



INTERIM STATEMENT  
THIRD QUARTER 2022

SUSTAINABLE. RELEVANT.

# OVERVIEW OF KEY FIGURES

## Financial figures

		Q3 2022	Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021
<b>Order situation</b>					
Order book (September 30, 2022)	EUR million			588.2	488.4
<b>Income statement</b>					
Group sales	EUR million	318.6	265.7	940.9	833.8
Material cost ratio	%	47.3	46.9	47.5	44.9
Personnel cost ratio	%	24.1	26.4	24.9	26.0
Adjusted EBIT <sup>1</sup>	EUR million	27.0	22.8	79.7	95.8
Adjusted EBIT margin <sup>1</sup>	%	8.5	8.6	8.5	11.5
EBIT	EUR million	21.4	17.5	63.0	79.8
EBIT margin	%	6.7	6.6	6.7	9.6
Financial result	EUR million	-3.4	-3.2	-7.9	-9.4
Adjusted tax rate	%	42.3	28.2	32.3	26.9
Adjusted profit for the period <sup>1</sup>	EUR million	13.7	14.1	48.6	63.2
Adjusted earnings per share <sup>1</sup>	EUR	0.43	0.44	1.52	1.98
Profit for the period	EUR million	9.4	10.1	36.1	51.2
Earnings per share	EUR	0.29	0.32	1.13	1.60
<b>Cash flow</b>					
Cash flow from operating activities	EUR million	12.4	36.3	19.6	78.1
Cash flow from investing activities	EUR million	-17.3	-10.2	-31.9	-33.0
Cash flow from financing activities	EUR million	-6.9	-21.8	-37.0	-60.2
Net operating cash flow	EUR million	-3.8	31.2	6.0	70.5
<b>Balance sheet</b>					
Assets	EUR million	1,649.8	1,498.2		
Equity	EUR million	753.8	668.6		
Equity ratio	%	45.7	44.6		
Net debt	EUR million	396.6	318.5		
<b>Employees</b>					
Core workforce		6,199	6,191		
Temporary workers		2,763	2,012		
Total workforce		8,962	8,203		
<b>Non-financial figures</b>					
Number of invention applications		17	21		
Defective parts	PPM (Parts per Million)	3.0	4.7		
CO <sub>2</sub> emissions (Scope 1 and 2)	Tons CO <sub>2</sub> equivalents	3,343	33,416 <sup>3</sup>		
<b>Share data</b>					
Stock exchange				Frankfurt Stock Exchange, Xetra	
Market segment				Regulated Market (Prime Standard), SDAX	
ISIN/security identification number/ticker symbol				DE000A1H8BV3 / A1H8BV / NOEJ	
Highest / lowest price Q1 - Q3 2022 <sup>2</sup> / Closing price as of Sep 30, 2022	EUR			36.02 / 13.15 / 13.83	
Market capitalization as of September 30, 2022 <sup>2</sup>	EUR million			440.66	
Number of shares				31,862,400	

1\_ Adjusted exclusively for acquisition effects. 2\_ Xetra price. 3\_ Without use of EACs

---

## INTRODUCTION

- 2 Overview of Key Figures
- 4 Highlights Q1 - Q3 2022
- 7 Significant Events and Course of Business  
in the Third Quarter 2022

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

- 9 Adjustments
- 10 Notes to the Development of Sales and Earnings

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- 14 Notes to the Asset and Financial Position

## CONSOLIDATED STATEMENT OF CASH FLOWS

- 19 Notes to the Consolidated Statement of Cash Flows

## DEVELOPMENT OF THE SEGMENTS

- 21 Notes to the Development of the Segments

## FORECAST 2022

- 23 Forecast for Fiscal Year 2022

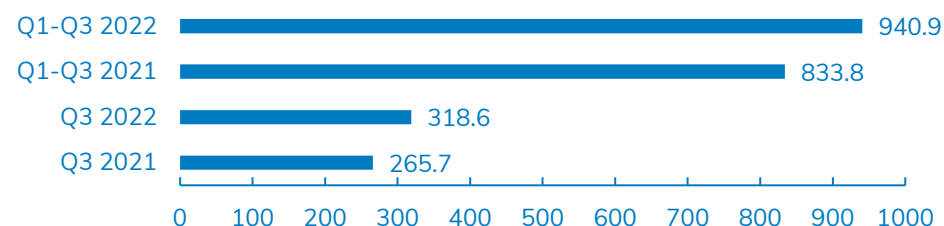
## FURTHER INFORMATION

- 24 Financial Calendar, Contact and Imprint

# HIGHLIGHTS Q1 - Q3 2022 <sup>1</sup>

## Development of Group Sales

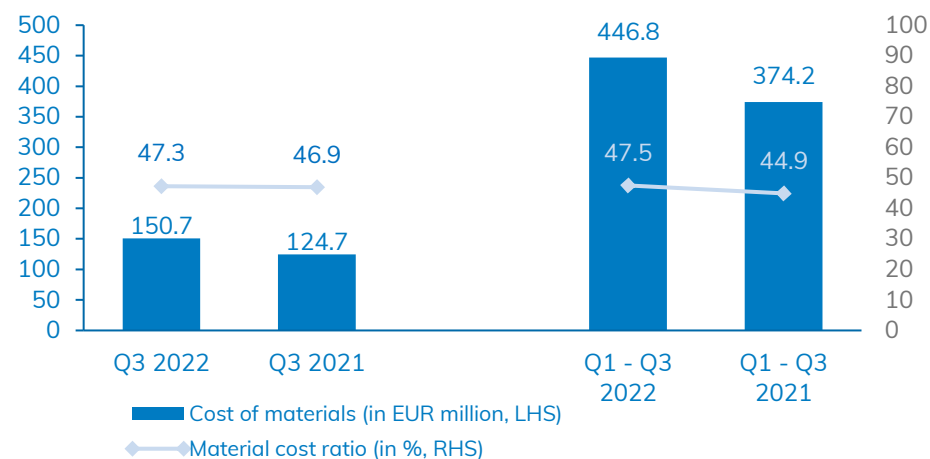
in EUR million



## Effects on Group sales

	in EUR million	Share in %
Group sales Q1 - Q3 2021	833.8	
Organic growth	48.9	5.9
Currency effects	58.2	7.0
<b>Group sales Q1 - Q3 2022</b>	<b>940.9</b>	<b>12.8</b>

## Cost of materials and material cost ratio

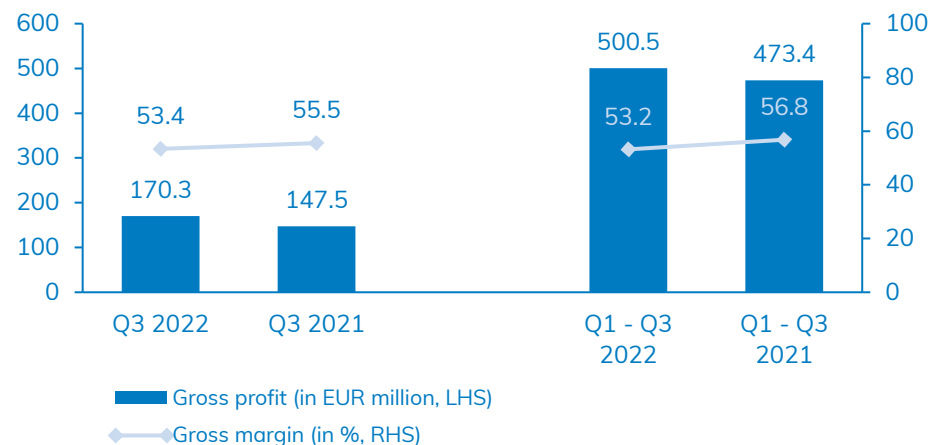


## Development of sales channels

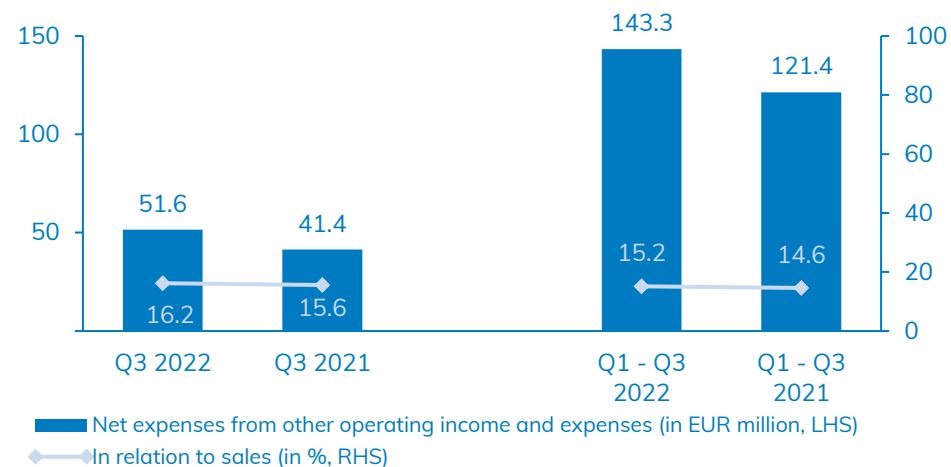
	Engineered Joining Technology (EJT)		Standardized Joining Technology (SJT)	
	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021
Group sales (in EUR million)	520.3	478.8	413.3	350.1
Growth (in %)	8.7		18.1	
Share of sales (in %)	55.7	57.8	44.3	42.2

<sup>1</sup> Adjustments are explained on → Page 9.

