

NORMA Group SE

Third Quarter 2020 Results

Maintal,
November 4, 2020



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Facts & Figures Q3 2020 – Financials

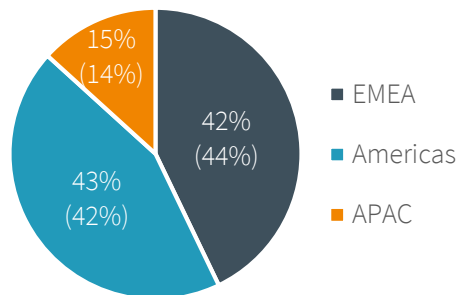
Sales	Sales down by –10.2% to EUR 245.9 million (Q3 2019: EUR 274.0 million)
Adjusted EBITA (margin)	Adjusted EBITA at EUR 28.7 million (Q3 2019: EUR 38.7 million), including EUR 1.5 million costs related to the change program "Get on track"; adjusted EBITA margin of 11.7% (Q3 2019: 14.1%)
Adjusted EBIT (margin)	Adjusted EBIT at EUR 26.3 million (Q3 2019: EUR 36.5 million), including EUR 1.5 million costs related to the change program "Get on track"; adjusted EBIT margin of 10.7% (Q3 2019: 13.3%)
Net Operating Cash Flow	Positive Net Operating Cash Flow of EUR 40.6 million (Q3 2019: EUR 37.4 million), including EUR 1.5 million costs related to the change program "Get on track"
Balance Sheet	Equity ratio as of Sept. 30, 2020, of 40.9% (Dec. 31, 2019: 41.6%) Net Debt as of Sept. 30, 2020, at EUR 371 million (Dec. 31, 2019: EUR 421 million)
Leverage	Leverage as of September 30, 2020 at 3.6 (June 30, 2020: 3.7) Banking Leverage without the costs for "Get on track" program at 2.9 (June 30, 2020: 3.1)
Guidance 2020	Organic sales for the financial year 2020 are expected to decline around 16% Adjusted EBITA margin is expected at more than 5% and adjusted EBIT margin at more than 4%

Top Line Development

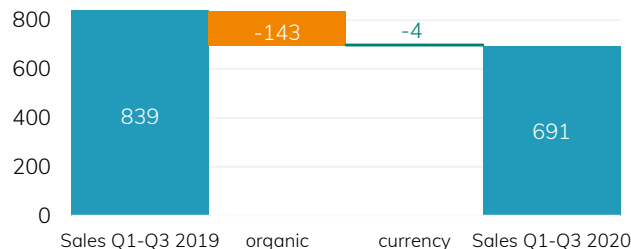
Sales Development in EUR million*

Sales	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%
Q1-Q3	838.6	691.0	-147.7	-17.6%	-17.1%	-0.5%

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

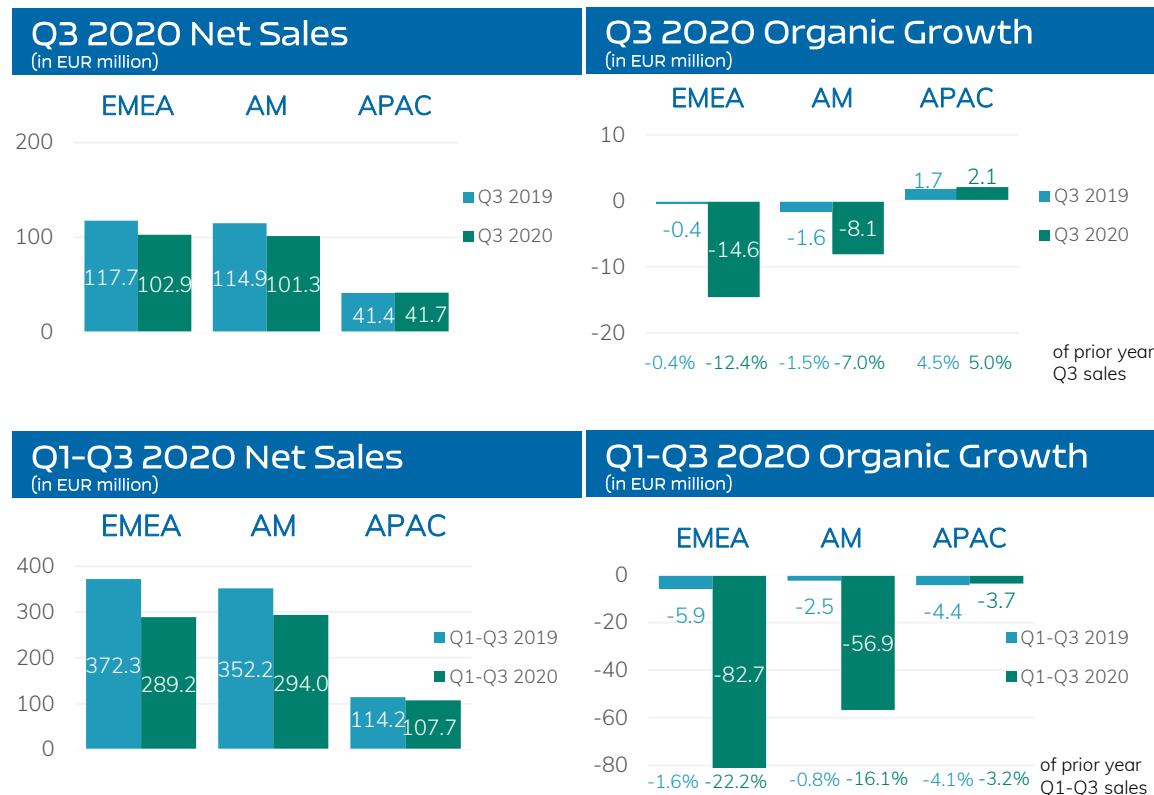


Sales Development*



- Organic decline of 7.5% in Q3 2020 resulting from
 - a still weak (COVID-19 related) EJTB business in the EMEA and Americas region (especially trucks)
 - compared to Q2 2020 sequentially improved but y-o-y still weak general DS business in all regions
 - strong organic growth (Q3 2020: 10.6%) of the US water business
- EUR 7.4 million or 2.7% negative currency effects in Q3 2020

Segment Reporting in Q3 and Q1-Q3 2020



EMEA

- EJT: COVID-19 pandemic-related organic decline of 23.8% in Q1-Q3 2020, even though Q3 2020 showed sequential recovery (Q3 2020: -11.9%)
- DS: organic decline of 17.6% in Q1-Q3 2020 (Q3 2020: -13.9%) due to destocking and economic downturn in the COVID-19 pandemic

Americas

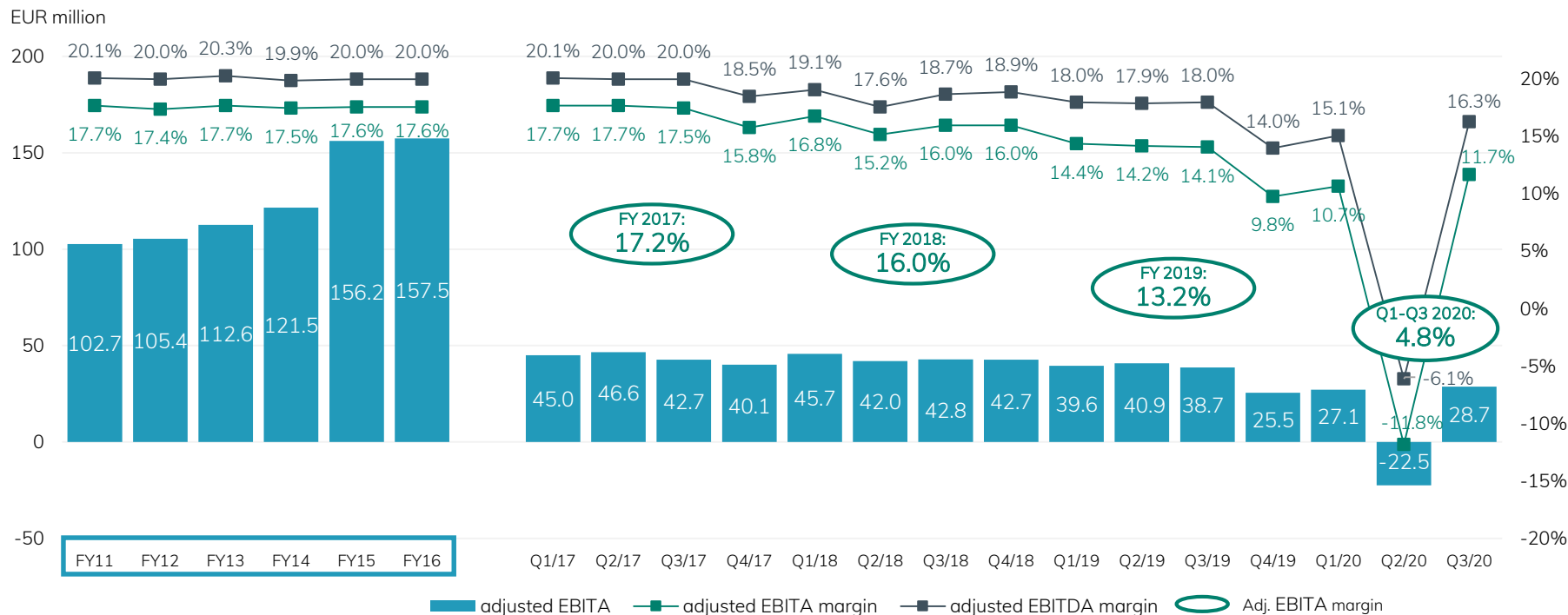
- EJT: COVID-19 pandemic-related organic decline of 33.4% in Q1-Q3 2020, even though Q3 2020 showed sequential recovery (Q3 2020: -18.6%)
- DS: slight organic decline of 1.0% in Q1-Q3 2020 (Q3 2020: organic growth of 2.7%), with water management growing 6.5% in Q1-Q3 2020 (Q3 2020: 10.6%)

APAC

- EJT: showing strong organic growth of 11.5% in Q3 2020 - recovery after COVID-19-related shutdowns led to a solid organic growth of 4.0% in Q1-Q3 2020
- DS: COVID-19 pandemic-related organic decline of 14.8% in Q1-Q3 2020 (Q3 2020: -6.5%)

Margin Development

- Economic recovery in Q3 and strict cost control measures resulting in an EBITDA margin of 16.3% and an adjusted EBITA margin of 11.7%
- EBITDA margin excl. costs related to the "Get on track" change program at 13.1% in Q1-Q3 2020
- Adjusted EBITA margin excl. costs related to the "Get on track" change program at 8.2% in Q1-Q3 2020

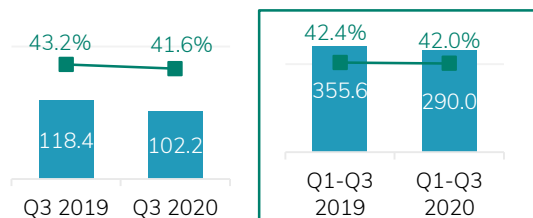


Adjusted P&L Development

- Material cost ratio decreased due to a decrease in inventories of finished goods and work in progress
- Gross profit margin decreased in Q3 2020 by 90 BPs to 57.1% due to favorable destocking and some inventory write-offs
- Personnel expenses ratio decreased by 30 BPs to 27.2% in Q3 2020 (Q3 2019: 27.5%) due to strict cost control
- Other operating income and expenses ratio increased to 13.6% in Q3 2020 due to costs related to the "Get on track" (GoT) change program

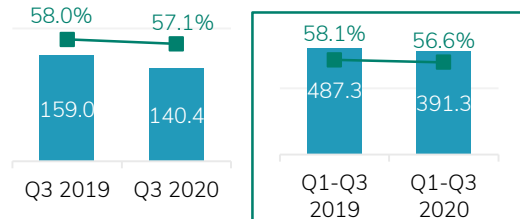
Material Costs

(in EUR million and % of sales)



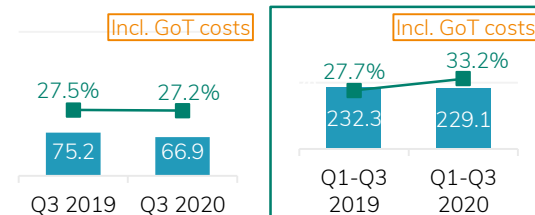
Gross Profit

(in EUR million and % of sales)



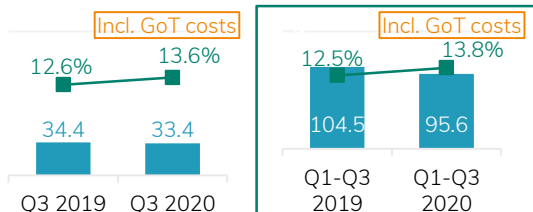
(Adjusted) Personnel Expenses

(in EUR million and % of sales)



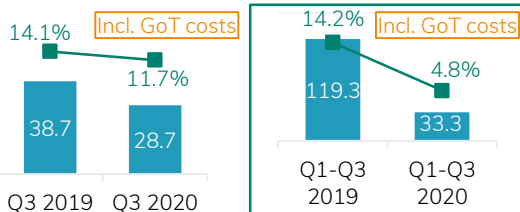
Net Expenses from adj. other oper. Income and Expenses

(in EUR million and % of sales)



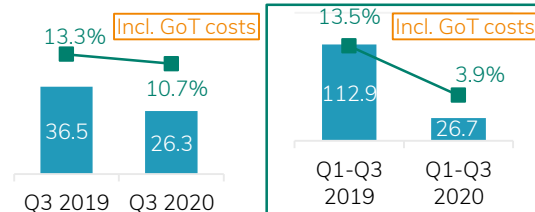
Adjusted EBITA

(in EUR million and % of sales)



Adjusted EBIT

(in EUR million and % of sales)



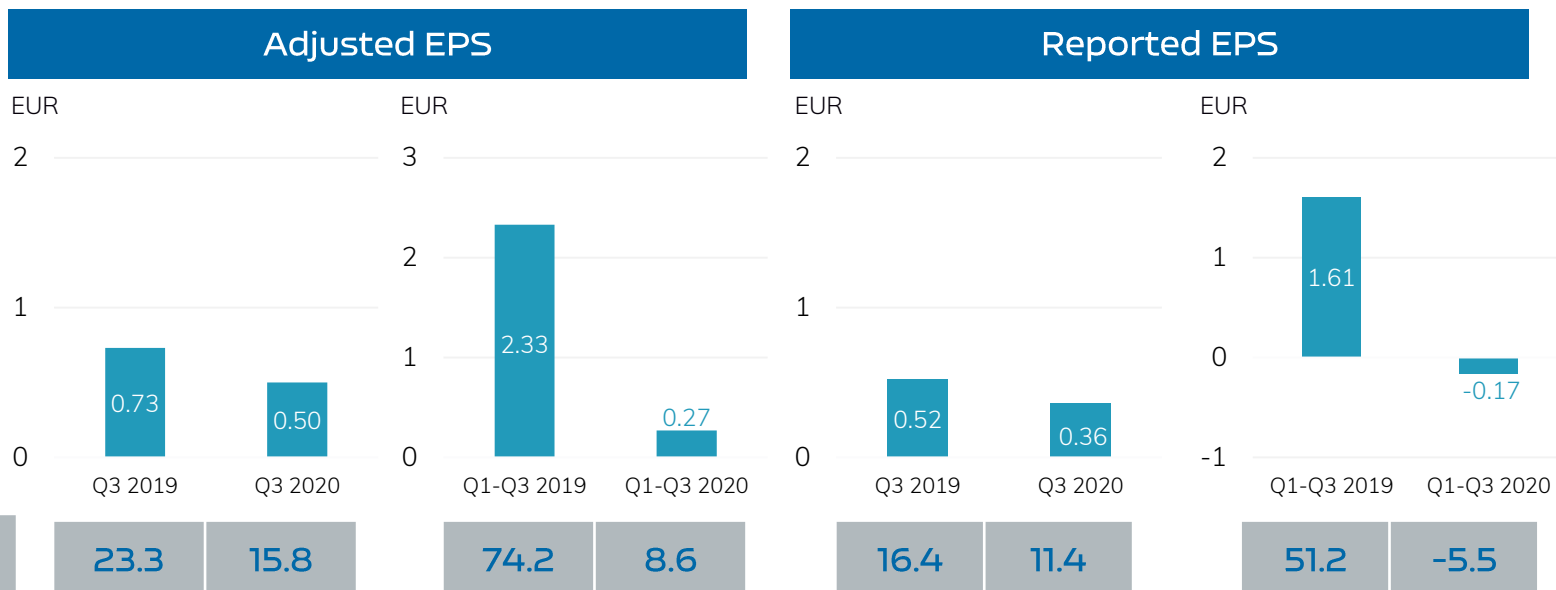
Operational Adjustments Q1-Q3 2020

- No adjustment of costs related to the "Get on track" change program leading to the same reported and adjusted EBITDA
- EUR 23.7 million costs related to the "Get on track" change program in Q1-Q3 2020 are not shown on an adjusted basis
- Ongoing PPA adjustments of EUR 18.8 million on EBIT level
- Total adjustments per share of EUR 0.44

in EUR million	Reported	Adjustments	Adjusted
Sales	691.0		691.0
EBITDA	66.6		66.6
EBITDA margin	9.6%		9.6%
EBITA	31.0	2.3 (depreciation PPA)	33.3
EBITA margin	4.5%		4.8%
EBIT	7.9	18.8 (incl. EUR 16.5 million amortization PPA)	26.7
EBIT margin	1.1%		3.9%
Net Profit	-5.5	14.1 (incl. EUR -4.7 million post tax effect)	8.6
Net Profit margin	-0.8%		1.2%
EPS (in EUR)	-0.17	0.44	0.27

