



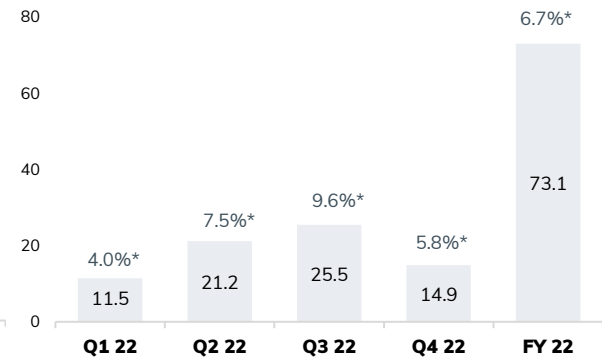
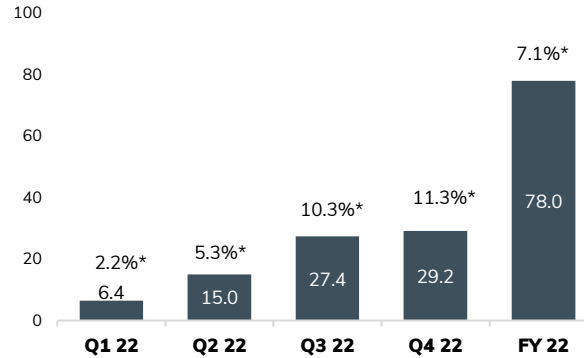
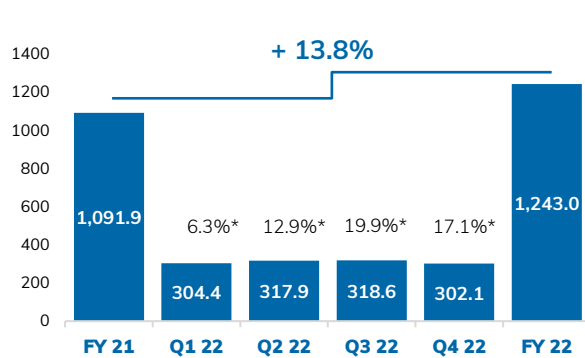
# **NORMA GROUP (NON-)FINANCIALS**

MAINTAL, MARCH 2023

# FY 2022 SEGMENT REPORTING & P&L STATEMENT



# Top Line Development



## Top Line

- Increase in Net Sales of 13.8% to EUR 1,243.0 million in 2022 compared to EUR 1,091.9 million in 2021, mainly due to positive pricing

**+ 7.1%**  
Organic Growth

thereof

**+9.3%**  
Price

**-2.1%**  
Volume

## Organic Growth

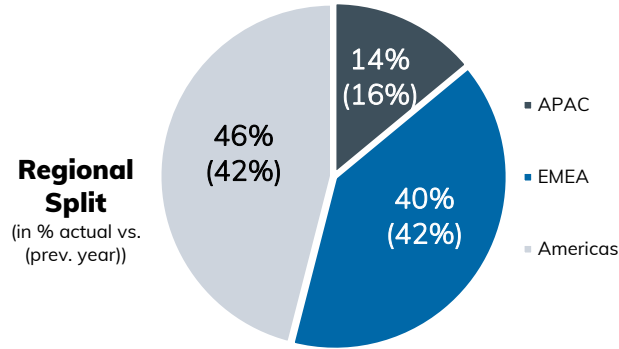
- Organic Growth of 7.1% in FY 2022 especially due to good development in the Americas region & good recovery in Q4 in EMEA
- EJT sales showing organic growth of 7.5% leading to sales of EUR 698.8 million, mainly due to strong growth in the Americas and EMEA region
- SJT sales showing good organic growth of 6.4% leading to sales of EUR 535.3 million, mainly due to the Americas region

## Currency Effects

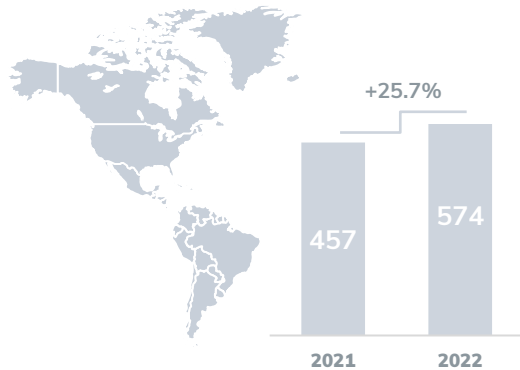
- Positive translation effects of EUR 73.1 million
- Thus, currency effects reflect 6.7% of group sales growth
- Currency effects mostly related to USD

\* In % of prior year sales

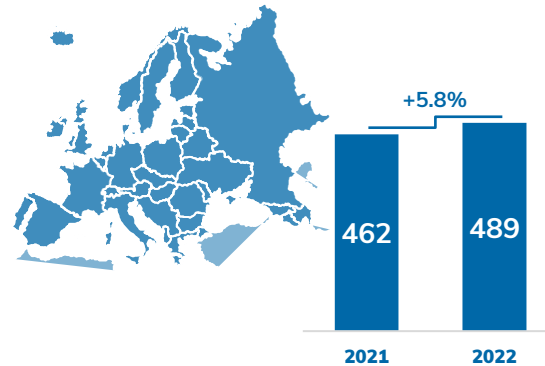
# Segment Reporting – Sales Development (I/II)



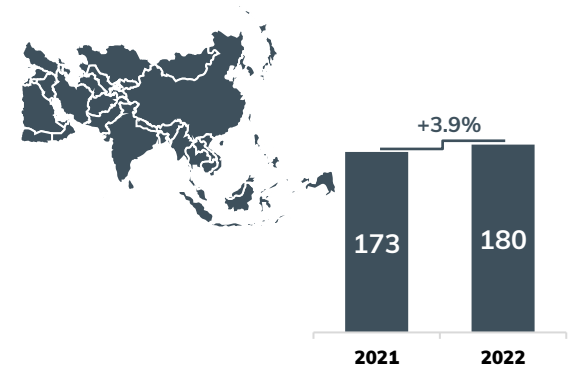
## AMERICAS Sales



## EMEA Sales



## APAC Sales



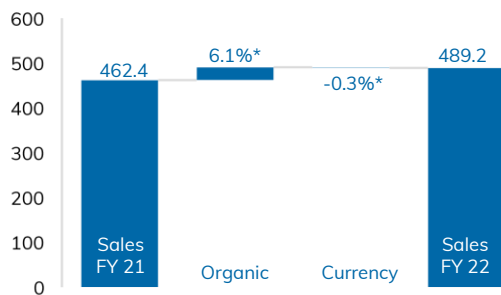
# Segment Reporting – Sales Development (II/II)

## EMEA



- **EJT:** Excellent recovery in H2 2022 especially in Light Vehicles leads to high single-digit organic growth of 9.7% in FY 2022
- **SJT:** Organic decline of 3.7% due to difficult business development and internal restructuring measures

