineered products with premium pricing through technology and innovation leadership in mission-critical components to benefit from shift to e-mobility
- 6 Significant growth and value creation opportunity through synergistic acquisitions
- 7 Focus on value creation & shareholder return and strong commitment to sustainable development goals

# Management Board of NORMA Group SE

→ [More information on NORMA Group's management board on the website](#)



## Dr. Michael Schneider

Chairman of the Management Board,  
CEO of NORMA Group SE  
since November 14, 2019



### Responsibilities:

Group Development, Group Communications, Sales, Marketing, Regional Organization, Corporate Responsibility and ESG, Personnel, Legal and M&A, Risk Management, Compliance & Internal Audit

### Professional background

- Since 2019: CEO, NORMA Group
- 2015 – 2019: CFO, NORMA Group
- 2010 - 2015 Managing Director / CFO, FTE automotive Group
- 2006 - 2009 Member of the Management Board, Veritas AG
- 2003 - 2006 Director of Finance and IT, Aesculap AG (B. Braun Melsungen Group)
- Previous Various international management positions, thereof 3 years in Brazil

### Studies / professional education

- Studies of business economics at the Justus-Liebig-University of Gießen
- PhD in Economics at the Justus-Liebig-University of Gießen

## Dr. Friedrich Klein

Member of the Management Board,  
COO of NORMA Group SE  
since October 1, 2018



### Responsibilities:

Production, Purchasing, Supply Chain Management, Operational Global Excellence, ICT, Quality, Environment, Health and Safety (EHS), Product Development, R&D, Divisional Organization

### Professional background

- Since 2018: COO, NORMA Group
- 2008 - 2018 Various leading positions at Schaeffler Technologies AG & Co KG, Herzogenaurach
- 2005 - 2007 Director of Operations at Mubea Inc, Florence, USA
- 1996 - 2004 Various leading positions at Muhr und Bender KG, Attendorf
- 1989 - 1996 Various leading positions at WZL der RWTH Aachen, Aachen

### Studies / professional education

- Master's degree in Mechanical Engineering from RWTH Aachen
- Doctorate in Engineering from RWTH Aachen

## Annette Stieve

Member of the Management Board,  
CFO of NORMA Group SE  
since October 1, 2020



### Responsibilities:

Finance & Reporting, Controlling, Treasury & Insurances, Investor Relations

### Professional background

- Since 2020: CFO, NORMA Group
- 2018 – 2020 Management Board, CFO Finance, Indirect Purchasing & General Services at Hoffmann SE, Munich
- 1996 – 2017 Various leading positions (most recently as Managing Director and CFO of the Northern and Eastern Europe region) at Faurecia Group, Stadthagen
- 1991 – 1996 Arthur Andersen & Co GmbH, Audit and Tax Advisory Firm, Hannover

### Studies / professional education

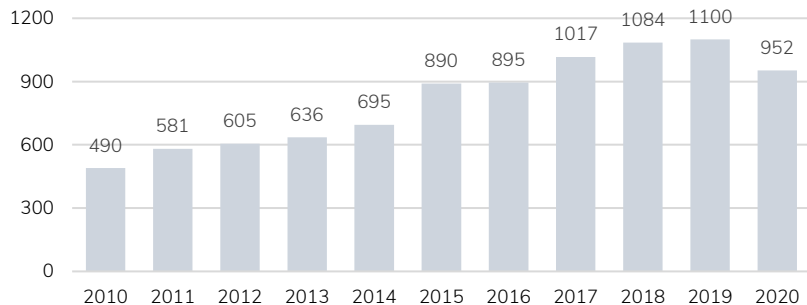
- Global Senior Management Program (Faurecia Programs), INSEAD, Fontainebleau Cedex, France
- Studies of economics at University of Paderborn
- Studies of law at the University of Bielefeld

# Financial Track Record

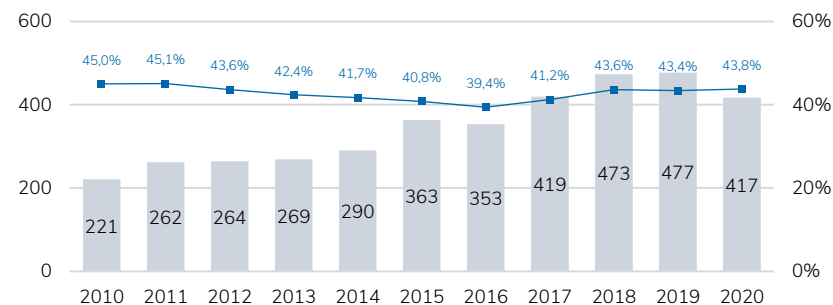
# Long-term P&L Development (I/II)