Earnings per Share

- Adjusted and reported EPS negatively impacted by the COVID-19 pandemic and costs related to the change program "Get on track"

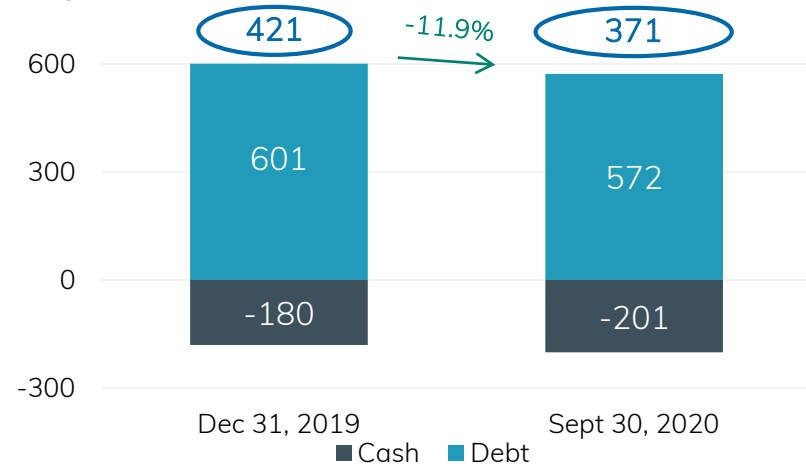


Net Debt and Net Debt Ratios

- Equity Ratio down by 70 BPs to 40.9 % (Dec. 31, 2019: 41.6%) mainly due to negative currency effects and net loss for the period
- Leverage decreases to 3.6 x compared to Q2 2020 (June 30, 2020: 3.7 x) showing sequential improvement
- Leverage excluding the costs related to the "Get on track" change program – which is the leverage relevant for financing contracts and covenants – was at 2.9 x also showing sequential improvement compared to Q2 2020 (June 30, 2020: 3.1 x)

Net Debt (in EUR million)

in EUR million



Equity Ratio

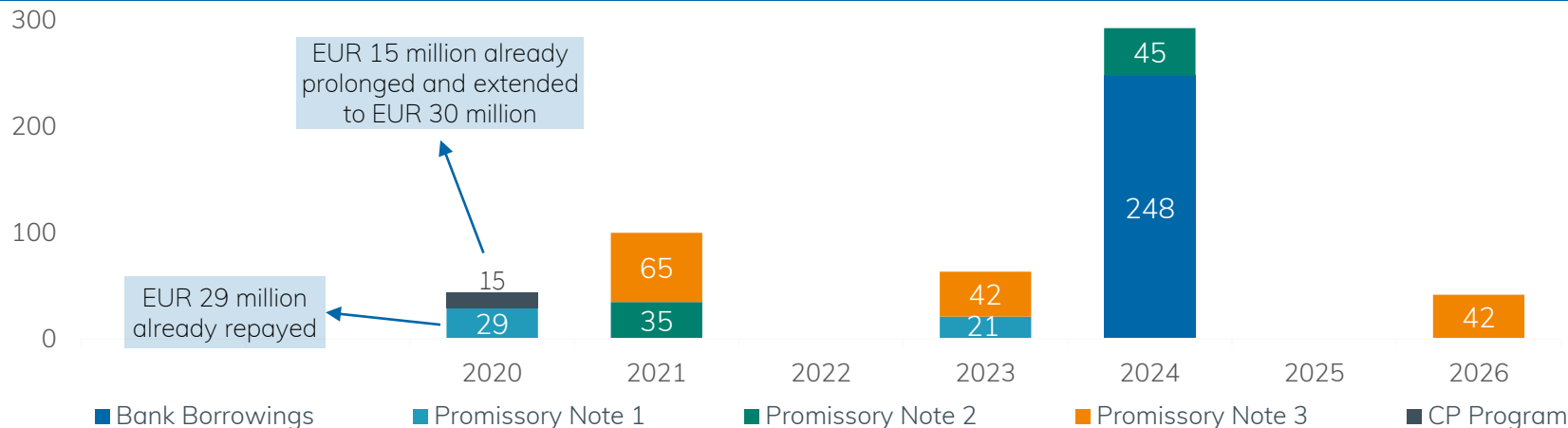
	Dec 31, 2019	Sept 30, 2020
Equity Ratio (equity / balance sheet total)	41.6%	40.9%

Debt Ratios

	Dec 31, 2019	Sept 30, 2020
Leverage (Net debt / (adjusted) EBITDA)	2.2 x	3.6 x
Gearing (Net debt / equity)	0.7 x	0.6 x

Solid Maturity Profile

Maturity Profile (in EUR million) – Financial Instruments*



Covenants**

Net Debt / EBITDA	Bank Borrowings	Promissory Notes
> 3.25	-	margin step up 75 BP
> 3.75	margin step up 50 BP	repayment review in March 2021

- Solid long-term maturity profile
- No covenant breach possible at least until March 2021 with the possibility of early repayment to avoid breach
- Repayments scheduled for 2020 already repayed or prolonged
- Overall available committed credit lines amounting to EUR 130 million

* as of December 31, 2019

** Interest rates depending on instrument, duration and currency between 70 BP and 175 BP (before step ups)

Cash Flow Development

Net Operating Cash Flow

in EUR million	Q3 2019	Q3 2020	Variance*	Q1-Q3 2019	Q1-Q3 2020	Variance*
(Adjusted) EBITDA	49.4	40.1	-9.3	150.6	66.6	-84.0
Δ ± Trade Working capital	-1.3	7.8	+9.1	-49.9	4.2	+54.1
Net operating cash flow before investments from operating business	48.0	47.9	-0.1	100.7	70.8	-29.9
Δ ± Investments from operating business	-10.7	-7.3	+3.4	-34.7	-21.6	+13.1
Net Operating Cash Flow	37.4	40.6	+3.2	65.9	49.2	-16.7

- EBITDA in 2020 including non-cash provision for costs related to the "Get on track" program
- Strict working capital management led to inflow of EUR 7.8 million in Q3 2020
- Factoring programs down to EUR 52 million on September 30, 2020 (Dec. 31, 2019: EUR 70 million)
- CAPEX spendings decreased to EUR 7.3 million in Q3 2020 (Q3 2019: EUR 10.7 million); CAPEX spendings in Q1-Q3 2020 decreased to EUR 21.6 million (Q1-Q3 2019: EUR 34.7 million)
- CAPEX to sales ratio in Q3 2020 at 3.0% and Q1-Q3 2020 at 3.1%
- Strong net operating cash flow in Q3 2020 even higher than in Q3 2019

* Deviations may occur due to commercial rounding.

NORMA Value Added (NOVA)



NORMA Value Added*

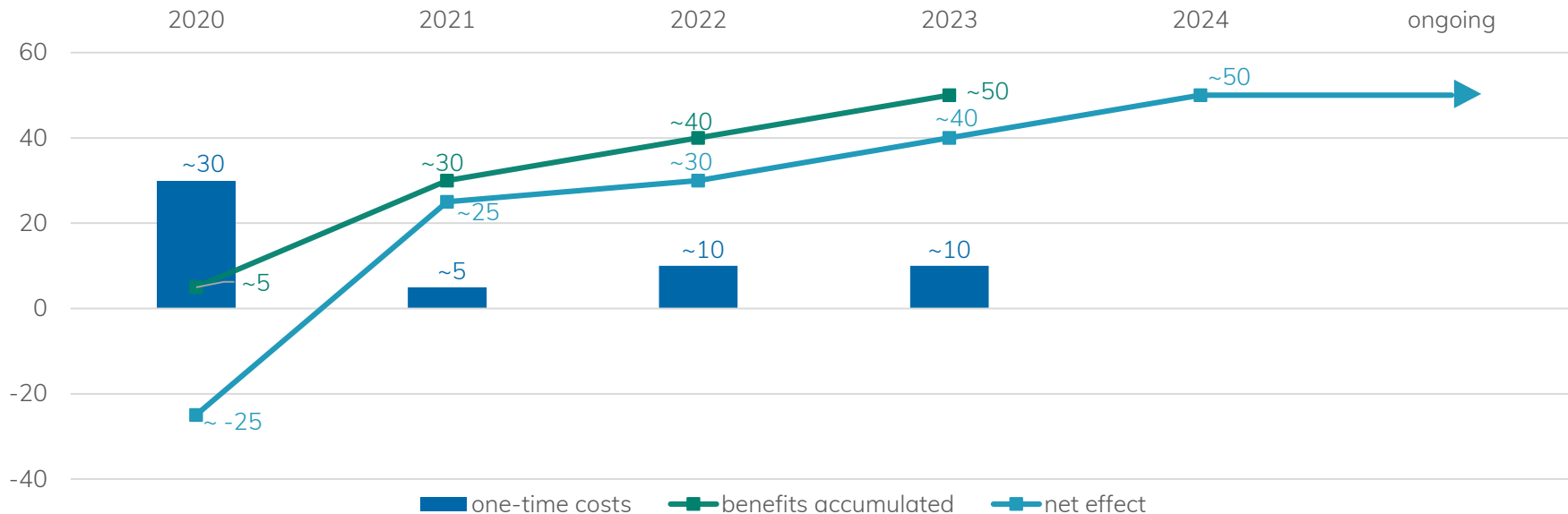
in EUR million	Q3 2019	Q3 2020	Q1-Q3 2019	Q1-Q3 2020
Adjusted EBIT after taxes	26.1	18.4	82.4	19.0
Capital Cost (WACC x CE per January 1st)	18.1	21.2	53.2	62.4
NOVA	8.1	-2.8	29.2	-43.5

- NORMA Group determines the annual value creation in form of the so-called NORMA Value Added (NOVA)
- NOVA is NORMA Group's long term strategic target and 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)

* Deviations may occur due to commercial rounding.

"Get on track"– Costs & Benefits* Timeline

- "Get on track" program has been accelerated also due to COVID-19 pandemic
- EUR 23.7 million costs in Q1-Q3 2020 related to location projects lead to increased costs in 2020 of EUR 30 million
- First benefits include improvements in purchasing and product portfolio



* All figures are given approximately according to current planning

Outlook 2020 – Company Guidance



Sales	Organic decline of around 16% compared to the previous year	Sales by region	EMEA: significant organic decline; Americas: significant organic decline; APAC: noticeable organic decline
Adjusted EBITA Margin	More than 5%*	Sales by way to the market	EJT: significant decline DS: noticeable decline
Adjusted EBIT Margin	More than 4%*	Investments in R&D	Around 5% of EJT sales
Adjusted Material Cost Ratio	Higher than in the previous year	Innovations	More than 20 invention applications
Adjusted Personnel Cost Ratio	Noticeable increase compared to the previous year	Quality	Proportion of defective parts in production to be below the value of 20 parts per million
Financial Result	Up to EUR -15 million	Quality	Number of quality-related customer complaints per month to be below 8
Tax Expenses / Income	Between EUR -12 million and EUR +3 million	CAPEX Rate	Operative investments of around 5% of Group sales
Adjusted EPS	Strong decline compared to the previous year	Net Operating Cash Flow	More than EUR 60 million
NOVA	Between EUR -60 million and EUR -45 million	Dividend	Approx. 30% to 35% of adjusted net profit for the period

* Including costs related to the "Get on track" change program amounting to approx. EUR 30 million, which are not adjusted

Appendix



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Share Information p. 77-80

Facts & Figures FY 2019



Facts and Figures FY 2019 – Financials (I/II)

Sales

Sales at EUR 1,100.1 million (2018: EUR 1,084.1 million); growth of 1.5%

Organic revenue

Organic decline of -2.0% in 2019 (2018: +7.7%)

Adjusted EBITA

Adjusted EBITA at EUR 144.8 million (2018: EUR 173.2 million)

Margin

Adjusted EBITA margin at 13.2% (2018: 16.0%)

EPS

Adjusted EPS at EUR 2.76 (2018: EUR 3.61)
Reported EPS at EUR 1.83 (2018: EUR 2.88)

NOVA

NORMA Value Added* at EUR 17.3 million (2018: EUR 60.8 million)

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

Facts and Figures FY 2019 – Financials (II/II)



Equity

Strong balance sheet with an equity ratio of 41.6% (2018: 40.9%) despite dividend payments and higher balance sheet total

Net Debt

Net debt increased to EUR 420.8 million (2018: EUR 400.3 million) including dividend payments and IFRS16

Leverage

Net debt / adj. EBITDA leverage increased to 2.2x (2018: 1.9x) also due to IFRS 16 effects

Net Operating Cash Flow

Stable net operating cash flow of EUR 122.9 million (2018: EUR 124.4 million)

Dividend

Proposal for suspension of dividend for the fiscal year 2019 to the postponed AGM on June 30, 2020

NOVA

NOVA at EUR 17.3 million (2018: EUR 60.8 million)

Profit & Loss, Segment Reporting



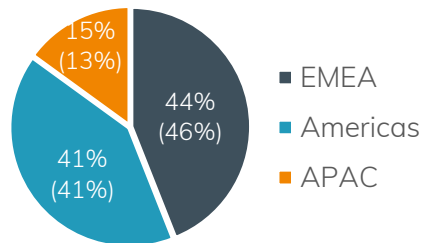
Top Line Development

Sales Development in EUR million

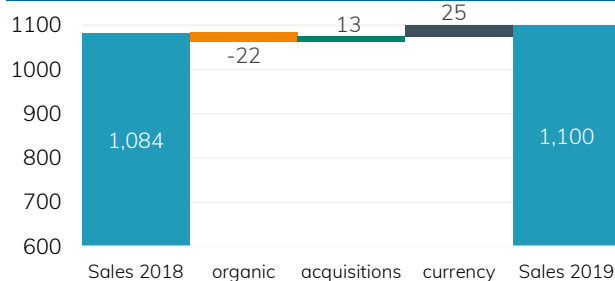
Sales	2018	2019	Change	Change in %	thereof organic	thereof acquisitions	thereof currency
Q1	272.6	275.6	+ 3.0	+ 1.1%	- 4.2%	+ 2.3%	+ 3.1%
Q2	276.4	289.0	+ 12.6	+ 4.6%	- 0.4%	+ 2.4%	+ 2.5%
Q3	268.1	274.0	+ 5.9	+ 2.2%	- 0.1%	+ 0.2%	+ 2.1%
Q4	267.0	261.4	- 5.6	- 2.1%	- 3.3%	0.0%	+ 1.2%
FY	1,084.1	1,100.1	+ 16.0	+ 1.5%	- 2.0%	+ 1.2%	+ 2.3%

