

1Q 2022 Financial Results

Milan - May 12th, 2022

Prysmian
Group

Linking
the Future

1Q 2022 Highlights

Group Overview
Outlook

Financial Results

Appendix



1Q 2022 Key Highlights

RESILIENCE AND SELECTIVE GROWTH: THE STRONGEST Q1 EVER

Excellent start of the year, with results further confirming the relevance of a well-balanced business portfolio and geographical footprint

ROBUST START OF THE YEAR DRIVEN BY ENERGY AND TELECOM

- Excellent performance of Energy, especially E&I and Renewables
- Solid performance in Telecom in all our key regions
- Efficient operations, selective growth, service level and price management more than offsetting costs inflation

SOLID PROJECTS PIPELINE AND NEW ORDERS

- Neuconnect interconnection (~ 1.2 €Bn)
- Project Lightning in the Middle East (~ 220 €M)

+ 11.4%

Org. Growth (ex Projects)

288 €M

Adj. Ebitda

> 1.4 €Bn

New orders in Projects

1Q 2022 Financial Highlights

SALES

ADJ. EBITDA

FREE CASH FLOW

SALES

ORGANIC GROWTH*

ADJ. EBITDA

ADJ. EBITDA MARGIN

FCF**

NET DEBT

3,677 €M

11.4%

288 €M

7.8%

86 €M

2,380 €M

SOLID ORGANIC GROWTH

- +14.7% E&I, with sound trends across regions
- +7.9% Industrial & NWC, with excellent performance in OEM & Renewables
- +7.4% Telecom, driven by double digit growth in Optical
- +13.6% total org growth (inc. Projects)

MARGINS IMPROVEMENT

- +75 €M Adj. Ebitda increase vs 213 €M in 1Q 2021
- Adj. Ebitda margins at 8.7% at 1Q 2021 metal price vs 7.6% in 1Q 2021
- 15 €M positive forex impact vs. 2021

FREE CASH FLOW

- Impact from raw material price and inventory built to manage supply chain distress
- Operative net working capital on annualized sales at 8.8% (vs. 8.0% in March 2021)

Sound growth across businesses and regions

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

Org growth by Geography

Organic growth by Business

1Q22 Group org. growth
(ex-Projects)