### Sales Development

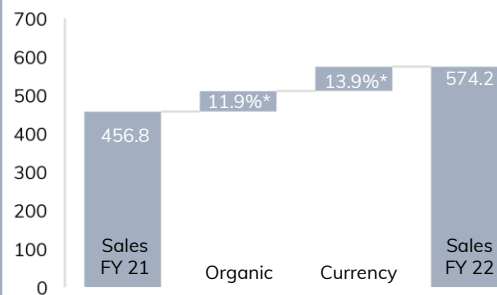


## Americas



- **EJT:** Strong performance in H2 2022 also due to pricing leads to double-digit growth of 11.4% in FY 2022
- **SJT:** Good double-digit organic growth of 12.0% with Water Management showing another strong organic growth of 12.4% due to pricing

### Sales Development

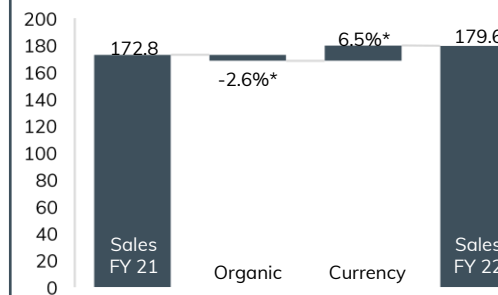


## APAC



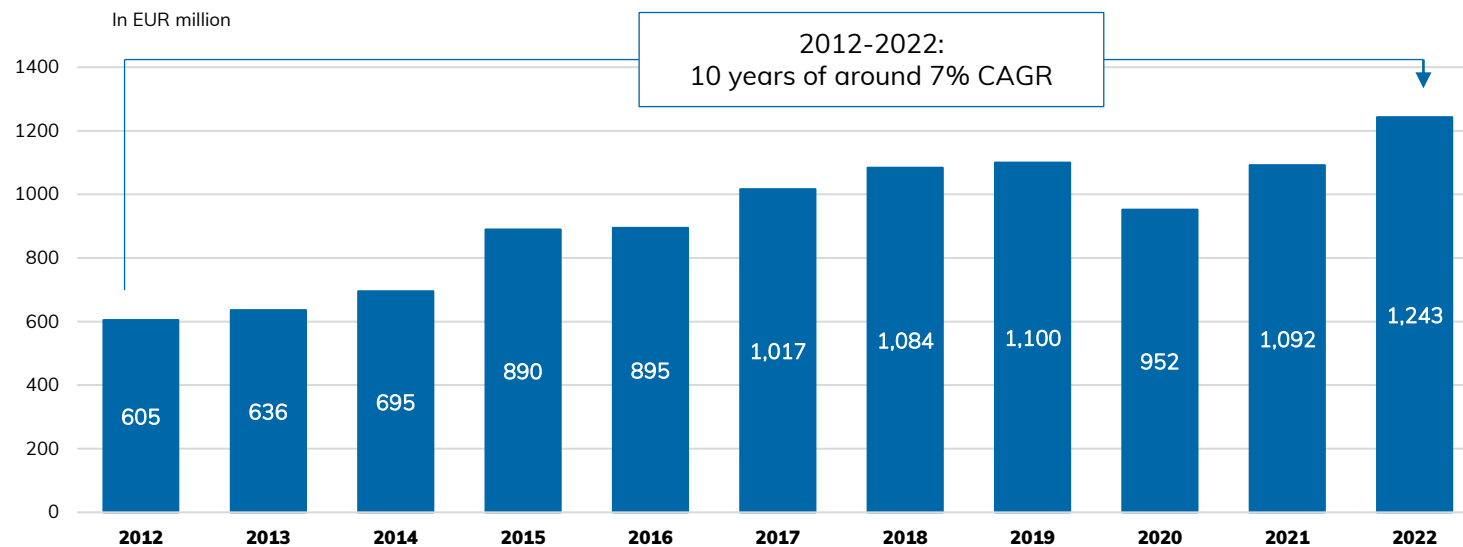
- **EJT:** Lockdowns in China in Q2 2022 lead to organic decline of 4.4% in FY 2022
- **SJT:** Strong H1 2022 leads to an organic growth of 1.2% in FY 2022

### Sales Development



\* In % of prior year sales

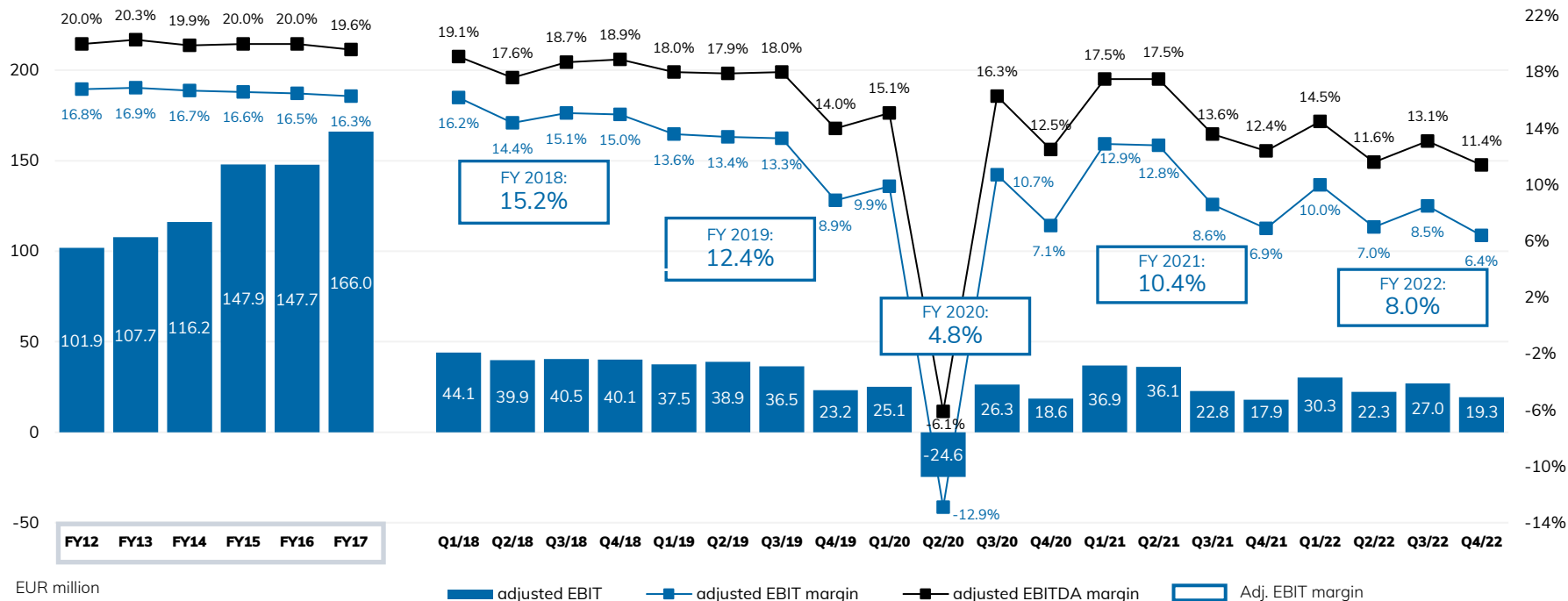
# Revenue Track Record



## Thereof organic development (in EUR million and %)

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Ø 10 years
In EUR million	15.1	41.3	25.9	7.6	77.0	78.6	-21.6	-133.3	154.4	78.0	
In %	2.5	6.5	3.7	0.9	8.6	7.7	-2.0	-12.1	16.2	7.1	3.9