Regional Split

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



Sales Development



- Organic decline of 2.0% in 2019 resulting from

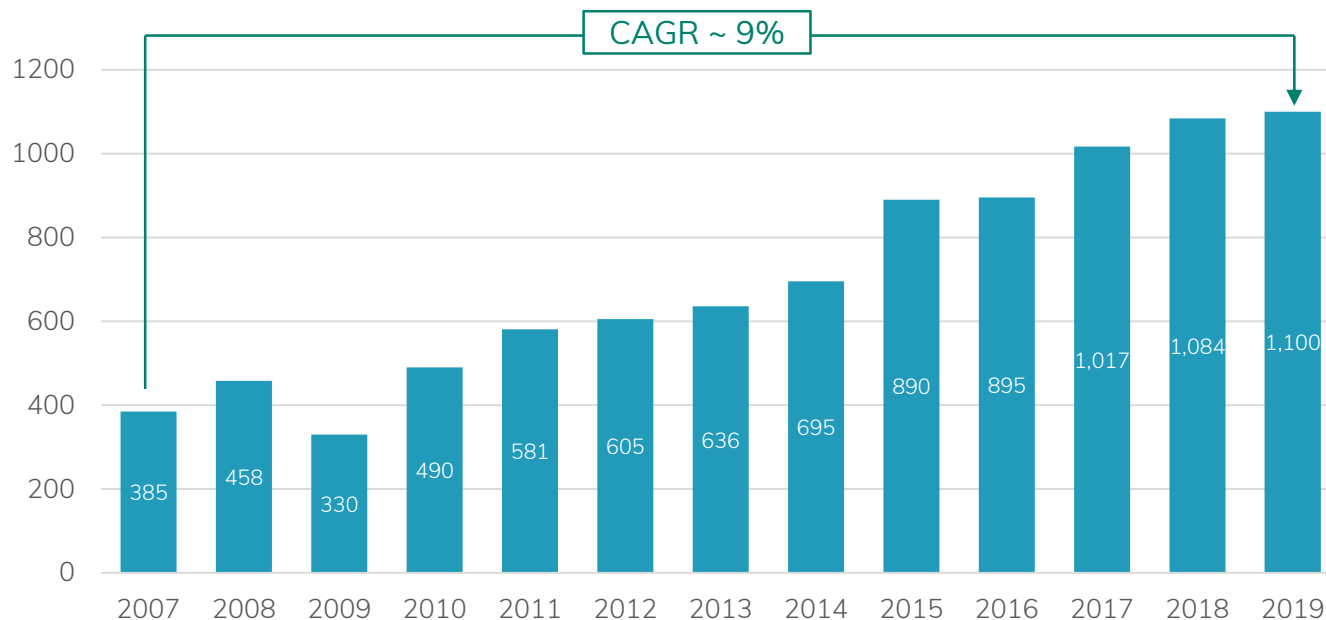
- a weak EJT business in the Americas and EMEA
- strong organic growth of the US water business NDS

- EUR 10.3 million sales contribution from the acquisitions of Kimplas and EUR 3.0 million from Statek

- EUR 24.4 million positive currency effects

Revenue Track Record

Revenue Development in EUR million



Thereof Organic Growth

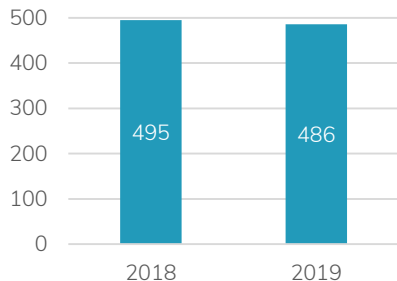
year	EUR million	%
2011	65.6	13.4%
2012	-10.8	-1.9%
2013	15.1	2.5%
2014	41.3	6.5%
2015	25.9	3.7%
2016	7.6	0.9%
2017	77.0	8.6%
2018	78.6	7.7%
2019	-21.6	-2.0%
Ø 9 years		4.4%

2007 to 2019: 12 years of ca. 9% CAGR

Segment Reporting: EMEA

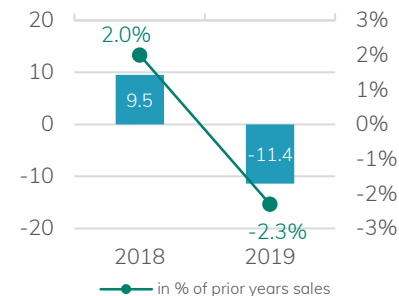
Net Sales

(in EUR million)



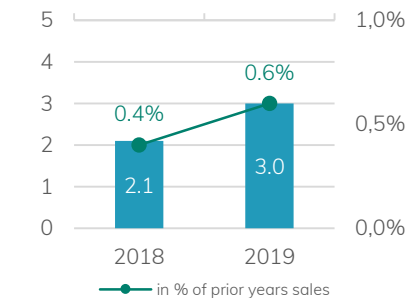
Organic Decline

(in EUR million)



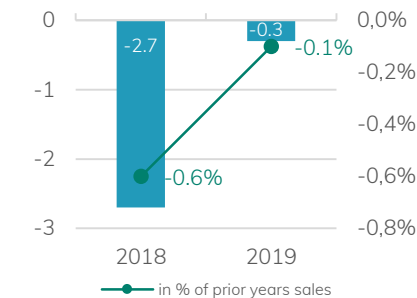
Acquisitions

(in EUR million)



Currency Effects

(in EUR million)



- ### Organic Decline

Weak automotive sector led to decline in EJTB of -2.4%, while DS was also trending down in Q4 with -1.9% for the full year

- ### Acquisitions

Acquisition of Statek had a positive impact of EUR 3 million or 0.6% on group sales

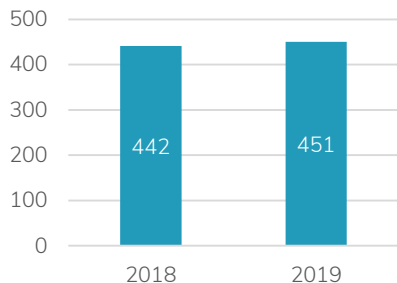
- ### Currency Effects

Minor currency effect (translation) of -0.1% or EUR 0.3 million

Segment Reporting: Americas

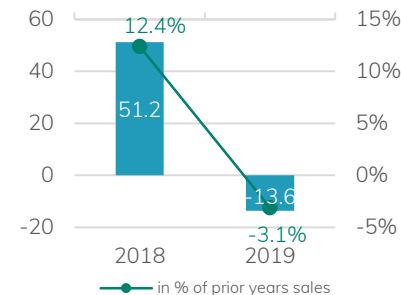
Net Sales

(in EUR million)



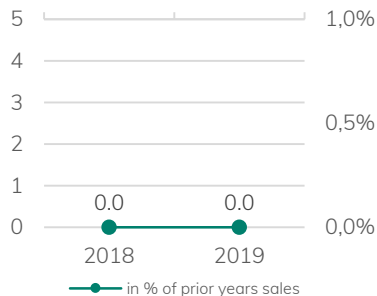
Organic Decline

(in EUR million)



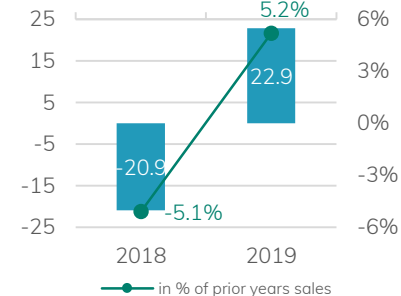
Acquisitions

(in EUR million)



Currency Effects

(in EUR million)



- Organic Decline

Strong organic growth of NDS was more than offset by strong organic decline of EJT business (especially in Q4) caused by strikes and weak automotive business

- Acquisitions

No M&A effects in the Americas in 2019

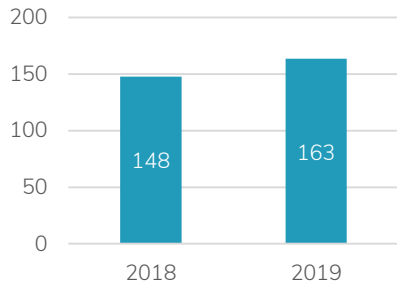
- Currency Effects

EUR 22.9 million or 5.2% positive currency effect on group sales

Segment Reporting: Asia-Pacific

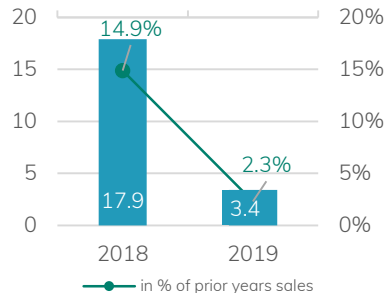
Net Sales

(in EUR million)



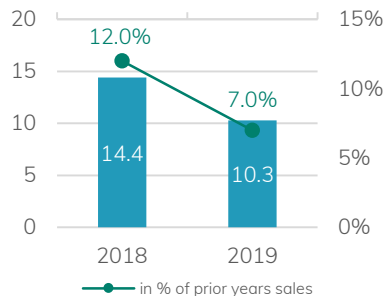
Organic Growth

(in EUR million)



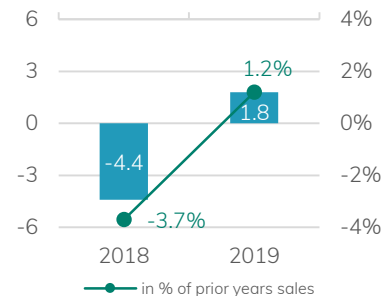
Acquisitions

(in EUR million)



Currency Effects

(in EUR million)



- Organic Growth

Despite a very weak Chinese market, EJT grow moderately with a very good recovery in Q4. DS with a slightly positive organic growth, resulting for the region in an overall moderate organic growth of 2.3%

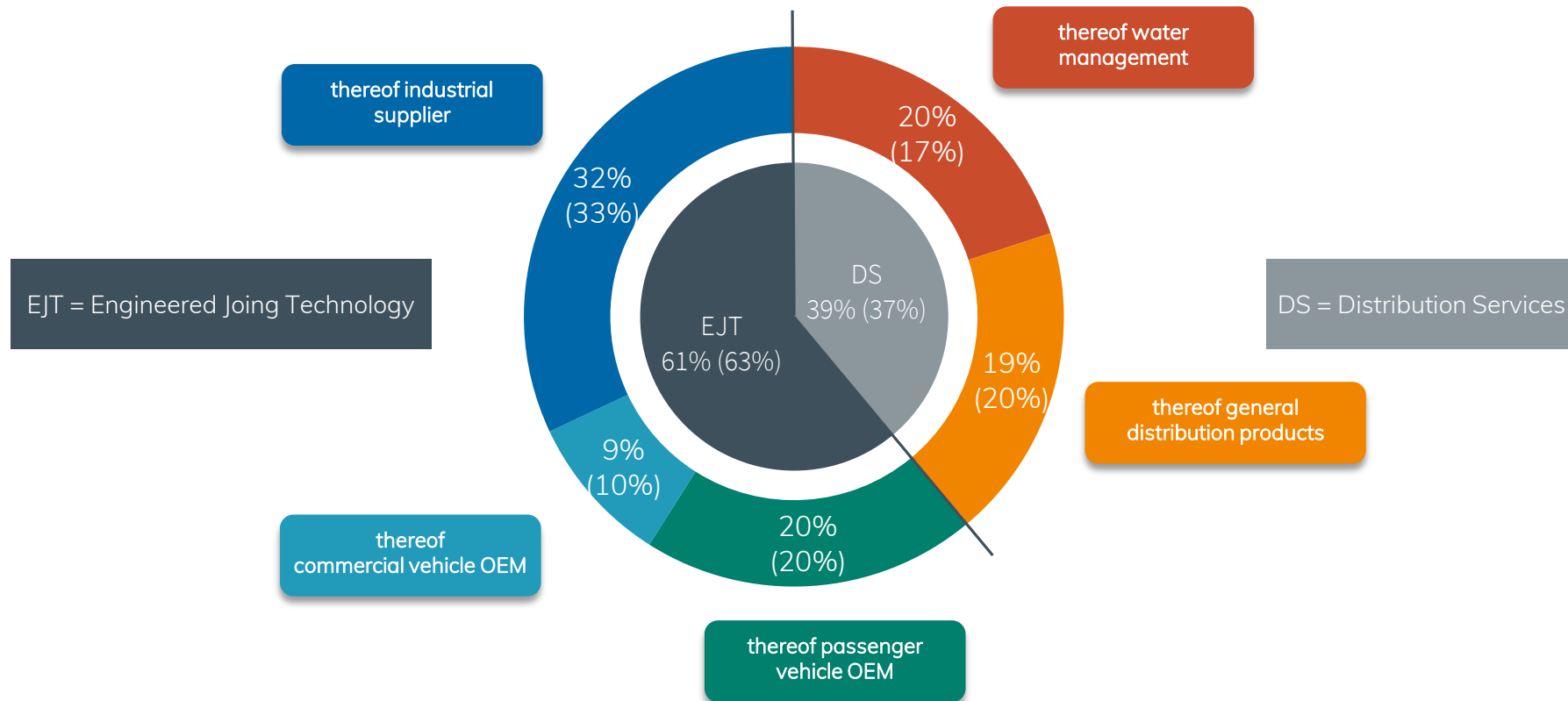
- Acquisitions

The acquisition of Kimplas had a positive effect of EUR 10.3 million or 7.0%

- Currency Effects

Positive translation effects of EUR 1.8 million or 1.3% on group sales

Balanced Industry Mix with two strong Ways to the Market*

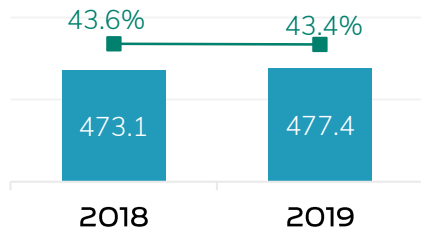


Adjusted EBITA Development

- Material costs ratio improved by 20 BP with stabilizing raw material prices and lower changes in inventories compared to prior year
- Personnel cost ratio higher at 27.5% (2018: 25.9%) due to payments for a former board member and prior years' bonus provision release
- Other operating income and expenses as well as depreciation are affected by first time adoption of IFRS 16

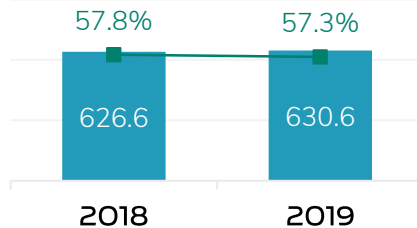
Adjusted Material Costs

(in EUR million and % of sales)



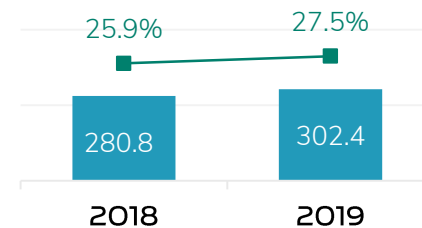
Adjusted Gross Profit

(in EUR million and % of sales)



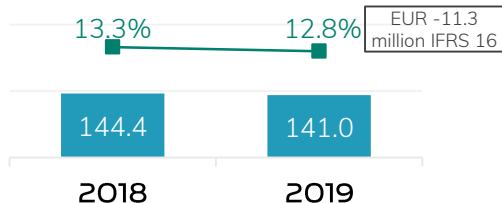
Adjusted Personnel Expenses

(in EUR million and % of sales)



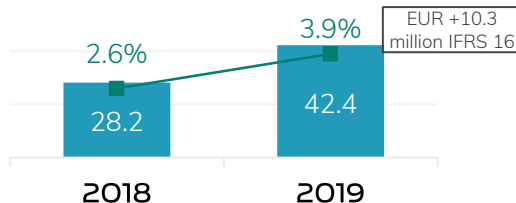
Adj. other oper. Income and Expenses

(in EUR million and % of sales)



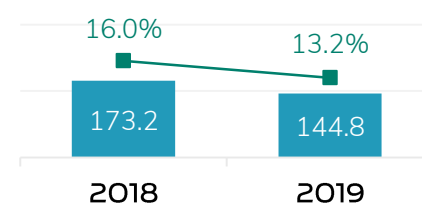
Adjusted Depreciation

(in EUR million and % of sales)

