

NORMA Group SE – Annual General Meeting on 1 July 2026

Voluntary report by the Management Board on the proposed resolution under agenda item 10 regarding the reduction of share capital through the cancellation of shares under the simplified procedure following their acquisition by NORMA Group SE

1. Background

NORMA Group SE (hereinafter also referred to as the “**Company**” or “**NORMA Group**”) is a listed European company with its registered office in Maintal. For 125 years, the Company has been offering its customers safe, innovative and tailor-made joining solutions – including for drive systems in vehicles, ships and aircraft, as well as for buildings and infrastructure systems. Today, it is an internationally recognised market leader in joining technology and fluid handling technology (“**Core Business**”).

In 2014, NORMA Group expanded its portfolio by acquiring National Diversified Sales, Inc., adding the “**Water Management**” business segment (the “**Water Business**”). As a result, NORMA Group was able to serve its customers – in addition to its Core Business – in all key aspects of water supply, irrigation and drainage.

The Water Business has performed exceptionally well since its acquisition by NORMA Group. At the same time, it became increasingly clear over the years that the synergies between the two business segments were limited. The Management Board and Supervisory Board therefore reviewed the strategic options for the Company’s further development in 2024. As a result of this review, they decided to sell the Water Business and refocus the Company’s business on the historical Core Business.

In September 2025, the Company signed the agreements for the sale of the Water Business to Advanced Drainage Systems, Inc. and completed this sale in February 2026 (the “**Water Sale**”). From the Water Sale, the Company generated net cash inflow of approximately EUR 650 million after tax and transaction costs. Of this amount, approximately EUR 300 million was initially used to reduce debt.

Of the remaining amount, a total of up to EUR 260 million is to be distributed to shareholders of NORMA Group through a combination of various measures, in order to allow shareholders to appropriately share in the proceeds generated from the Water Sale.

As a first step, the Company distributed a total amount of EUR 52,846,963.89 to shareholders as part of a public buy-back offer, which shareholders were able to accept between 27 February 2026 and 27 March 2026. In doing so, the Company acquired 3,185,471 shares at a price of EUR 16.59 per share on the basis of the authorisation to acquire shares pursuant to Section 71 para. 1 No. 8 of the German Stock Corporation Act (*Aktiengesetz – AktG*) (resolution of the Annual General Meeting of 13 May 2025). Joh. Berenberg, Gossler & Co. KG handled the execution of the public buy-back offer on behalf of the Company.

The Management Board and Supervisory Board are now proposing to the Annual General Meeting, under agenda item 10, that a further amount of up to EUR 208 million be distributed to shareholders by way of a capital reduction through the cancellation of shares under the simplified procedure.

In this voluntary report, the Management Board informs shareholders about the procedure and the key aspects of the proposed capital reduction.

2. **Procedure for the capital reduction by way of cancellation of shares under the simplified procedure pursuant to Section 237 para. 3 No. 2 AktG**

The Management Board and Supervisory Board propose to the Annual General Meeting that the share capital be reduced by cancelling shares under the so-called simplified procedure pursuant to Section 237 para. 3 No. 2 AktG. The Company's share capital is to be reduced from the current EUR 31,862,400.00 by up to EUR 12,000,000.00 to a minimum of EUR 19,862,400.00. To this end, in accordance with Section 71 para. 1 No. 6 AktG, shares are to be acquired against an available balance sheet profit or a freely disposable reserve within the meaning of Section 237 para. 3 No. 2 AktG and then cancelled (the "**Cancellation**", together with the capital reduction through cancellation under the simplified procedure, the "**Capital Reduction**").

Once the resolution of the Annual General Meeting has taken effect, the Company's governing bodies are obliged to implement the resolution of the Annual General Meeting.

Immediately following the entry of the resolution of the Annual General Meeting in the Commercial Register, the Company therefore plans to publish an offer addressed to all shareholders to purchase their shares in NORMA Group ("**NORMA Group Shares**" and, individually, a "**NORMA Group Share**"), which the Company's shareholders may accept in accordance with the terms and conditions set out for the offer (the "**Buy-back Offer**"). The aim of the Buy-back Offer is to acquire up to 12,000,000 NORMA Group Shares for a total purchase price (excluding incidental acquisition costs) of up to EUR 208 million. The offer document to be prepared by the Company for this purpose will set out the details of the Buy-back Offer, including the terms of acceptance, the purchase price and the settlement of the Buy-back Offer ("**Offer Document**").