# EBITDA & EBIT Margin Development

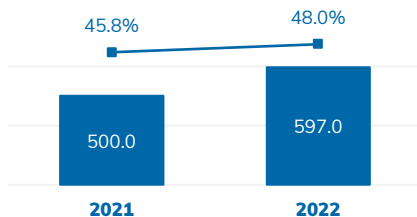


Adjusted EBIT margin at 8.0% affected by strong increase in material & logistic costs as well as internal inefficiencies in EMEA

# (Adjusted) Profit & Loss Development

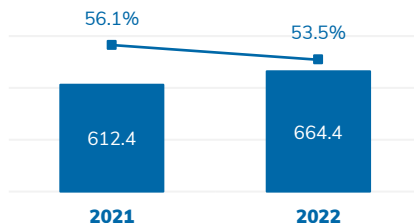
## Material Costs

(in EUR million and % of sales)



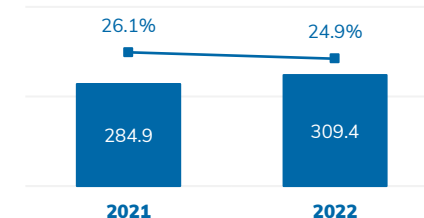
## Gross Profit

(in EUR million and % of sales)



## Personnel Expenses

(in EUR million and % of sales)

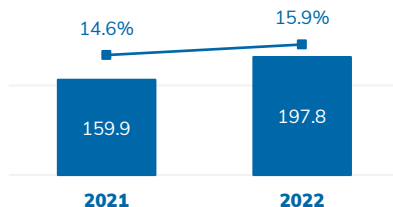


Material Cost ratio increased by 220 BPs while Gross Profit ratio decreased by 260 BPs mainly due to higher material costs in steel, plastics and energy

Strong improvement in personnel costs ratio to 24.9% due to stable number of employees while sales increased

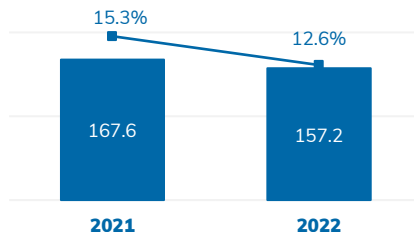
## Net Expenses from adj. other oper. Income and Expenses

(in EUR million and % of sales)



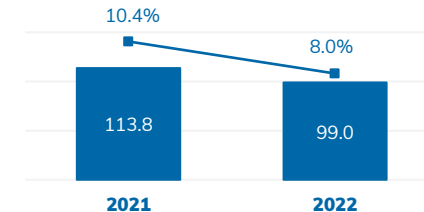
## Adjusted EBITDA

(in EUR million and % of sales)



## Adjusted EBIT

(in EUR million and % of sales)



OPEX ratio increased by 130 BPs due to freight costs and higher number of temp workers also affected by plant relocation

Adjusted EBITDA decreased by 270 BPs and adjusted EBIT margin decreased by 240 BPs to 12.6% respectively 8.0%



# Operational Adjustments 2022 and Outlook 2023-2024

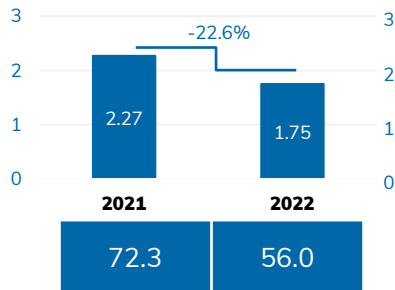


in EUR million*	Reported	Adjustments	Adjusted	FY 2023	FY 2024
Sales	1,243.0		1,243.0		
EBITDA	157.2	0	157.2	0	0
EBITDA margin	12.6%		12.6%		
EBITA	105.6	1.3 (depreciation PPA)	106.9	ca. 0.8 (depreciation PPA)	ca. 0.8 (depreciation PPA)
EBITA margin	8.5%		8.6%		
EBIT	76.5	22.4 (incl. EUR 21.1 million amortization PPA)	99.0	ca. 21.9 (incl. around EUR 21.1 million amortization PPA)	ca. 21.4 (incl. around EUR 20.6 million amortization PPA)
EBIT margin	6.2%		8.0%		
Net Profit	39.2	16.8 (incl. EUR -5.6 million post tax impact)	56.0	ca. 16.4	ca. 16.1
Net Profit margin	3.2%		4.5%		
EPS (in EUR)	1.23	0.52	1.75	ca. 0.51	ca. 0.50

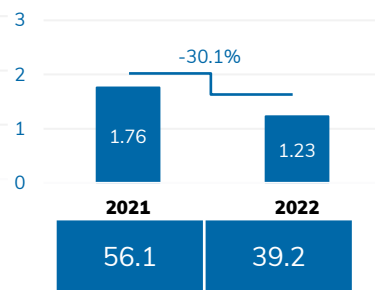
\* Deviations may occur due to commercial rounding.

# EPS and Dividend Development

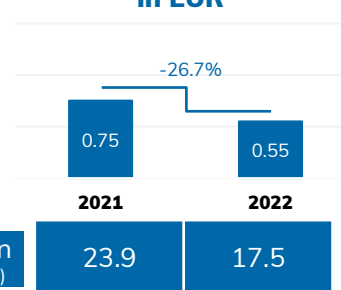
### Adjusted EPS in EUR



### Reported EPS in EUR



### Dividend per share in EUR



Net Income  
(in EUR million)

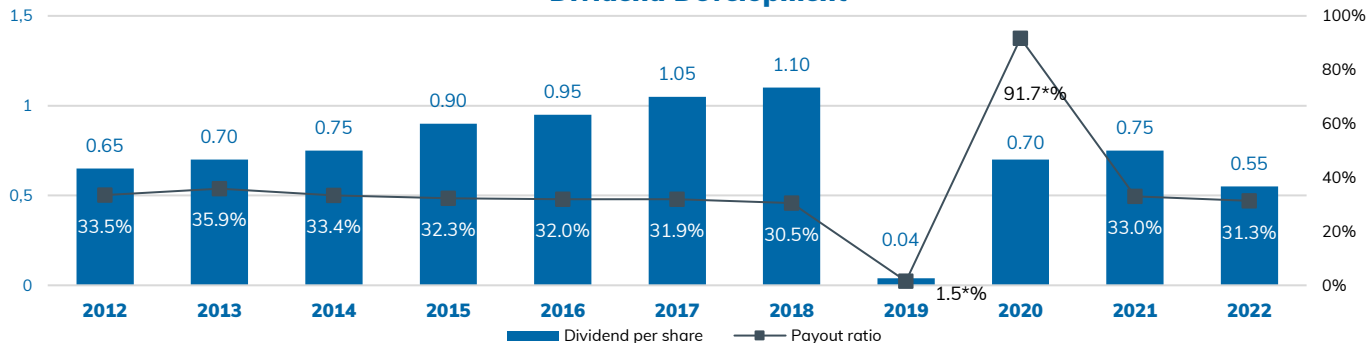


Distribution  
(in EUR million)



Dividend proposal of EUR 0.55 or 31.3% of adjusted Group net profit for the fiscal year 2022 to the AGM on May 11<sup>th</sup> 2023

### Dividend Development



**Dividend policy**  
Payout ratio of approx. 30%-35% of adjusted Group annual earnings

\* Dividend payout ratio in 2019 lower than usual due to the Covid-19 pandemic and 2020 higher than usual as a compensation for the previous years lower dividend.