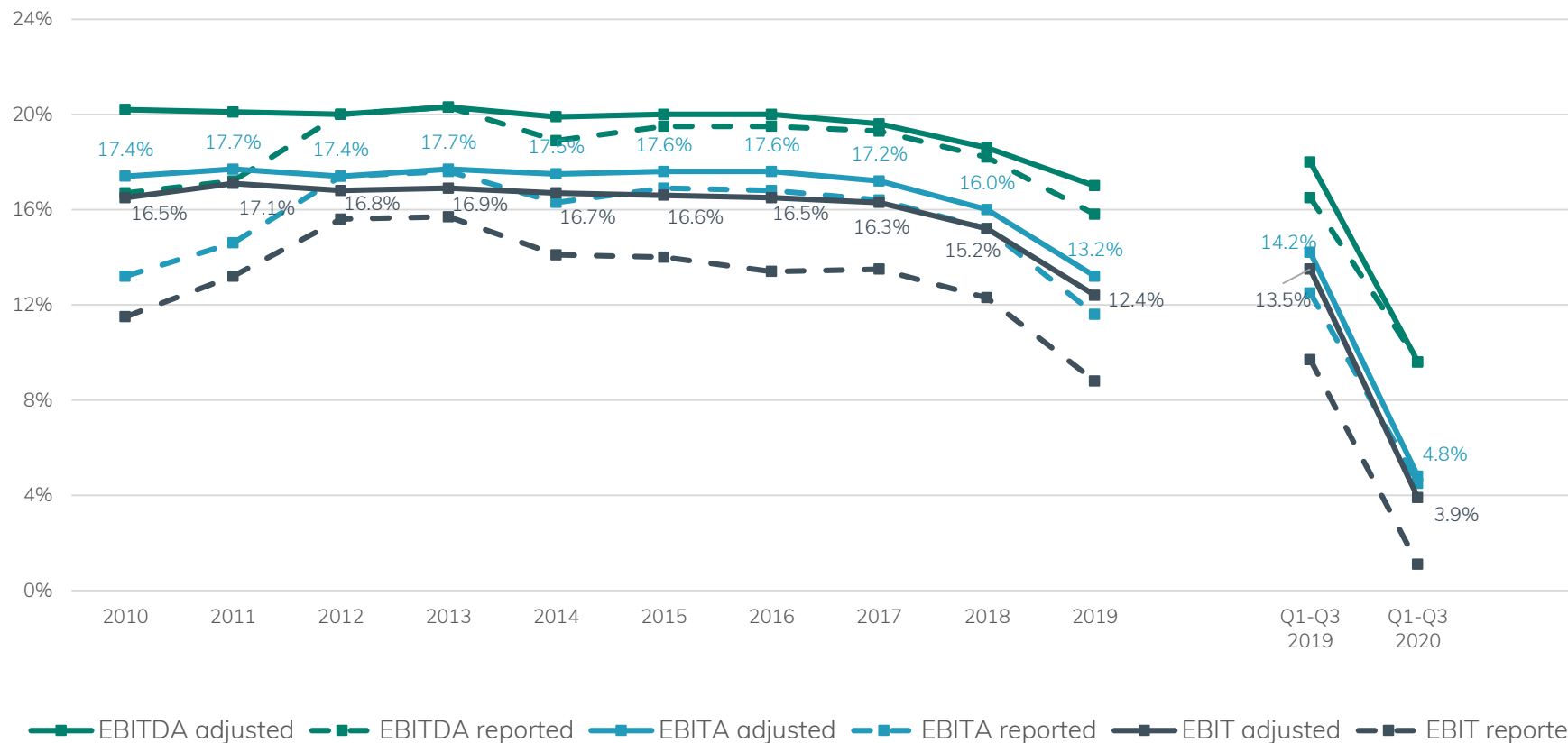


Adjusted EBITA

(in EUR million and % of sales)



Margin Development Adjusted and Reported since IPO



Operational Adjustments on EBIT and EBITA level

Adjustments from rightsizing costs of EUR 13.1 million in 2019

in EUR million	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Reported EBITA	64.9	84.7	105.2	112.1	113.3	150.5	150.4	166.8	164.8	127.9
+ Acquisition and Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5
Total Adjustments	20.5	18.0	0.3	0.5	8.2	5.8	7.1	7.7	8.4	16.9
Adjusted EBITA	85.4	102.7	105.4	112.6	121.5	156.3	157.5	174.5	173.2	144.8

Reported EBIT	56.3	76.6	94.4	99.5	97.8	124.8	120.0	137.8	133.5	96.7
+ Acquisition and Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5
+ PPA Amortization	4.0	5.1	7.2	7.7	10.1	17.3	20.6	20.5	22.6	22.5
Total Adjustments	24.5	23.1	7.5	8.2	18.3	23.1	27.7	28.2	31.0	39.4
Adjusted EBIT	80.9	99.7	101.9	107.7	116.2	147.9	147.7	166.0	164.5	136.1

* 2010-2011: mostly IPO related costs

Operational Adjustments* 2019

- Operational adjustments on EBITDA level mainly due to the rightsizing program
- Additional PPA adjustments of EUR 26 million on EBIT level from past acquisitions
- Total adjustments per share of EUR 0.93

in EUR million	Reported	Adjustments	Adjusted
Sales	1,100.1		1,100.1
EBITDA	173.8	13.4 (incl. EUR 0.4 million integration costs and EUR 13.1 million Rightsizing costs)	187.2
EBITDA margin	15.8%		17.0%
EBITA	127.9	16.9 (incl. EUR 3.5 million depreciation PPA)	144.8
EBITA margin	11.6%		13.2%
EBIT	96.7	39.4 (incl. EUR 22.5 million amortization PPA)	136.1
EBIT margin	8.8%		12.4%
Net Profit	58.4	29.4 (incl. EUR -10.0 million post tax impact)	87.8
Net Profit margin	8.0%		5.3%
EPS (in EUR)	1.83	0.93	2.76

* Deviations may occur due to commercial rounding.

Outlook on Adjustments 2020 – 2021

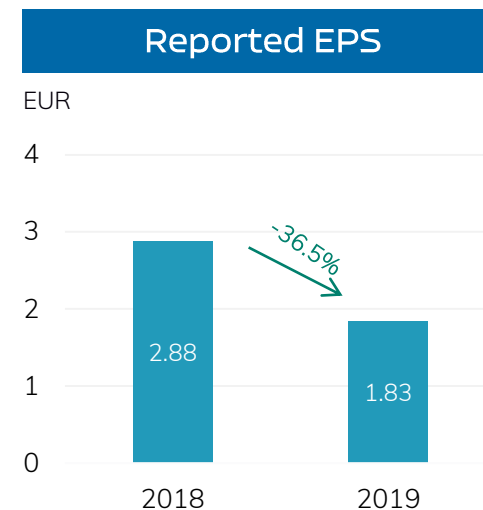
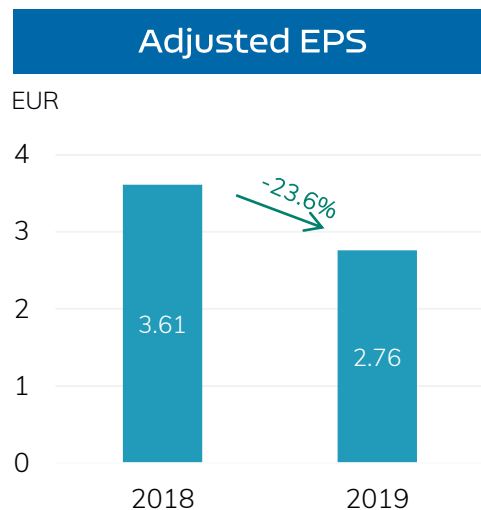
- Costs for "Get on track" change program will not be adjusted
- Ongoing PPA adjustments slightly decreasing over time
- Adjustments on EPS level declining in the upcoming years**

in EUR million	FY 2019	FY 2020*	FY 2021*
EBITDA level	13.4 (incl. EUR 0.4 million integration costs and EUR 13.1 million Rightsizing costs)	0	0
EBITA level	16.9 (incl. EUR 3.5 million depreciation PPA)	ca. 3 (depreciation PPA)	ca. 2 (depreciation PPA)
EBIT level	39.4 (incl. EUR 22.5 million amortization PPA)	ca. 25 (incl. ca. EUR 22 million amortization PPA)	ca. 24 (incl. ca. EUR 22 million amortization PPA)
Net Profit	29.3 (incl. EUR -10.0 million post tax impact)	ca. 19	ca. 18
EPS (in EUR)	0.92	ca. 0.58	ca. 0.56

* Depending on foreign exchange rates

** excluding possible new M&A transactions

Earnings per Share



Net Income in EUR
million

114.8

87.8

91.8

58.4

Profit and Loss (adjusted and reported)



in EUR million

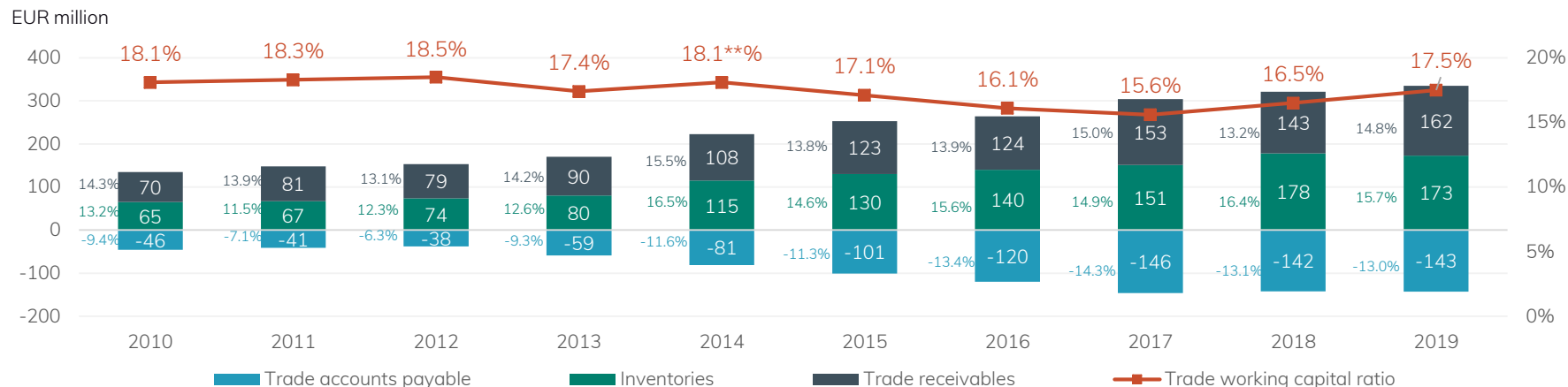
	Adjusted		Reported	
	2018	2019	2018	2019
Sales	1,084.1	1,100.1	1,084.1	1,100.1
Gross Profit	626.6	630.6	626.2	630.4
EBITDA	201.4	187.2	197.0	173.8
in % of sales	18.6%	17.0%	18.2%	15.8%
EBITA	173.2	144.8	164.8	127.9
in % of sales	16.0%	13.2%	15.2%	11.6%
EBIT	164.5	136.1	133.5	96.7
in % of sales	15.2%	12.4%	12.3%	8.8%
Financial Result	-11.7	-15.5	-11.7	-15.5
Profit before Tax	152.8	120.6	121.9	81.2
Taxes	-38.0	-32.7	-30.1	-22.7
in % of profit before tax	24.9%	27.1%	24.7%	28.0%
Net Profit	114.8	87.8	91.8	58.4

Balance Sheet and Maturity Profile

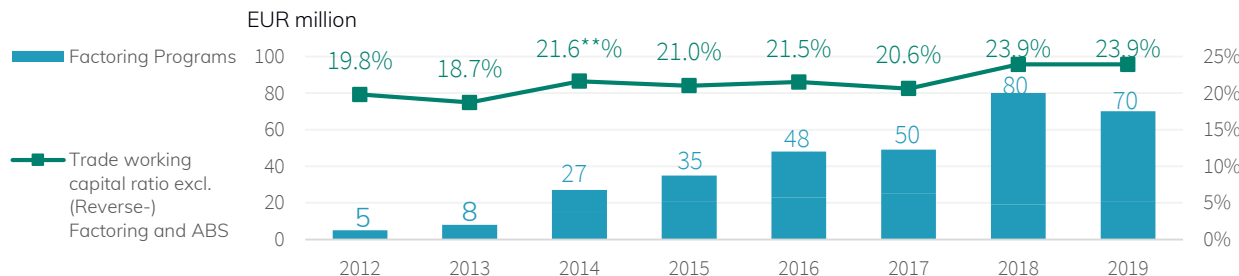


Working Capital Development

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



Factoring Programs*



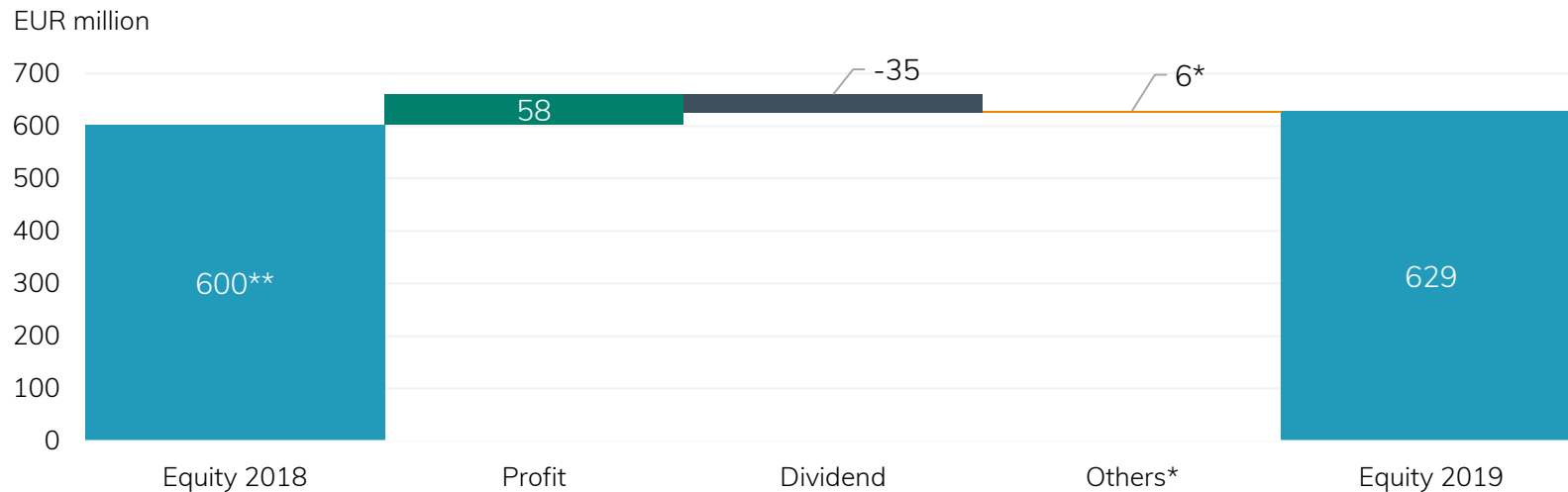
- Increase in working capital to sales ratio in 2019 mainly due to the reduction of ABS and factoring
- Working capital to sales ratio excluding effects of factoring stable

*(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 41.6%

- Equity increased by EUR 27 million with profit of EUR 58 million
- Dividend payment in 2019 for 2018 of EUR 35 million



**Balance
Sheet Total
(in EUR million)**

1,472

1,514

* mainly exchange differences on translation of foreign operations of EUR 9 million

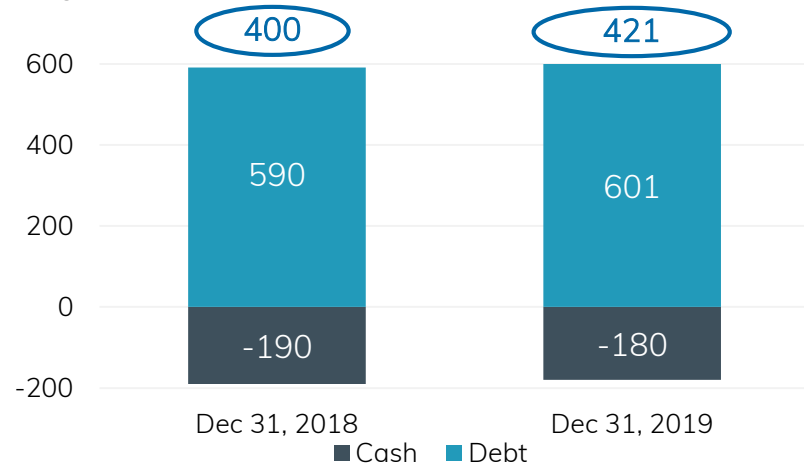
** The first time application of IFRS 16 led to a reduction of the opening balance of equity by EUR 2.0 million