The specific procedure for the Capital Reduction, the methodology for determining the purchase price and the legal consequences of the Capital Reduction are described below. Insofar as the resolution of the Annual General Meeting does not contain any specific provisions, the Management Board will determine the specific terms of the Buy-back Offer.

2.1 Resolution of the Annual General Meeting

The Capital Reduction requires a resolution of the Annual General Meeting passed by a simple majority. The shares acquired through the Buy-back Offer will then be cancelled in accordance with Section 237 para. 3 No. 2 AktG and the Company's share capital will be reduced accordingly.

In this respect, the resolution of the Annual General Meeting contains, among other things, the following provisions, which are binding on the Company's governing bodies:

- (aa) The Company's share capital of EUR 31,862,400.00, divided into 31,862,400 no-par value shares, is to be decreased by up to EUR 12,000,000.00 to a minimum of EUR 19,862,400.00. This shall be carried out by way of a simplified procedure in accordance with Section 237 para. 3 No. 2, para. 4 and para. 5 AktG through the cancellation of NORMA Group Shares, which are to be acquired by way of a public buy-back offer in accordance with Section 71 para. 1 No. 6 AktG and which must be fully paid-in. The cancellation of the acquired shares shall take place immediately following their acquisition. The acquisition and cancellation must be completed by the end of 28 February 2027.

The shares to be cancelled shall be acquired in accordance with Section 71 para. 1 No. 6 AktG, whilst observing the principle of equal treatment (Section 53a AktG), through a buy-back offer addressed to all shareholders off-market at a total purchase price (excluding incidental acquisition costs) of up to EUR 208 million. The Management Board will determine the purchase price per share when the buy-back offer is carried out in accordance with the requirements set out in Section b) of agenda item 10. The above-mentioned total purchase price of up to EUR 208 million is to be utilised as fully as possible.

The exact amount of the reduction corresponds to the proportionate amount of the share capital attributable to those shares that are actually acquired and subsequently cancelled by the Company by way of the buy-back offer pursuant to Section 71 para. 1 No. 6 AktG.

- bb) The acquisition of the shares will be carried out in accordance with the provisions referred to in Section b) of this resolution on the basis of Section 71 para. 1 No. 6 AktG. The acquired shares are to be cancelled immediately after acquisition. The cancellation shall be charged to an available balance sheet profit within the meaning of Section 237 para. 3 No. 2 AktG, which the Annual General Meeting has not yet allocated for other purposes, or to freely disposable reserves within the meaning of Section 237 para. 3 No. 2 AktG. In this case, the cancellation is initially carried out at the expense of freely disposable reserves within the meaning of Section 237 para. 3 No. 2 AktG and, to the extent that this is exhausted, then at the expense of an available balance sheet profit within the meaning of Section 237 para. 3 No. 2 AktG. The amount equal to the proportionate amount of the share capital attributable to the cancelled shares is to be transferred to the capital reserve in accordance with Section 237 para. 5 AktG.
- cc) The Management Board shall determine the further details.

2.2 Procedure for the share acquisition

Due to the large volume of shares to be acquired, the resolution of the Annual General Meeting provides that the Company is to acquire the NORMA Group Shares to be purchased off-market via a public Buy-back Offer addressed to all shareholders.

To this end, the Company will publish the Offer Document on its website at the start of the Buy-back Offer. The provisions of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – WpÜG*) do not apply to the buy-back of own shares, meaning that the Offer Document is not subject to the requirements of the WpÜG and will not be reviewed or approved by the Federal Financial Supervisory Authority (*BaFin*).

The subject of the Buy-back Offer is the acquisition of up to 12,000,000 no-par value shares of the Company, each representing a proportionate amount of the share capital of EUR 1.00, at a total purchase price (excluding incidental acquisition costs) of up to EUR 208 million.

In this regard, the resolution of the Annual General Meeting contains, inter alia, the following provisions, which are binding on the Company's governing bodies:

- aa) In accordance with Section 71 para. 1 No. 6 AktG, the shares to be cancelled will be acquired off-market by means of a public buy-back offer addressed to all shareholders in compliance with the principle of equal treatment (Section 53a AktG).