# Profit and Loss Statement



in EUR million and %	Adjusted		Reported	
	2021	2022	2021	2022
Sales	1,091.9	1,243.0	1,091.9	1,243.0
Gross Profit	612.4	664.4	612.4	664.4
EBITDA	167.6	157.2	167.6	157.2
in % of sales	15.3%	12.6%	15.3%	12.6%
EBITA	122.5	106.9	121.0	105.6
in % of sales	11.2%	8.6%	11.1%	8.5%
EBIT	113.8	99.0	92.1	76.5
in % of sales	10.4%	8.0%	8.4%	6.2%
Financial Result	-12.4	-12.6	-12.4	-12.6
Profit before Tax	101.4	86.4	79.7	63.9
Taxes	-29.0	-30.4	23.6	-24.7
in % of profit before tax	28.6%	35.2%	29.6%	38.7%
Net Profit	72.3	56.0	56.1	39.2

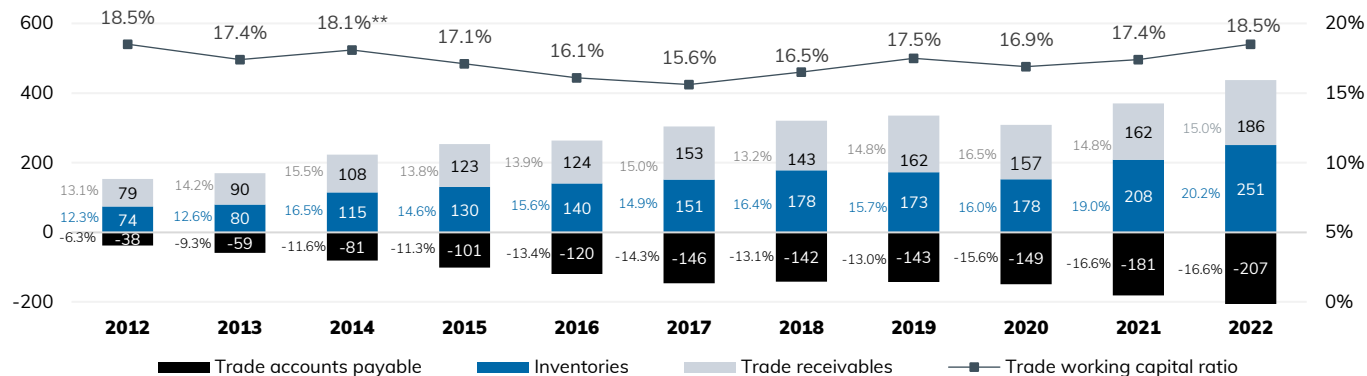
# FY 2022 BALANCE SHEET & MATURITY PROFILE



# Working Capital Development

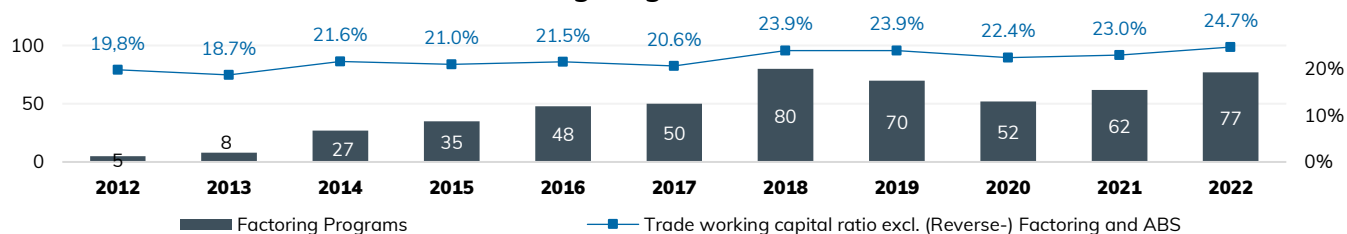
## Working capital incl. (Reverse) Factoring and ABS programs

(in EUR million and % of sales)



Working Capital Ratio increased by 110 BPs due to higher inventories related to safety stock because of plant relocation, material shortage and inflation.

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



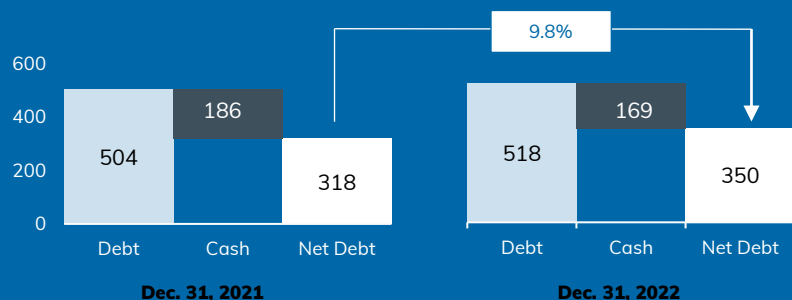
Factoring programs increased to EUR 77 million in order to optimize financial flexibility.

\* (Reverse) Factoring and ABS programs

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

# Equity Ratio, Net Debt and Debt Ratios

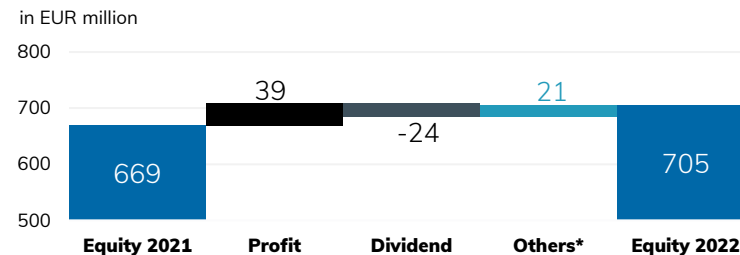
## Net Debt (in EUR million)



- Net Debt increased by 9.8% mainly due to higher working capital needs
- Leverage increased to 2.2x
- Increased Equity at EUR 705 million leads to improved Equity Ratio of 45.2%