Net Debt and Net Debt Ratios

- Leverage increases to 2.2 (2018: 1.9) and net debt increases by 5.1% to EUR 421 million including dividend payment of EUR 35 million and EUR 39 million due to IFRS 16

Net Debt* (in EUR million)

in EUR million

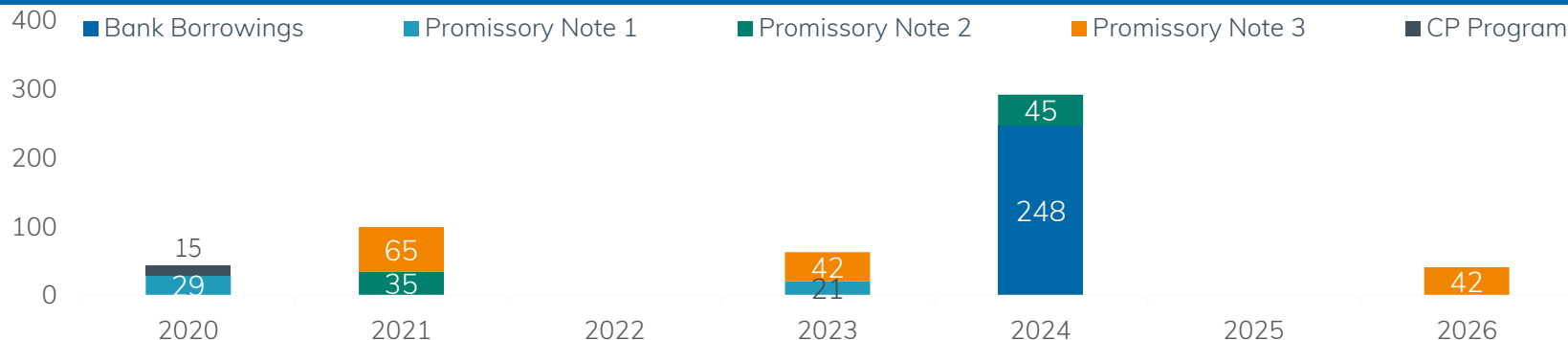


Debt Ratios

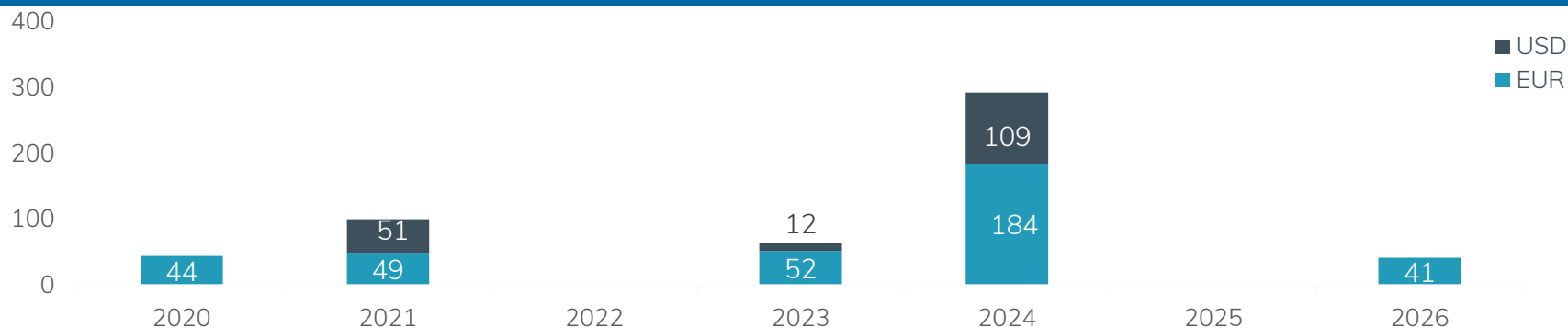
	Dec 31, 2018	Dec 31, 2019
Leverage (Net debt / adjusted EBITDA)	1.9 x	2.2 x
Gearing (Net debt / equity)	0.7 x	0.7 x

Solid Maturity Profile

Maturity Profile (in EUR million) – Financial Instruments



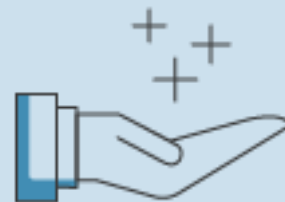
Maturity Profile (in EUR million) – Currencies



Balance Sheet

in EUR million	Dec 31, 2018	Dec 31, 2019	in EUR million	Dec 31, 2018	Dec 31, 2019
Assets			Equity and liabilities		
Non-current assets			Equity		
Goodwill / Other intangible assets / Property, plant & equipment	916.2	949.3	Total equity	602.5	629.4
Other non-financial assets / Derivative financial assets / Deferred- and income tax assets	12.1	13.5	Non-current and current liabilities		
Total non-current assets	928.3	962.8	Retirement benefit obligations / Provisions	28.8	30.4
Current assets			Borrowings and other financial liabilities	589.9	561.0
Inventories	178.1	173.2	Other non-financial liabilities	27.4	37.0
Other non-financial / other financial / derivative financial / income tax assets	30.6	35.7	Contract liabilities	0.7	0.5
Trade and other receivables	143.1	162.4	Lease liabilities	0.0	38.7
Cash and cash equivalents	190.4	179.7	Tax liabilities and derivative financial liabilities	80.4	74.2
Contract assets	1.2	0.5	Trade payables	142.0	143.1
Total current assets	543.4	551.5	Total liabilities	869.2	884.9
Total assets	1,471.7	1,514.3	Total equity and liabilities	1,471.7	1,514.3

Cash Flow & NORMA Value Added



Strong Cash Flow Development 2011 - 2019

Excellent Cash Flow in challenging 2019

Net Operating Cash Flow

in EUR million	2011	2012	2013	2014	2015	2016	2017	2018	2019	Variance (2019 to 2018)
Adjusted EBITDA	117.0	120.8	129.3	138.4	177.5	179.4	199.7	201.4	187.2	-7.1%
Δ ± Trade Working capital	-19.5	-9.8	+5.1	+10.4	-0.6	+17.0	-19.1	-13.7	-9.5	-30.7%
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	-5.3%
Δ ± Investments from operating business	-30.7	-30.0	-30.5	-39.6	-42.2	-47.9	-47.7	-63.3	-54.8	-13.4%
Net Operating Cash Flow	66.8	81.0	103.9	109.2	134.7	148.5	132.9	124.4	122.9	-1.2%

- Due to lower adjusted EBITDA but also less outflow of working capital, net operating cash flow before investments from operating business decreased by EUR 9.9 million to a total of EUR 177.8 million in 2019
- CAPEX spendings of EUR 54.8 million mainly for manufacturing facilities in Czech Republic, Serbia, France, Poland, the US, Mexico and China
- Net operating cash flow of EUR 122.9 million almost on the same level as 2018, including positive IFRS 16 effect of EUR 11.3 million

NORMA Value Added (NOVA) and ROCE

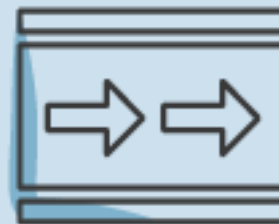
NORMA Value Added

in EUR million	2018	2019
Adjusted EBIT after taxes	123.5	98.4
Capital Cost (WACC x CE per January 1st)	-62.8	-81.1
NOVA	60.8	17.3
<hr/>		
ROCE (adjusted EBIT / Ø CE)	17.5%	13.4%*
ROCE (reported EBIT / Ø CE)	14.2%	9.6%*

- The NORMA Value Added (NOVA) is NORMA Group's long term strategic target
- NORMA Group determines the annual value creation in form of the so called 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)

* excl. IFRS 16; inkl. IFRS 16: ROCE (reported EBIT / Ø CE) = 9.3% and ROCE (reported EBIT / Ø CE) = 13.0%

Get on Track and Strategy



Strategy (I/V): Update Rightsizing

Rightsizing	Optimization of the production landscape, which has grown rapidly as a result of acquisitions, organizational structures and further harmonization of processes and systems worldwide	
Scope	The optimization measures have been extended across all regions and also supraregional	
Goal	Further development of the business model to meet the requirements of future strategic growth areas such as water management and electromobility	
Benefit	Program is expected to result in a positive earnings contribution (adjusted EBITA) of around EUR 13 million to EUR 15 million annually from 2021 on	Benefits in progress ✓
First Successes	Successful relocation of production activities from Russia to Serbia and ongoing relocation from the US to Mexico; Closing of Distribution Center in Netherlands and transfer to an existing Distribution Center	First successes ✓
Costs*	Final total cost volume of EUR 13.1 million in 2019 and EUR 2.2 million in 2018	Implementation costs ✓

*Will be shown on an adjusted basis.

Strategy (II/V): "Get on track"

Change Program "Get on track" launched

Goal

Change program will set basis for further strategic development and profitable growth of NORMA Group

Key objective to return NORMA to historic profit margin levels

Start execution of holistic performance program to increase efficiency and achieve full profit potential across NORMA Group

Alignment of whole organization along profitability and cash flow generation

Benefits

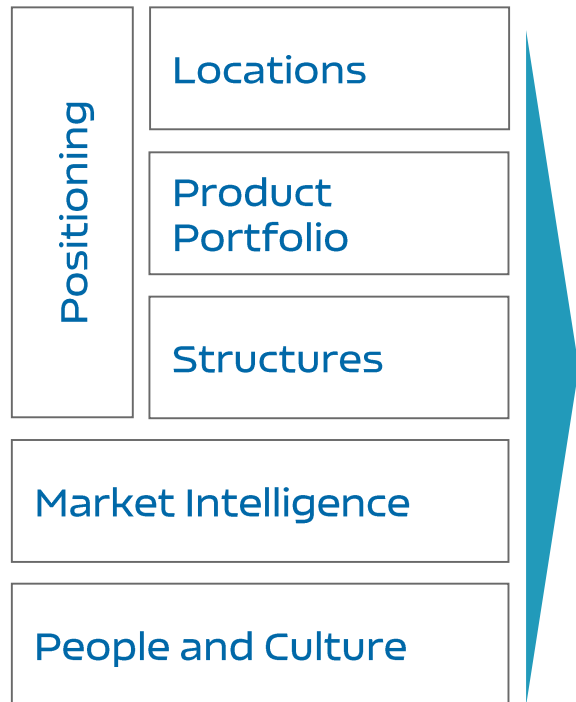
Program is expected to result in a positive earnings contribution (EBITA) per year of around EUR 50 million in 2023

Costs*

Total cost volume accumulated of around EUR 55 million until 2023

Strategy (III/V): "Get on track"

Scope of "Get on Track"



Examples

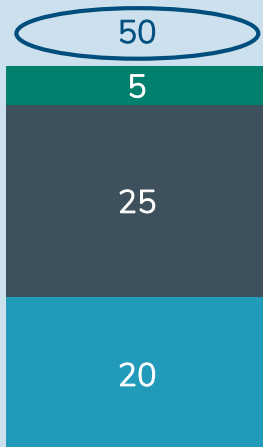
- Increase share of best cost country production
- Reduction of complexity
- Streamlining of product portfolio through active portfolio management
- Bundle and transfer low volume products and business to wholesaler
- Strengthen commodities strategy
- Focus on best cost country purchasing
- Improvement of structures and processes
- Profound information and transparency on products and markets
- Reliable basis for active portfolio management in structured and transparent systems
- Qualification of personnel according to adjusted processes and structures
- Training of employees

Strategy (IV/V): "Get on track"

"Get on track" financials

In EUR million

Savings 2023 p.a.



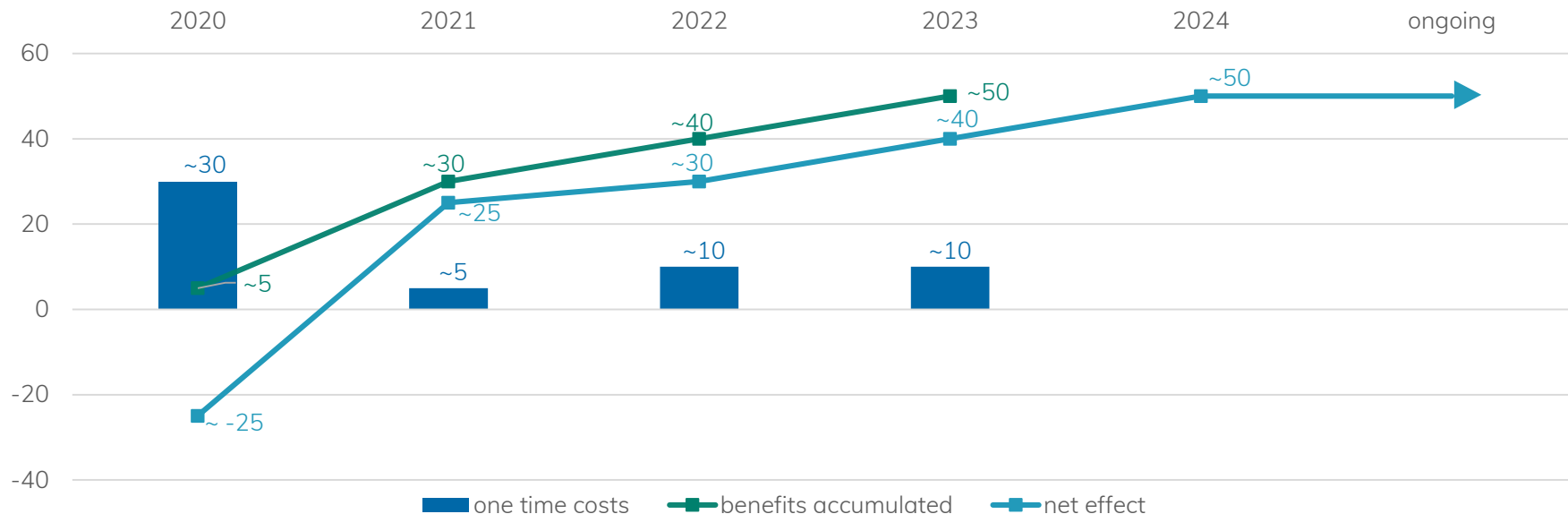
■ Locations ■ Structures & Processes ■ Product Portfolio

Implementation Costs

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

Strategy (V/V): "Get on track" – Costs & Benefits* Timeline

- "Get on track" program accelerated also due to COVID-19 pandemic
- EUR 23.7 million costs in Q1-Q3 2020 related to location projects lead to increased costs in 2020 of EUR 30 million
- First benefits include improvements in purchasing and product portfolio



* All figures are given approximately according to current planning

- 1 Execution of rightsizing- and "Get on track"-projects as a foundation of further profitable growth
- 2 Expanding water business
- 3 Continue to develop product and service solutions for **eMobility**
- 4 Continue to explore business opportunities particularly in Asia-Pacific to expand localization and further improve profitability
- 5 Continue dialogue with potential M&A targets in various industries and regions
- 6 Close monitoring of market environment due to Coronavirus (COVID-19) and taking appropriate actions

Business Model and Track Record



Specific customer requirements driven by megatrends



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 around **6,500** worldwide.