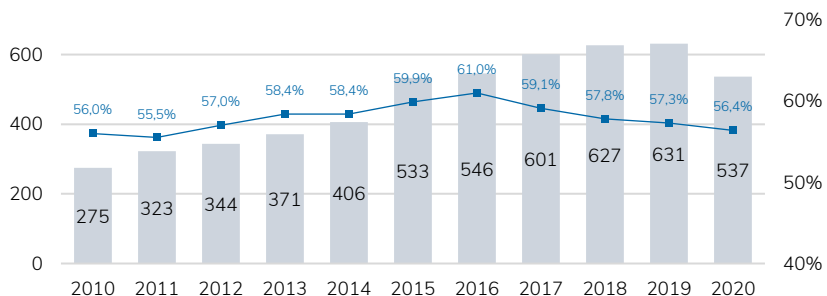
Sales (in EUR million)



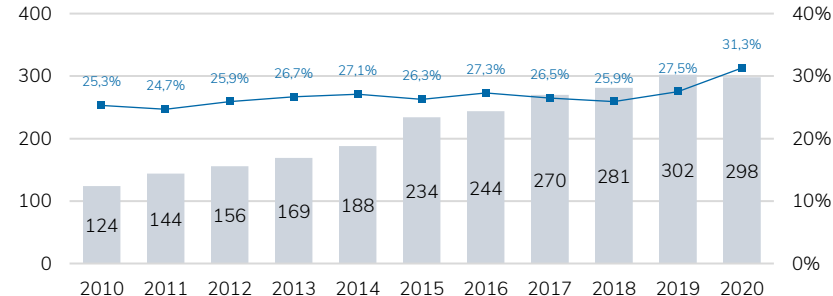
(Adjusted) Material Costs (in EUR million and % of sales)



(Adjusted) Gross Profit (in EUR million and % of sales)

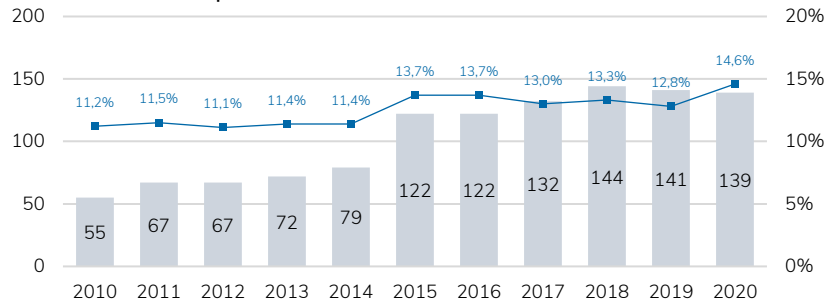


(Adjusted) Personnel Expenses (in EUR million and % of sales)

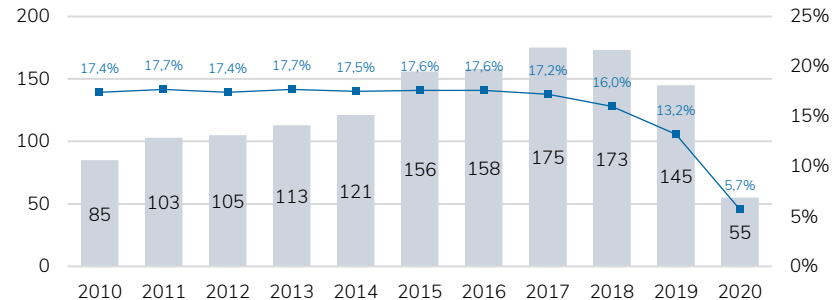


# Long-term P&L Development (II/II)

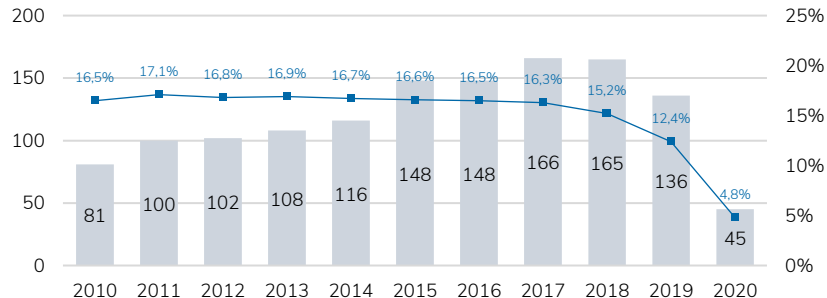
### Net Expenses from adj. other oper. Income and Expenses (in EUR million and % of sales)



