

1H 2022 Financial Results

Milan - July 28th, 2022

Prysmian
Group

Linking
the Future



Key Highlights

STRONGEST QUARTER EVER

- Remarkable performance continued in Q2, driven by focus on serving customers, efficient and flexible operations and exposure to structural growth drivers

OUTSTANDING RESULTS DRIVEN BY ENERGY AND TELECOM

- Excellent performance in Energy, especially E&I and OEM & Renewables
- Solid performance in Telecom driven by North America
- Projects progressing in line with expectations (55 €M Adj Ebitda in Q2)

HEALTHY PROJECTS PIPELINE AND NEW ORDERS

- €2.4 billion of projects awarded YTD

SOLID AND SUSTAINABLE FINANCIAL STRUCTURE

- €1.2 billion sustainability-linked term loan signed

411 €M

Adj. Ebitda in Q2

+ 13.5% (ex. Projects)

+ 14.9% (incl. Projects)

Q2 Org. Growth

~ 2.4 €BN

New orders in Projects YTD

1H 2022 Financial Highlights

SALES

SALES

ORGANIC GROWTH*

7,949 €M

12.5%

ADJ. EBITDA

ADJ. EBITDA

ADJ. EBITDA MARGIN

699 €M

8.8%

FREE CASH FLOW

FCF**

NET DEBT

174 €M

2,330 €M

SOLID ORGANIC GROWTH

- +16.5% E&I, with sound trends across all regions
- +8.7% Industrial & NWC, with excellent performance in OEM & Renewables
- +6.6% Telecom, driven by double digit growth in Optical
- +14.3% total org growth (inc. Projects)

MARGINS EXPANSION

- +229 €M Adj. Ebitda increase vs 470 €M in 1H 2021
- 100 bps Adj. Ebitda margins improvement vs 7.8% in 1H 2021
- Adj. Ebitda margins at 9.4% at 2021 metal price

FREE CASH FLOW

- Effective working capital management mitigating raw material price increase
- Operative net working capital on annualized sales at 8.4% (vs. 7.3% in June 2021)

Sound growth across businesses and regions

1Q/1H 2022 y-o-y org. growth excluding Projects segment

Org growth by Geography

36% of total
Group

47% of total
Group

NORTH
AMERICA

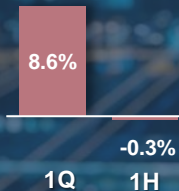
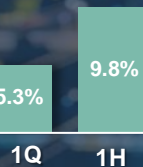
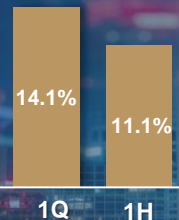
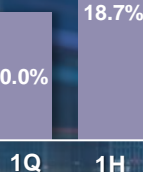
EMEA

9% of total
Group

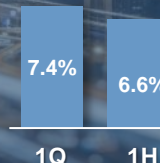
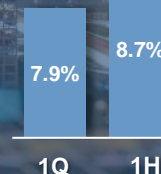
8% of total
Group

LATIN
AMERICA

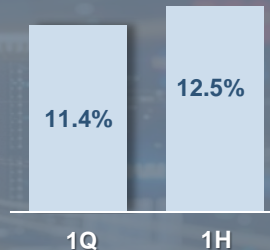
ASIA
PACIFIC



Organic growth by Business



Group org. growth
(ex-Projects)



Prysmian
Group

SERVICE TO CUSTOMER

EFFICIENT OPERATIONS

STRUCTURAL GROWTH DRIVERS

Sustaining leadership in the Projects business

Visibility on over 10 €Bn orders

NEW CABLE PLANT IN THE US

First construction permits received for the new submarine cable plant in Somerset



Brayton Point, Somerset, Massachusetts, USA

2022 NEW ORDERS: ~ 2.4 € BILLION

List of main projects awarded in 2022

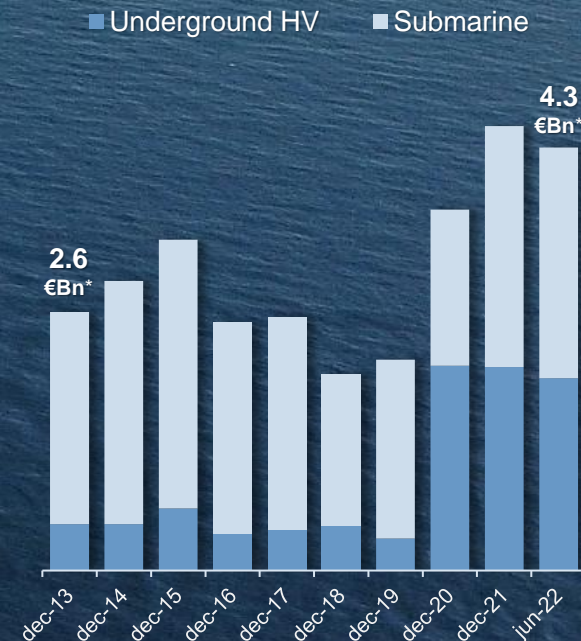
- Neuconnect interconnection (~ 1.2 €Bn)
- Project Lightning in the Middle East (~ 220 €M)
- Extension of the Suedostlink project (~ 700 €M)
- Two submarine interconnections in Spain (~ 250 €M)