Operates a global network of **28 manufacturing facilities.**



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



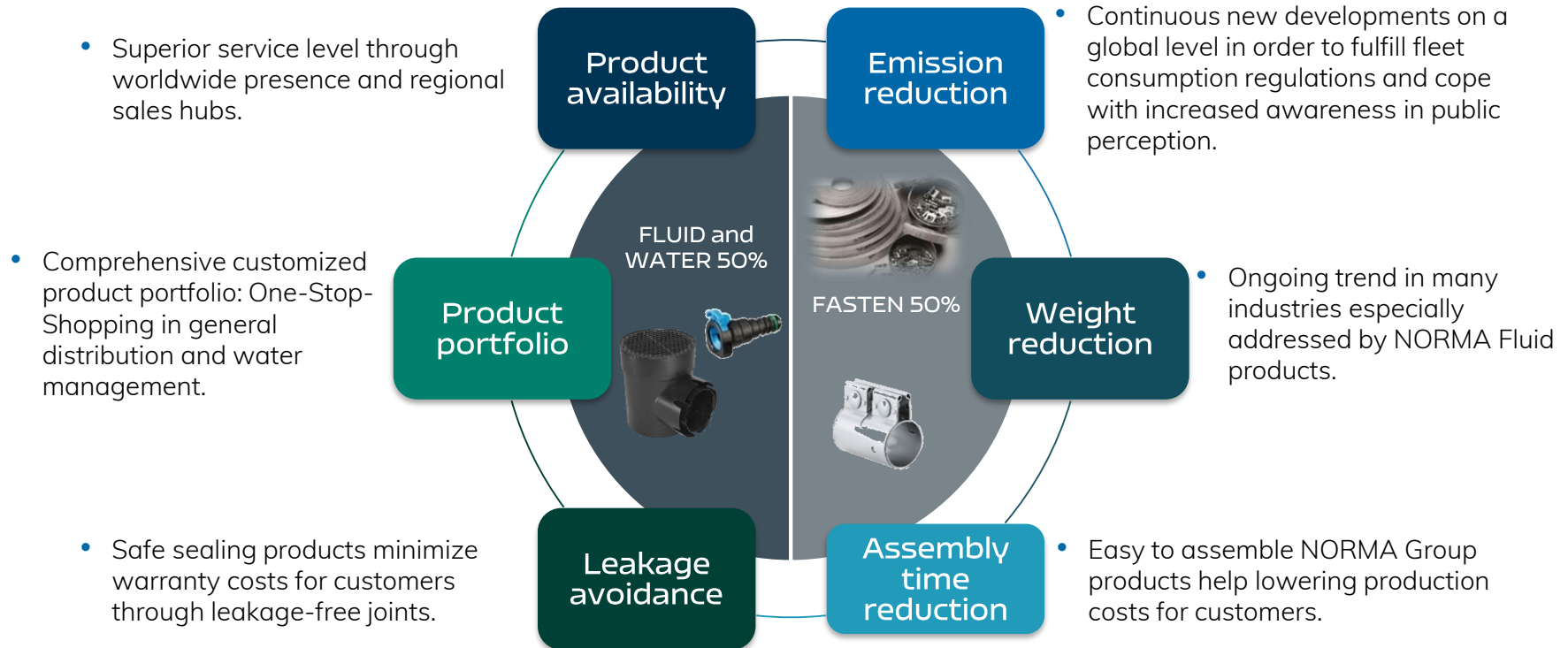
Sales of about **EUR 1,100 million** in **2019.**

NORMA Group – Key Investment Highlights

- 1 Engineered Joining Technology in the attractive markets water management, e-mobility and general industry
- 2 Strong development and growth opportunities in water management and e-mobility
- 3 Enhanced stability through broad diversification across products, end markets and regions
- 4 Engineered products with premium pricing through technology and innovation leadership in mission-critical components
- 5 Strong global distribution network with one-stop-shopping service to specialized dealers, wholesalers and distributors
- 6 Significant growth and value creation opportunity through synergistic acquisitions
- 7 Proven track record of operational excellence

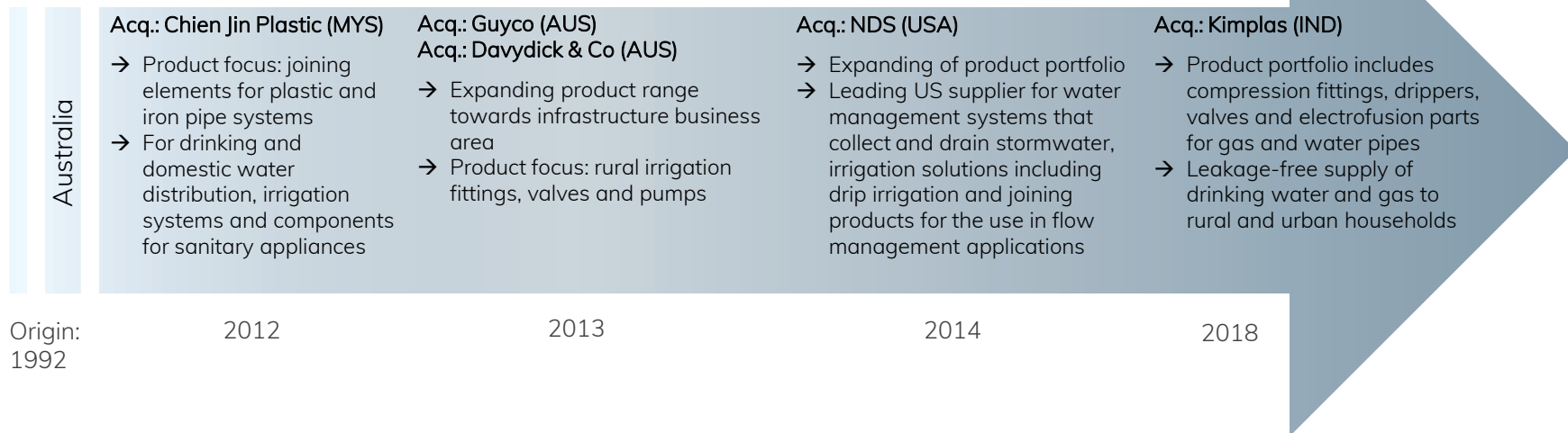
Proven Business Model Addressing Key Megatrends

Specific customer requirements driven by megatrends



Scarce Resource Calling for Water Handling Products

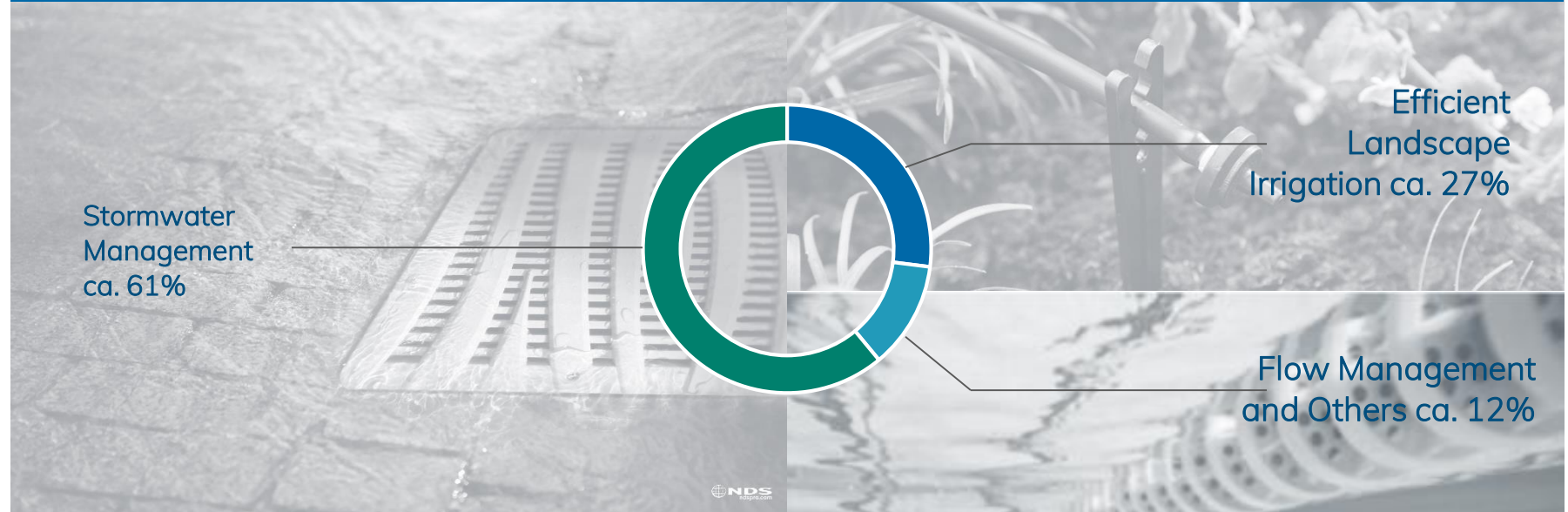
- 20% of sales or EUR 218.1 million in 2019
- Production and distribution sites in Australia, Malaysia, the US and India
- Expanding Water Business organically and through M&A transactions



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

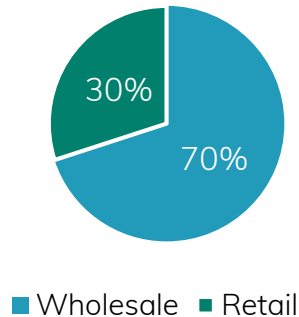
NDS has deep and longstanding Customer Relationships



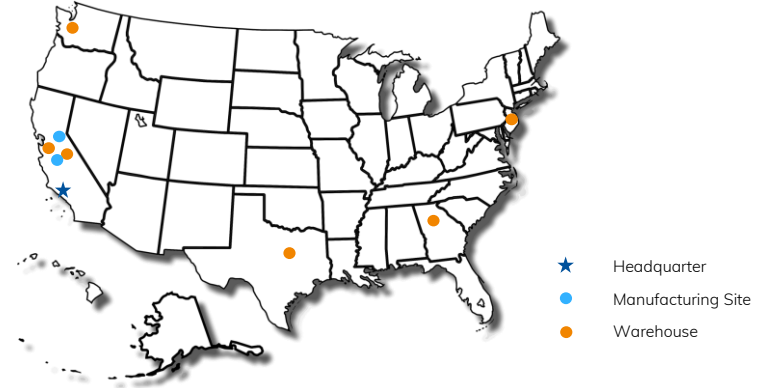
Highly differentiated distribution and service model

- More than 4,950 products
- Over 15,800 customer locations (retail and wholesale customers)
- Three 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

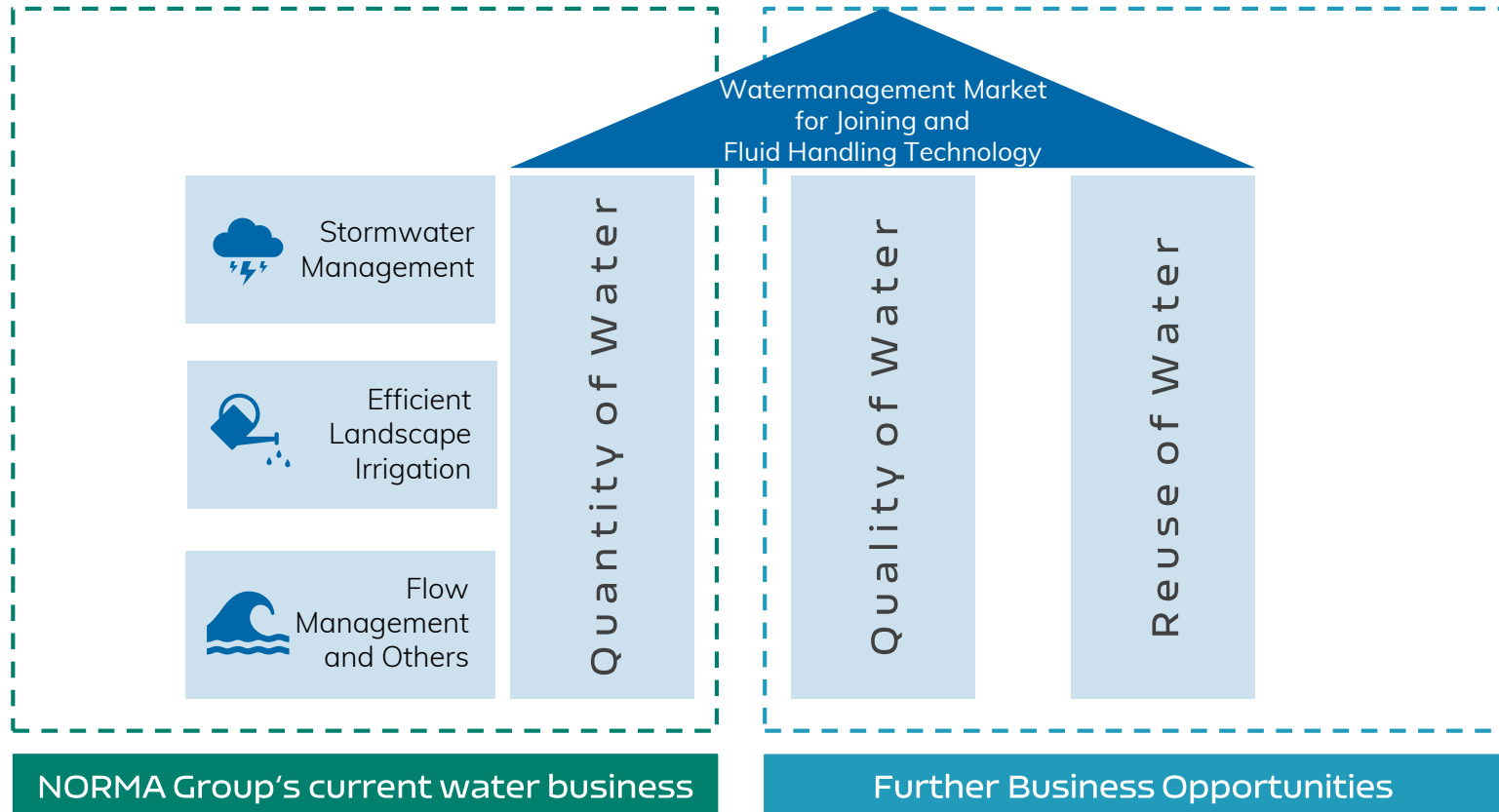


Nation-wide presence



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

Business Opportunities in Watermanagement



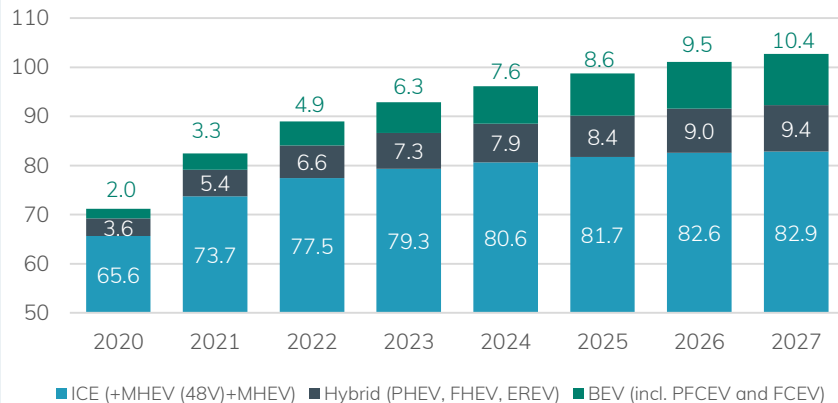
NORMA Group well on Track for Coming E-Mobility Developments



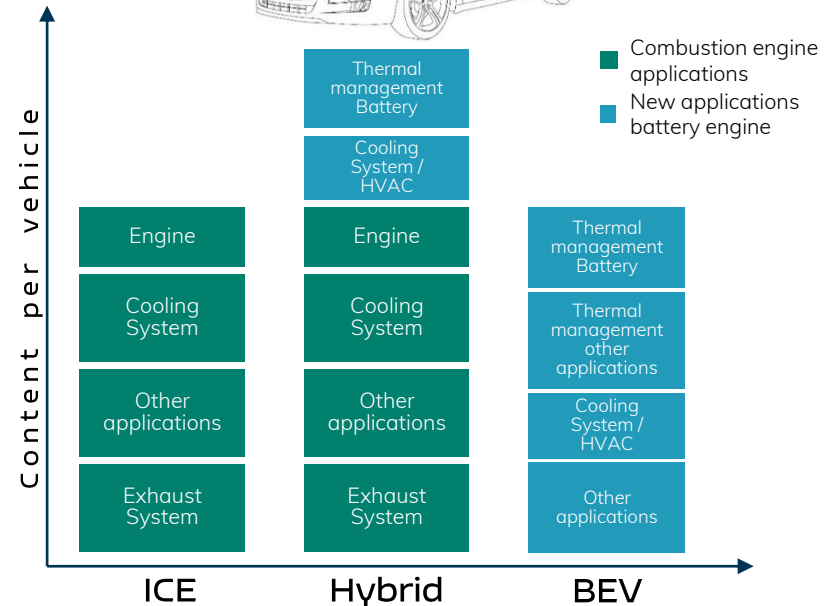
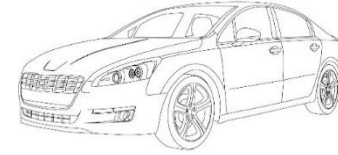
- Battery Thermal Management
- Coolant Systems
- Power Electronics and Motors Cooling
- HVAC / Heat Pump Systems