35% of total
Group

48% of total
Group

9% of total
Group

8% of total
Group

10.0%

14.1%

14.7%

7.9%

7.4%

11.4%

NORTH
AMERICA

EMEA

E&I

INDUSTRIAL
& NWC

TELECOM

LATIN
AMERICA

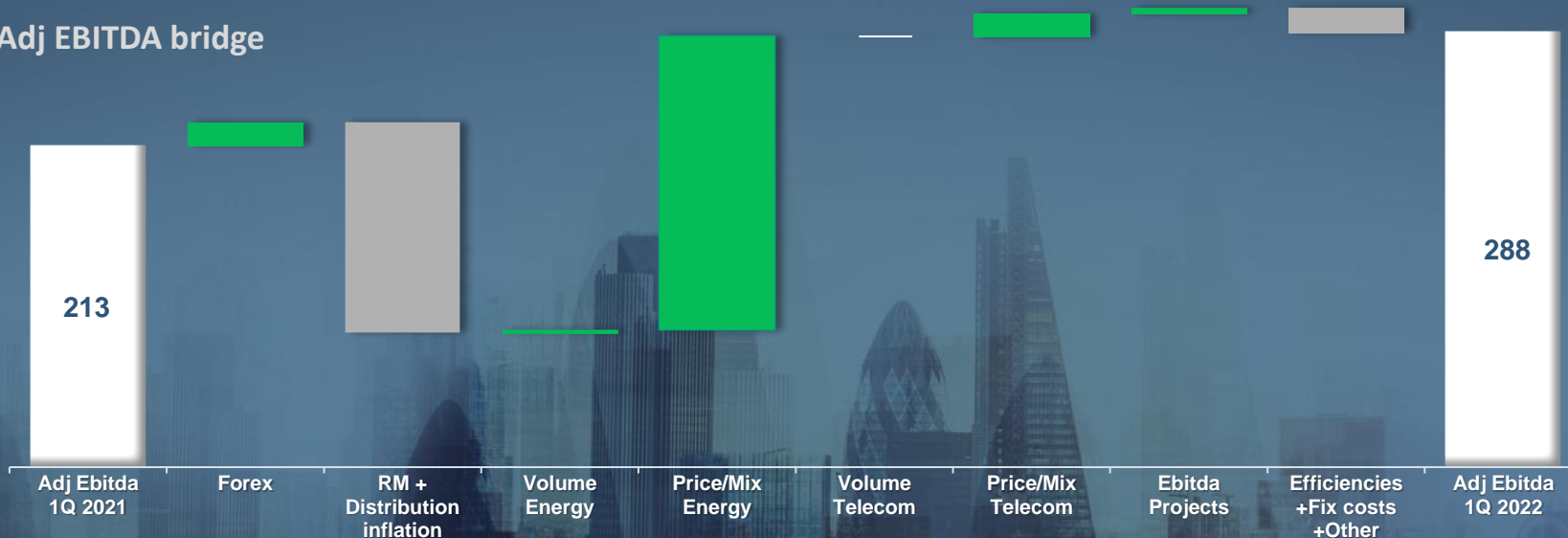
ASIA
PACIFIC

Prysmian
Group

Proactive management and balanced portfolio spurring results

Selective growth by business and geography

Adj EBITDA bridge



- Efficient supply chain, focus on customer centricity and price management allowed to more than offset costs inflation
- Geographical and business mix together with proactive management supporting results

Solid projects wins and firm backlog

Approx. 8 €Bn/year of market value expected in the next decade, with Europe to lead the market

NEW ORDERS

2022 NEW ORDER: >1.4 € BILLION

List of main projects awarded in 2022

- Neuconnect interconnection (~ 1.2 €Bn)
- Project Lightning in the Middle East (~ 220 €M)