~ 5.8 €Bn

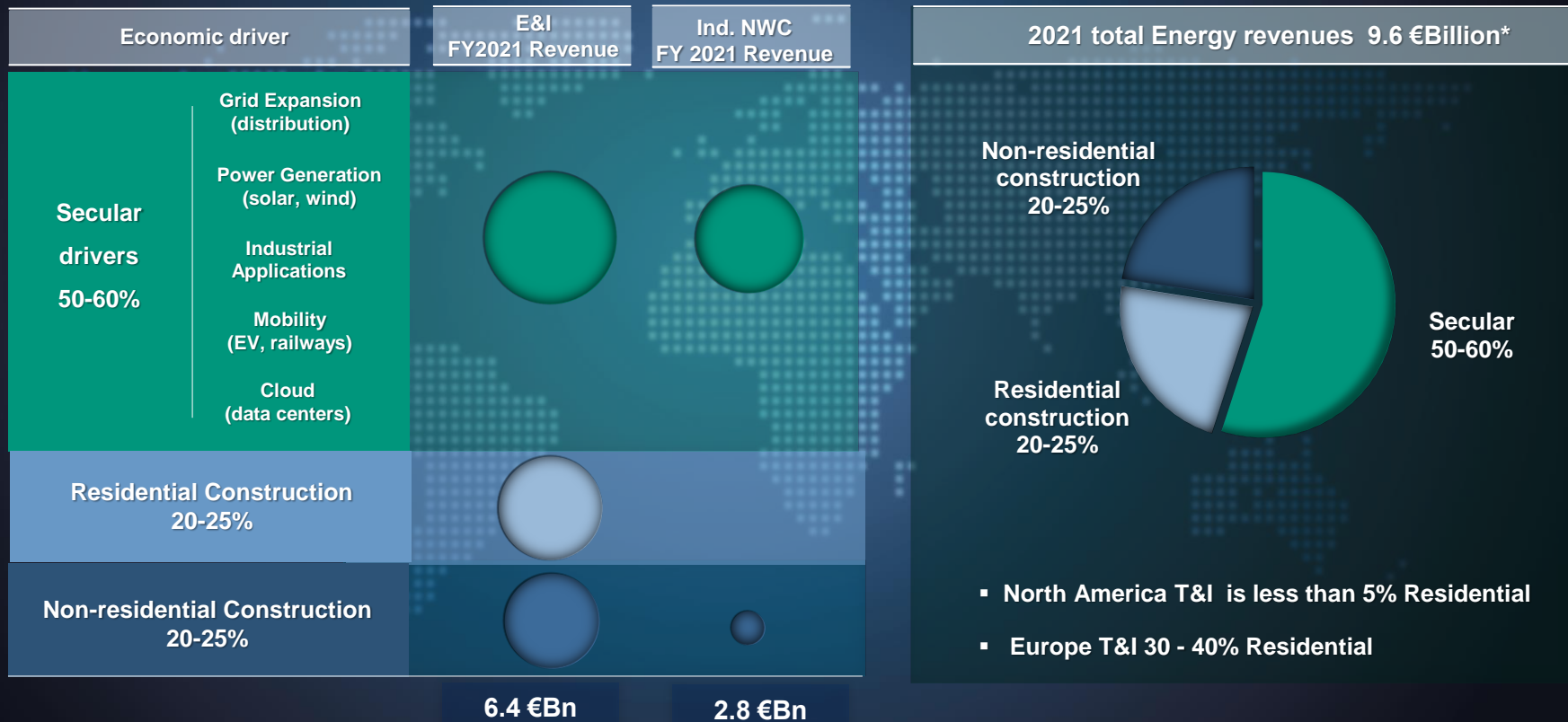
projects awarded expected to be converted into backlog between 2022 and 2024

ONLY FIRM ORDERS IN THE BACKLOG

Included only projects with Notice to Proceed



Energy Division – Serving market segments with increasing demand...

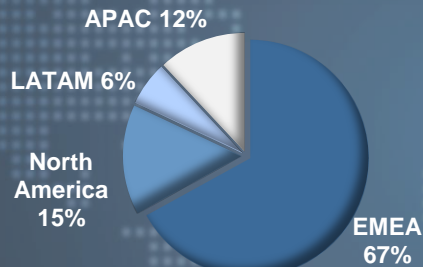


...With geographical presence fit to navigate through challenges

Before General Cable

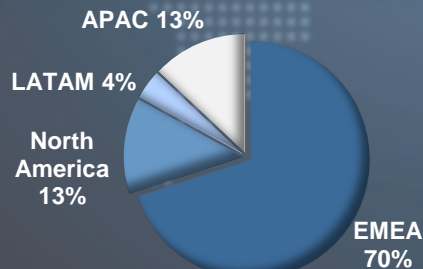
FY 2017
revenue

7.9 €Bn



FY 2017
adj. ebitda

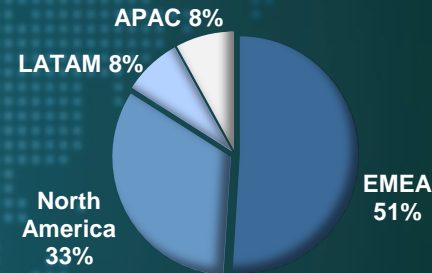
733 €M



After General Cable

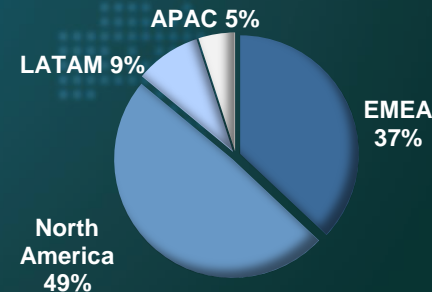
1H 2022
revenue

7.9 €Bn



1H 2022
adj. ebitda

699 €M



The value of a wide geographical presence

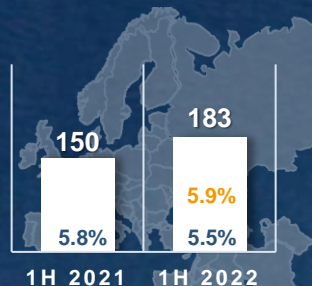
Data excluding Projects

Sales

Adj. Ebitda

EMEA

2,584 3,318 **+11.1%**

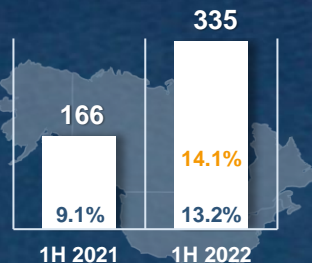


HIGHLIGHTS

- Solid results driven by E&I and OEM & Renewables

NORTH AMERICA

1,810 2,527 **+18.7%**



HIGHLIGHTS

- Strong results across main businesses, as a result of leading position in the region
- Excellent performance in E&I and Telecom

LATIN AMERICA

487 636 **+9.8%**

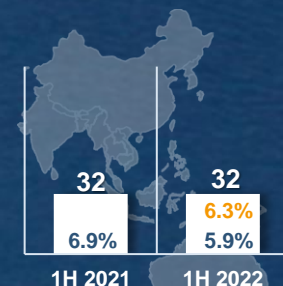


HIGHLIGHTS

- Renewables mainly driving growth
- Adj. Ebitda improvement driven by E&I and Renewables