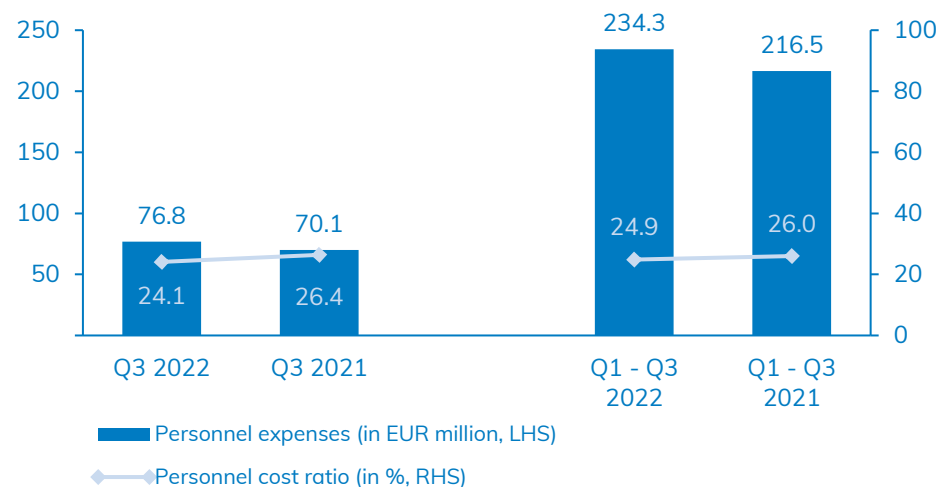
### Gross profit and gross margin



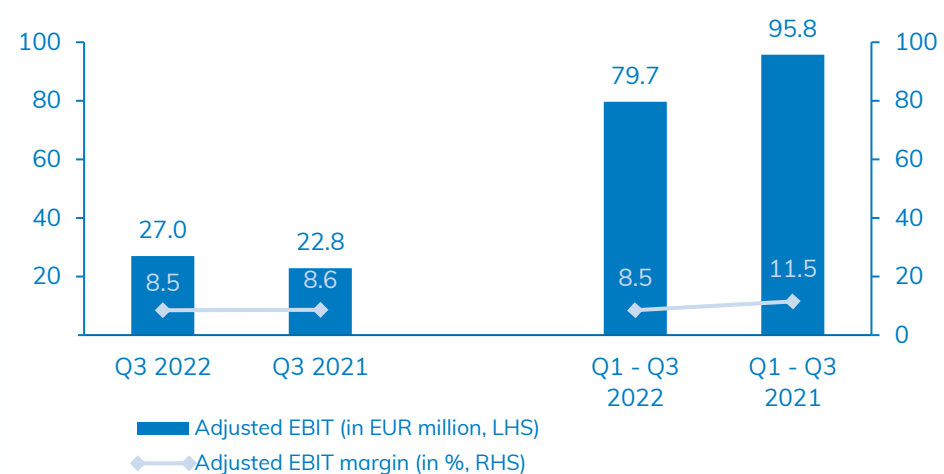
### Net expenses from other operating income and expenses as well as in relation to Group sales



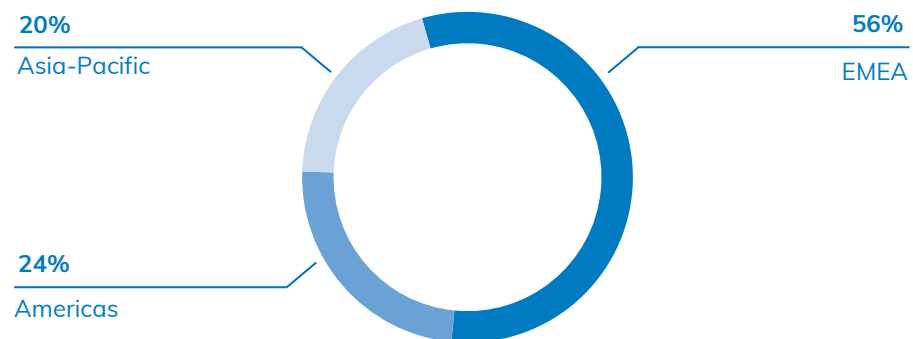
### Personnel expenses and personnel cost ratio



### Adjusted EBIT and adjusted EBIT margin



### Core workforce per segment



### Net operating cash flow

in EUR million	Q1 - Q3 2022	Q1 - Q3 2021
EBITDA	122.9	135.5
Change in working capital	-81.6	-34.4
Investments from operating business	-35.3	-30.6
<b>Net operating cash flow</b>	<b>6.0</b>	<b>70.5</b>

---

## Significant Events and Course of Business in the Third Quarter 2022

### CEO Dr. Michael Schneider to leave the Management Board

The Supervisory Board of NORMA Group SE and the Chairman of the Management Board, Dr. Michael Schneider, have mutually decided not to extend Dr. Schneider's employment contract, which expires on June 30, 2023. Dr. Schneider was initially Chief Financial Officer from 2015 and has served as Chairman of the Management Board of NORMA Group since 2019. The Supervisory Board is searching for a successor for Dr. Schneider in the role of CEO by applying a structured search. Together with the Supervisory Board and the other two members of the Management Board, Dr. Schneider will ensure an orderly transition and will step down from the Management Board of NORMA Group SE on December 31, 2022.

### Production capacities expanded in China

NORMA Group has put another plant into operation in China. The currently fifth plant is located in Guangzhou, strategically close to the Guangzhou Automobile Group (GAC) and other manufacturers of electric vehicles. NORMA Group manufactures and assembles thermal management systems for battery electric vehicles (BEV) and plug-in hybrids (PHEV) at the new plant. The new facilities on the Datang Auto Technology Park site are initially designed for a production volume of around two million parts per year. Capacity is to be increased to five million parts via incremental expansion stages in the future.

### Repair clamps donated to Ukraine

NORMA Group has donated 135 first-aid repair clamps and a few endless belt kits together with matching fasteners to Ukraine. The joining solutions will be used to repair damaged water pipes and other critical infrastructure. The donation was realized by the NORMA Distribution Center in Marsberg and delivered from there to a logistics hub on the Polish side of the border to Ukraine.

### NORMA Cares Foundation, Michigan, awards scholarships

The NORMA Cares Foundation has announced the three recipients of the 2022 "NORMA Cares" Scholarship. The scholarship is awarded annually to African American high school graduates and college students in southeast Michigan to support their educational goals.

## Strong organic sales growth in third quarter of 2022

NORMA Group's business showed particularly strong year-on-year growth in sales in the third quarter of 2022 in a persistently challenging market environment. Significant contributions to Group sales came from the Americas region in particular. The automotive sector via the EJT (Engineered Joining Technology) sales channel and the Standardized Joining Technology sector (SJT) sales channel both experienced significant strong increases in sales compared to the third quarter of the previous year. Sales also developed strongly in the EMEA region, where particularly strong sales growth in the EJT area compensated for a significant decline in SJT business. Sales in the Asia-Pacific region were also characterized by a strongly positive development compared to the same quarter of the previous year. There, the automotive business in particular recorded strong growth, while the Standardized Joining Technology business showed only slight growth. Adjusted EBIT amounted to EUR 27.0 million and the adjusted EBIT margin reached a level of 8.5%. Net operating cash flow amounted to EUR -3.8 million in the third quarter of 2022. This development is mainly due to a higher build-up of (trade) working capital in relation to EBITDA in the reporting period compared to the end of 2021 as well as increased investments from operations.