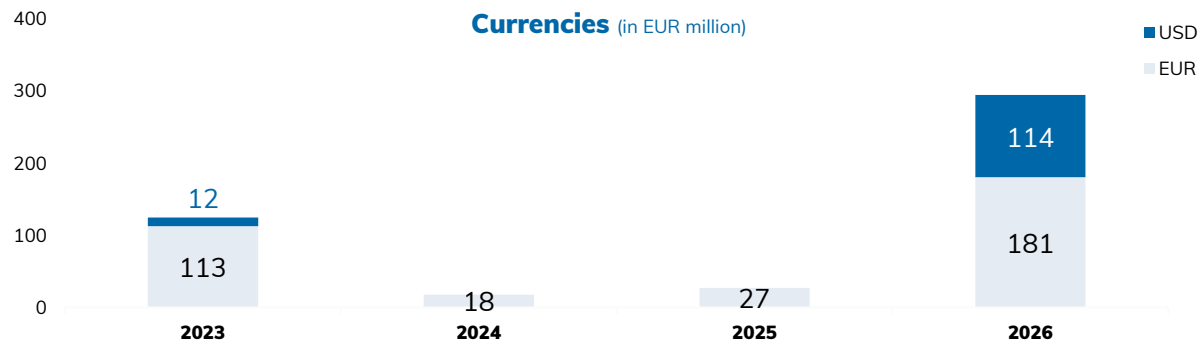
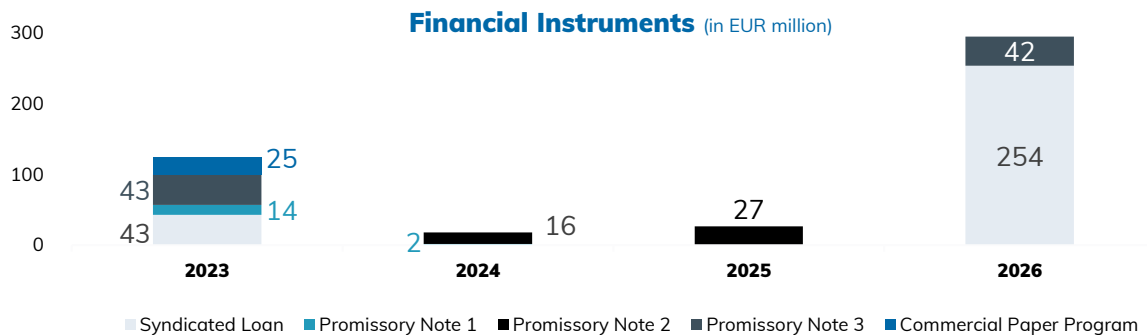
## Debt Ratios

	Dec. 31, 2021	Dec. 31, 2022
<b>Leverage</b> (Net debt / EBITDA)	1.9x	2.2x
<b>Gearing</b> (Net debt / equity)	0.5x	0.5x



Balance Sheet Total (in EUR million)	1,498	1,561
Equity Ratio	44.6%	45.2%

# Solid Maturity Profile



- Solid maturity profile with longterm financing strategy established
- Refinancing 2023 well underway
- Next larger refinancing due in 2026

# Balance Sheet

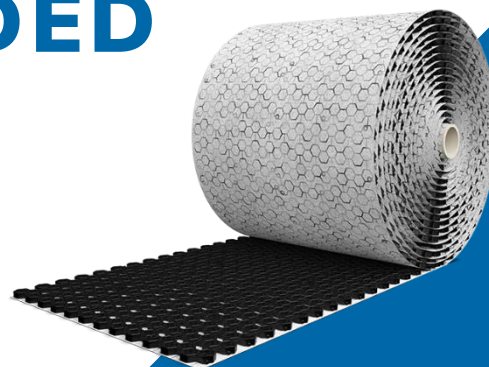


in EUR million	Dec 31, 2021	Dec 31, 2022
Assets		
Non-current assets		
Goodwill / Other intangible assets / Property, plant & equipment	883.2	894.1
Other non-financial assets / Derivative financial assets / Deferred- and income tax assets	22.4	28.3
Total non-current assets	905.6	924.5
Current assets		
Inventories	208.0	250.8
Other non-financial / other financial / derivative financial / income tax assets	30.0	30.0
Trade and other receivables	162.0	186.3
Cash and cash equivalents	185.7	168.7
Contract assets	0.8	0.5
Total current assets	592.6	636.2
Total assets	1,498.2	1,560.7

in EUR million	Dec 31, 2021	Dec 31, 2022
Equity and liabilities		
Equity		
Total equity	668.6	705.4
Non-current and current liabilities		
Retirement benefit obligations / Provisions	42.9	28.4
Borrowings and other financial liabilities	471.6	476.1
Other non-financial liabilities	38.5	40.6
Contract liabilities	0.6	1.3
Lease liabilities	30.8	40.7
Tax liabilities and derivative financial liabilities	64.6	61.4
Trade payables	180.5	206.7
Total liabilities	829.6	855.3
Total equity and liabilities	1,498.2	1,560.7




# FY 2022 CASH FLOW & NORMA VALUE ADDED



# Cash Flow Development 2012 - 2022

## Net Operating Cash Flow

in EUR million	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Variance (2022 to 2021)
(Adjusted) EBITDA	120.8	129.3	138.4	177.5	179.4	199.7	201.4	187.2	99.3	167.6	157.2	-6.2%
Δ ± Trade Working capital	-9.8	+5.1	+10.4	-0.6	+17.0	-19.1	-13.7	-9.5	20.2	-20.4	-38.8	-90.2%
Net operating cash flow before investments from operating business	111.0	134.4	148.8	176.9	196.4	180.6	187.7	177.7	119.5	147.2	118.5	-19.6%
Δ ± Investments from operating business	-30.0	-30.5	-39.6	-42.2	-47.9	-47.7	-63.3	-54.8	-41.2	-47.4	-53.2	12.2%
Net Operating Cash Flow	81.0	103.9	109.2	134.7	148.5	132.9	124.4	122.9	78.3	99.8	65.3	-34.6%

- 
- Working Capital outflow of EUR 38.8 million due to higher inventories related to safety stock because of plant relocation, material shortage and inflation
  - Capex increased in line with higher sales
  - Net Operating Cash Flow of EUR 65.3 million compared to EUR 99.8 million in 2021

# NORMA Value Added and ROCE

<b>in EUR million</b>	<b>2021</b>	<b>2022</b>
Adjusted EBIT after taxes	81.2	64.2
Capital Cost (WACC* x CE per January 1st)	-65.2	-91.3
NOVA	16.0	-27.1
ROCE (adjusted EBIT / Ø CE)	11.9%	9.7%
ROCE (reported EBIT / Ø CE)	9.6%	7.5%

- 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)