Details of the buy-back offer are to be determined by the Management Board and set out in an Offer Document. The Offer Document will be published on the Company's website.

- bb) The Management Board determines the buy-back price per share in compliance with the following requirements.

The buy-back price for all shares to be acquired (excluding incidental acquisition costs) amounts to a maximum of EUR 208 million in total.

The following requirements apply to the determination of the buy-back price per share:

1. The buy-back price per share shall not exceed the Reference Stock Price (as defined below) by more than 30% and shall not exceed it by less than 10% (the buy-back price determined in accordance with this provision shall be the "**Buy-back Price**"). However, the Buy-back Price may not exceed the value of one share of the Company determined by the Management Board in accordance with IDW S1 on the date of the last trading day prior to the resolution of the Management Board on the Buy-back Price.

2. If the Reference Stock Price is less than 5% below, equal to or higher than the value of a share in the Company determined as set out above in accordance with IDW S1, the Buy-back Price may exceed the Reference Stock Price by up to 10%.

The "**Reference Stock Price**" is the average of the closing prices for shares of NORMA Group SE in Xetra trading on the Frankfurt Stock Exchange (or in a comparable successor system) in the last three months prior to the Management Board's resolution on the determination of the details of the buy-back offer.

When determining the Buy-back Price, the Management Board will take into account, as far as possible, the goal of the smoothest possible tender ratio in the interest of shareholders with small quantities in particular.

- cc) As part of the buy-back offer, each NORMA Group SE share not held by NORMA Group SE itself confers a tender right.

To the extent technically possible with reasonable effort, trading in tender rights shall be established.

The shareholders' declarations of acceptance are taken into account on a pro rata basis according to shareholdings by submitting the tender rights attributable to the shareholding as well as any additional tender rights acquired from other shareholders.

- dd) The further details of the buy-back offer are otherwise determined by the Management Board.

The acceptance period will be set by the Management Board and is expected to be approximately four weeks.

The Buy-back Offer will be handled by an investment bank.

Shareholders wishing to accept the Buy-back Offer may submit a declaration to that effect to their custodian bank within the specified period. A shareholder's custodian bank will then transfer the NORMA Group Shares tendered under the Buy-back Offer to an interim class held with Clearstream Europe AG, Frankfurt am Main. The NORMA Group Shares submitted for repurchase and transferred to the interim class are not expected to be tradable. The ISIN/WKN of the interim class is used for the settlement of the Buy-back Offer. No contractual right of withdrawal for shareholders is to be granted in the Offer Document. The costs associated with the acceptance of the Buy-back Offer by shareholders, in particular any custodian bank fees, are to be borne by the shareholders themselves.

In accordance with Section 53a AktG, the Company must treat all shareholders equally when acquiring the shares. If more NORMA Group Shares are tendered to the Company for purchase than are to be acquired in accordance with the Offer Document ("**Oversubscription**"), the Company will take into account the shareholders' declarations of acceptance in proportion

to their shareholdings by registering the tender rights attributable to the shareholding as well as any additional tender rights acquired from other shareholders.

To the extent it is technically possible with reasonable effort, trading in tender rights shall be established.

The tax implications of the sale of NORMA Group Shares depend on the individual circumstances of the respective shareholder and may vary depending on tax residency. As a precaution, it is therefore pointed out that the sale of NORMA Group Shares to the Company may result in a taxable disposal of the NORMA Group Shares.

Shareholders who do not tender their NORMA Group Shares will retain their NORMA Group Shares. Their proportionate share in the Company may increase following the implementation of the Capital Reduction. At the same time, the trading liquidity of NORMA Group Shares may decrease following the implementation of the buy-back and the Capital Reduction.

2.3 Determination of the purchase price

The repurchase price for all shares to be acquired (excluding incidental acquisition costs) amounts to a maximum of EUR 208 million in total. The price will be determined in accordance with the provisions of the resolution of the Annual General Meeting under agenda item 10 (see also section 2.22.2). The Management Board is of the view that the share price of the NORMA Group Share does not adequately reflect the intrinsic value (*innerer Wert*) of the Company. The Management Board has therefore, in preparation for the Capital Reduction proposed to the Annual General Meeting, commissioned a valuation of the Company in accordance with the IDW S1 standard as at 31 March 2026. This valuation resulted in an average value of EUR 20.87 per NORMA Group Share as at that date. The Management Board will have this expert opinion updated before its decision on the specific repurchase price, in accordance with the requirements of the Annual General Meeting resolution. The price clause described in section 2.2 enables the Management Board to offer shareholders a repurchase price closer to the intrinsic value of the share.