Overall, NORMA Group's business developed in line with expectations in the nine months of the fiscal year 2022, so that none of the relevant key performance indicators at Group level deviates significantly from the forecast adjusted on July 21, 2022 and confirmed on August 10, 2022. The Management Board therefore maintains its forecast for the full year 2022. [FORECAST FOR FISCAL YEAR 2022](#)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to September 30, 2022

in EUR thousands

	Q3 2022	Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021
Revenue	318,595	265,721	940,884	833,788
Changes in inventories of finished goods and work in progress	1,709	5,558	4,552	11,527
Other own work capitalized	692	915	1,897	2,241
Raw materials and consumables used	-150,710	-124,714	-446,807	-374,191
<b>Gross profit</b>	<b>170,286</b>	<b>147,480</b>	<b>500,526</b>	<b>473,365</b>
Other operating income	6,668	3,803	20,137	13,632
Other operating expenses	-58,312	-45,158	-163,421	-135,026
Employee benefit expenses	-76,808	-70,098	-234,339	-216,494
Depreciation and amortization	-20,484	-18,565	-59,938	-55,724
<b>Operating profit</b>	<b>21,350</b>	<b>17,462</b>	<b>62,965</b>	<b>79,753</b>
Financial income	182	105	426	365
Financial expenses	-3,535	-3,305	-8,311	-9,724
<b>Financial costs – net</b>	<b>-3,353</b>	<b>-3,200</b>	<b>-7,885</b>	<b>-9,359</b>
<b>Profit before income tax</b>	<b>17,997</b>	<b>14,262</b>	<b>55,080</b>	<b>70,394</b>
Income taxes	-8,589	-4,181	-18,973	-19,217
<b>Profit for the period</b>	<b>9,408</b>	<b>10,018</b>	<b>36,107</b>	<b>51,177</b>
<b>Other comprehensive income for the period, net of tax:</b>				
<b>Other comprehensive income that can be reclassified to profit or loss, net of tax</b>	<b>29,807</b>	<b>12,078</b>	<b>70,935</b>	<b>28,891</b>
Exchange differences on translation of foreign operations	27,816	11,896	65,517	28,236
Cash flow hedges, net of tax	1,991	182	5,418	655
<b>Other comprehensive income that cannot be reclassified to profit or loss, net of tax</b>	<b>-3</b>	<b>0</b>	<b>2,081</b>	<b>2</b>
Remeasurements of post-employment benefit obligations, net of tax	-3	0	2,081	2
<b>Other comprehensive income for the period, net of tax</b>	<b>29,804</b>	<b>12,078</b>	<b>73,016</b>	<b>28,893</b>
<b>Total comprehensive income for the period</b>	<b>39,212</b>	<b>22,159</b>	<b>109,123</b>	<b>80,070</b>
<b>Profit attributable to</b>				
Shareholders of the parent	9,357	10,048	36,002	51,074
Non-controlling interests	51	33	105	103
<b>Total comprehensive income attributable to</b>				
Shareholders of the parent	39,077	22,124	108,953	79,972
Non-controlling interests	135	35	170	98
	<b>39,212</b>	<b>22,159</b>	<b>109,123</b>	<b>80,070</b>
<b>(Un)diluted earnings per share (in EUR)</b>	<b>0.29</b>	<b>0.32</b>	<b>1.13</b>	<b>1.60</b>



## Adjustments

NORMA Group adjusts certain expenses and income for the operational management of the Group. The adjusted results presented below reflect the management view. Within operating profit (EBIT), only those expenses and income that are related to a business combination are adjusted. Accordingly, expenses from the “Get on track” change program are not adjusted and included in EBIT. In the period January to September 2022 – as in the previous year – no adjustments have been made for expenses within EBITDA (earnings before interest, taxes, depreciation of property, plant and equipment and amortization of intangible assets).

Within EBITA, depreciation of property, plant and equipment from purchase price allocations in the amount of EUR 0.9 million (Q1 - Q3 2021: EUR 1.1 million) and within EBIT additionally amortization of intangible assets from purchase price allocations in the amount of EUR 15.9 million (Q1 - Q3 2021: EUR 15.0 million) were adjusted. Notional income taxes resulting from the adjustments are calculated using the tax rates of the respective local companies concerned and included in adjusted earnings after taxes.

The following table shows earnings adjusted for these effects:

### Adjustments <sup>1</sup>

in EUR thousands

	Q1 - Q3 2022 reported	Adjustments	Q1 - Q3 2022 adjusted
<b>Revenue</b>	<b>940,884</b>	<b>0</b>	<b>940,884</b>
Changes in inventories of finished goods and work in progress	4,552	0	4,552
Other own work capitalized	1,897	0	1,897
Raw materials and consumables used	-446,807	0	-446,807
<b>Gross profit</b>	<b>500,526</b>	<b>0</b>	<b>500,526</b>
Other operating income and expenses	-143,284	0	-143,284
Employee benefit expenses	-234,339	0	-234,339
<b>EBITDA</b>	<b>122,903</b>	<b>0</b>	<b>122,903</b>
Depreciation	-38,153	860	-37,293
<b>EBITA</b>	<b>84,750</b>	<b>860</b>	<b>85,610</b>
Amortization	-21,785	15,864	-5,921
<b>Operating profit (EBIT)</b>	<b>62,965</b>	<b>16,724</b>	<b>79,689</b>
Financial result	-7,885	0	-7,885
<b>Profit before income tax</b>	<b>55,080</b>	<b>16,724</b>	<b>71,804</b>
Income taxes	-18,973	-4,192	-23,165
<b>Profit for the period</b>	<b>36,107</b>	<b>12,532</b>	<b>48,639</b>
Non-controlling interests	105	0	105
<b>Profit attributable to shareholders of the parent</b>	<b>36,002</b>	<b>12,532</b>	<b>48,534</b>
<b>Earnings per share (in EUR)</b>	<b>1.13</b>	<b>0.39</b>	<b>1.52</b>

1\_ Deviations may occur due to commercial rounding.

## Notes to the Development of Sales and Earnings

### Order backlog at high level at end of the quarter

As of September 30, 2022, NORMA Group's order backlog amounted to EUR 588.2 million and was thus 20.4% higher than on the reporting date of the previous year (September 30, 2021: EUR 488.4 million).

### Group sales up 12.8% in the period from January to September 2022

Group sales in the first nine months of 2022 amounted to EUR 940.9 million and were thus not only 12.8% higher than in the same period of the previous year (Q1 - Q3 2021: EUR 833.8 million), but also above the pre-crisis level (Q1 - Q3 2019: EUR 838.6 million). This figure includes organic sales growth of 5.9% and a 7.0% increase in sales due to translation effects from currency translation.

In the third quarter of 2022, NORMA Group posted net sales of EUR 318.6 million, a 19.9% increase compared to the same quarter of the previous year (Q3 2021: EUR 265.7 million). Organic sales growth was 10.3% in the third quarter of 2022. One key reason for this in particular was higher selling prices achieved in the business for standardized industry applications in the EMEA and Americas regions as well as in the water business in Asia-Pacific. In addition, currency effects had a positive impact of 9.6% on Group sales.

### Sales in the EJT segment show strong organic growth in the third quarter

NORMA Group's net sales from the EJT business reached EUR 520.3 million in Q1 - Q3 2022, an increase of 8.7% compared to the same period of the previous year (Q1 - Q3 2021: EUR 478.8 million). This includes 3.4% growth in organic sales and a positive growth contribution of 5.3% due to currency effects.

In the third quarter of 2022, EJT sales amounted to EUR 181.8 million (Q3 2021: EUR 146.5 million). Organic sales exceeded the level of the prior-year period by 16.5%. Furthermore, currency effects contributed another 7.5% to growth compared to the same quarter of the previous year. Despite the turbulent macroeconomic environment, positive momentum came from all three business regions in the months July to September 2022, whereby the EMEA and Americas regions stood out positively. This was due to low year-on-year figures as well as price increases that were successfully passed on to customers in the Americas and EMEA regions. In addition, strong volume growth was recorded in the EMEA region and significant volume growth in the Asia-Pacific region.

### SJT sales increase both organically and due to currency effects

The SJT business contributed to NORMA Group's total sales in the period from January to September 2022, increasing by 18.1% compared to the same period of the previous year (Q1 - Q3 2021: EUR 350.1 million). In total, the SJT segment generated sales of EUR 413.3 million in the nine-month period. Organic sales growth amounted to 8.7%, while currency effects increased sales by an additional 9.3%.

In the third quarter of 2022, SJT sales amounted to EUR 134.6 million, exceeding the comparable period of the previous year (Q3 2021: EUR 117.4 million) by 14.7%. Organic sales growth was 2.5%, while currency effects generated a positive sales contribution of 12.2%. Significant additional sales – both organic and currency-related – came primarily from the Americas region, while the EMEA and Asia-Pacific regions declined organically. In the Americas, the SJT business performed very well due to two factors in particular: Firstly, price increases were successfully passed on to customers; secondly, the unabatedly solid US water business again recorded strong organic sales growth of 16.2% in the period from January to September 2022 (H1 2022: organic + 20.7%).

### Cost of materials and cost of material ratio increased in the wake of high energy prices

Cost of materials increased by 19.4% year-on-year and amounted to EUR 446.8 million in the nine-month period (Q1 - Q3 2021: EUR 374.2 million). The cost of materials ratio amounted to 47.5% in the first nine months of 2022 and was thus expectedly higher than in the same period of the previous year (Q1 - Q3 2021: 44.9%). In the third quarter of 2022, cost of materials amounted to EUR 150.7 million (Q3 2021: EUR 124.7 million), which represents a cost of materials ratio of 47.3% (Q3 2021: 46.9%).

The cost of materials ratio was negatively impacted above all by the inflation-driven cost increases of the raw materials that are of importance to NORMA Group – in particular steel, alloy surcharges and plastics. The main reason for this is the sharp rise in energy costs, which in turn has an impact on the raw material prices of energy-intensive production materials.

The ratio of cost of materials to total output (sales plus changes in inventories and other own work capitalized) was 47.2% in the first nine months of the current fiscal year (Q1 - Q3 2021: 44.1%).