ICE, Hybrid & EV development*

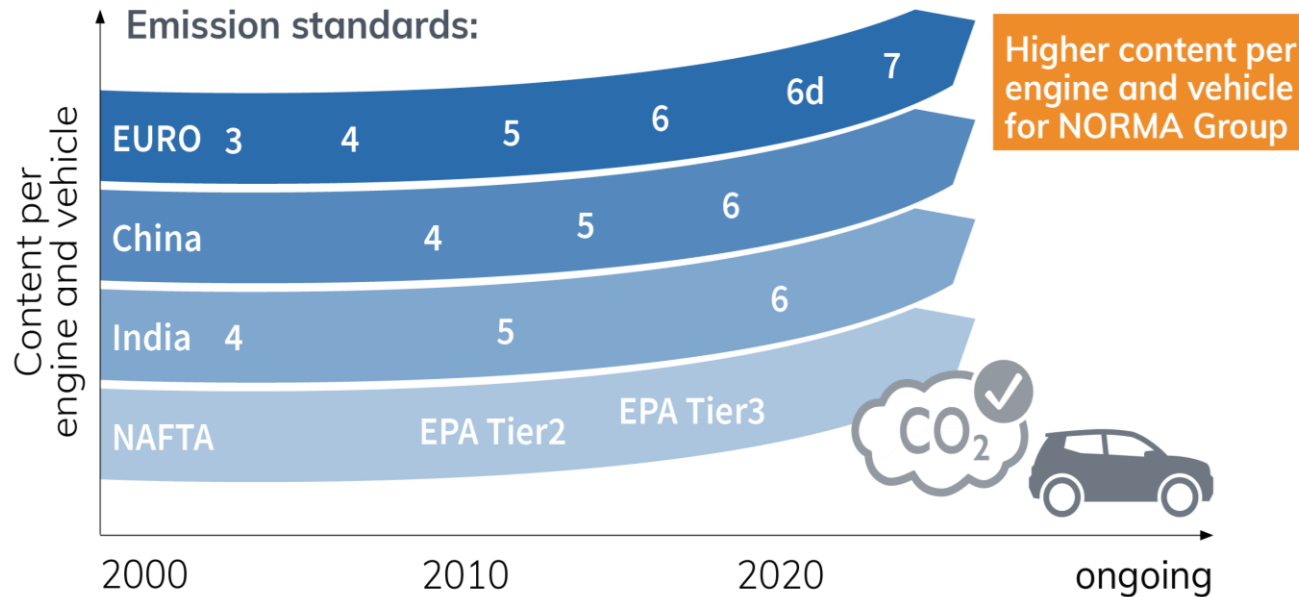
Production volume in million



NORMA Group will benefit from a hybridization and maintain its growth trend with ICE and BEV



Tighter Emission Regulations Drive Increased Joining Technology Content



- Environmental awareness continues to drive tightening emission regulations globally, including in emerging markets
- Low-emission alternatives require significantly higher joining technology content at a substantially increased complexity compared to existing/past technologies

Good Balance in the Two Distinct Ways to Market

Distribution Services (DS)
ca. 39% of 2019 sales

Engineered Joining Technology (EJT)
ca. 61% of 2019 sales

High quality, branded and standardized joining products provided at competitive prices to broad range of customers.



- High quality, standardized joining technology products.
- No. 1 product portfolio & service level.
- 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.
- No. 1 national and international DS service level and DS product portfolio.

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

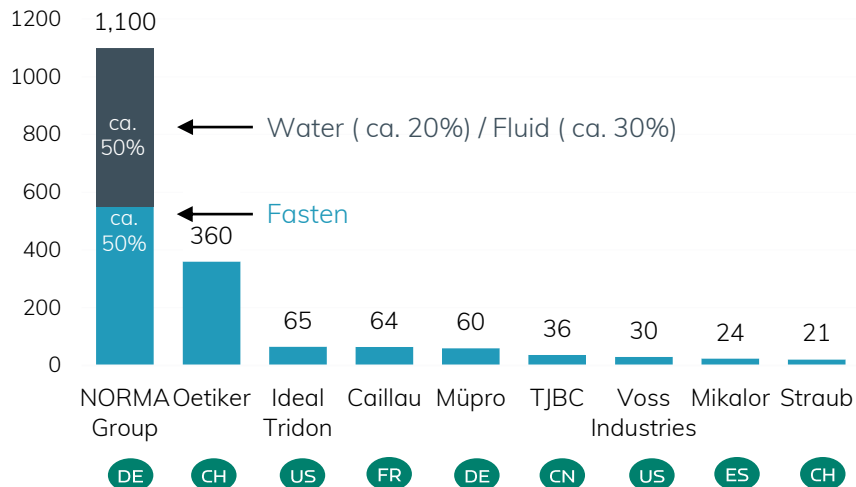


- Customized, engineered solutions.
- 1094 patents and utility models.
- B2B

Convincing Growth Prospects

Clear global market leader in Clamp / Connect

Sales in EUR million (year)*



Excellent growth outlook across EJT market

Additional growth for Joining Technology market above market growth

Passenger vehicles	} Add. 2-4%
Commercial vehicles	
Agricultural equipment	
Construction equipment	
Engines	
Water management	

- NORMA Group expects to grow even faster than its end markets.

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

Mission-criticality: Small relative costs – high impact

Basis for premium pricing

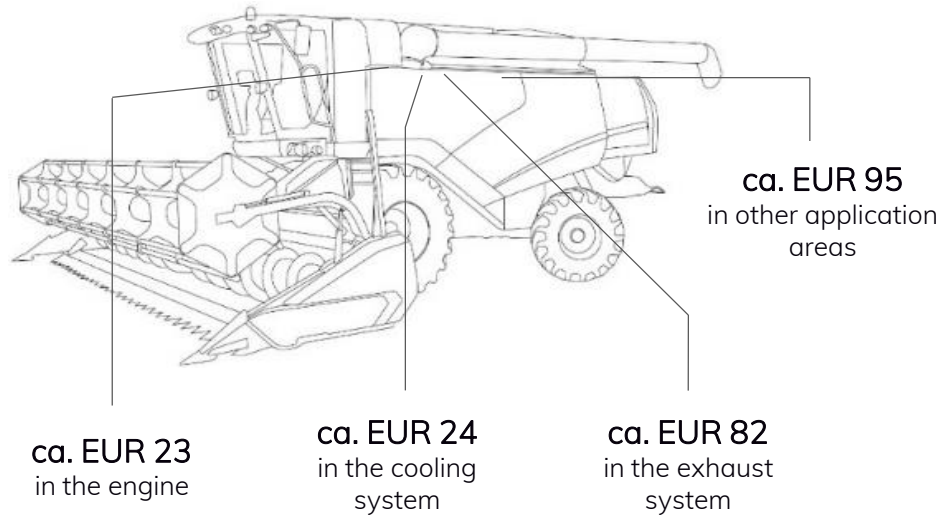
Market leadership

Technology

Quality

Innovation

Tailor-made solutions



ca. EUR 224
content per vehicle
in total

< 0.1%
content per vehicle

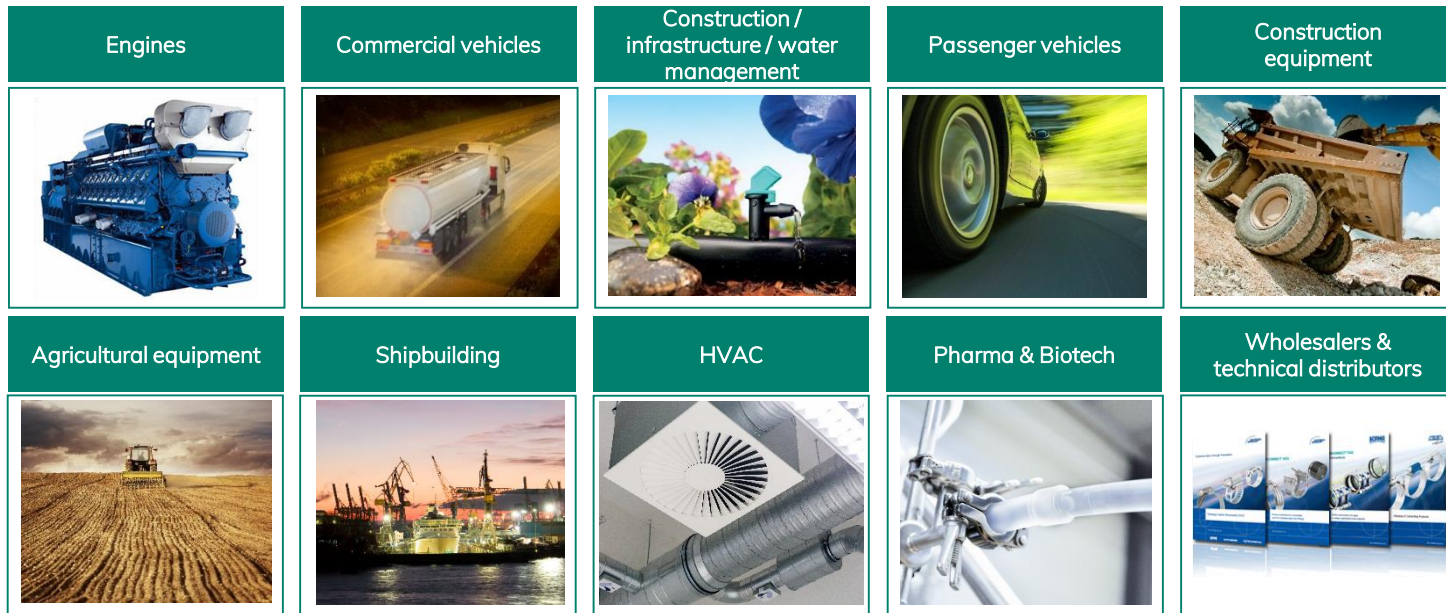
ca. EUR 350,000
costs an average
harvester

High switching costs for customers

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



Examples of NORMA Group's key end markets



- More than 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 14% of 2019 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

2018	Acquisition Kimplas, India	Acquisition Statek, Germany				
2017	Acquisition Lifial, Portugal	Acquisition Fengfan, China				
2016	Acquisition Autoline Business, France					
2014	Foundation NORMA China II	Acquisition Five Star, USA	Acquisition National Diversified Sales, USA			
2013	Acquisition Davydick & Co, Australia	Acquisition Variant, Poland	Acquisition Guyco, Australia	Foundation NORMA Brazil		
2012	Acquisition Connectors Verbindungstechnik, Switzerland	Acquisition Nordic Metalblok, Italy	Acquisition Chien Jin Plastic, Malaysia	Acquisition Groen Bevestigingsmaterialen, Netherlands		
2011	Acquisition J-V shares, Spain	Acquisition J-V shares, India	Opening Sales & Competence Center, Brazil	Foundation NORMA Thailand	Foundation NORMA Serbia	
2010	Acquisition Craig Assembly, USA	Acquisition R.G. Ray, USA	Foundation NORMA Korea	Foundation NORMA Malaysia	Foundation NORMA Turkey	Foundation NORMA Russia
2008	Foundation NORMA Japan	Foundation NORMA India	Foundation NORMA Mexico			
2007	Acquisition Breeze, USA	Foundation NORMA China				
2006	Merger ABA and Rasmussen to NORMA Group					

14 Acquisitions since the 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 Stanzertechnik GmbH, Germany	08/18	Expanding value chain for stamping and forming technology	5.1
Total			269.8

EMEA

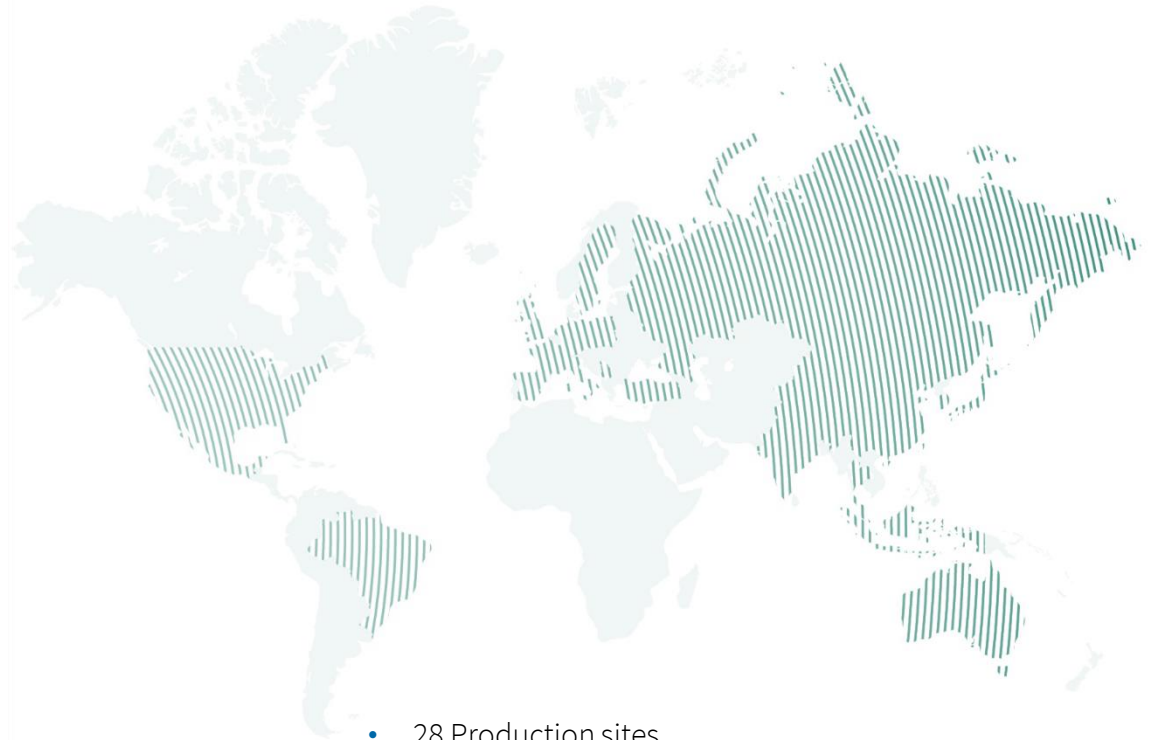
Czech Republic (P)
France (P, D)
Germany (P, D)
Italy (D)
Netherlands (D)
Poland (P, D)
Portugal (P)
Russia (D)
Serbia (P)
Spain (D)
Sweden (P, D)
Switzerland (P, D)
Turkey (D)
United Kingdom (P, D)

Americas

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

Asia-Pacific

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



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

Management Board of NORMA Group SE



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, 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, ESG, EHS (Environment, Health and Safety), 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, Attendorn
- 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

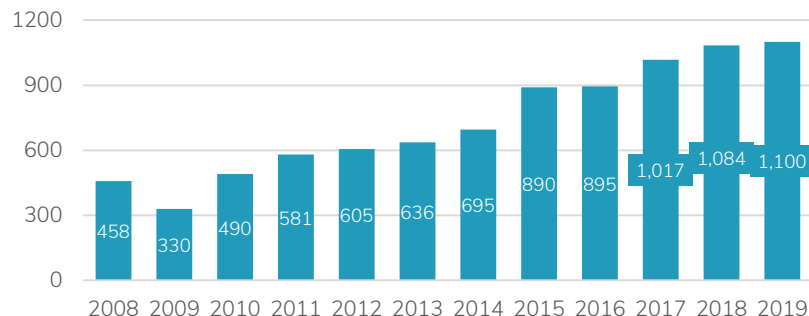
- Since 2020: CFO, NORMA Group
- 2018 – 2020 Management Board, CFO Finance, Indirect Purchasing & General Services at Hoffmann SE, Munich
- 1996 – 2017 Various leading positions (most recently as Managing Director and CFO of the Northern and Eastern Europe region) at Faurecia Group, Stadthagen
- 1991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

Studies / professional education

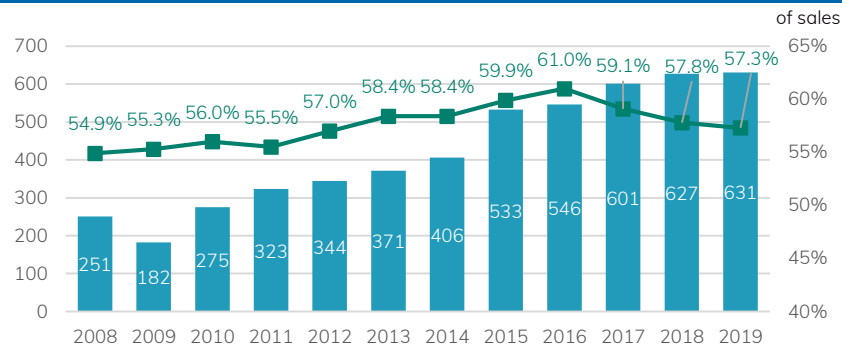
- Global Senior Management Program (Faurecia Programs), INSEAD, Fontainebleau Cedex, France
- Studies of economics at University of Paderborn
- Studies of law at the University of Bielefeld