# GUIDANCE & OUTLOOK



# Comparison of Guidance and Actual Results



Actual business development compared to the forecast	Results in 2021	March 2022	July*/August 2022	Results in 2022
Group sales	EUR 1,091.9 million	/	/	EUR 1,243.0 million
Organic growth of Group sales	16.2%	Medium to high single-digit Organic Group Sales Growth	n/a	7.1%
Organic sales growth EMEA	12.6%	Medium single-digit Organic Sales Growth	n/a	6.1%
Organic sales growth Americas	22.9%	Medium to high single-digit Organic Sales Growth	n/a	11.9%
Organic sales growth Asia-Pacific	9.1%	Medium to high single-digit Organic Sales Growth	n/a	-2.6%
Organic sales growth EJT	13.2%	Medium to high single-digit Organic Sales Growth	Mid single-digit Organic Sales Growth	7.5%
Organic sales growth SJT (former DS)	19.9%	Medium to high single-digit Organic Sales Growth	High single-digit Organic Sales Growth	6.4%
Material costs ratio	45.8%	Stable Material Costs Ratio	Higher cost of materials ratio compared to previous year	48.0%
Personnel costs ratio	26.1%	Stable Personnel Costs Ratio	Improvement of personnel cost ratio compared to previous year	24.9%
Adjusted EBIT margin	10.4%	Around 11%	Around 8%	8.0%
NOVA	EUR 16.0 million	Between EUR 20 million and EUR 40 million	Between EUR –20 million and EUR 10 million	EUR -27.1 million
Financial result	EUR -12.4 million	Up to EUR –10 million	n/a	EUR -12.6 million
Tax Rate	28.6%	Between 27% and 29%	n/a	35.2%
Earnings per share	EUR 2.27 (adjusted) EUR 1.76 (reported)	Significant increase in adjusted Earnings Per Share	Significant decrease in adjusted Earnings Per Share	EUR 1.75 (adjusted) EUR 1.23 (reported)
Net operating cash flow	EUR 99.8million	Around EUR 100 million	Around EUR 60 million	EUR 65.3 million

\* According to AdHoc notification of July 21, 2022

# Outlook 2023 – Company Guidance



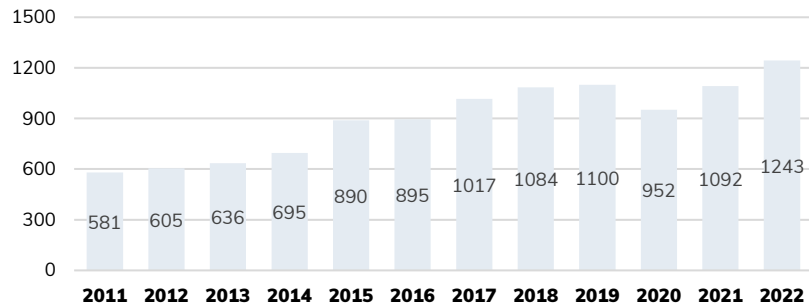
<b>Organic Sales Growth</b>	Medium single-digit organic sales growth	<b>Financial Result</b>	Up to EUR – 12 million
<b>EJT</b>	Mid-single-digit organic sales growth	<b>Tax Rate</b>	Between 28% and 30%
<b>SJT</b>	Mid-single-digit organic sales growth	<b>Adjusted Earnings Per Share</b>	Moderate increase compared to previous year
<b>EMEA</b>	Mid-single-digit organic sales growth	<b>NORMA Value Added (NOVA)</b>	Between EUR -10 million and EUR 10 million
<b>Americas</b>	Low single-digit organic sales growth	<b>Investment Rate (without acquisitions)</b>	Investment ratio between 5% and 6% of Group sales
<b>APAC</b>	Organic sales growth in the low double-digit range	<b>Net Operating Cash Flow</b>	Around EUR 70 million
<b>Material Costs Ratio</b>	Stable material costs ratio compared to the previous year	<b>Dividend</b>	Around 30% to 35% of adjusted Group Earnings
<b>Personnel Costs Ratio</b>	Stable personnel costs ratio compared to the previous year	<b>CO<sub>2</sub> Emissions</b>	Under 9,800 metric tons of CO <sub>2</sub> equivalents
<b>R&amp;D Investment Ratio</b>	Around 3% of sales	<b>Number of Invention Applications</b>	More than 20
<b>Adjusted EBIT Margin</b>	Around 8%	<b>Number of Defective Parts (parts per million / PPM)</b>	Below 5.5

# FINANCIAL TRACK RECORD

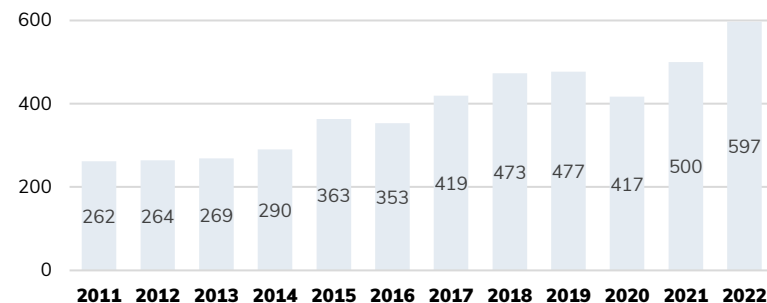


# Long-term P&L Development (I/II)

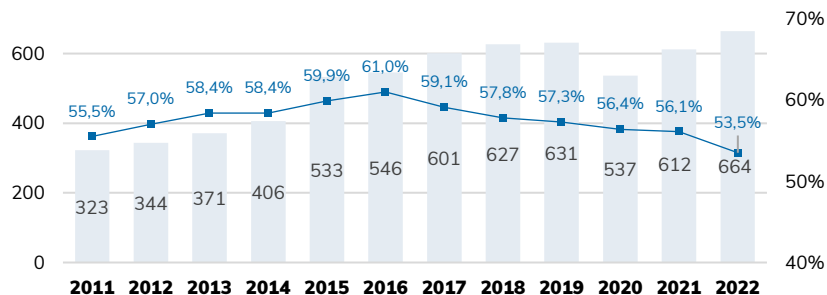
**Sales** (in EUR million)



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

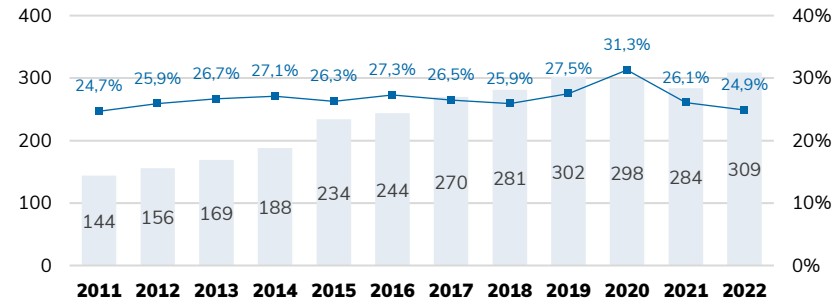


**(Adjusted) Gross Profit** (in EUR million and % of sales)



**(Adjusted) Personnel Expenses**

(in EUR million and % of sales)

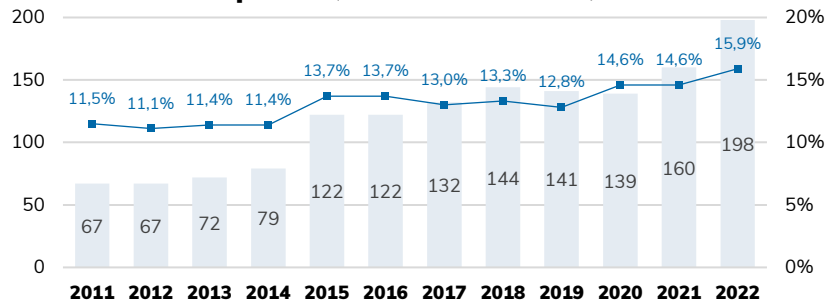




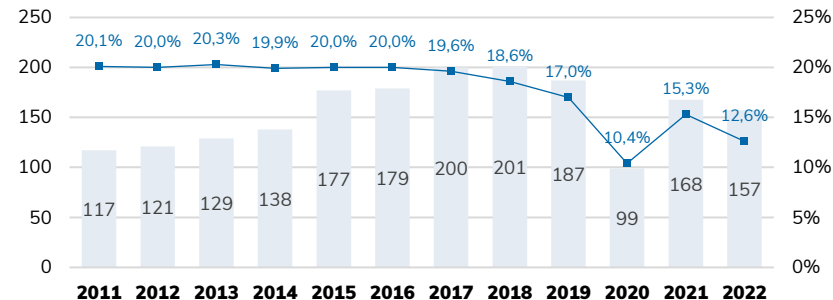
# Long-term P&L Development (II/II)