ASIA PACIFIC

472 546 **-0.3%**



HIGHLIGHTS

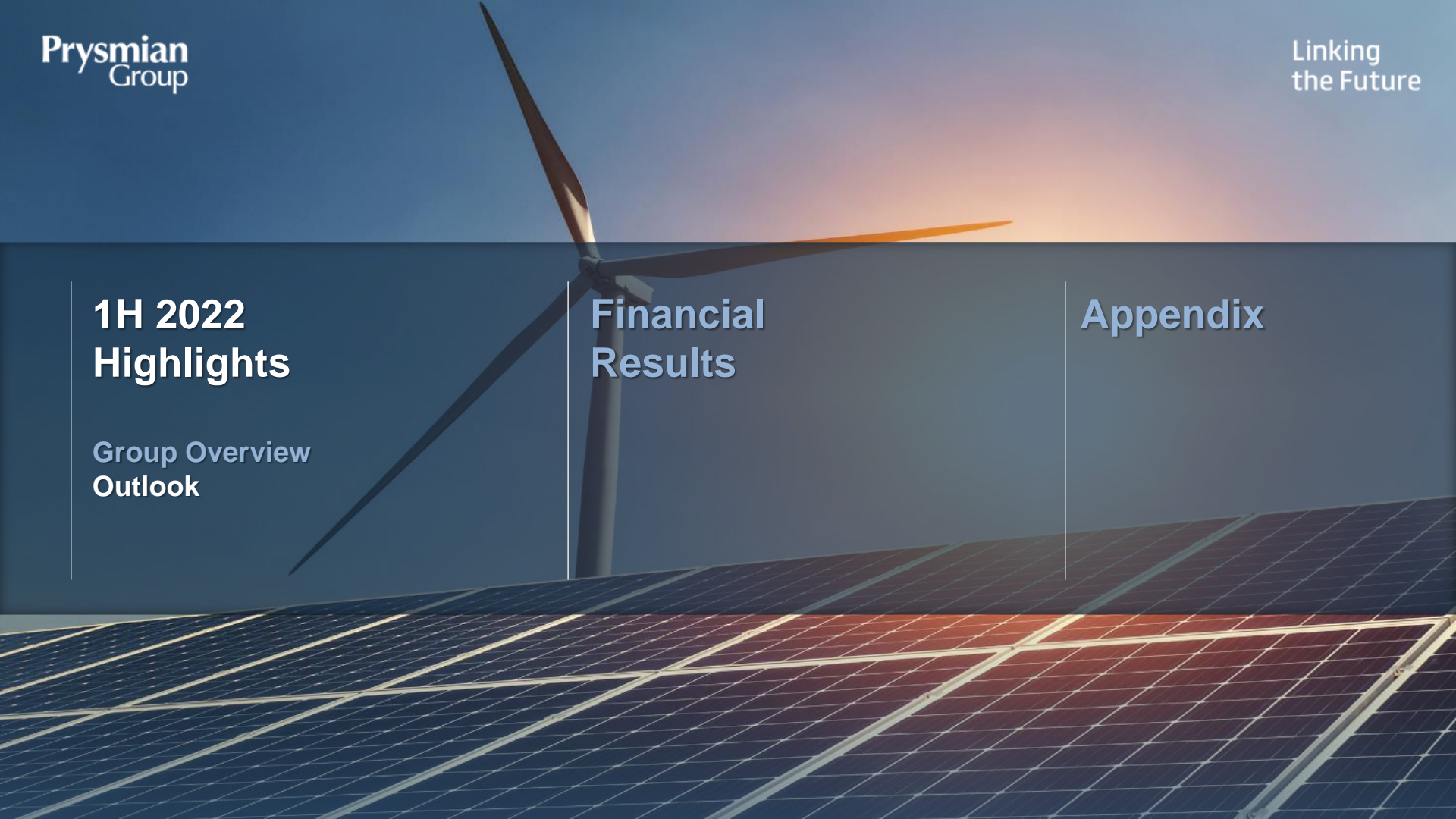
- Improving results in Telecom offset by Industrial
- Results Impacted from lockdown in China (in particular Elevators)

1H 2022 Highlights

Group Overview
Outlook

Financial Results

Appendix



Upgrading 2022 outlook | Increasing Adj Ebitda guidance by more than 30%

PREVIOUS 2022 GUIDANCE

ADJ. EBITDA (€M)

1,010 ↔ 1,080

FCF before acquisition
& disposals (€M)

~ 400 ± 15%

NEW 2022 GUIDANCE

Trend of Energy markets in H2

Substantial
deterioration

Slight
deterioration

Stability

ADJ. EBITDA
(€M)

1,300

1,350
Mid-point

1,400

FCF before acquisition &
disposals (€M)

400 - 460

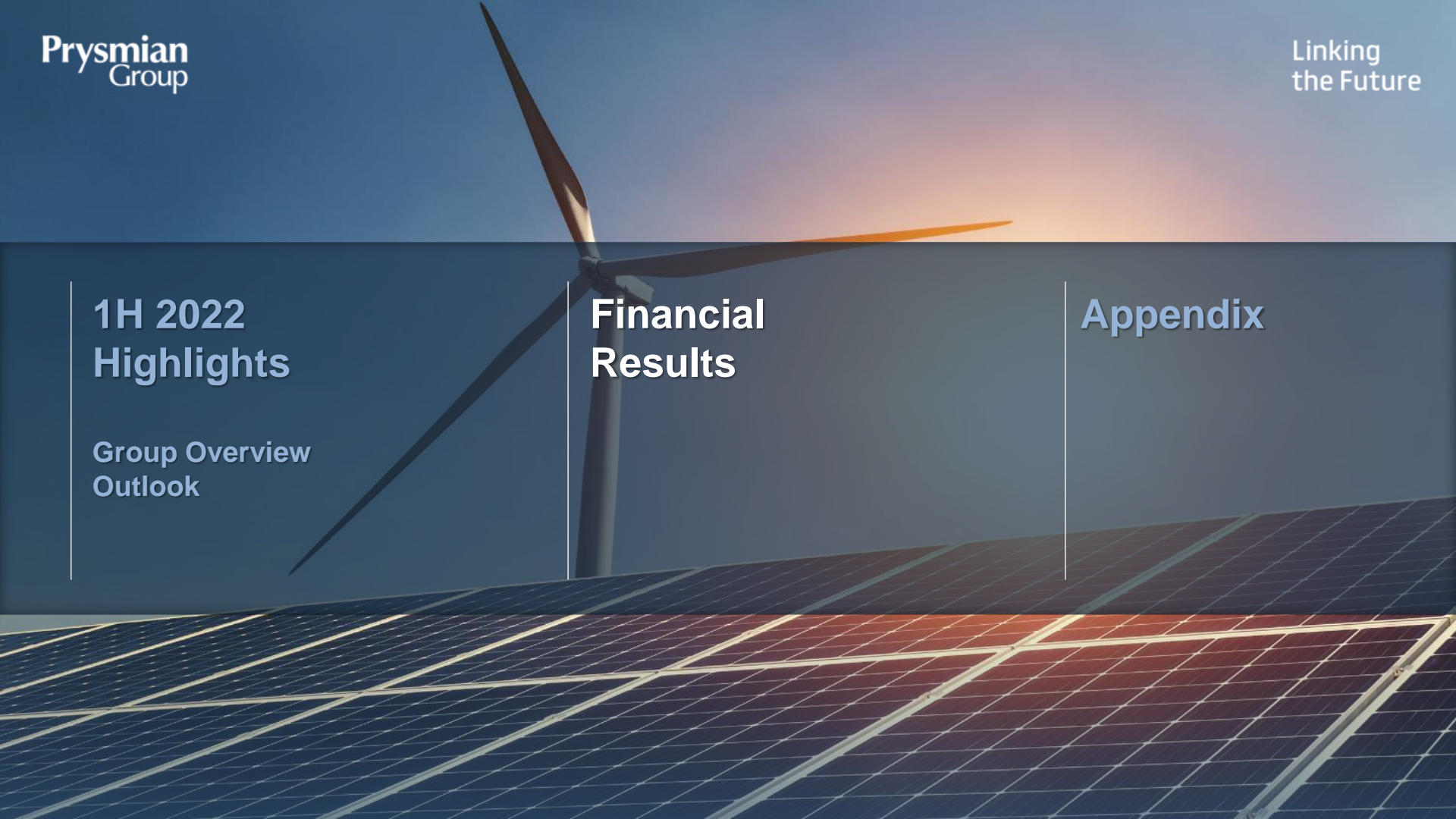
Adj Ebitda increase driven by outstanding performance in Energy and solid improvement in Telecom