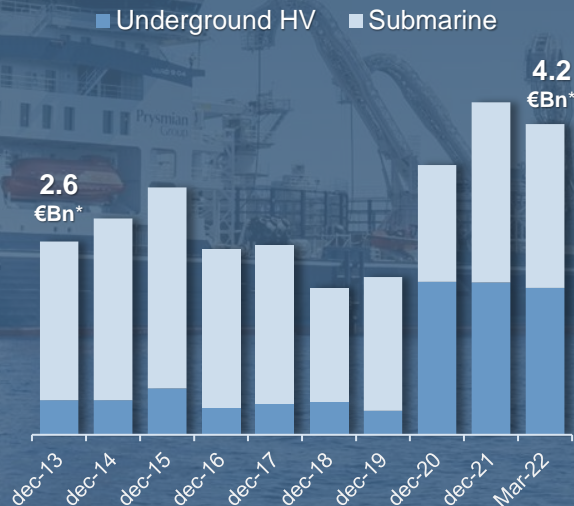
~ 5 €Bn

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

BACKLOG

ONLY FIRM ORDERS IN THE BACKLOG

Included only projects with Notice to Proceed



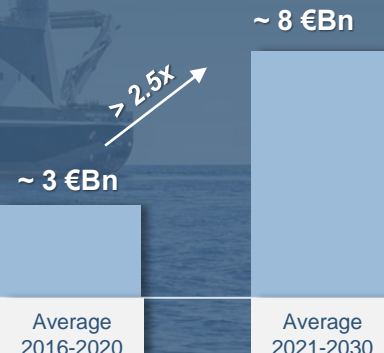
MARKET

ROBUST MARKET GROWTH

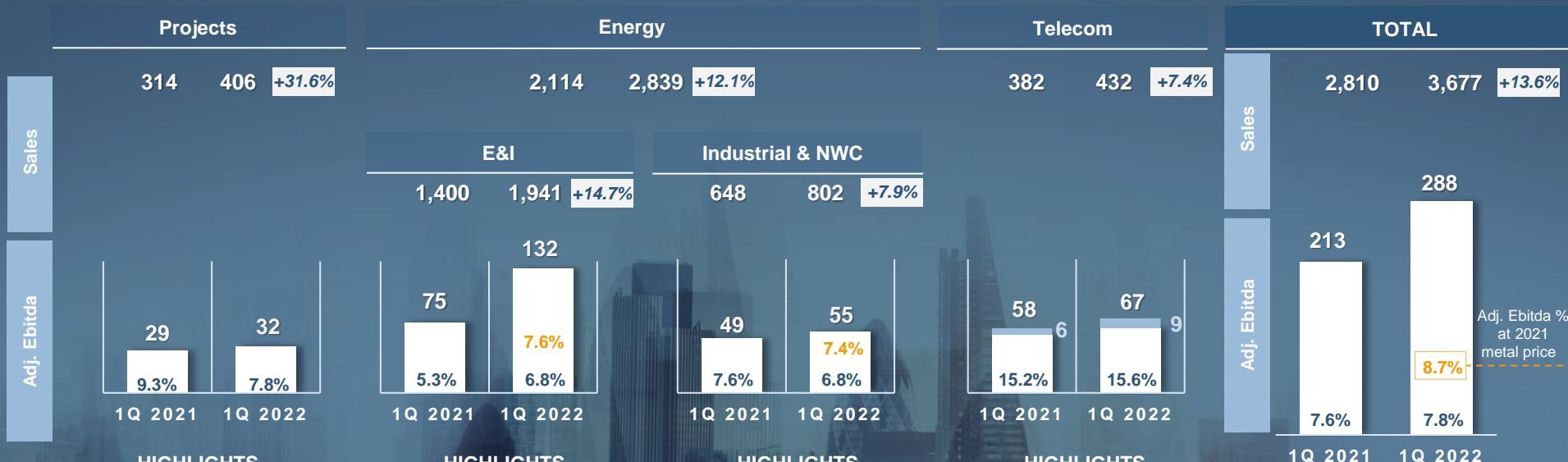
Approx. 8 €Bn Orders/year expected

Prysmian market share
~ 35%

Committed to maintain our market share



Sound performance in Energy and Telecom



HIGHLIGHTS

- Installation activities/ phasing, especially in UHV and extra costs to be recovered later in the year affecting margins
- Cost one-off in sub Telco shadowing segment performance
- Projects contribution mainly concentrated in H2

HIGHLIGHTS

- Excellent performance in T&I
- Solid demand and price management drives margins improvement

HIGHLIGHTS

- OEM & Renewables main drivers of growth

HIGHLIGHTS

- Solid growth and margins improvement in Optical in particular in North America
- New partnership with Telstra in Australia
- Further capacity expansion in North America (optical)

1Q 2022 organic growth

Share of net income

x% Adj. Ebitda % at 2021 metal price

A global recovery: the value of a wide geographical presence

Data excluding Projects



- HIGHLIGHTS
- Solid results led by T&I and Optical
 - Strong growth in OEM & Renewables in the Industrial segment

- HIGHLIGHTS
- Strong results across main businesses, as a result of leading position in the region
 - Excellent performance in T&I and Telecom
 - 11 €M positive Forex impact

- HIGHLIGHTS
- Solid growth in Renewables, partially offset by Telecom
 - Adj. Ebitda improvement driven by T&I and Renewables

- HIGHLIGHTS
- Positive results mainly driven by Telecom
 - Impacts from lockdown in China

Value4All Plan

A new stock grant plan for Prysmian employees



Value4All Plan

- Share the value creation with a broader Prysmian Group workforce (~25,000)
- Enhance the employee share ownership (today around 35%), to foster people loyalty and engagement
- Align shareholders and employees perspectives
- Strengthen our workers variable remuneration, but based on equity