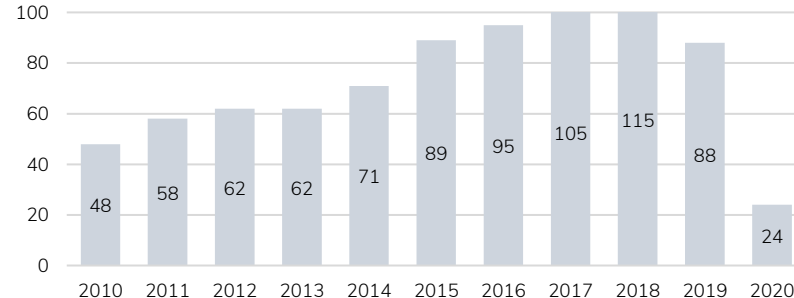
### Adjusted EBITA (in EUR million and % of sales)



### Adjusted EBIT (in EUR million and % of sales)

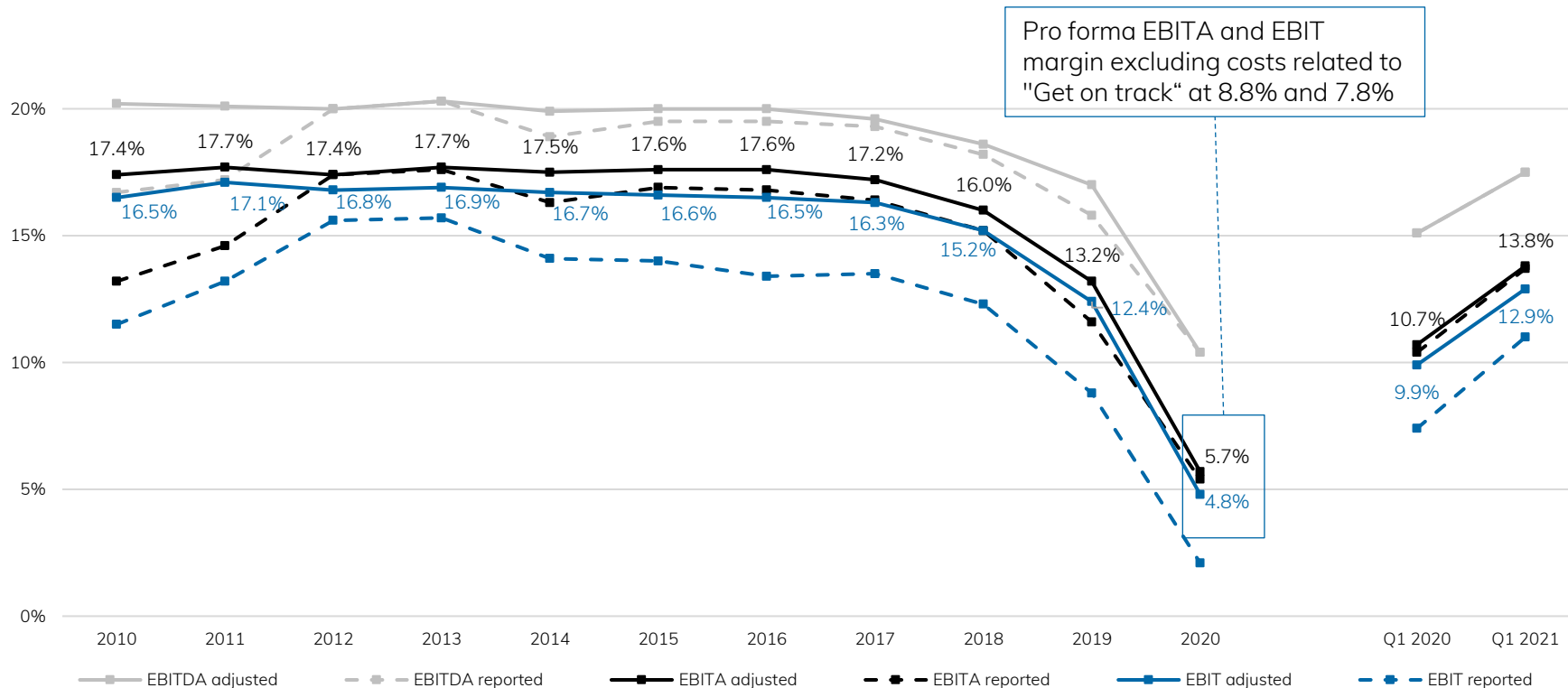


### (Adjusted) Net Profit (in EUR million)





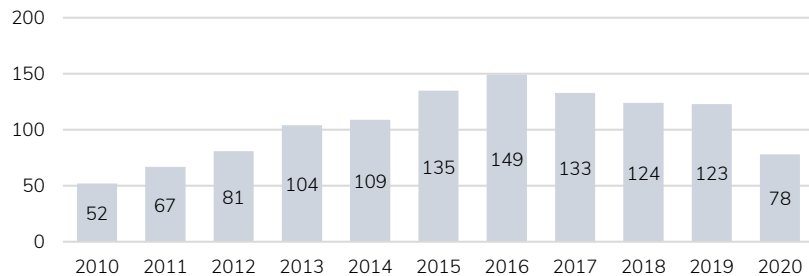