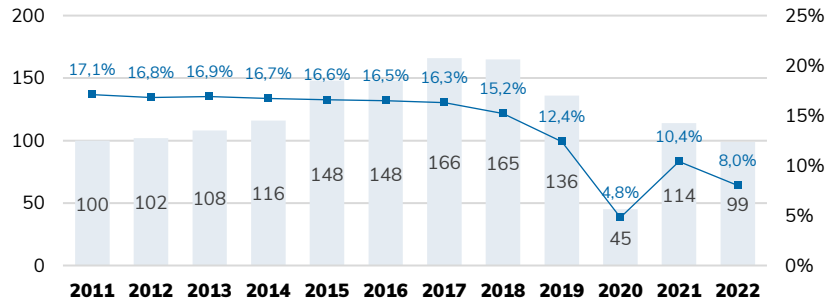
**Net Expenses from adj. other oper. Income and Expenses** (in EUR million and % of sales)



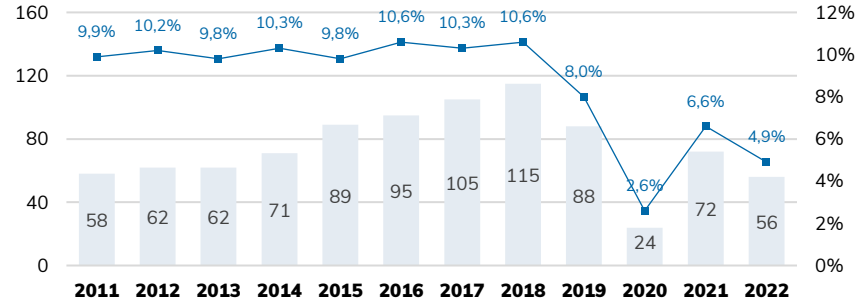
**Adjusted EBITDA** (in EUR million and % of sales)



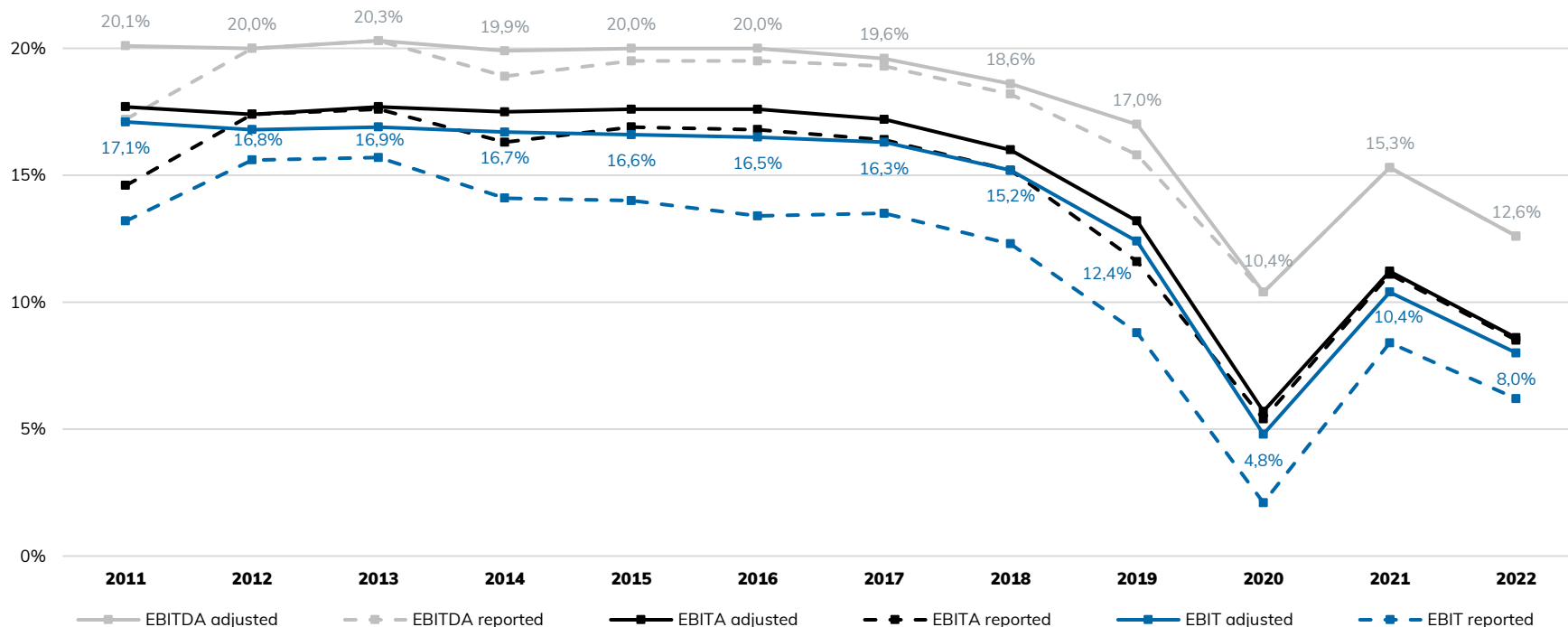
**Adjusted EBIT** (in EUR million and % of sales)



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



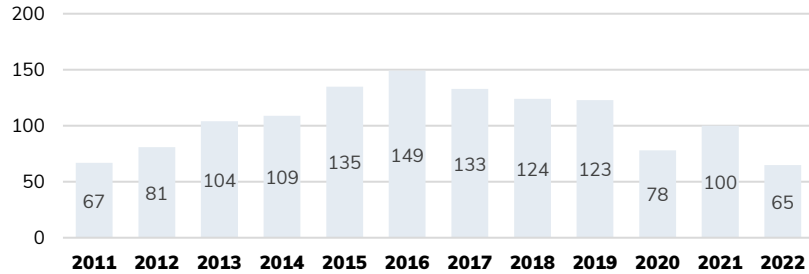
# Long-term Margin Development (adjusted and reported)