ACCELERATING TOWARDS OUR LONG-TERM ENGAGEMENT AMBITION: 50% OF EMPLOYEES SHAREHOLDERS BY 2030

1Q 2022 Highlights

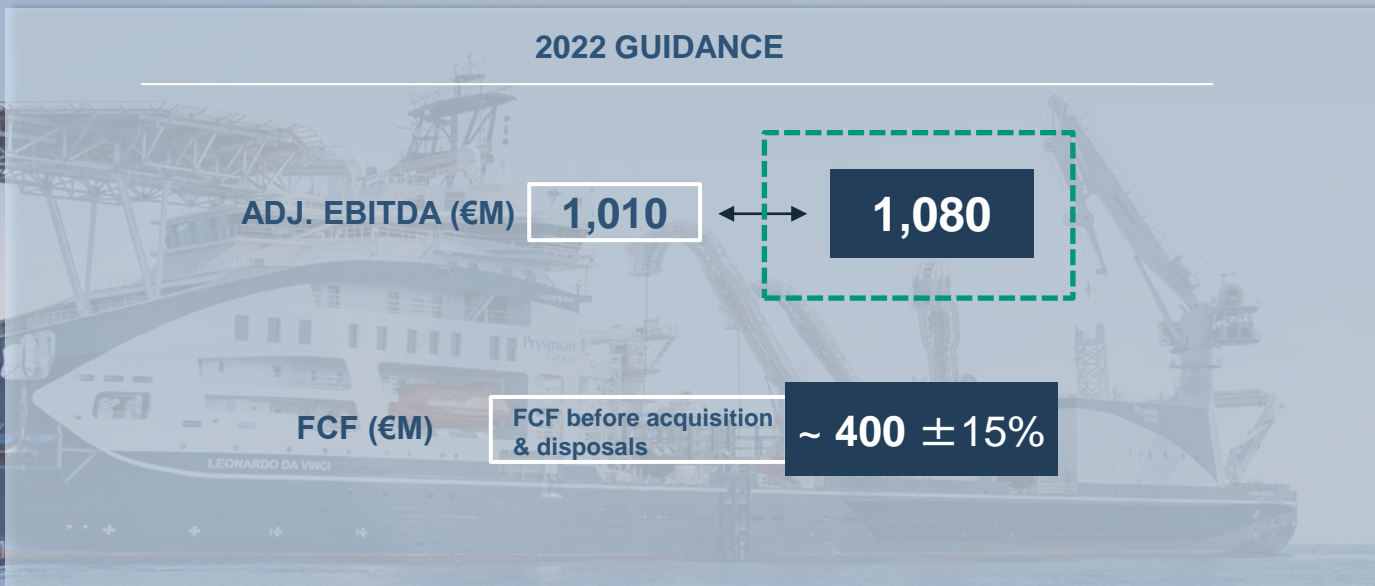
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Outlook

Financial Results

Appendix



Promising outlook: Hinting at upper range of Adj EBITDA



Assuming no relevant Covid disruption on current trend, no further deterioration of geopolitical crisis related to Ukraine and no extreme price movement of raw materials. Assumed no cash-out related to Antitrust rulings and claims; 1.15 Eur/USD exchange rate assumed

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Group Overview
Outlook

Financial Results

Appendix



Profit and Loss Statement Euro Millions



	1Q 2022	1Q 2021
SALES	3,677	2,810
<i>YoY total growth</i>	30.9%	
<i>YoY organic growth</i>	13.6%	
Adj. EBITDA	288	213
<i>% on sales</i>	7.8%	7.6%
<i>of which share of net income</i>	11	6
Adjustments	(3)	(14)
EBITDA	285	199
<i>% on sales</i>	7.8%	7.1%
Adj. EBIT	201	135
<i>% on sales</i>	5.5%	4.8%
Adjustments	(3)	(14)
Non monetary items	11	2
EBIT	209	123
<i>% on sales</i>	5.7%	4.4%
Financial charges	(25)	(13)
EBT	184	110
Taxes	(57)	(32)
<i>% on EBT</i>	31.0%	29.1%
NET INCOME	127	78
Minorities	1	2
GROUP NET INCOME	126	76
<i>% on sales</i>	3.4%	2.7%

Adj. EBITDA Bridge

	Q1
ADJ. EBITDA 2021	213
Projects	3
Energy	63
Telecom (ex-share of net income)	6
share of net income	3
ADJ. EBITDA 2022	288
of which Forex effect	15