### Gross profit and gross margin burdened by the high cost of materials

Gross profit (sales less cost of materials plus changes in inventories and other own work capitalized) recorded a year-on-year increase of 5.7% in the period from January to September 2022 (Q1 - Q3 2021: EUR 473.4 million), reaching a level of EUR 500.5 million. The gross margin

resulting from the ratio to sales in the nine-month period of 2022 was 53.2% and thus below the previous year's level (Q1 - Q3 2021: 56.8%). The reason for this development is the higher cost of materials driven by rising energy costs, which could not be fully offset by price adjustments. In addition, the price increases to customers lead to a dilution effect on the gross margin, as these mainly directly reflect the price increases for raw materials. In addition, inventories of finished goods and work in progress decreased by EUR 4.6 million (Q1 - Q3 2021: EUR 11.5 million) compared to the same period of the previous year.

In the third quarter of 2022, gross profit amounted to EUR 170.3 million and was thus 15.5% higher than the comparable figure for the previous year (Q3 2021: EUR 147.5 million). The corresponding gross margin in the third quarter was 53.4% compared to 55.5% in the third quarter of 2021. In the current reporting quarter as well, the decline in the gross margin resulted from the effects described above.

#### Personnel cost ratio in the first nine months of 2022 lower than in the prior-year period

As of September 30, 2022, NORMA Group had 8,962 employees worldwide, including temporary workers (September 30, 2021: 8,771), 6,199 of whom are permanent employees (September 30, 2021: 6,484). Accordingly, the number of permanent employees was 4.4% lower than in the previous year, while the total workforce grew by 2.2% compared to the previous year's reporting date. The increase is due in particular to an increase in the number of temporary workers in the EMEA region, mainly at the plants in the Czech Republic and Serbia.

Employee benefit expenses totaled EUR 234.3 million in the first nine months of 2022, 8.2% higher than in the same period of the previous year (Q1 - Q3 2021: EUR 216.5 million). Among other factors, currency effects – in particular the development of the US dollar against the euro – contributed to this development. Furthermore, the increase in personnel costs in Asia-Pacific with a higher number of employees compared to the previous year as well as wage increases in the US also had an increasing effect on personnel costs. As a result of the higher sales volume, however, the personnel cost ratio in the first nine months of 2022 improved to 24.9% (Q1 - Q3 2021: 26.0%), partly due to the price increases included in the increase in sales.

Personnel expenses amounted to EUR 76.8 million in the third quarter of 2022 and were thus 9.6% higher than in the same quarter of the previous year (Q3 2020: EUR 70.1 million). The personnel cost ratio improved to 24.1% compared to the same quarter of the previous year (Q3 2021: 26.4%).

#### Development of personnel figures

	Sept 30, 2022	Sept 30, 2021	Change (in %)
EMEA	3,456	3,728	-7.3
Americas	1,480	1,444	2.5
Asia-Pacific	1,263	1,312	-3.7
<b>Core workforce</b>	<b>6,199</b>	<b>6,484</b>	<b>-4.4</b>
Temporary staff	2,763	2,287	20.8
<b>Total workforce</b>	<b>8,962</b>	<b>8,771</b>	<b>2.2</b>

#### Balance of other operating income and expenses increased

The balance of other operating income and expenses increased to EUR –143.3 million in the first nine months of 2022 and was thus 18.0% higher than in the same period of the previous year (Q1 - Q3 2021: EUR –121.4 million). As a percentage of sales, other operating income and expenses amounted to 15.2% in the first nine months of the current fiscal year (Q1 - Q3 2021: 14.6%).

Other operating income totaled EUR 20.1 million in the first nine months of 2022, significantly exceeding the figure for the same period of the previous year (Q1 - Q3 2021: EUR 13.6 million). This includes, among other items, currency gains from operating activities of EUR 11.6 million (Q1 - Q3 2021: EUR 6.0 million), income from the reversal of liabilities of EUR 3.7 million (Q1 - Q3 2021: EUR 2.9 million), and other income from the disposal of non-current assets due to the sale of a property in the Americas region (Q1 - Q3 2022: EUR 2.1 million; Q1 - Q3 2021: EUR 0.6 million).

Other operating expenses were EUR –163.4 million in the first nine months of 2022, compared to EUR –135.0 million in the first nine months of 2021. The increase of EUR 28.4 million was mainly driven by higher business activity compared to the same period of the previous year as well as the increased need for temporary workers in EMEA. In addition, higher freight costs contributed to the increase in other operating expenses. These were due both to higher business volumes and to temporary delivery backlogs and the need for more expensive special freight. In addition, costs incurred in connection with the introduction of a uniform global ERP system increased the IT and telecommunications expenses included in other operating expenses. Furthermore, other operating expenses in the period January to September 2022 include costs

from the ongoing “Get on track” change program in the amount of EUR 1.0 million (Q1 - Q3 2021: EUR 1.0 million), which are not adjusted.

In the third quarter of 2022, the balance of other operating income and expenses amounted to EUR –51.6 million and was thus 24.9% higher than in the same quarter of the previous year (Q3 2021: EUR –41.4 million). The ratio in relation to sales amounted to 16.2% (Q3 2021: 15.6%).

#### **Operating profit down in nine-month period; adjusted EBIT margin in Q3 2022 around prior-year level**

Operating profit adjusted for amortization of tangible and intangible assets from purchase price allocations (adjusted EBIT) decreased to EUR 79.7 million in the first nine months of the current fiscal year, compared to EUR 95.8 million in the same period of the previous year. This included additional expenses from the “Get on track” change program in the amount of EUR 1.0 million in the same period of the previous year (Q1 - Q3 2021: EUR 1.0 million). The adjusted EBIT margin in the first nine months of 2022 was 8.5% compared to 11.5% in the same period of 2021.

This development was mainly due to unexpected further increases in material costs as a result of sharply rising gas and energy prices, which could not be fully offset by increasing selling prices. In addition, continuing high inflation, the ongoing effects of the Ukraine crisis, further lockdowns in China, and higher logistics and other operating costs – including IT implementation costs – had a negative impact on the development of operating profit in the first nine months of 2022. The resulting negative impact on operating profit was partly offset by positive effects from the “Get on track” change program.

Adjusted EBIT in the third quarter of 2022 rose by 18.3% to EUR 27.0 million compared to the same quarter of the previous year (Q3 2021: EUR 22.8 million). The adjusted EBIT margin amounted to 8.5% and was thus virtually at the same level as in the prior-year quarter (Q3 2021: 8.6%).

#### **NORMA Value Added (NOVA)**

NORMA Value Added (NOVA) amounted to EUR –4.7 million in the first nine months of 2022 and thus recorded a strong decline compared to the previous year (Q1 - Q3 2021: EUR 16.0 million). This is mainly due to the noticeably lower adjusted EBIT compared to the previous year, higher capital costs and a higher tax rate.

#### **Financial result**

The financial result amounted to EUR –7.9 million for the period January to September 2022, an improvement of 15.7% compared to the previous year (Q1 - Q3 2021: EUR –9.4 million). This was mainly due to an increased net currency result from financing activities (sum of the currency result from financing activities and the result from derivative valuation) (Q1 - Q3 2022: EUR 0.4 million; Q1 - Q3 2021: EUR –1.2 million), as well as lower net interest expense compared to the same period of the previous year (Q1 - Q3 2022: EUR 6.4 million; Q1 - Q3 2021: EUR 6.7 million).

The financial result of EUR –3.4 million in the third quarter of 2022 was slightly below the level of the prior-year quarter (Q3 2021: EUR –3.2 million).

#### **Adjusted income taxes and tax rate**

Adjusted income taxes totaled EUR 23.2 million in the period from January to September 2022 (Q1 - Q3 2021: EUR 23.3 million). Based on adjusted pre-tax earnings of EUR 71.8 million (Q1 - Q3 2021: EUR 86.5 million), this results in a tax rate of 32.3% (Q1 - Q3 2021: 26.9%). The reasons for the increase in the tax rate include non-creditable withholding taxes, non-deductible expenses and expected non-recurring tax expenses.

#### **Adjusted net profit and adjusted earnings per share in the nine-month period of 2022 below prior-year period**

Adjusted earnings for the period (after taxes) amounted to EUR 48.6 million in the current reporting period and were thus below the figure for the same period of the previous year (Q1 - Q3 2021: EUR 63.2 million). Based on an unchanged number of 31,862,400 shares, adjusted earnings per share of EUR 1.52 in the nine-month period of 2022 were noticeably below the corresponding prior-year figure (Q1 - Q3 2021: EUR 1.98).

Adjusted earnings for the period in the third quarter of 2022 were 3.3% below the prior-year quarter at EUR 13.7 million (Q3 2021: EUR 14.1 million). The resulting adjusted earnings per share of EUR 0.43 were nearly at the same level as in the prior-year quarter (Q3 2021: EUR 0.44).