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Profit and Loss Statement Euro Millions

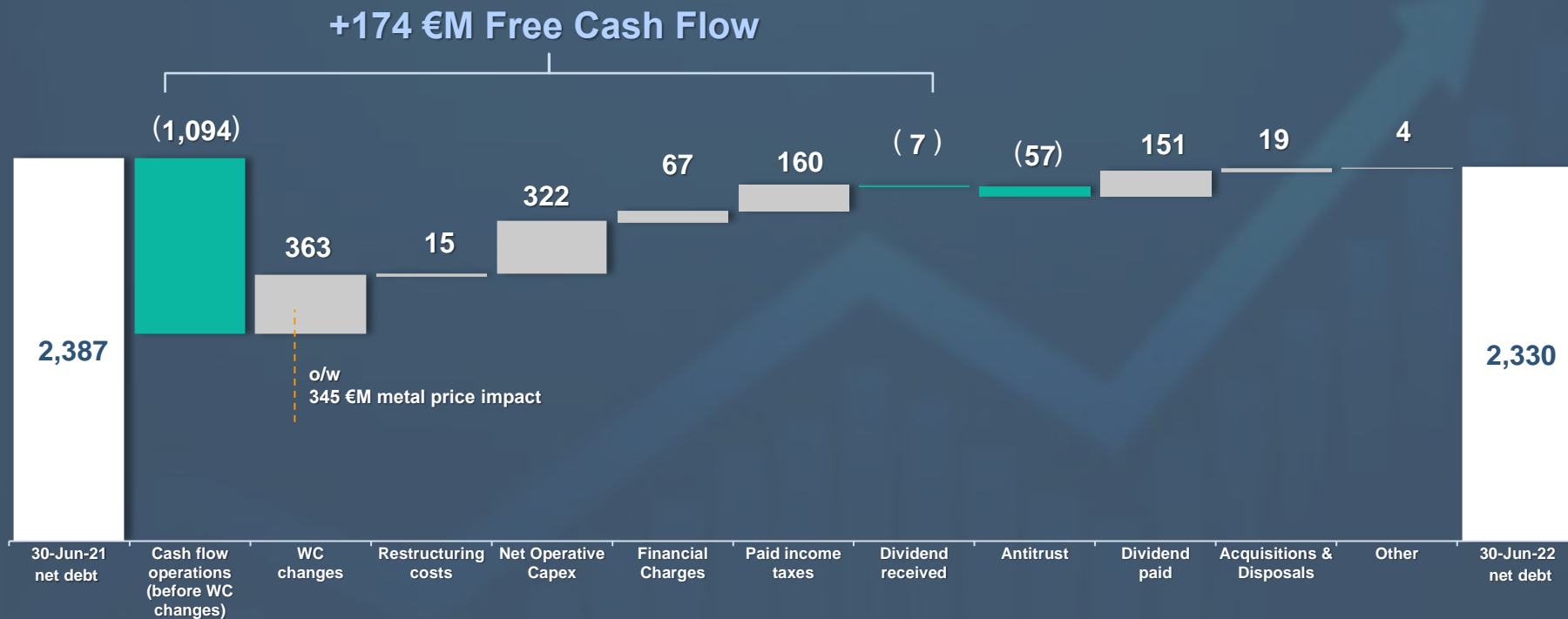
	1H 2022	1H 2021	Adj. EBITDA Bridge		
SALES	7,949	6,034			
<i>YoY total growth</i>	31.7%				
<i>YoY organic growth</i>	14.3%				
Adj.EBITDA	699	470	ADJ. EBITDA 2021	213	257
<i>% on sales</i>	8.8%	7.8%	Projects	3	8
<i>of which share of net income</i>	16	9	Energy	63	140
Adjustments	(34)	(26)	Telecom (ex-share of net income)	6	4
EBITDA	665	444	share of net income	3	2
<i>% on sales</i>	8.4%	7.4%	ADJ. EBITDA 2022	288	411
Adj.EBIT	521	312	of which Forex effect	15	33
<i>% on sales</i>	6.6%	5.2%			
Adjustments	(34)	(26)			
Non monetary items	(64)	(8)			
EBIT	423	278			
<i>% on sales</i>	5.3%	4.6%			
Financial charges	(55)	(40)			
EBT	368	238			
Taxes	(107)	(74)			
<i>% on EBT</i>	29.1%	31.1%			
NET INCOME	261	164			
Minorities	2	2			
GROUP NET INCOME	259	162			
<i>% on sales</i>	3.3%	2.7%			

	1H 2022	1H 2021
Net interest expenses	(39)	(40)
of which non-cash conv.bond interest exp.	(5)	(7)
Financial costs IFRS 16	(3)	(2)
Bank fees amortization	(4)	(4)
Gain/(loss) on exchange rates and derivatives	(9)	(7)
Non recurring and other effects	-	13
Net financial charges	(55)	(40)

Statement of financial position (Balance Sheet) Euro Millions

	30 Jun 2022	30 Jun 2021	31 Dec 2021
Net fixed assets	5,521	5,061	5,304
of which: goodwill	1,731	1,596	1,643
Net working capital	1,374	1,129	650
of which: derivatives assets/(liabilities)	(55)	190	174
of which: Operative Net working capital	1,429	939	476
Provisions & deferred taxes	(648)	(578)	(659)
Net Capital Employed	6,247	5,612	5,295
Employee provisions	361	485	446
Shareholders' equity	3,556	2,740	3,089
of which: attributable to minority interest	183	168	174
Net financial debt	2,330	2,387	1,760
Total Financing and Equity	6,247	5,612	5,295