The Management Board will utilise the maximum payout volume of up to EUR 208 million to the fullest extent possible.

The Management Board has taken the necessary steps to ensure that the funds required to fully satisfy the payment claims of shareholders who accept the Buy-back Offer are available when the claim for the cash payment becomes due.

2.4 Interim Financial Statements

The Company has prepared interim financial statements as at 31 March 2026 (“**Interim Financial Statements**”). The Interim Financial Statements show sufficient funds available for

the Capital Reduction by cancellation of shares in accordance with Section 237 para. 3 No. 2 AktG.

Immediately prior to the implementation of the Capital Reduction, the Management Board and the Supervisory Board will once again verify, with the assistance of technical experts, that these funds are still available.

- 2.5 Cancellation to be charged to an available balance sheet profit or a freely disposable reserve within the meaning of Section 237 para. 3 No. 2 AktG

The cancellation is to be carried out in accordance with Section 237 para. 3 No. 2 AktG against freely disposable reserves within the meaning of Section 237 para. 3 No. 2 AktG, insofar as these are available for this purpose, or an available balance sheet profit within the meaning of Section 237 para. 3 No. 2 AktG, which the Annual General Meeting has not yet otherwise allocated. The cancellation shall initially be charged to freely disposable reserves within the meaning of Section 237 para. 3 No. 2 AktG and, to the extent that these are exhausted, then to an available balance sheet profit within the meaning of Section 237 para. 3 No. 2 AktG.

- 2.6 Cancellation of the acquired shares

The Management Board must cancel and destroy the shares acquired pursuant to the resolution of the Annual General Meeting in accordance with Section 71 para. 1 No. 6 AktG. The Management Board has no discretion in this cancellation. Unlike the shares already repurchased under the buy-back offer of 27 February 2026 pursuant to the authorisation to acquire shares under Section 71 para. 1 No. 8 AktG, the shares acquired for the purpose of cancellation are not available for other purposes.

- 2.7 Reduction of the share capital

The share capital entered in the Commercial Register at the time of the Capital Reduction shall be reduced by up to EUR 12,000,000.00 to a minimum of EUR 19,862,400.00 through the cancellation of the own shares acquired for this purpose in accordance with Section 237 para. 3 No. 2, para. 4 and para. 5 AktG.

The exact amount of the reduction corresponds to the proportionate amount of the share capital attributable to those shares which are actually acquired and cancelled by the Company for the purpose of the Capital Reduction through the cancellation of shares. The number of the Company's currently 31,862,400 issued shares will be reduced accordingly. The specific amount of the reduction will be determined following the implementation of the Buy-back Offer, once the number of NORMA Group Shares tendered to NORMA Group and acquired by it for cancellation has been established.

The Supervisory Board is to be authorised by the resolution of the Annual General Meeting in accordance with agenda item 10 to amend the wording of Section 4 para. 1 and para. 2 of the

Articles of Association (amount and division of the share capital) in accordance with the extent to which the Capital Reduction is implemented.

Following the implementation of the Capital Reduction, the share capital figure will be reduced. The subscribed capital pursuant to Section 266 para. 3 A. I. of the German Commercial Code (*Handelsgesetzbuch – HGB*) must then be stated in the balance sheet using the reduced share capital figure, and the proportionate amount of the share capital attributable to the cancelled shares must be transferred to the capital reserve in accordance with Section 237 para. 5 AktG.

2.8 Implementation period

The resolutions to be adopted under agenda item 10 shall become void if the resolutions and the reduction of the share capital have not been implemented by 28 February 2027 at the latest.

3. Protection of the Company's interests

The Management Board and Supervisory Board, with the support of internal experts and external advisers, have carefully examined whether and to what extent a distribution of the net cash inflow received from the Water Sale to the shareholders is justifiable in the interests of the Company.