# Long-term Margin Development (adjusted and reported)



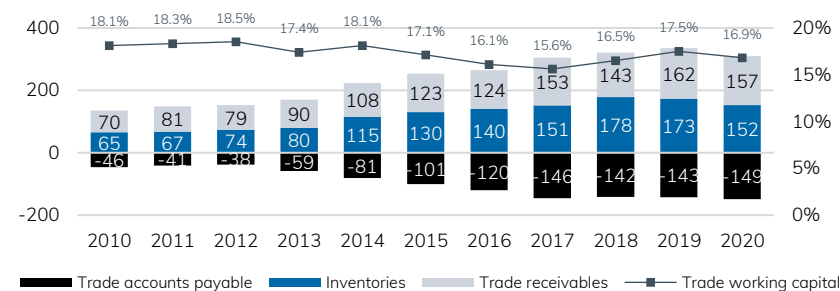
# Long-term Cash, Working Capital and CAPEX Development



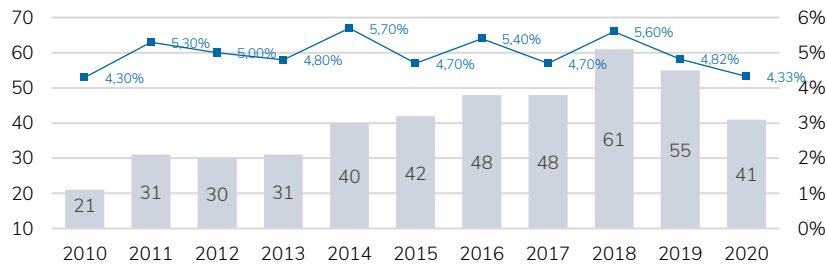
### Net Operating Cash Flow (in EUR million)



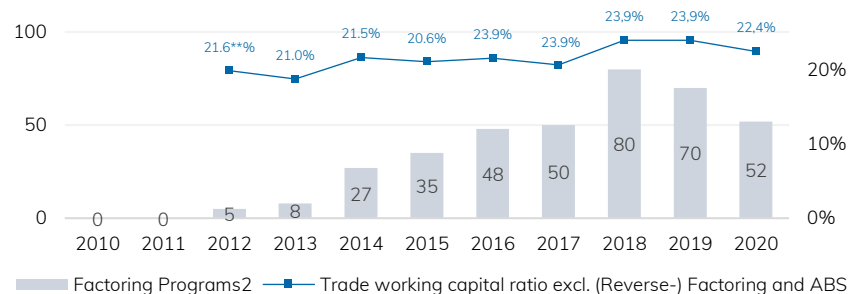
### Trade Working Capital (in EUR million and % of sales)