Financial Charges ⁽³⁾

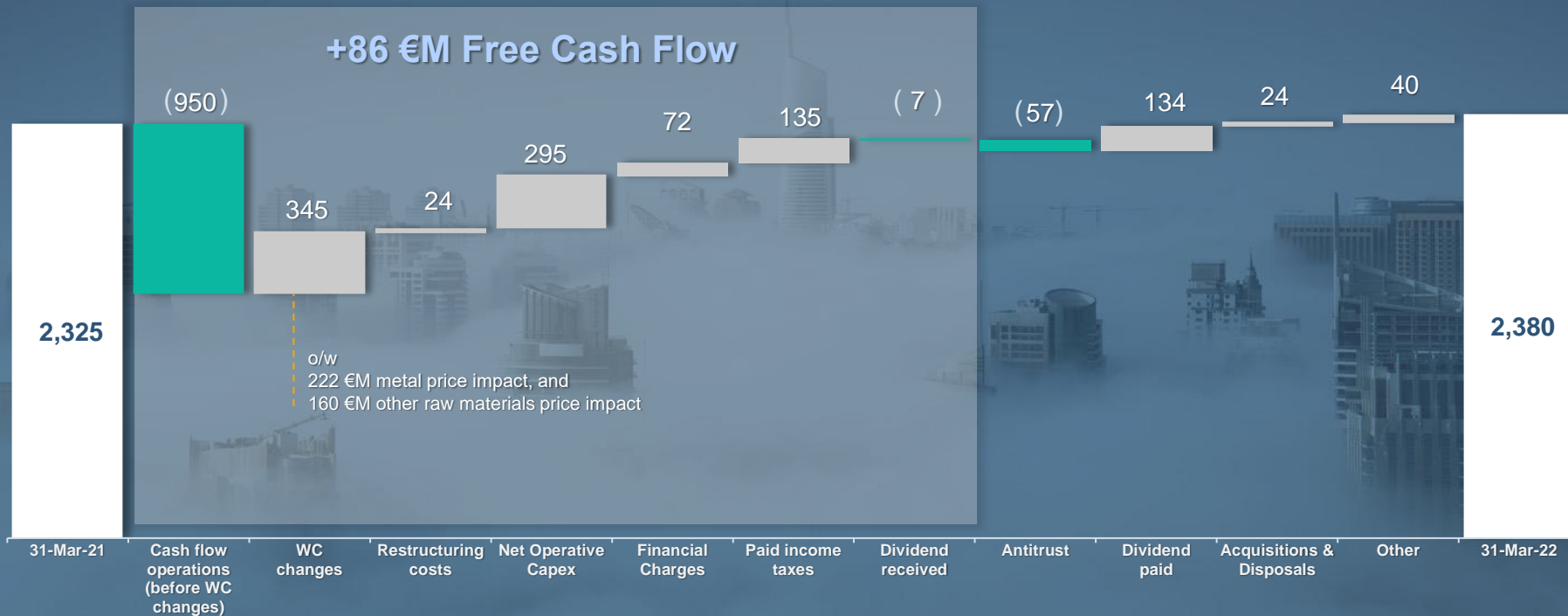
	1Q 2022	1Q 2021
Net interest expenses	(22)	(21)
of which non-cash conv.bond interest exp.	(2)	(3)
Financial costs IFRS 16	(1)	(1)
Bank fees amortization	-	(1)
Gain/(loss) on exchange rates and derivatives	-	(3)
Non recurring and other effects	(2)	13
Net financial charges	(25)	(13)

Statement of financial position (Balance Sheet) Euro Millions

	31 Mar 2022	31 Mar 2021	31 Dec 2021
Net fixed assets	5,367	5,110	5,304
of which: goodwill	1,664	1,607	1,643
Net working capital	1,516	1,071	650
of which: derivatives assets/(liabilities)	229	171	174
of which: Operative Net working capital	1,287	900	476
Provisions & deferred taxes	(678)	(597)	(659)
Net Capital Employed	6,205	5,584	5,295
Employee provisions	444	511	446
Shareholders' equity	3,381	2,748	3,089
of which: attributable to minority interest	171	171	174
Net financial debt	2,380	2,325	1,760
Total Financing and Equity	6,205	5,584	5,295

Cash Flow

NET DEBT EVOLUTION



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Group Overview
Outlook

Financial Results

Appendix



Supporting Ukraine: Prysmian's Aid to Refugees



- *While we don't have business activity and employees in Ukraine, we are donating more than €500,000 to support those who are suffering and far from home.*
- *Providing among others emergency reception at the border, medical assistance, food and shelter.*
- *The donation are spread across five charitable organizations.*