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets in EUR thousands	Sept 30, 2022	Sept 30, 2021	Dec 31, 2021	Equity and liabilities in EUR thousands	Sept 30, 2022	Sept 30, 2021	Dec 31, 2021
<b>Non-current assets</b>				<b>Equity</b>			
Goodwill	422,728	388,042	392,745	Subscribed capital	31,862	31,862	31,862
Other intangible assets	219,427	214,556	212,815	Capital reserve	210,323	210,323	210,323
Property, plant and equipment	307,261	269,870	277,685	Other reserves	80,638	-5,042	9,768
Other non-financial assets	2,177	2,090	2,209	Retained earnings	430,607	409,835	416,296
Other financial assets	1,369		1,135				
Contract assets	82	580	0	<b>Equity attributable to shareholders</b>	<b>753,430</b>	<b>646,978</b>	<b>668,249</b>
Derivative financial assets	7,406	0	0				
Income tax assets	1,088	677	939	Non-controlling interests	370	298	335
Deferred income tax assets	22,990	18,768	18,113	<b>Total equity</b>	<b>753,800</b>	<b>647,276</b>	<b>668,584</b>
	<b>984,528</b>	<b>894,583</b>	<b>905,641</b>				
<b>Current assets</b>				<b>Liabilities</b>			
Inventories	251,285	191,031	208,008	<b>Non-current liabilities</b>			
Other non-financial assets	25,718	22,179	20,366	Retirement benefit obligations	13,516	17,234	15,913
Other financial assets	3,749	4,722	3,528	Provisions	5,810	16,589	5,525
Derivative financial assets	797	1,312	453	Borrowings	350,381	394,587	393,747
Income tax assets	3,796	4,719	5,610	Other non-financial liabilities	811	843	817
Trade and other receivables	231,974	166,696	162,009	Contract liabilities	222	265	217
Contract assets	54	561	849	Lease liabilities	33,819	23,099	22,295
Cash and cash equivalents	147,934	175,322	185,719	Derivative financial liabilities	0	0	247
Assets classified as held for sale	0	5,911	6,043	Deferred income tax liabilities	62,030	55,815	57,590
	<b>665,307</b>	<b>572,453</b>	<b>592,585</b>		<b>466,589</b>	<b>508,432</b>	<b>496,351</b>
<b>Total assets</b>	<b>1,649,835</b>	<b>1,467,036</b>	<b>1,498,226</b>	<b>Current liabilities</b>			
				Provisions	22,856	17,871	21,460
				Borrowings	136,608	73,337	69,490
				Other non-financial liabilities	43,178	42,256	37,686
				Contract liabilities	647	557	427
				Lease liabilities	11,402	8,622	8,520
				Other financial liabilities	6,785	5,806	8,407
				Derivative financial liabilities	5,550	2,414	1,498
				Income tax liabilities	9,141	6,861	5,269
				Trade and other payables	193,279	153,604	180,534
					<b>429,446</b>	<b>311,328</b>	<b>333,291</b>
				<b>Total liabilities</b>	<b>896,035</b>	<b>819,760</b>	<b>829,642</b>
				<b>Total equity and liabilities</b>	<b>1,649,835</b>	<b>1,467,036</b>	<b>1,498,226</b>

## Notes to the Asset and Financial Position

### Total assets

Total assets amounted to EUR 1,649.8 million as of September 30, 2022, an increase of 10.1% compared to the end of 2021 (Dec 31, 2021: EUR 1,498.2 million). Compared to September 30, 2021 (EUR 1,467.0 million), total assets increased by 12.5%.

### Non-current assets

Non-current assets amounted to EUR 984.5 million as of September 30, 2022, an increase of 8.7% compared to the end of 2021 (Dec 31, 2021: EUR 905.6 million). In the area of goodwill, this increase is attributable to positive currency effects, primarily from the US dollar region. In addition, property, plant and equipment increased significantly by EUR 29.6 million or 10.7% compared to the previous year's reporting date due to investments and the capitalization of rights of use for leased land and buildings as well as positive currency effects.

In the period from January to September 2022, a total of EUR 38.0 million was invested in non-current assets (Q1 - Q3 2021: EUR 33.5 million). In addition, EUR 20.1 million was recognized as additions to non-current assets for the capitalization of rights of use, particularly in the Americas region, for leased land and buildings (Q1 - Q3 2021: EUR 3.9 million). Capital expenditure included own work capitalized in the amount of EUR 1.9 million (Q1 - Q3 2021: EUR 2.2 million). The focus of investing activities in the first nine months of 2022 was on the US, China, the Czech Republic, Serbia, Poland and Germany. There were no significant disposals.

Non-current assets accounted for 59.7% of total assets as of the reporting date September 30, 2022 (Dec 31, 2021: 60.4%).

### Current assets

Current assets amounted to EUR 665.3 million on the balance sheet date, an increase of 12.3% compared to the end of 2021 (Dec 31, 2021: EUR 592.6 million).

This increase was due in particular to a sharp rise in inventories (+20.8%) and trade and other receivables (+43.2%). In the area of inventories, this was due to inflation-driven purchase prices on the raw materials market and currency effects. A further increase in inventory reserves was also initiated in order to counteract the price increases announced in advance and to build up contractually agreed security reserves with customers for production relocations.

Trade receivables increased in particular for seasonal reasons and due to higher prices in the sales markets as a result of the ability to pass on higher prices on the raw materials market to customers.

The reduction in receivables sold under the ABS and factoring programs compared to the end of the previous year also led to an increase in trade receivables. Furthermore, currency effects also had an increasing effect on trade receivables. In contrast, cash and cash equivalents decreased by 20.3% to EUR 147.9 million. One reason for this was the dividend payment of EUR 23.9 million to the shareholders of NORMA Group SE in May 2022.

Current assets accounted for 40.3% of total assets as of September 30, 2022 (Dec 31, 2021: 39.6%).

Compared to the previous year's reporting date, current assets increased by 16.2% (September 30, 2021: EUR 572.4 million). This development was primarily caused by an increase in inventories (+31.5%) and trade and other receivables (+39.2%). This development is due to the difficult conditions on the procurement market already mentioned.

### (Trade) working capital increased

(Trade) working capital (inventories plus receivables less payables, in each case mainly trade payables) amounted to EUR 290.0 million as of September 30, 2022, 53.0% higher than at the end of 2021 (Dec 31, 2021: EUR 189.5 million).

Compared to the previous year (September 30, 2021: EUR 204.1 million), (trade) working capital increased by 42.1%.

The main driving factors were the sharp increase in inventories compared to both September 30 and December 31, 2021, as a result of rapid price rises on the procurement market and planned increases in reserve inventories of raw materials. In addition, there was a seasonal increase in trade receivables.

### Assets held for sale

In the third quarter of 2022, the land and building reported under this item as of December 31, 2021, were sold in a sale and leaseback transaction.

## Other non-financial assets

Other non-financial assets are as follows:

### Other non-financial assets

in EUR thousands

	Sept 30, 2022	Dec 31, 2021
Deferred costs	6,801	4,802
VAT assets	12,971	10,866
Prepayments	3,040	3,097
Consideration payable to a customer	2,718	2,419
Other assets	2,365	1,391
	<b>27,895</b>	<b>22,575</b>

### Equity ratio at a high level

Group equity amounted to EUR 753.8 million as of September 30, 2022. Compared to the end of 2021 (Dec 31, 2021: EUR 668.6 million), this represents an increase of 12.7%. The equity ratio was 45.7% as of the quarterly reporting date (Dec 31, 2021: 44.6%). In the first nine months of 2022, equity changed mainly due to the result for the period (EUR +36.1 million), positive currency translation differences (EUR +65.5 million) as well as cash flow hedges (EUR 5.4 million), the revaluation of the net defined benefit liability after taxes (EUR +2.1 million) and dividends (EUR -23.9 million).

### Net debt increased due to higher business activity

Net debt was EUR 396.6 million as of September 30, 2022, compared to EUR 318.5 million as of the end of 2021, an increase of 24.5% or EUR 78.1 million. This increase was mainly due to net cash outflows from total cash inflows from operating activities of EUR 19.6 million, net cash outflows from the procurement and disposal of non-current assets of EUR 31.9 million and from the payment of dividends of EUR 23.9 million.

Furthermore, current interest expenses in the first nine months of 2022, the increase in liabilities from derivatives, the increase in lease liabilities, and cash-neutral currency effects in the first nine months had an increasing effect on net debt.

Gearing (net debt in relation to equity) was 0.5, the same level as at the end of 2021 (Dec 31, 2021: 0.5). The leverage covenant (net debt excluding hedging derivatives in relation to adjusted EBITDA for the past twelve months) was 2.5 on September 30, 2022 (Dec 31, 2021: 1.9).

NORMA Group's net financial debt is as follows:

### Net debt

in EUR thousands

	Sept 30, 2022	Dec 31, 2021
Bank borrowings	486,989	463,237
Derivative financial liabilities – hedge accounting	5,550	1,745
Leasing liabilities	45,221	30,815
Other financial liabilities	6,785	8,407
<b>Financial debt</b>	<b>544,545</b>	<b>504,204</b>
Cash and cash equivalents	147,934	185,719
<b>Net debt</b>	<b>396,611</b>	<b>318,485</b>

### Financial liabilities

As of September 30, 2022, NORMA Group's financial liabilities increased by 8.0% to currently EUR 544.5 million compared to December 31, 2021 (EUR 504.2 million).