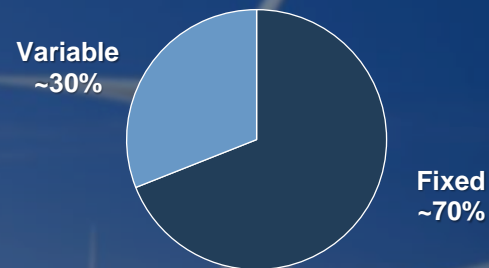
Cash Flow



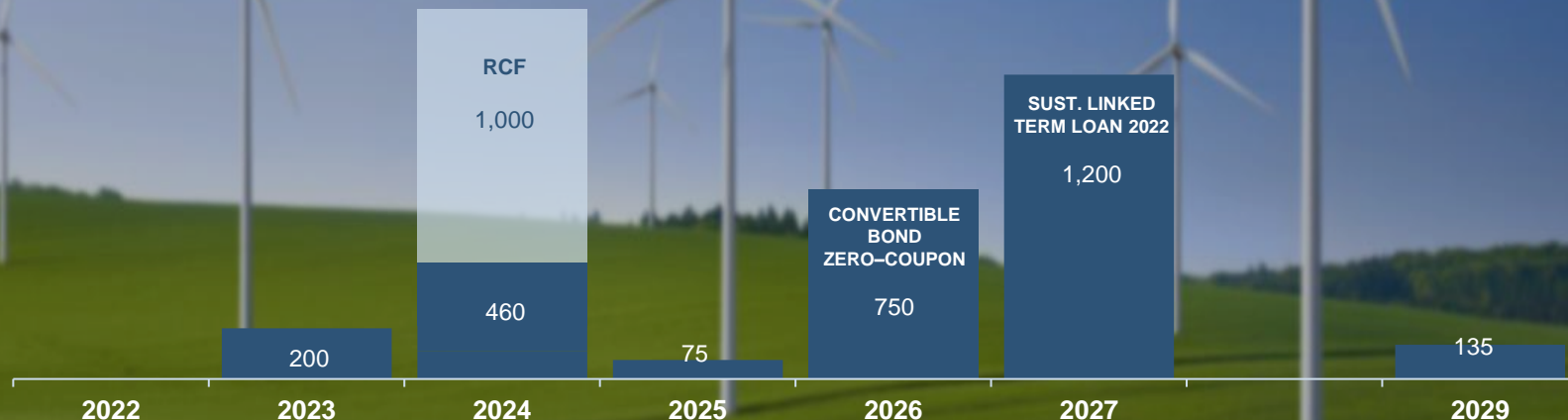
A solid and sustainable financial structure

- 1.2 €Bn new sustainability linked Term Loan signed on July
- Increasing average debt maturity at 4.5 years
- Approx. 650 €M cash on balance as of 30th June 2022

Fixed/Variable rate composition



CURRENT FINANCIAL DEBT MATURITY PROFILE⁽³⁾



Closing Remarks

1

**Outstanding results driven by
strong customer focus**

2

**Broad business portfolio highly
exposed to secular trends**

3

**Effective working capital
management and focus on cash**

4

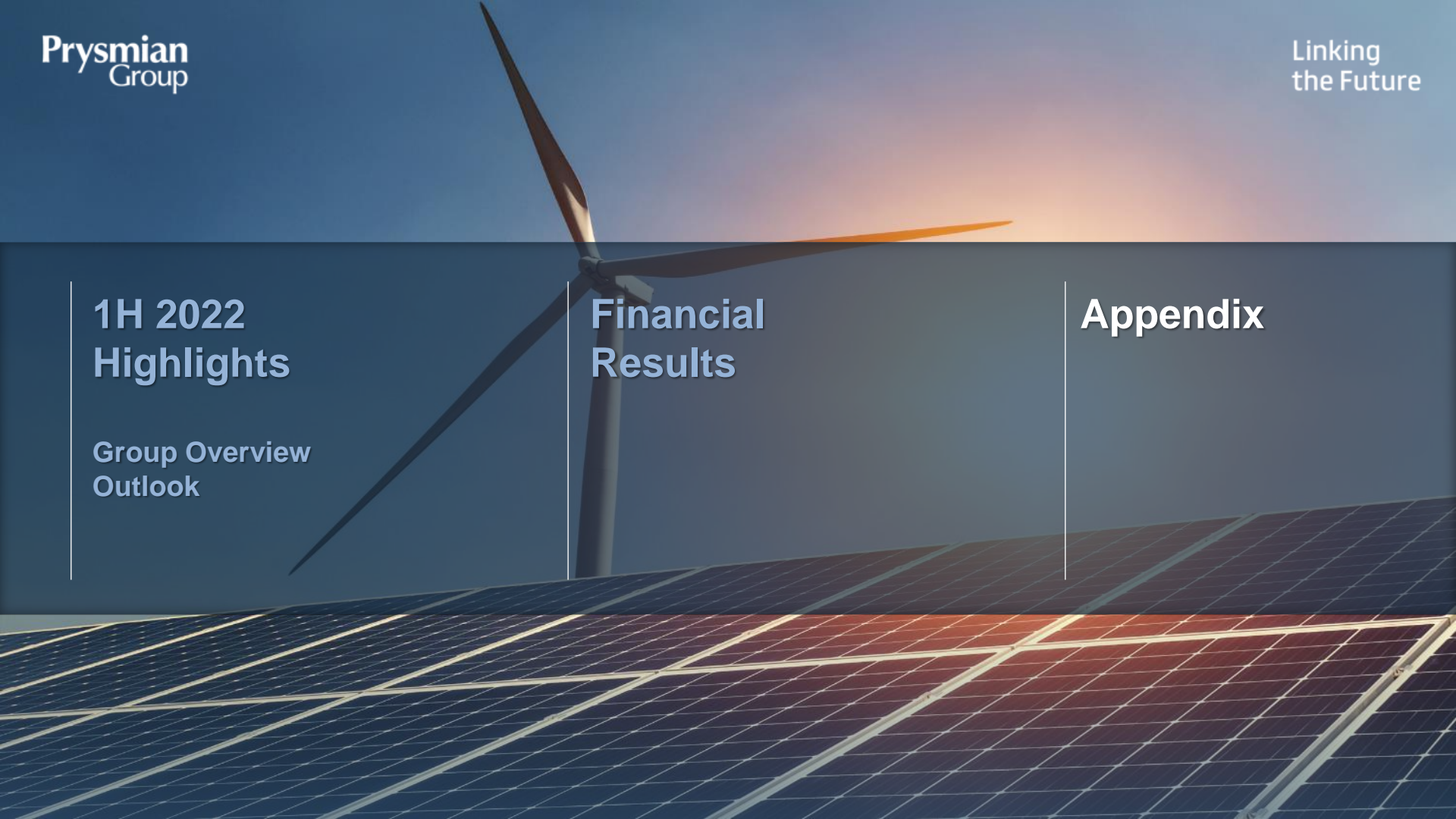
**High visibility and flawless
execution**