PRYSMIAN HAS NO BUSINESS ACTIVITY IN UKRAINE

German Corridors

P-Laser 525kV HVDC Technology

160 kms produced



140 kms FAT



120 kms in Germany

SOLID EXECUTION and SuedOstLink Production ON TRACK

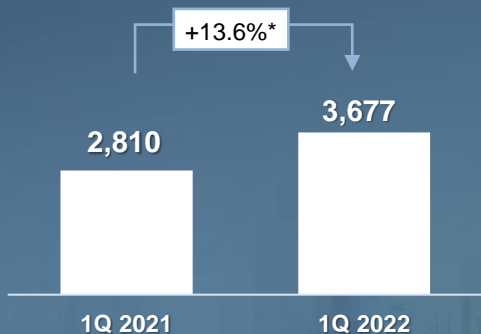
HVDC Innovation Leadership



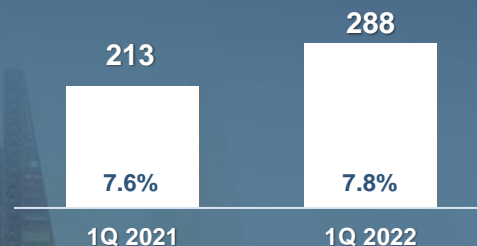
- Prysmian has completed all **PREQUALIFICATIONS** and **TYPE TESTS ON SCHEDULE** for both **P-Laser** and **XLPE 525kV HVDC Systems**
- State of the Art High Voltage Electrical Labs set up in **LIVORNO, GRON** and **MONTEREAU**
- World's first **TRANSIENT OVER VOLTAGE (TOV)** test on a **525kV DC Cable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

1Q 2022 Financial highlights Euro Millions, % on Sales

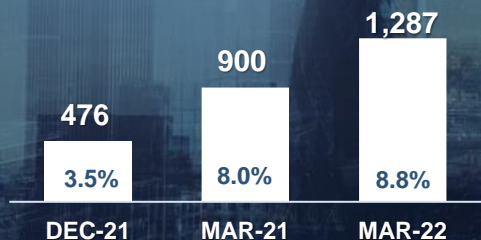
SALES



ADJUSTED EBITDA ⁽¹⁾



OPERATIVE NET WORKING CAPITAL ⁽²⁾



NET FINANCIAL DEBT



Profit and Loss Statement Euro Millions

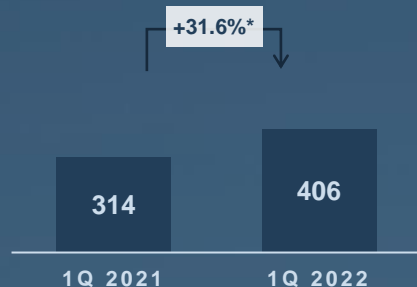
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Adjustments and Special Items on EBIT

	1Q 2022	1Q 2021
Non-recurring Items	(1)	(2)
Restructuring	(1)	(5)
Other Non-operating Income / (Expenses)	(1)	(7)
EBITDA adjustments	(3)	(14)
Non monetary items	11	2
Gain/(loss) on derivatives on commodities	26	10
Share-based compensation	(15)	(8)
EBIT adjustments	8	(12)

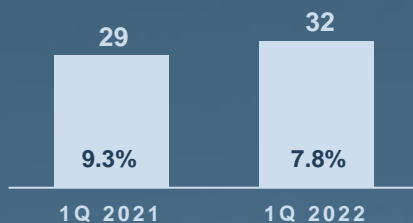
Projects Euro Millions, % on Sales

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 €1.4 billion of new orders in 1Q 2022

UNDERGROUND HIGH VOLTAGE

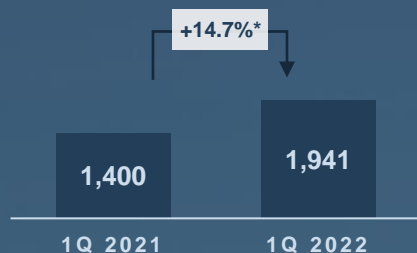
- / Cables production for German Corridors progressing on track
- / Installation activities / phasing affecting margins