In the first nine months of the fiscal year, loans amounting to EUR 39.8 million were repaid and loans amounting to EUR 43.8 million were taken out. In addition, cash-neutral currency effects on the foreign currency loans and accrued interest expenses increased the loan liabilities.

The increase in liabilities from leases resulted from additions in the area of rights of use due to newly concluded leases, which more than offset the changes due to repayments (payment of lease installments).

The valuation-related increase in liabilities from derivatives also had an increasing effect on financial liabilities.

The maturities of the syndicated loans and the promissory note loans as of September 30, 2022, are as follows:



## Maturity of bank borrowings in 2022

in EUR thousands	up to 1 year	> 1 year up to 2 years	> 2 years up to 5 years	> 5 years
Syndicated bank facilities, net	38,750		264,295	
Promissory note, net	61,336	2,000	84,500	
Commercial Paper	35,000			
<b>Total</b>	<b>135,086</b>	<b>2,000</b>	<b>348,795</b>	<b>0</b>

Non-current liabilities totaled EUR 466.6 million as of September 30, 2022, a decrease of 6.0% or EUR 29.8 million compared to the end of 2021 (Dec 31, 2021: EUR 496.4 million). This mainly resulted from the change in loans payable by -11.0% or EUR -43.4 million due to a reclassification of maturities from non-current to current liabilities. This effect was offset by currency effects on foreign currency loans and the increase in lease liabilities compared to December 31, 2021, of 51.7% or EUR 11.5 million.

Current liabilities amounted to EUR 429.4 million on the reporting date of the current reporting quarter and thus increased by 28.9% or EUR 96.2 million compared to the level at the end of 2021 (Dec 31, 2021: EUR 333.3 million). This development is primarily attributable to the reclassification of loan liabilities already described above. Furthermore, reporting date-related foreign currency effects on US dollar loans increased current loan liabilities even further, resulting in an overall increase of 96.6% or EUR 67.1 million.

In addition, trade payables and similar liabilities increased by 7.1% or EUR 12.7 million compared to December 31, 2021, due to seasonal factors.

## Other non-financial liabilities

Other non-financial liabilities are as follows:

Other non-financial liabilities in EUR thousands	Sept 30, 2022	Dec 31, 2021
<b>Non-current</b>		
Government grants	618	637
Other liabilities	193	180
	<b>811</b>	<b>817</b>
<b>Current</b>		
Government grants	507	742
Non-income tax liabilities	5,134	3,293
Social liabilities	4,710	4,360
Personnel-related liabilities (e.g. vacation, bonuses, premiums)	31,859	28,871
Other liabilities	968	420
	<b>43,178</b>	<b>37,686</b>
<b>Total other non-financial liabilities</b>	<b>43,989</b>	<b>38,503</b>

## Derivative financial instruments

### Foreign currency derivatives

As of September 30, 2022, foreign currency derivatives with a negative market value of EUR 12 thousand were held to hedge cash flows. Furthermore, foreign currency derivatives with a positive market value of EUR 0.8 million and foreign currency derivatives with a negative market value of EUR 5.5 million were held to hedge changes in fair value.

Foreign currency derivatives used to hedge cash flows are used to hedge against fluctuations in the exchange rate arising from operating activities. Foreign currency derivatives used to hedge fair value changes are used to hedge external financing liabilities. By contrast, the purpose of bank balances denominated in foreign currencies and intercompany monetary items is to counteract potential fluctuations in the exchange rate.



---

### Interest rate hedging instruments

Parts of NORMA Group's external financing were hedged against interest rate fluctuations with interest rate swaps. As of September 30, 2022, interest rate hedges with a positive fair value of EUR 7.4 million were held.

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from January 1 to September 30, 2022

in EUR thousands

	Q3 2022	Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021
<b>Operating activities</b>				
Profit for the period	9,408	10,081	36,107	51,177
Depreciation and amortization	20,484	18,565	59,938	55,724
Gain (-) / loss (+) on disposal of property, plant and equipment	16	17	-1,730	46
Change in provisions	2,250	-749	1,513	-3,401
Change in deferred taxes	-3,901	-1,291	-9,384	-3,066
Change in inventories, trade account receivables and other receivables, which are not attributable to investing or financing activities	-12,598	14,615	-86,261	-42,352
Change in trade and other payables, which are not attributable to investing or financing activities	-6,226	-5,698	8,502	6,708
Change in reverse factoring liabilities	-43	-3,089	3,230	4,404
Payments for share-based payments	0	0	-578	-365
Interest expenses in the period	2,680	2,351	7,560	7,582
Income (-) / expenses (+) due to measurement of derivatives	1,355	871	3,770	907
Other non-cash expenses (+) / income (-)	-981	612	-3,081	769
<b>Cash flow from operating activities</b>	<b>12,444</b>	<b>36,285</b>	<b>19,586</b>	<b>78,133</b>
thereof interest received	174	104	417	326
thereof income taxes	-9,834	-5,562	-23,298	-18,646
<b>Investing activities</b>				
Investments in property, plant and equipment and intangible assets	-17,423	-10,491	-38,808	-33,529
Proceeds from the sale of property, plant and equipment	84	283	6,912	492
<b>Cash flow from investing activities</b>	<b>-17,339</b>	<b>-10,208</b>	<b>-31,896</b>	<b>-33,037</b>
<b>Financing activities</b>				
Interest paid	-3,822	-3,998	-7,216	-7,445
Dividends paid to shareholders	0	0	-23,897	-22,304
Dividends paid to non-controlling interests	5	0	-135	
Proceeds from borrowings	28,765	45,018	47,167	45,018
Repayment of borrowings	-28,691	-60,236	-41,950	-67,976
Proceeds from / repayment of derivatives	48	37	-221	145
Repayment of lease liabilities	-3,187	-2,670	-10,710	-7,605
<b>Cash flow from financing activities</b>	<b>-6,882</b>	<b>-21,849</b>	<b>-36,962</b>	<b>-60,167</b>
<b>Net change in cash and cash equivalents</b>	<b>-11,777</b>	<b>4,228</b>	<b>-49,272</b>	<b>-15,071</b>
Cash and cash equivalents at the beginning of the year	155,101	168,744	185,719	185,109
Effect of foreign exchange rates on cash and cash equivalents	4,610	2,350	11,487	5,284
<b>Cash and cash equivalents at the end of the period</b>	<b>147,934</b>	<b>175,322</b>	<b>147,934</b>	<b>175,322</b>

## Notes to the Consolidated Statement of Cash Flows

### Group-wide financial management

A detailed overview of NORMA Group's general financial management can be found in the [2021 ANNUAL REPORT](#).

### Net operating cash flow

Net operating cash flow amounted to EUR 6.0 million in the reporting period January to September 2022. Net cash inflow thus decreased by EUR 64.5 million compared to the same period in 2021 (Q1 - Q3 2021: EUR 70.5 million). This decrease is due to the reduced EBITDA on the one hand, which decreased from EUR 135.5 million in the third quarter of 2021 to EUR 122.9 million in the third quarter of 2022, and on the other hand to a higher build-up of (trade) working capital (EUR –81.6 million) as of September 30, 2022, compared to EUR –34.4 million as of September 30, 2021.

Investments of EUR 35.3 million were made in the period from January to September 2022 (Q1 - Q3 2021: EUR 30.6 million). The main focus of investments was on the plants in the US, China, Poland, Germany, the Czech Republic and Serbia.

### Cash flow from operating activities

Cash flow from operating activities reached a value of EUR 19.6 million in the first nine months of 2022. Compared to the same period of the previous year (Q1 - Q3 2021: EUR 78.1 million), this corresponds to a decrease of EUR 58.5 million. Cash flow from operating activities is influenced by the change in current assets, provisions and liabilities (excluding liabilities related to financing activities).

As in the previous year, the company participates in a reverse factoring program, a factoring program and an ABS program. The liabilities in the reverse factoring program are reported under trade accounts payable and similar liabilities. The cash flows from the reverse factoring, factoring and ABS program are presented under cash flows from operating activities, as this corresponds to the economic substance of the transactions.

Cash flows from interest paid are reported under cash flows from financing activities.

### Cash flow from investing activities

Cash flow from investing activities amounted to EUR –31.9 million in the first nine months of 2022 (Q1 - Q3 2021: EUR –33.0 million) and includes net cash outflows from the acquisition and disposal of non-current assets in the amount of EUR 31.9 million (Q1 - Q3 2021: EUR 33.0 million). This includes the change in liabilities for the acquisition of intangible assets and property, plant and equipment in the amount of EUR –3.5 million (Q1 - Q3 2021: EUR –2.9 million). Cash flow from investing activities in the current reporting period includes cash inflow from a sale and leaseback transaction in the amount of EUR 6.1 million.

### Cash flow from financing activities

Cash flow from financing activities amounted to EUR –37.0 million in the first nine months of 2022 (Q1 - Q3 2021: EUR –60.2 million). This mainly includes net payments for loans in the amount of EUR 5.2 million (Q1 - Q3 2021: repayment of loans EUR –22.9 million). These consisted of the proceeds from loans in the amount of EUR 3.9 million (Q1 - Q3 2021: repayment of loans EUR –18.5 million) and the repayment of liabilities from ABS and factoring in the amount of EUR –2.1 million (Q1 - Q3 2021: EUR –2.5 million). In addition, the current reporting period includes proceeds from a sale and leaseback transaction in the amount of EUR 3.3 million.