### CAPEX (in EUR million and % of sales)



### Factoring Programs (in EUR million and % of sales)



## Long-term Operational Adjustments on EBITA and EBIT level

in EUR million	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Reported EBITA	64.9	84.7	105.2	112.1	113.3	150.5	150.4	166.8	164.8	127.9	51.1
+ Acquisition and Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4	0
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5	3.5
<b>Total Adjustments</b>	<b>20.5</b>	<b>18.0</b>	<b>0.3</b>	<b>0.5</b>	<b>8.2</b>	<b>5.8</b>	<b>7.1</b>	<b>7.7</b>	<b>8.4</b>	<b>16.9</b>	<b>3.5</b>
<b>Adjusted EBITA</b>	<b>85.4</b>	<b>102.7</b>	<b>105.4</b>	<b>112.6</b>	<b>121.5</b>	<b>156.3</b>	<b>157.5</b>	<b>174.5</b>	<b>173.2</b>	<b>144.8</b>	<b>54.6</b>
Reported EBIT	56.3	76.6	94.4	99.5	97.8	124.8	120.0	137.8	133.5	96.7	20.1
+ Acquisition and Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4	0
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5	3.5
+ PPA Amortization	4.0	5.1	7.2	7.7	10.1	17.3	20.6	20.5	22.6	22.5	21.7
<b>Total Adjustments</b>	<b>24.5</b>	<b>23.1</b>	<b>7.5</b>	<b>8.2</b>	<b>18.3</b>	<b>23.1</b>	<b>27.7</b>	<b>28.2</b>	<b>31.0</b>	<b>39.4</b>	<b>25.1</b>
<b>Adjusted EBIT</b>	<b>80.9</b>	<b>99.7</b>	<b>101.9</b>	<b>107.7</b>	<b>116.2</b>	<b>147.9</b>	<b>147.7</b>	<b>166.0</b>	<b>164.5</b>	<b>136.1</b>	<b>45.3</b>

In 2020 EUR 29 million costs related to the „Get on track“ change program are not shown on an adjusted basis

# Corporate Responsibility

# NORMA Group's Corporate Responsibility Commitment

↳ [More information on NORMA Group's CR commitments on the website](#)



## NORMA Group is committed to several initiatives, charters and guidelines...

### Membership with UN Global Compact

- Ten principles in the areas of human rights, labor, the environment and anti-corruption

### Human and Labor Rights

- "NORMA Group categorically rejects and does not accept any form of violation of human rights."

### Signatory of Diversity Charter

- "We deeply respect all colleagues irrespective of gender, nationality, ethnic background, religion or worldview, disability, age, and sexual preference and identity."

### Global Reporting Initiative (GRI)

- Transparent reporting in annual CR-Report according to GRI Standards

## ... and its CR actions contribute to 6 of the UN Sustainable Development Goals

- Key contribution to UN Sustainable Development Goals

**4** QUALITY EDUCATION



**6** CLEAN WATER AND SANITATION



**8** DECENT WORK AND ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



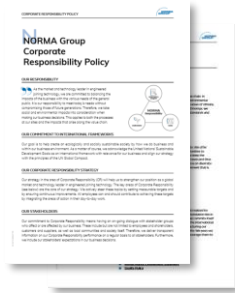
**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