Longterm P&L Development

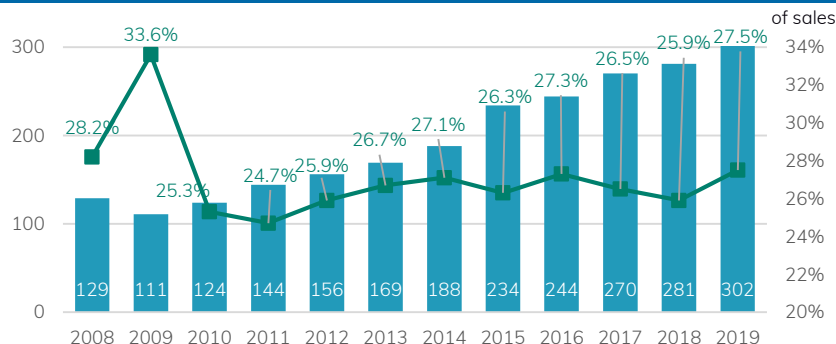
Revenue (in EUR million)



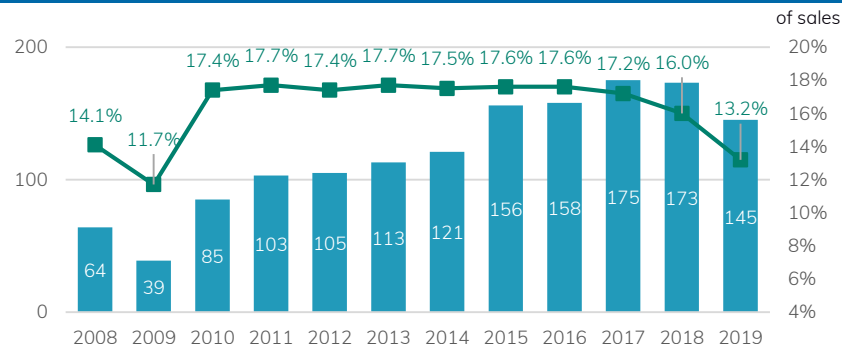
(Adj.) Gross Profit (in EUR million)



(Adj.) Personnel Expenses (in EUR million)

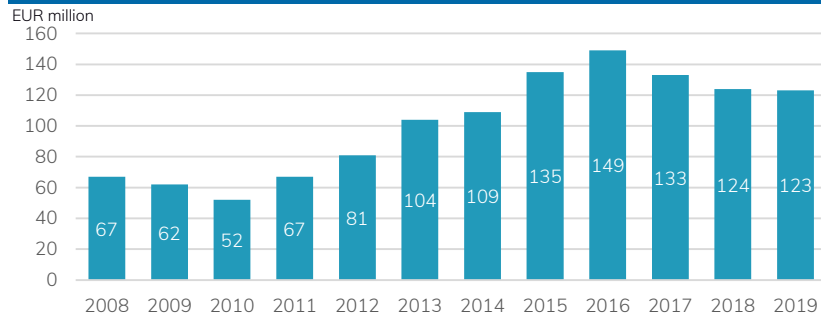


Adjusted EBITA (in EUR million)

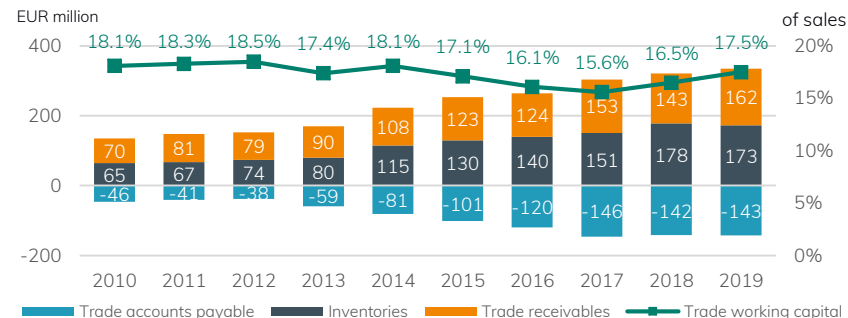


Longterm Cash, Working Capital and CAPEX Development

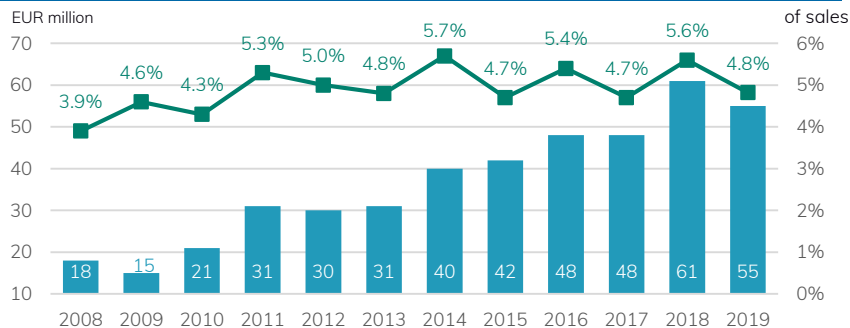
Net Operating Cash Flow (in EUR million)



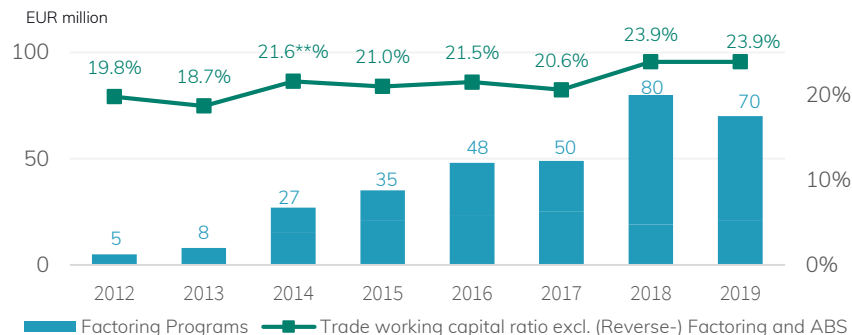
Trade Working Capital (in EUR million)



CAPEX (in EUR million)



Factoring Programs*



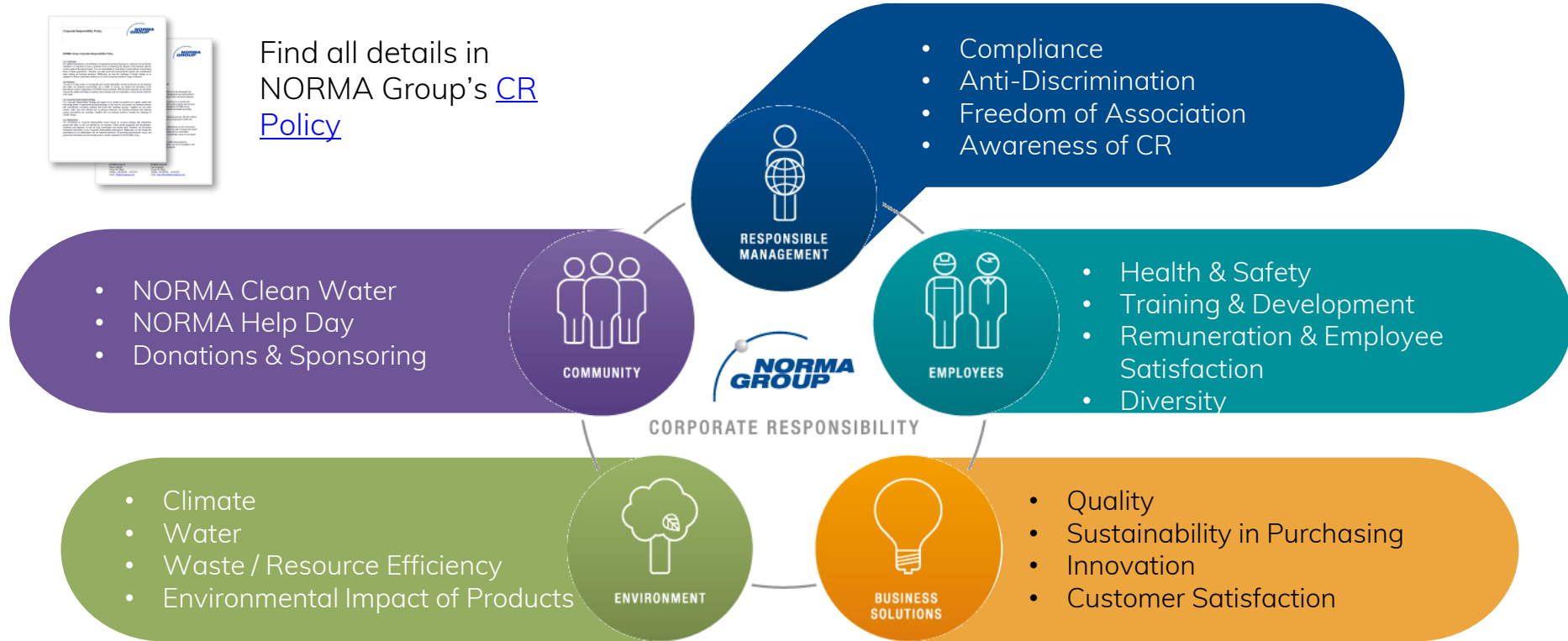
Corporate Responsibility



What is Corporate Responsibility at NORMA Group?



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



NORMA Group's commitment and CR organization

Commitment

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.”

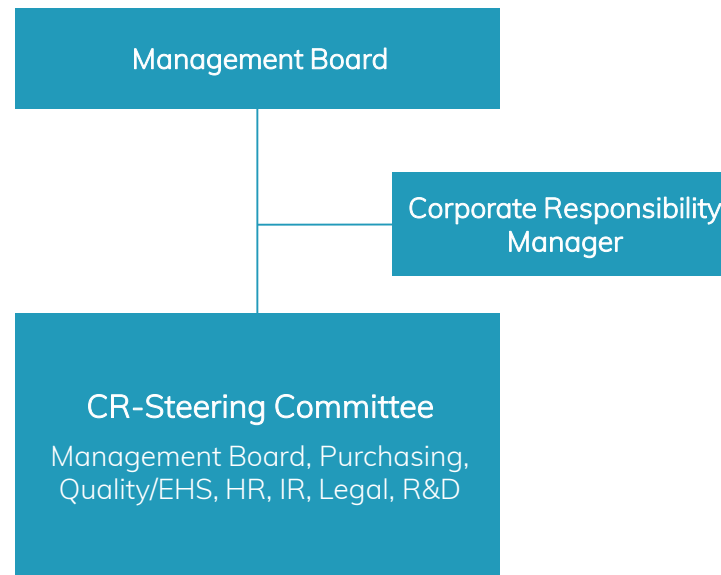
Signatory of Diversity Charter

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

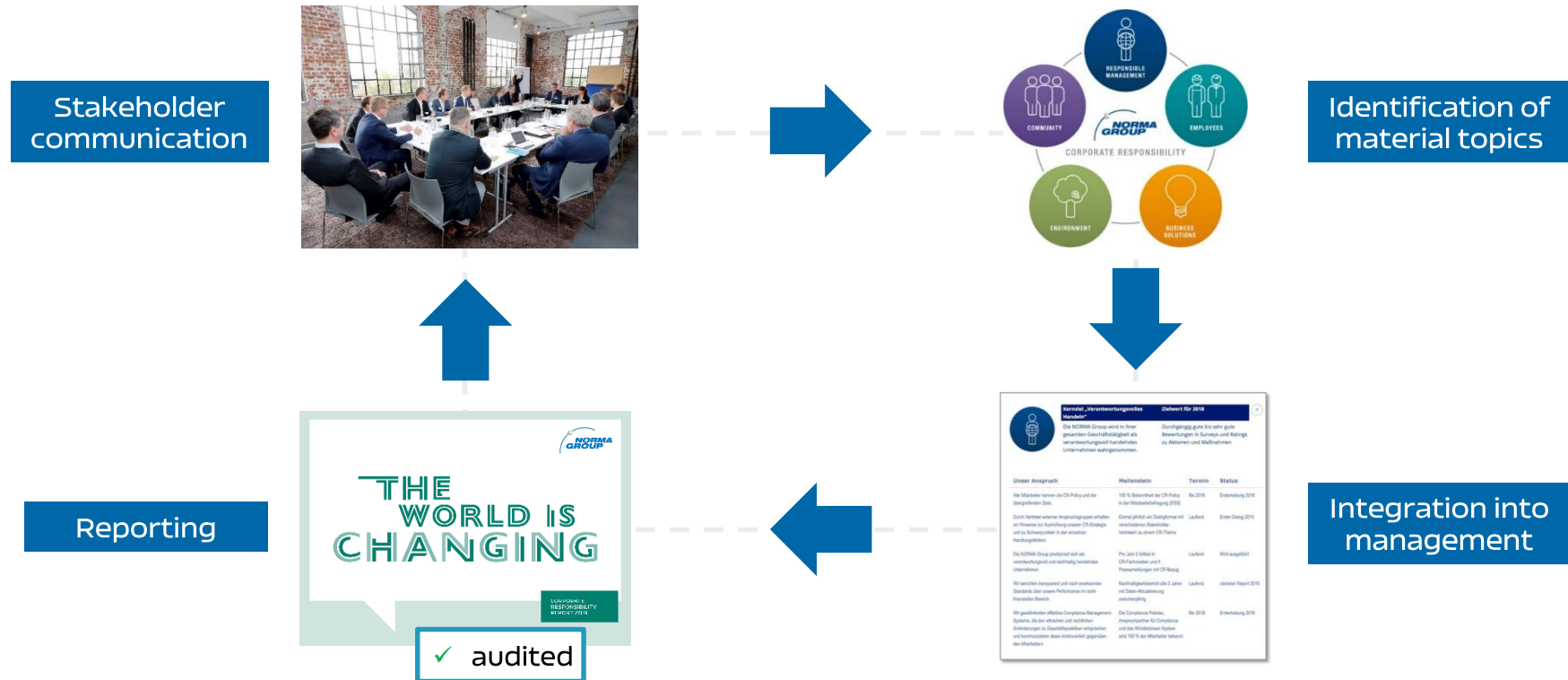
Global Reporting Initiative (GRI)

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

Organization



NORMA Group's approach to sustainability / corporate responsibility

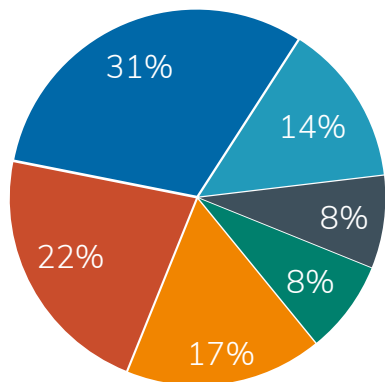


Share & Shareholders



Current Shareholder Structure

Identified Institutional Shareholders¹



■ Germany
 ■ United Kingdom
 ■ USA
■ Nordic
 ■ France
 ■ Rest of World

Investors > 3% as of October 27, 2020 includes²

Allianz Global Investors GmbH, Frankfurt am Main, Germany	15.20%
Ameriprise Financial Inc., Wilmington, DE, USA	4.83%
Impax Asset Management Group Plc, London, United Kingdom	5.08%
T. Rowe Price Group, Inc., Baltimore, Maryland, US	5.01%
Threadneedle Management Luxembourg S.A.	4.90%
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3.18%

¹ As of September 30, 2020.

² 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 Automobil



Contact & Event Calendar



Event	Date
Publication of Preliminary Full Year 2020 Results	February 17, 2021
Publication of Full Year 2020 Results	March 24, 2021
Publication of Interim Results Q1 2021	May 5, 2021
Annual General Meeting	May 20, 2021
Publication of Interim Results Q2 2021	August 4, 2021
Publication of Interim Results Q3 2021	November 3, 2021

Contact

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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.