Furthermore, cash flow from financing activities includes further repayments of lease liabilities in the amount of EUR –10.7 million (Q1 - Q3 2021: EUR –7.6 million) as well as payments for interest (Q1 - Q3 2022: EUR –7.2 million; Q1 - Q3 2021: EUR –7.4 million) and payments for dividends to the shareholders of NORMA Group SE in the amount of EUR –23.9 million (Q1 - Q3 2021: EUR –22.3 million).

# DEVELOPMENT OF THE SEGMENTS

for the period from January 1 to September 30, 2022

in EUR thousands

	EMEA		Americas		Asia-Pacific		Total segments		Central functions		Consolidation		Group	
	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021	Q1 - Q3 2022	Q1 - Q3 2021
Total revenue	390,528	392,876	449,578	352,057	140,296	130,439	980,402	875,372	29,816	25,467	-69,334	-67,051	940,884	833,788
thereof inter-segment revenue	24,536	30,150	8,297	6,467	6,685	4,967	39,518	41,584	29,816	25,467	-69,333	-67,051	0	0
<b>Revenue from external customers</b>	<b>365,992</b>	<b>362,726</b>	<b>441,281</b>	<b>345,590</b>	<b>133,611</b>	<b>125,472</b>	<b>940,884</b>	<b>833,788</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>940,884</b>	<b>833,788</b>
Contribution to consolidated Group sales	38.9%	43.5%	46.9%	41.4%	14.2%	15.0%	100%	100%						
Gross profit	200,752	223,572	235,225	186,748	65,874	64,261	501,851	474,581	n / a	n / a	-1,325	-1,216	500,526	473,365
<b>EBITDA</b>	<b>32,135</b>	<b>59,462</b>	<b>77,931</b>	<b>56,953</b>	<b>21,439</b>	<b>26,155</b>	<b>131,505</b>	<b>142,570</b>	<b>-9,069</b>	<b>-6,909</b>	<b>467</b>	<b>-184</b>	<b>122,903</b>	<b>135,477</b>
EBITDA margin <sup>1</sup>	8.2%	15.1%	17.3%	16.2%	15.3%	20.1%							13.1%	16.2%
Depreciation excluding PPA depreciation <sup>2</sup>	-14,736	-14,246	-14,973	-11,878	-6,835	-6,302	-36,544	-32,426	-750	-609	1	0	-37,293	-33,035
<b>Adjusted EBITA<sup>3</sup></b>	<b>17,399</b>	<b>45,216</b>	<b>62,958</b>	<b>45,076</b>	<b>14,604</b>	<b>19,853</b>	<b>94,961</b>	<b>110,145</b>	<b>-9,819</b>	<b>-7,518</b>	<b>468</b>	<b>-185</b>	<b>85,610</b>	<b>102,442</b>
Adjusted EBITA margin <sup>1, 3</sup>	4.5%	11.5%	14.0%	12.8%	10.4%	15.2%							9.1%	12.3%
<b>Adjusted EBIT<sup>3</sup></b>	<b>15,754</b>	<b>42,428</b>	<b>60,661</b>	<b>43,057</b>	<b>14,147</b>	<b>19,398</b>	<b>90,562</b>	<b>104,883</b>	<b>-11,341</b>	<b>-8,860</b>	<b>468</b>	<b>-186</b>	<b>79,689</b>	<b>95,837</b>
<b>Adjusted EBIT margin<sup>1, 3</sup></b>	<b>4.0%</b>	<b>10.8%</b>	<b>13.5%</b>	<b>12.2%</b>	<b>10.1%</b>	<b>14.9%</b>							<b>8.5%</b>	<b>11.5%</b>
Assets (prior year as of Dec 31, 2021) <sup>4</sup>	626,401	631,483	801,085	637,662	285,888	269,949	1,713,374	1,539,094	287,014	252,188	-350,553	-324,246	1,649,835	1,467,036
Liabilities (prior year as of Dec 31, 2021) <sup>5</sup>	227,888	214,903	330,052	265,767	55,255	48,868	613,195	529,538	588,434	573,806	-305,594	-283,584	896,035	819,760
CAPEX <sup>6</sup>	13,117	12,718	15,156	12,032	9,598	7,161	37,871	31,911	323	1,585	-179	n / a	38,015	33,496
Number of employees <sup>7</sup>	3,347	3,672	1,451	1,445	1,312	1,262	6,110	6,379	129	123	n / a	n / a	6,239	6,502

1\_Based on segment sales.

2\_Depreciation from purchase price allocations.

3\_Adjustments are explained in section → ADJUSTMENTS.

4\_ Including allocated goodwill, taxes are shown in the column 'consolidation'.

5\_Taxes are shown in the column 'consolidation'.

6\_Including right of use assets for movables.

7\_Number of employees (average).

## Notes to the Development of the Segments

The share of sales generated by foreign Group companies amounted to 87.6% in the first nine months of 2022 (Q1 - Q3 2021: 84.0%).

### EMEA: Particularly strong growth in EJT sales in the nine-month period of 2022

External sales in the EMEA region were EUR 366.0 million in the period from January to September 2022, up slightly by 0.9% on the respective figure for the previous year (Q1 - Q3 2021: EUR 362.7 million). Currency effects had an impact of -0.3%, so that organic sales growth amounted to 1.2%. The EMEA region accounted for 39% of total sales in the first nine months of 2022 (Q1- Q3 2021: 44%).

NORMA Group's total net sales in the EMEA region in the third quarter amounted to EUR 119.9 million, an increase of 11.8% (organic: 12.2%) compared to the same quarter of the previous year (Q3 2021: EUR 107.2 million).

EJT sales in the EMEA region amounted to EUR 269.7 million in the nine-month period of 2022, an increase of 2.9% (organic: 3.1%) compared to the same period of the previous year (Q1 - Q3 2021: EUR 262.2 million). The growth mainly resulted from the strong recovery of the EJT business in the third quarter of 2022 (organic: 20.3%), which compensated for a declining EJT business in the first two quarters of 2022. EJT sales in the months July to September 2022 amounted to EUR 89.9 million (Q3 2021: EUR 75.0 million). In addition to higher selling prices in the third quarter of 2022, this development is also attributable to volume effects.

In the SJT segment, sales in the first nine months of 2022 amounted to EUR 92.7 million, down 5.3% (organic: -4.8%) on the same period of the previous year. In the third quarter of 2022, SJT sales were also down 8.5% year-on-year at EUR 28.7 million (Q3 2021: EUR 31.4 million). This includes a 7.9% decline in organic sales. The reason for this development is a decline in volumes, which could only be partially compensated for by price increases.

Adjusted EBIT in the EMEA region was EUR 15.8 million in the current reporting period, compared to EUR 42.4 million in the same period of the previous year. The adjusted EBIT margin was 4.0% (Q1 - Q3 2021: 10.8%). The development was caused by the costs associated with the relocation of the production of an East German plant to the Czech Republic and to NORMA Group's main plant in Maintal, Germany, among others for temporary workers. Higher energy costs and additional expenses for raw materials due to inflation were also incurred. In addition, the result was negatively impacted by the costs for the introduction of a globally standardized ERP system.

Investments in the EMEA region accumulated to EUR 13.1 million in the first nine months of the current fiscal year (Q1 - Q3 2021: EUR 12.7 million) and were mainly attributable to the sites in Germany, Serbia, Poland and the Czech Republic.

### Americas: Strong growth in the automotive and water business in nine-month period of 2022

In the Americas region, NORMA Group's external sales of EUR 441.3 million in the first nine months of 2022 were 27.7% higher than in the same period of the previous year (Q1 - Q3 2021: EUR 345.6 million). Organic sales growth amounted to 13.6%, while translation effects due to the strong appreciation of the US dollar compared to the same period of the previous year also had a comparably strong positive impact on sales of 14.1%. As a result, the Americas region's share of total sales in the first nine months of 2022 increased to around 47% (Q1 - Q3 2021: 41%).

Total sales in the Americas region reached EUR 151.7 million in the third quarter of 2022, an increase of 29.5% (organic: 10.9%) compared to the same quarter last year (Q3 2021: EUR 117.2 million).

Net sales in the EJT segment in the Americas region amounted to EUR 163.2 million in the first nine months of 2022, an increase of 23.8% (organic: 10.0%) compared to the same period of the previous year (Q1 - Q3 2021: EUR 131.9 million). This was due to the significant rebound in production figures in the light and heavy vehicles segment, as well as higher selling prices.

In the third quarter of 2022, the EJT business in the Americas region generated sales of EUR 58.8 million. This represents an increase in sales of 33.4% (organic: 14.6%).