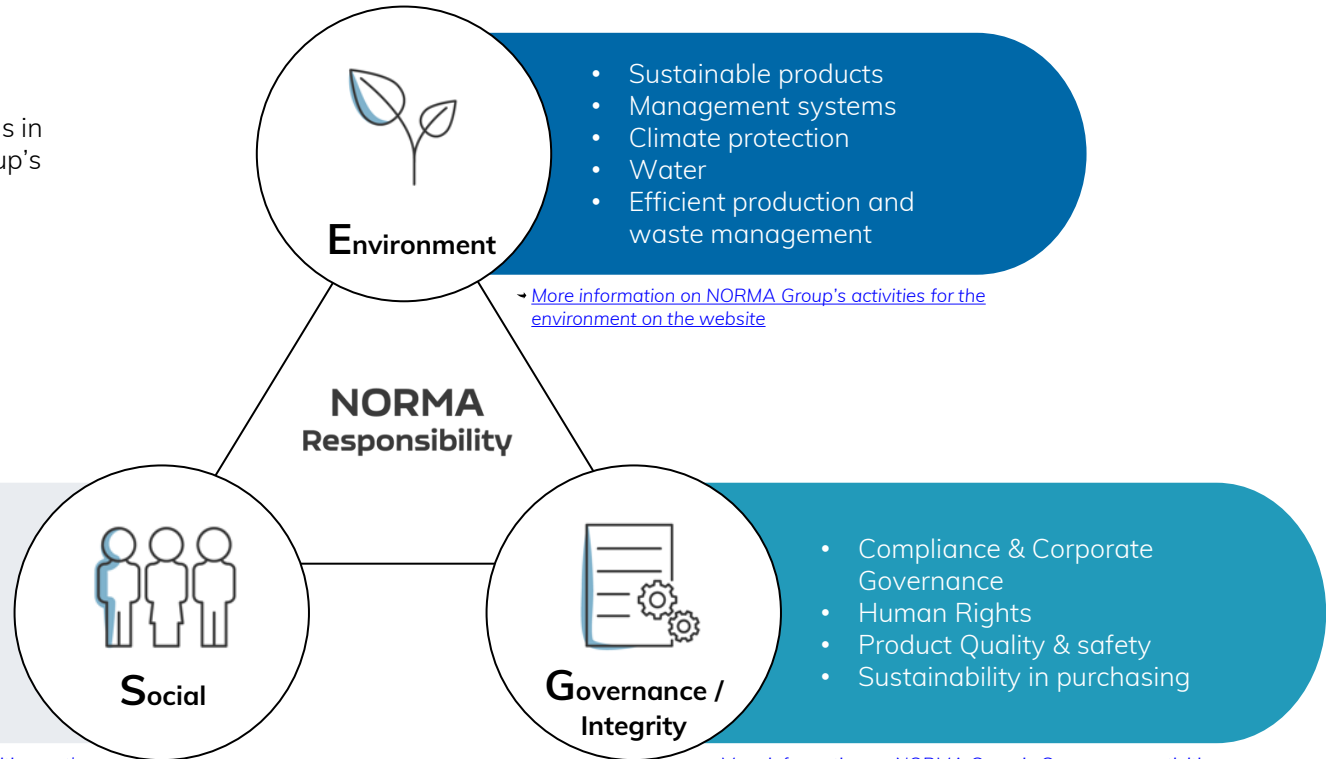
**13** CLIMATE ACTION



# What is Corporate Responsibility at NORMA Group?



Find all details in NORMA Group's [CR Policy](#)



→ [More information on NORMA Group's activities for the environment on the website](#)

→ [More information on NORMA Group's social activities on the website](#)

→ [More information on NORMA Group's Governance activities on the website](#)

# NORMA Groups Corporate Responsibility Focus Areas

E	Climate	Climate (scope 1 and 2) target in line with recommendations of science-based targets initiative
	Sustainable products	Integration of environmental aspects into product design process
	Green Financing	Sustainability linked loan connects financing conditions to achievement of sustainability rating
S	Health & Safety	Decrease of reportable accidents by more than 50% since 2014
	Learning	High numbers of training hours per employee
G	Compliance	System-based Compliance management covers all regions and entities
	Purchasing	Integration of sustainability aspects into standard purchasing processes

# Corporate Responsibility Targets for 2021

↪ [More information on NORMA Group's CR targets on the website](#)



## Environment

CO<sub>2</sub> emissions

**50,470 tons**

Indicator: Scope 1 and 2, tons

Water consumption

**2% improvement**

Baseline: 2019  
Indicator: m<sup>3</sup> / TEUR sales

Waste

**1% improvement**

Baseline: 2019  
Indicator: kg / TEUR sales

## Social

Incident rate

**< 4.6**

Indicator: accidents / 1,000 employees

Training hours

**> 30**

Indicator: training hours / employee

Voluntary attrition rate

**Local targets**

Indicator: % of sites that achieved local target

## Governance

Defective parts

**< 10**

Indicator: parts per million






Customer complaints

**< 5.6**

Indicator: average per month per entity



## Ratings confirm NORMA Group's approach to CR

Rating		Assessment 2020
MSCI ESG		<ul style="list-style-type: none"> <li>– AA (on a scale from CCC to AAA)</li> <li>– Top 25 % within the industrials benchmark</li> </ul>
EcoVadis		<ul style="list-style-type: none"> <li>– Top 1% of rating universe (&gt;35,000 companies)</li> <li>– Platinum standard</li> </ul>
ISS-ESG		<ul style="list-style-type: none"> <li>– Top 10% of rating universe (6,300 companies)</li> <li>– Qualification as social and environmental investment</li> </ul>
CDP		<ul style="list-style-type: none"> <li>– C (on a scale of D- to A)</li> <li>– Awareness level</li> </ul>
Sustainalytics		<ul style="list-style-type: none"> <li>– Risk Score: 16.7 - low risk (on a scale from 0 (best) to 100 (worst))</li> <li>– Top 1% in Industrie-Benchmark</li> </ul>