1H 2022 Highlights

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German Corridors

P-Laser 525kV HVDC Technology

200 kms produced



180 kms FAT



165 kms in Germany

SOLID EXECUTION and SuedOstLink Production ON TRACK

HVDC Innovation Leadership



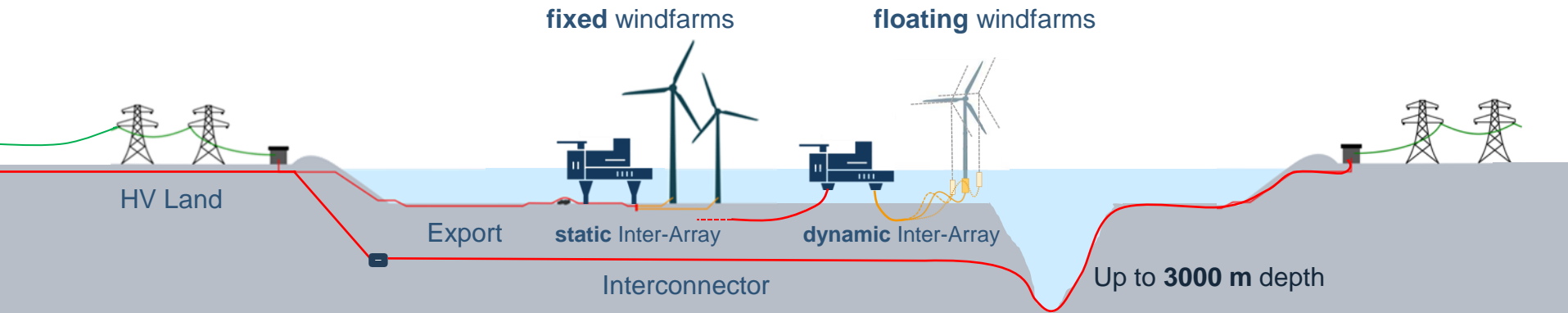
- Prysmian has completed all **PREQUALIFICATIONS** and **TYPE TESTS ON SCHEDULE** for both **P-Laser** and **XLPE 525kV HVDC Systems**
- State of the Art High Voltage Electrical Labs set up in **LIVORNO, GRON** and **MONTEREAU**
- World's first **TRANSIENT OVER VOLTAGE (TOV)** test on a **525kV DC Cable System** completed with **Prysmian XLPE Cable** *

Industry Best Technologies Suite

HVDC Technologies

**XLPE** ± 600 kV | 3000 MW**MI** ± 525 kV | 2400 MW**P-LASER** ± 600 kV | 3500 MW**MI-PPL** ± 700 kV | 3400 MW

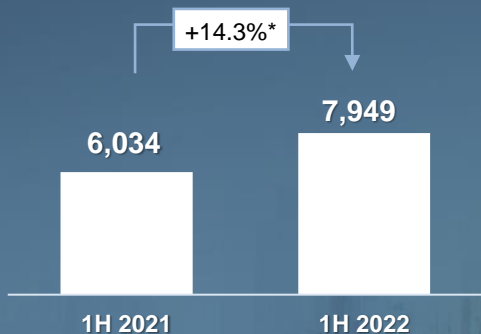
HVAC Technologies

**XLPE** ± 275 kV | 500 MVA**XLPE** ± 420 kV | 1200 MVA**EPR** ± 72.5 kV | 90 MVA

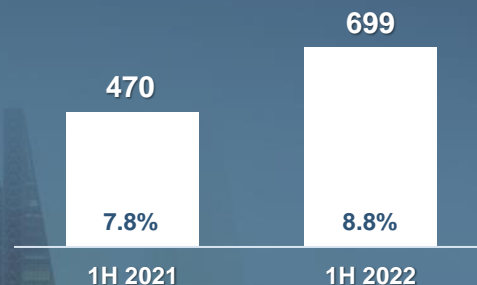
1H 2022 Financial highlights

Euro Millions, % on Sales

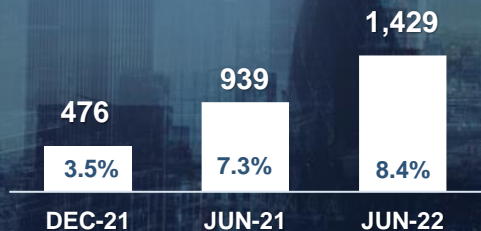
SALES



ADJUSTED EBITDA ⁽¹⁾



OPERATIVE NET WORKING CAPITAL ⁽²⁾

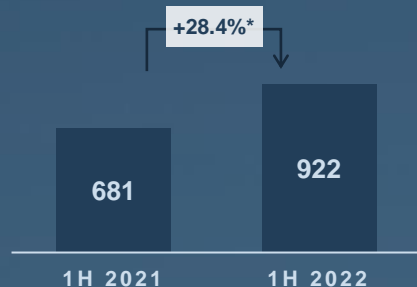


NET FINANCIAL DEBT



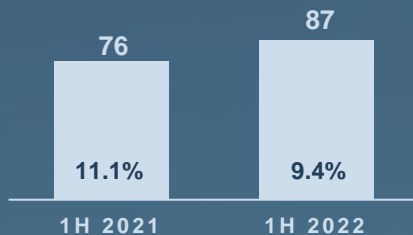
Projects Euro Millions, % on Sales

SALES



* Org. Growth.