The completion of the Water Sale generated net cash inflow of approximately EUR 650 million for the Company. Of this amount, NORMA Group has used approximately EUR 300 million to repay debt and is therefore net debt-free as at the date of this report. A further portion of the net cash inflow received, amounting to approximately EUR 70 million, is earmarked for strengthening the Core Business of NORMA Group and the Group and is therefore not intended for use in the repurchase of NORMA Group Shares.

The distribution of the remaining total of approximately EUR 260 million – of which EUR 52,846,963.89 has already been distributed as part of the public buy-back offer of 27 February 2026 – from the net cash inflow received is, in the best judgement of the Management Board and the Supervisory Board, consistent with the interests of the Company and is therefore justifiable. Funds of this magnitude are not required either for the further transformation of NORMA Group and the Group or for measures intended to implement the corporate strategy.

With the completion of the Water Sale, the Management Board is realigning NORMA Group's business with its historically established Core Business – joining and fluid handling technology – and will in future focus on the two remaining business segments, Mobility & Energy and Industrial Applications. This realignment is being supported by a transformation and restructuring programme already initiated in 2025.

Based on the financial planning for 2026 to 2030, the Management Board is convinced that the funds remaining with the Company following the Capital Reduction are sufficient for the transformation

measures and the corporate strategy being pursued, and that the surplus funds should be distributed to shareholders to allow them to share in the proceeds from the Water Sale.

A significant portion of the net cash inflow from the Water Sale has already been used to repay financial liabilities. As a result, NORMA Group is net debt-free at the time of this report. The capital structure, thus strengthened, creates financial scope for the strategic development of the Company and, at the same time, flexibility for external financing of potential future projects.

As part of the ongoing transformation programme, which is on track for implementation according to the planned schedule, the staffing structure in the administrative areas is being reviewed and adjusted, and business processes are being aligned even more closely with customer needs and profitability. In addition, the management organisation is being streamlined through the introduction of a new target organisational model, in particular by reducing the number of management positions at senior management levels and by making the management structures more efficient in terms of size. The aim is to shorten decision-making processes and to permanently align the cost structure with the Company's size following the completion of the Water Sale.

The international production and sales network of NORMA Group and the Group is being systematically optimised. In particular, plans include the consolidation and concentration of production capacities, involving the closure of individual sites in high-cost countries, as well as the relocation of production activities to more cost-efficient locations. At the same time, manufacturing and sales processes are being aligned more closely with the requirements of industrial customer groups, and distribution structures – particularly in the Industrial Applications business segment – are being expanded in a targeted manner. To date, no negative impact on customer relationships has been observed as a result of the optimisations already implemented.

The financial strength remaining after debt reduction and the implementation of capital measures, as well as net debt reduced to zero, also open up the possibility for the Company to supplement organic growth in the two remaining business segments with substantial acquisitions should such opportunities arise.

In the Industrial Applications business segment, the aim is to expand market share and develop Industrial Applications into a second growth driver alongside the Mobility & Energy business segment in the medium term. In addition, the Company intends to leverage its expertise in joining and fluid handling technology to meet the specific requirements of pharmaceutical process and cleanroom environments, thereby tapping into an additional, high-margin customer segment through both organic and inorganic growth.

The Management Board is therefore convinced that the Capital Reduction proposed under agenda item 10 will not impair the implementation of the measures described above. The funds used for this purpose are not required for the transformation of NORMA Group and the Group, nor for the planned further development of the business segments or a substantial acquisition, and are therefore to be distributed to the shareholders.

4. Impact of the Capital Reduction on inclusion in the SDAX

According to an assessment by an investment bank, which was mandated by the Company on this matter, a purely mathematical analysis suggests that, following the share buy-back and the Capital Reduction, the market capitalisation would be reduced by the outflow of approximately EUR 208 million. This would result in a market capitalisation of around EUR 255 million, regardless of the size of the premium. This analysis assumes no additional market reaction or price change beyond the cash outflow, which is not foreseeable at this stage.

Based on this data, the external index analysis by the investment bank has shown that the Company would thus remain listed on the SDAX, albeit in the lower ranks, namely in 157th place. However, exclusion from the SDAX would only occur if the Company were to fall below 167th place, which represents the lowest threshold.

Maintal, 13 May 2026

NORMA Group SE

The Management Board