## Awards

- 2017: Awarded “Building Public Trust Award” (best non-financial report MDAX) by PwC
- 2020: FOX Finance Award (Silver) for CR report

# Megatrends drive NORMA Group's business



Responsible use of resources

Resource  
Scarcity



Energy efficiency

Climate  
Change



Environmental protection

## Environmental Impact of Products as key selling point

### Climate

- eM Twist Quick Connector, designed for e-mobility
- Less weight: More than 25% lighter than before
- Reduced CO<sub>2</sub> emissions: Estimated 32% saved in the production process



### Water

- Drip irrigation saves up to 60% in comparison to regular sprinkler irrigation
- More than 50% of resins are from recycled plastics at NORMA Group's water management subsidiary NDS



# NORMA Groups' Social Commitment



## NORMA Clean Water

- **Partner:** child aid organization Plan International
- **Focus:** Projects with focus on water management solutions
- 2014 – 2018: **NORMA Clean Water India**
  - Renovation of sanitary facilities at 25 schools
- 2017 – today: **NORMA Clean Water Brazil**
  - Target: Access to clean water for families in rural areas

↳ [More information on NORMA Group's partnership with Plan International in the CR report \(p. 59\)](#)



## NORMA Help Day

- Global volunteering day
- ↳ [More information on NORMA Group's Help Day in the CR report \(p. 60\)](#)
- 2019 (pre-pandemic):
  - Participation of ~700 employees at 29 sites
  - Support to ca. 30 non-governmental organizations





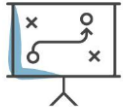
## Supplier Code of Conduct

- Basic understanding of sustainability management in purchasing, signature is a condition to be graded “preferred” supplier



## Supplier-Scoring

- Environmental and health and safety certificates as well as sustainability self-assessment are criteria in the annual supplier scoring



## Commodity Strategies

- Contain sustainability fact sheets, which quantify impacts on climate and water and identify improvement potentials



## Trainings

- Standard training of all Purchasing employees on sustainability tools in purchasing



ANNUAL REPORT



## Structure

- In 2020 NORMA Group publishes a combined report of the Annual Report and the CR Report for the first time
- From now on the CR Report is part of the annual report
- Information on NORMA Group's CR strategy, management approaches and KPI
- Structure of the report follows three CR areas of action and CR Scorecard

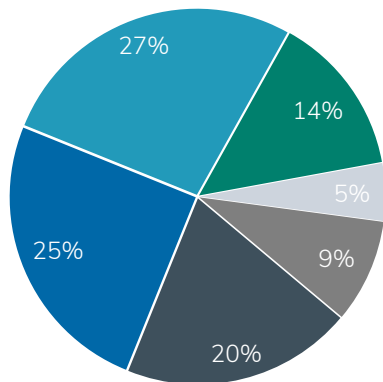
## Audit & Awards

- CR Report fulfills legal obligation to publish "non-financial report"
- Audit of non-financial information ("limited assurance")
- Awarded "Building Public Trust Award" (best non-financial report MDAX) & Fox Finance Award (Silver)

→ [Please click here for NORMA Group's CR report](#)