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

SUBMARINE

- / Strong organic growth driving growth in Projects
- / Tendering activity ongoing, with a solid pipeline of projects (interconnections and off-shore wind farms)
- / More than €2.4 billion of new orders YTD

UNDERGROUND HIGH VOLTAGE

- / Cables production for German Corridors progressing on track
- / Awarded extension of the Suedostlink project in Germany for approx. 700 €M

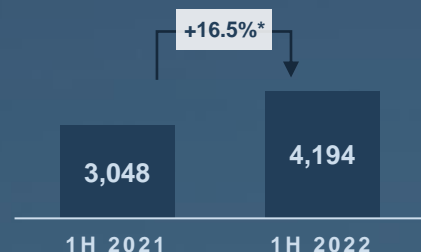
ORDERS BACKLOG EVOLUTION (€M)

	DEC '13	DEC '14	DEC '15	DEC '16	DEC '17	DEC '18	DEC '19	DEC '20	DEC '21	Jun '22
Underground HV	~450	~450	~600	~350	~400	~435	~310	~1,980	~1,970	~1,860
Submarine	~2,050	~2,350	~2,600	~2,050	~2,050	~1,465	~1,730	~1,510	~2,330	~2,230
Group*	~2,560	~2,900	~3,300	~2,430	~2,480	~1,900	~2,070	~3,550	~4,440	~4,250

Energy & Infrastructure

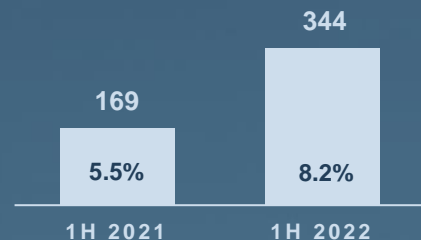
Euro Millions, % on Sales

SALES



* Org. Growth

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

TRADE & INSTALLERS

- / Excellent performance continued in Q2
- / Solid demand and price management drives margins improvement

POWER DISTRIBUTION

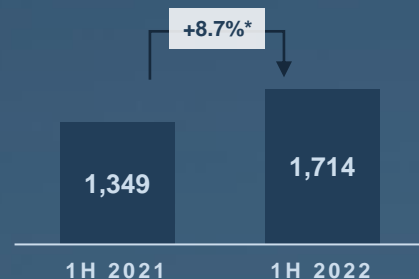
- / Double digit organic growth (with an acceleration in Q2) across all regions

ADJ.EBITDA AND % SALES



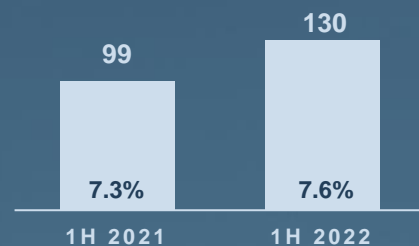
Industrial & Network Components Euro Millions, % on Sales

SALES



* Org. Growth

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

SPECIALTIES, OEM & RENEWABLES

- / Strong result in OEM & Renewables with a double-digit organic growth.
- / Overall good performances across all applications, in particular in Mining and Infrastructure

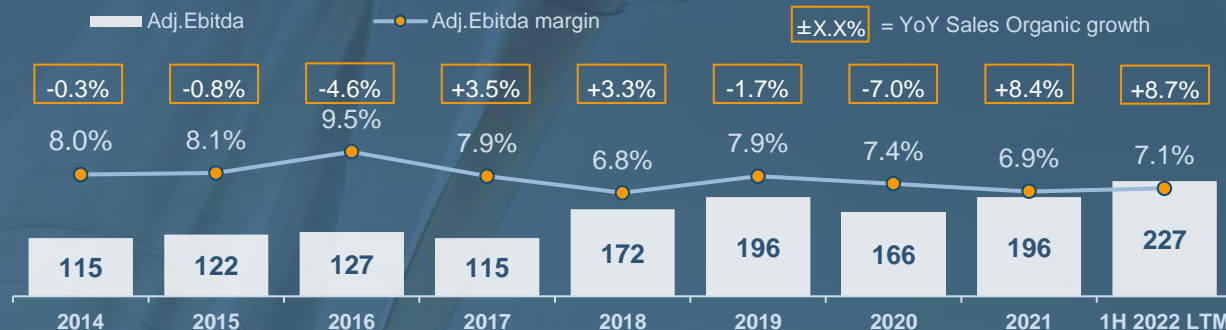
ELEVATOR

- / Overall stable results, with positive performance in Americas partially offset by APAC (China)

AUTOMOTIVE

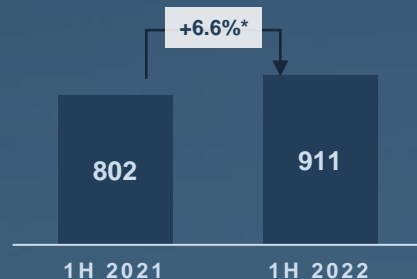
- / Recovery in Q2 with a positive organic growth across regions, except in APAC

ADJ.EBITDA AND % SALES



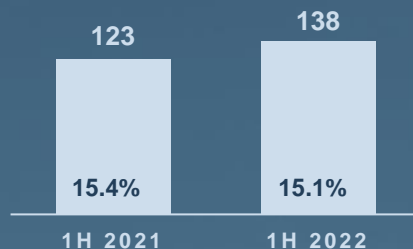
Telecom Euro Millions, % on Sales

SALES



* Org. Growth.

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

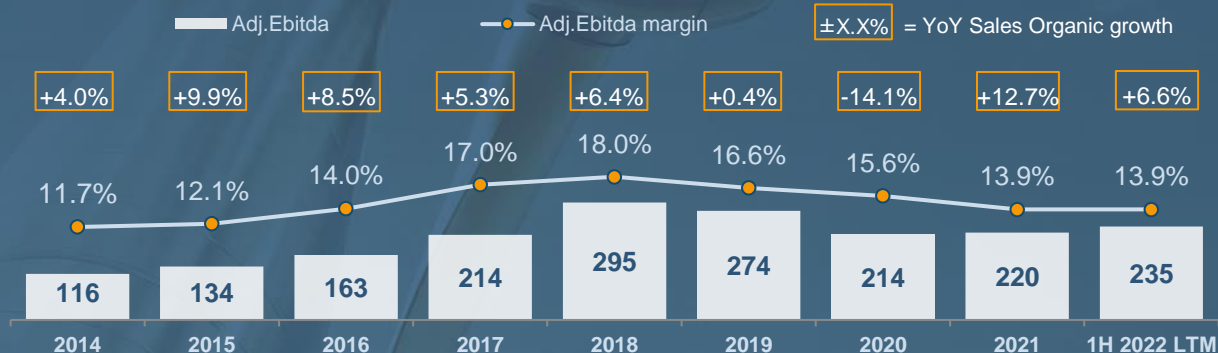
OPTICAL CABLE & FIBRE

- / Solid growth continued in Optical in particular in North America
- / New partnership with Telstra in Australia
- / Further capacity expansion in North America

MMS

- / Positive trend continued in Q2

ADJ.EBITDA AND % SALES



Financial Highlights Euro Millions

	Sales			Adj.EBITDA			
	1H 2022		1H 2021	1H 2022		1H 2021	
	€M	organic growth	€M	€M	Adj.EBITDA Margin	€M	Adj.EBITDA Margin
PROJECTS	922	28.4%	681	87	9.4%	76	11.1%
Energy & Infrastructure	4,194	16.5%	3,048	344	8.2%	169	5.5%
Industrial & Network Components	1,714	8.7%	1,349	130	7.6%	99	7.3%
Other	208	0.0%	154	-		3	2.0%
ENERGY	6,116	13.6%	4,551	474	7.8%	271	6.0%
TELECOM	911	6.6%	802	138	15.1%	123	15.4%
Total Group	7,949	14.3%	6,034	699	8.8%	470	7.8%