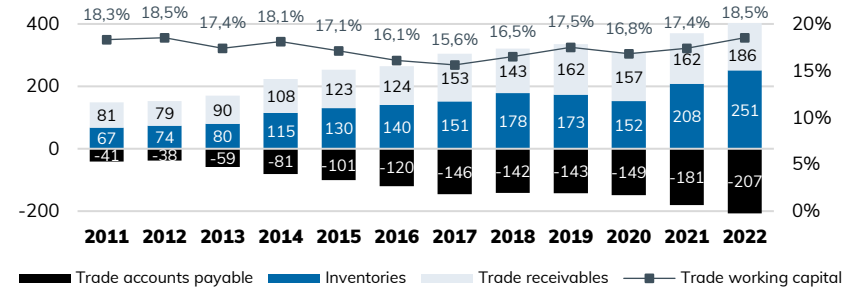
# Long-term Cash, Working Capital and CAPEX Development



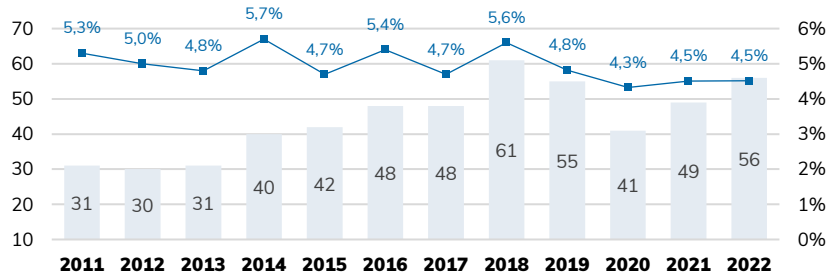
### Net Operating Cash Flow (in EUR million)



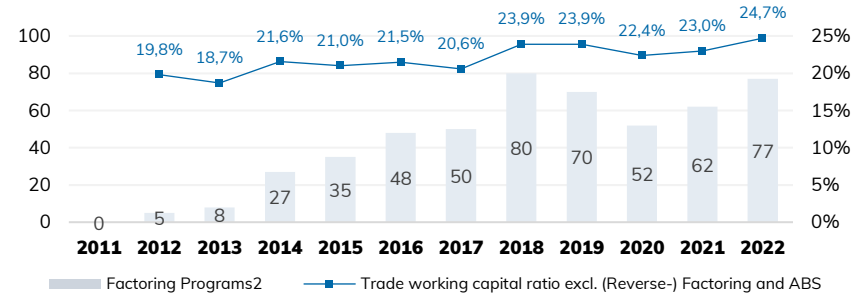
### Trade Working Capital (in EUR million and % of sales)



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



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



# Long-term Adjustments on EBIT level



Reported EBIT	76.6	94.4	99.5	97.8	124.8	120.0	137.8	133.5	96.7	20.1	92.1	99.0
+ Acquisition & Rightsizing Costs*	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4	0	0	0
+ PPA Depreciation	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5	3.5	1.5	1.3
+ PPA Amortization	5.1	7.2	7.7	10.1	17.3	20.6	20.5	22.6	22.5	21.7	20.2	21.2
Total Adjustments	23.1	7.5	8.2	18.3	23.1	27.7	28.2	31.0	39.4	25.1	21.7	22.4
Adjusted EBIT	99.7	101.9	107.7	116.2	147.9	147.7	166.0	164.5	136.1	45.3	113.8	99.0

- Adjustments mainly consisting of purchase price allocations in order to avoid goodwill

\* 2010-2011: mostly IPO related costs

# CORPORATE RESPONSIBILITY



# Sustainability key figures – Change yoy



## Environment

	2021	2022	% change
<b>CO<sub>2</sub> emissions marked-based</b> (Scope 1 and 2) in tCO <sub>2</sub> equivalents	43,449	4,879	-88.8
<b>Energy consumption</b> in kWh/EUR thousand of revenue	119.0	101.8	-14.5
<b>Water consumption</b> liter/EUR thousand of revenue	147.1	131.6	-10.5



## Social

<b>Accident rate</b> (Accidents / 1,00 employees)	6.2	4.2	-32.3
<b>Average training hours</b> (Hours / employee)	29.6	38.7	30.7
<b>Female employees</b> (in relation to core workforce)	37.2	36.9	n/a



## Governance

<b>Number of employees trained on compliance topics</b> (headcount)	1,114	2,080	86.7
<b>Defective parts</b> (parts per million)	4.9	2.9	-40.8
<b>Customer complaints</b> (average per month per entity)	5.1	3.7	-27.5

# Corporate Responsibility Targets for 2023

## Environment

CO<sub>2</sub> emissions

**< 9,800 tons**

Indicator: Scope 1 and 2, tons

Water consumption

**2% improvement**

Baseline: 2021  
Indicator: liter / TEUR sales

Waste

**2% improvement**

Baseline: 2021  
Indicator: kg / TEUR sales

## Social

Incident rate

**< 4.35**

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

**< 5.5**

Indicator: parts per million

Customer complaints

**< 5.5**

Indicator: average per month per entity

# EU Taxonomy Reporting

- Second time adoption of the EU Taxonomy for the FY 2022 as required by the EU Commission
- NORMA Group's EU Taxonomy reporting for FY 2022 only covers Taxonomy-eligible economic activities (not „aligned“)
- EU Taxonomy Alignment = sustainable economic activities according to the EU Taxonomy
- In order to be classified as „aligned“ EU Taxonomy eligible economic activities need to fulfill technical screening criteria and minimum safeguards
- The EU Taxonomy reporting focuses on three performance indicators: Revenue, CapEx and OpEx

<b>Economic Activity</b>	<b>Sales</b>	<b>Capex</b>	<b>Opex</b>
3.6 Manufacture of other low carbon technologies	1.57%	1.45%	1.57%
6.4 Operation of personal mobility devices, cycle logistics	-	-	0.13%
6.5 Transport by motorbikes, passenger cars and commercial vehicles	-	1.83%	0.12%
7.1 Transport by motorbikes, passenger cars and commercial vehicles	-	3.19%	-
7.2 Renovation of existing buildings	-	1.03%	-
7.3 Installation, maintenance and repair of energy efficiency equipment	-	3.37%	-
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	-	0.00%	-
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	-	0.22%	-
<b>Total</b>	<b>1.57%</b>	<b>11.09%</b>	<b>1.82%</b>

\* In percent of total Revenue, CapEx, Opex



# Ratings confirm NORMA Group's approach to CR



**MSCI**  
ESG RATINGS  
AA

- AA (on a scale from CCC to AAA)
- Top 38% within the industrials benchmark

PLATINUM  
2022  
**ecovadis**  
Sustainability Rating

- Top 1% of rating universe (>35,000 companies)
- Platinum standard

Corporate ESG Performance  
RATED BY **ISS ESG**  
Prime

- Score: C+
- Prime Status

**CDP**  
DISCLOSURE INSIGHT ACTION

- C (on a scale of D- to A)
- Awareness level

**17.3**  
Updated Nov 20, 2022  
Low Risk  
ESG INDUSTRY TOP RATED

- Risk Score: 17.3
- Low risk (on a scale from 0 (best) to 100 (worst))

## Awards

**2021:** “German Award for Sustainability Projects 2021” for NORMA Clean Water in the “Equal Opportunities” category



**2020:** FOX Finance Award (Silver) for CR report



**2017:** Awarded “Building Public Trust Award” (best non-financial report MDAX) by PwC



# Disclaimer

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.

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