# Share Information and others

## Identified Institutional Shareholders<sup>1</sup>



## Free Float as of April 26<sup>th</sup>, 2021 includes<sup>2</sup>

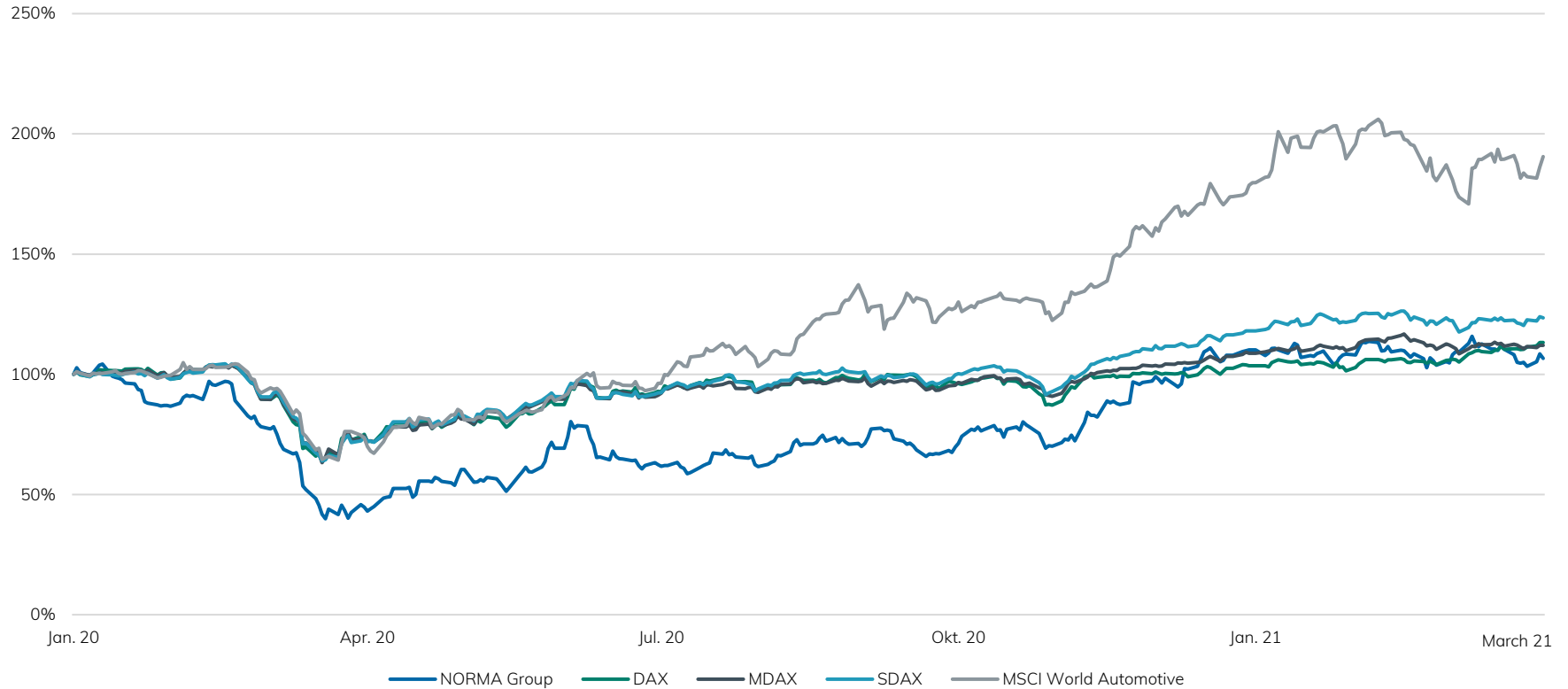
Allianz Global Investors GmbH, Frankfurt am Main, Germany	14.90%
T. Rowe Price Group, Inc., Baltimore, Maryland, USA	5.01%
Ameriprise Financial Inc., Wilmington, Delaware, USA	4.13%
Bank of Montreal, Montreal, Canada	3.52%
Standard Life Aberdeen plc Group, Edinburgh/Aberdeen, UK	3.02%
KBI Global Investors Ltd., Dublin, Ireland	3.003%

<sup>1</sup> As of March 31, 2021.

<sup>2</sup> According to voting rights notifications. All voting rights notifications are published on the Company's Website (<https://www.normagroup.com/corp/en/investors/publications-events/financial-releases/>).



# Index-based Share Price Performance compared with SDAX, MDAX, DAX and MSCI World Automobile



## Contact & Event Calendar

→ [Please click here for NORMA Group's financial calendar](#)



Event	Date
Annual General Meeting	May 20, 2021
Publication Interim Results Q2 2021	August 4, 2021
Publication Interim Results Q3 2021	November 3, 2021

### Contact

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E-mail: [Andreas.Troesch@normagroup.com](mailto:Andreas.Troesch@normagroup.com)

Internet: <https://investors.normagroup.com/>

This presentation contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as 'believe,' 'estimate,' 'assume,' 'expect,' 'forecast,' 'intend,' 'could' or 'should' or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the company's current assumptions, which may not in the future take place or be fulfilled as expected.

The company points out that such future-oriented statements provide no guarantee for the future and that actual events including the financial position and profitability of NORMA Group SE and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements.

Even if the actual results for NORMA Group SE, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this presentation, no guarantee can be given that this will continue to be the case in the future.

Non audited data is based on management information systems and/or publicly available information. Both sources of data are for illustrative purposes only.