Profit and Loss Statement Euro Millions

	1H 2022	1H 2021
SALES	7,949	6,034
<i>YoY total growth</i>	31.7%	
<i>YoY organic growth</i>	14.3%	
Adj.EBITDA	699	470
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<i>of which share of net income</i>	16	9
Adjustments	(34)	(26)
EBITDA	665	444
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NET INCOME	261	164
Minorities	2	2
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Adjustments and non monetary items on EBIT

	1H 2022	1H 2021
Non-recurring Items	(12)	(2)
Restructuring	(5)	(9)
Other Non-operating Income / (Expenses)	(17)	(15)
EBITDA adjustments	(34)	(26)
Non monetary items	(64)	(8)
Gain/(loss) on derivatives on commodities	(27)	16
Assets impairment	(1)	(6)
Share-based compensation	(36)	(18)
EBIT adjustments	(98)	(34)

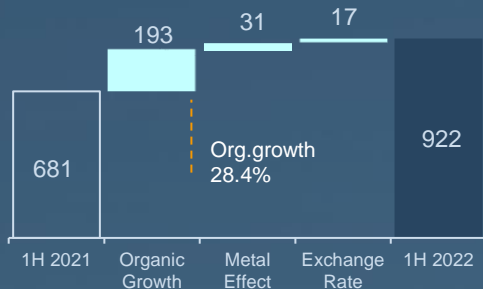
Cash Flow Statement

Euro Millions

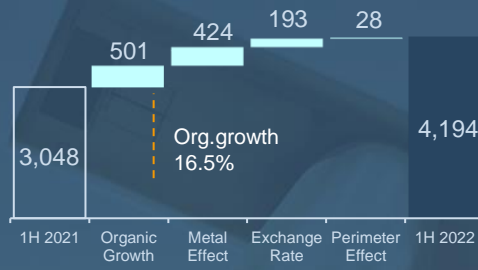
	30 Jun 2022	30 Jun 2021	12 Months (from 1/7/2021 to 30/6/2022)
Adj.EBITDA	699	470	1,205
Adjustments	(34)	(26)	(57)
EBITDA	665	444	1,148
Net Change in provisions & others	(22)	(27)	22
Share of income from investments in op.activities	(16)	(9)	(34)
Cash flow from operations (before WC changes)	627	408	1,136
Working Capital changes	(851)	(516)	(363)
Dividends received	2	3	7
Paid Income Taxes	(87)	(47)	(160)
Cash flow from operations	(309)	(152)	620
Acquisitions/Disposals	(4)	(78)	(19)
Net Operative CAPEX	(118)	(71)	(322)
Free Cash Flow (unlevered)	(431)	(301)	279
Financial charges	(42)	(54)	(67)
Free Cash Flow (levered)	(473)	(355)	212
<i>Free Cash Flow (levered) excl. Acquisitions & Disposals</i>	<i>(469)</i>	<i>(277)</i>	<i>231</i>
Dividends	(143)	(126)	(151)
Capital increase, Shares buy-back & other equity movements	-	-	1
Net Cash Flow	(616)	(481)	62
Net Financial Debt beginning of the period	(1,760)	(1,986)	(2,387)
Net cash flow	(616)	(481)	62
Equity component of Convertible Bond 2021	-	49	-
Partial Redemption of the 2017 Convertible Bond	-	(13)	-
Net Financial Debt from acquisition & disposals	-	9	(1)
NFD increase due to IFRS16	(23)	(15)	(71)
Other variations	69	50	67
Net Financial Debt end of the period	(2,330)	(2,387)	(2,330)

Bridge Consolidation Sales Euro Millions

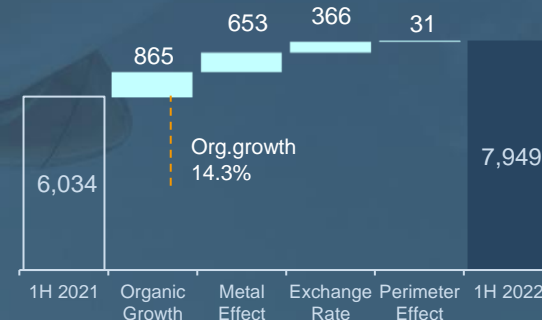
PROJECTS



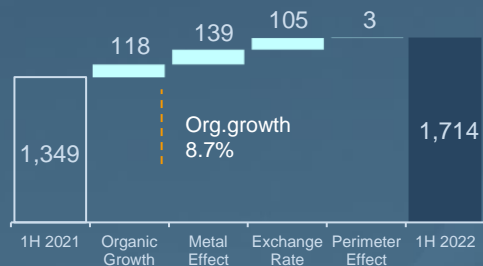
ENERGY & INFRASTRUCTURE



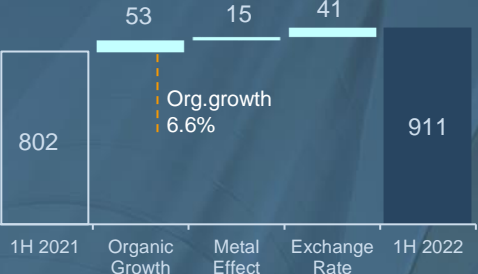
TOTAL CONSOLIDATED



INDUSTRIAL & NETWORK COMP.



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Notes

- 1) Adjusted excluding restructuring, non-operating income/expenses and non-recurring income / expenses;
- 2) Defined as NWC excluding derivatives; % on annualized last quarter sales;
- 3) Current financial debt maturity profile (Excluding debt held by local affiliates and debt coming from IFRS 16 (253 €M and 204 €M respectively) at 30.06.2022):
 - 2023: UNICREDIT TL (200 €M)
 - 2024: CDP 2019 (100 €M); INTESA TL (150 €M); MEDIOBANCA TL (100 €M); EIB 2017 (110 €M)
 - 2025: CDP 2021 (75 €M)
 - 2029: EIB 2022 (135 €M)

Disclaimer

- The managers responsible for preparing the company's financial reports, A.Brunetti and S.Invernici, declare, pursuant to paragraph 2 of Article 154-bis of the Consolidated Financial Act, that the accounting information contained in this presentation corresponds to the results documented in the books, accounting and other records of the company.
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- In addition to the standard financial reporting formats and indicators required under IFRS, this document contains a number of reclassified tables and alternative performance indicators. The purpose is to help users better evaluate the Group's economic and financial performance. However, these tables and indicators should not be treated as a substitute for the standard ones required by IFRS.

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Thank you

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