In the SJT segment, sales of EUR 275.0 million in the first nine months of 2022 were 29.7% higher than in the same period of the previous year (Q1 - Q3 2021: EUR 212.0 million). This includes organic sales growth of 15.5%. In the third quarter of 2022, sales amounted to EUR 92.1 million (Q3 2021: 72.3 million), corresponding to growth of 27.3% (organic: 8.9%). On the one hand, this positive development was caused by the general economic recovery and positive effects from passing on higher purchase prices to customers. On the other hand, the strong appreciation of the US dollar against the euro made a significant contribution, resulting in positive currency effects that led to an 18.4% increase in sales compared to the same period of the previous year.

Adjusted EBIT in the Americas region increased to EUR 60.7 million in the first nine months of 2022 (Q1 - Q3 2021: EUR 43.1 million). The adjusted EBIT margin (adjusted EBIT as a percentage of sales) in the Americas region thus rose to 13.5% (Q1 - Q3 2021: 12.2%). In addition to the significant price-driven increase in sales, the sale of a plot of land in the US and improved efficiency in personnel costs in particular had an increasing effect on adjusted EBIT in the

Americas region. By contrast, the higher price level for raw materials and freight costs had a noticeable negative impact on earnings.

Capital expenditure in the Americas region in the period from January to September 2022 amounted to EUR 15.2 million (Q1 - Q3 2021: EUR 12.0 million) and related in particular to the plants in the US.

#### **Asia-Pacific: Strong growth in SJT business in the nine-month period**

Net sales (external sales) in the Asia-Pacific region amounted to EUR 133.6 million in the first nine months of 2022, exceeding the previous year's figure by 6.5% (Q1 - Q3 2021: EUR 125.5 million). This includes an organic sales decline of 1.9%, which was more than offset by positive currency effects of 8.3%. The Asia-Pacific region accounted for 14% of Group sales (Q1 - Q3 2021: 15%).

In the third quarter of 2022, total sales in the Asia-Pacific region of EUR 47.0 million significantly exceeded the figure for the same period in 2021 (Q3 2021: EUR 41.3 million) by 13.9% (organic: 3.7%).

Sales in the EJT segment in the Americas region amounted to EUR 87.4 million in the nine-month period of 2022, an increase of 3.1% compared to the same period of the previous year (Q1 - Q3 2021: EUR 84.7 million). This includes a 5.8% decrease in organic sales and positive currency effects of 8.9%. The reason for the organic decline is, among other factors, the declining EJT business in the first half of 2022 in connection with the ongoing corona restrictions, in China, for example. In the third quarter of 2022, however, EJT revenue increased to EUR 33.0 million, an increase of 20.2% (organic: 9.4%) compared to the same quarter of the previous year (Q3 2021: EUR 27.4 million).

However, the positive sales trend of the previous quarters came to a halt in the Asia-Pacific region in the SJT segment in the third quarter of 2022, and organic sales declined by 7.7% compared to the prior-year quarter. Positive currency effects of 8.9% offset this effect, however, resulting in slightly positive overall sales growth of 1.2%. Sales in the third quarter of 2022 reached a level of EUR 13.8 million (Q3 2021: EUR 13.7 million). With respect to the nine-month period, the SJT business in the Asia-Pacific region posted total sales of EUR 45.7 million (Q1 - Q3 2021: EUR 40.3 million). This is an increase of 13.4% (organic: 6.3%) compared to the same period of the previous year. Currency effects contributed 7.1% to the net sales of the SJT business in the Asia-Pacific region in the period from January to September.

The Asia-Pacific region recorded an adjusted EBIT of EUR 14.1 million in the first three quarters of 2022, falling short of the comparable figure for the previous year (Q1 - Q3 2021: EUR 19.4 million). The adjusted EBIT margin in the first nine months of 2022 thus amounted to 10.1% (Q1

- Q3 2021: 14.9%). The main reasons for this development of the adjusted EBIT margin in the Asia-Pacific region were, among others, higher logistics costs and additional expenses in connection with the ongoing effects of the corona pandemic.

In the Asia-Pacific region, the investment volume in the period from January to September 2022 totaled EUR 9.6 million, compared to EUR 7.2 million in the reporting period of the previous year. These related in particular to the plants in China.

# FORECAST FOR FISCAL YEAR 2022

The forecast for fiscal year 2022 is being left unchanged from the forecast adjusted on July 21, 2022, and confirmed on August 10, 2022, as part of the interim half-year report. The Management Board's assumptions regarding the development of the key performance indicators in fiscal year 2022 are presented in the table below.

However, this forecast is subject to the condition that no significant negative effects related to the corona pandemic, for example further pandemic-related lockdowns in China, or other influencing factors occur in the further course of 2022 which could lead to a significant weakening of the global economy and put substantial pressure on the development of NORMA Group's business.

Potential influencing factors include, for example, the military activities as well as economic sanction measures in connection with the Russia-Ukraine crisis, as well as the related increase in energy costs. NORMA Group does not operate any production or sales sites in Ukraine or Russia and the share of business with customers in Russia and Ukraine in NORMA Group's total sales is less than 1 percent. Nevertheless, how the Russia-Ukraine crisis will affect the global economy and thus NORMA Group in the long term cannot be fully assessed at present.

## Forecast for Fiscal Year 2022

Organic sales growth	Mid to high single-digit organic Group sales growth EJT: Mid single-digit organic sales growth SJT: High single-digit organic sales growth EMEA: Mid single-digit organic sales growth Americas: Mid to high single-digit organic sales growth APAC: Mid to high single-digit organic sales growth
Cost of materials ratio	Higher cost of materials ratio compared to previous year
Personnel cost ratio	Improvement of personnel cost ratio compared to previous year
R&D investment ratio <sup>1</sup>	Around 3% of sales
Adjusted EBIT margin	Around 8%
NORMA Value Added (NOVA)	Between EUR –20 million and EUR 10 million
Financial result	Up to EUR –10 million
Tax rate	Above 30%
Adjusted earnings per share	Significant decrease in adjusted earnings per share
Investment rate (excluding acquisitions)	Investment ratio between 5% and 6% of Group sales
Net operating cash flow	Around EUR 60 million
Dividend / payout ratio	Approx. 30% to 35% of adjusted Group earnings
CO <sub>2</sub> emissions	Less than 10,000 metric tons of CO <sub>2</sub> -equivalents
Number of invention applications	More than 20
Number of defective parts (parts per million / PPM)	5,5

<sup>1</sup> Due to the increasing strategic relevance of the area of water management, NORMA Group has included R&D expenses in this area in the calculation since the reporting year 2020 and uses total sales as a reference value to determine the R&D ratio (previously 5% of EJT sales).

# FURTHER INFORMATION

## Financial Calendar, Contact and Imprint

### Financial Calendar 2023

Date	Event
February 14, 2023	Publication of Preliminary 2022 Financial Results
March 28, 2023	Publication of the 2022 Annual Report
May 9, 2023	Publication of Interim Statement Q1 2023
May 11, 2023	Annual General Meeting 2023
August 8, 2023	Publication of Interim Report Q2 2023
November 7, 2023	Publication of Interim Statement Q3 2023

The financial calendar is constantly updated. Please visit the Investor Relations section on the company website [WWW.NORMAGROUP.COM](http://WWW.NORMAGROUP.COM)

### Editor

NORMA Group SE  
Edisonstraße 4  
63477 Maintal  
Phone: + 49 6181 6102-740  
E-mail: [info@normagroup.com](mailto:info@normagroup.com)  
[www.normagroup.com](http://www.normagroup.com)

### Contact

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

### Contact persons

**Andreas Trösch**  
Vice President Investor Relations, Communications  
and Corporate Responsibility  
Phone: + 49 6181 6102-741  
E-mail: [andreas.troesch@normagroup.com](mailto:andreas.troesch@normagroup.com)

**Chiara von Eisenhart Rothe**  
Senior Manager Investor Relations  
Phone: + 49 6181 6102-748  
E-mail: [chiara.voneisenhartrothe@normagroup.com](mailto:chiara.voneisenhartrothe@normagroup.com)

**Ivana Blazanovic (currently on maternity leave)**  
Senior Manager Investor Relations  
Phone: + 49 6181 6102-7603  
E-mail: [ivana.blazanovic@normagroup.com](mailto:ivana.blazanovic@normagroup.com)

**Johannes Weiffenbach**  
Junior Manager Investor Relations  
Phone: + 49 6181 6102-742  
E-mail: [johannes.weiffenbach@normagroup.com](mailto:johannes.weiffenbach@normagroup.com)

### Editing

NORMA Group

### Design and realization

NORMA Group



---

## **Note to the Interim Statement**

This Interim Statement is also available in German. If there are differences between the two, the German version takes precedence.

## **Note on rounding**

Please note that slight differences may arise as a result of the use of rounded amounts and percentages.

## **Forward-looking statements**

This Interim Statement contains certain forward-looking statements. Forward-looking statements include all statements that 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 forward-looking 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 take place or be fulfilled as expected in the future. The company points out that such forward-looking statements provide no guarantee for the future and that the actual events, including the financial position and profitability of NORMA Group and developments in the economic and regulatory fundamentals, may vary substantially (particularly on the downside) from those explicitly or implicitly assumed in these statements. Even if the actual assets for NORMA Group, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such forward-looking statements in this Interim Statement, no guarantee can be given that this will continue to be the case in the future.

## **Date of publication**

November 2, 2022