ORDERS BACKLOG EVOLUTION (€M)

	DEC '13	DEC '14	DEC '15	DEC '16	DEC '17	DEC '18	DEC '19	DEC '20	DEC '21	Mar '22
Underground HV	~450	~450	~600	~350	~400	~435	~310	~1,980	~1,970	~1,900
Submarine	~2,050	~2,350	~2,600	~2,050	~2,050	~1,465	~1,730	~1,510	~2,330	~2,120
Group*	~2,560	~2,900	~3,300	~2,430	~2,480	~1,900	~2,070	~3,550	~4,440	~4,160

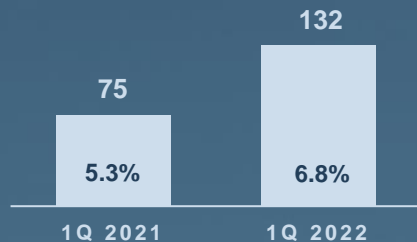
Energy & Infrastructure Euro Millions, % on Sales

SALES



* Org. Growth

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

TRADE & INSTALLERS

- / Excellent performance continued in Q1
- / Solid demand and price management drives margins improvement

POWER DISTRIBUTION

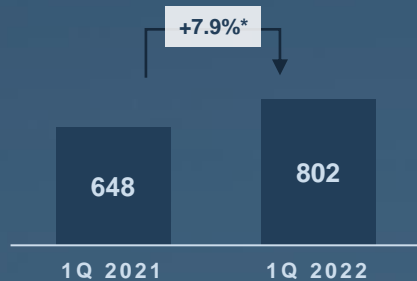
- / Double digit growth driven by North America and EMEA

ADJ.EBITDA AND % SALES



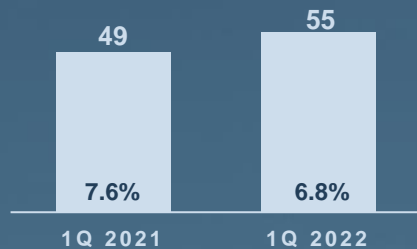
Industrial & Network Components Euro Millions, % on Sales

SALES



* Org. Growth

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

SPECIALTIES, OEM & RENEWABLES

/ Strong result in OEM & Renewables. Good performances in Mining, Infrastructure and Marine, partially offset by Railways and Defence.

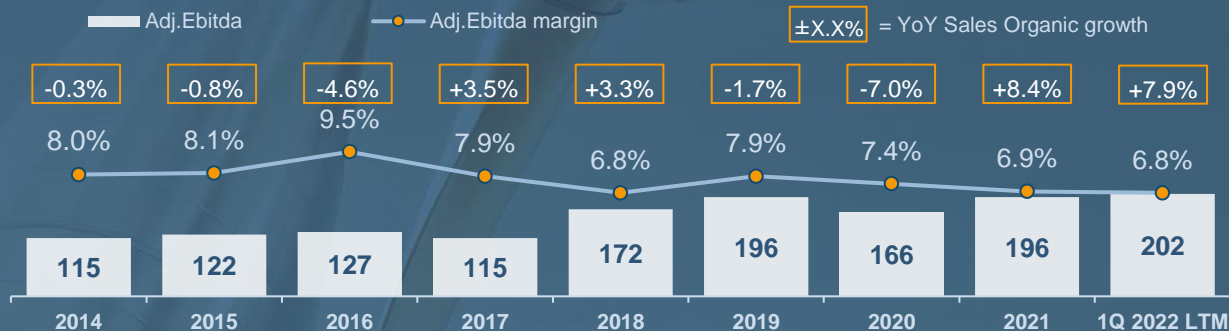
ELEVATOR

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

AUTOMOTIVE

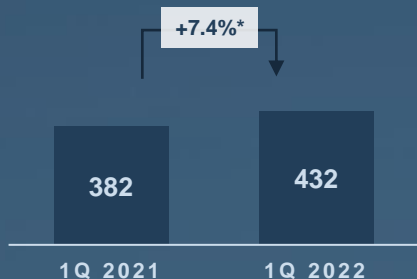
/ Negative growth in Q1 across regions, except in Latam

ADJ.EBITDA AND % SALES



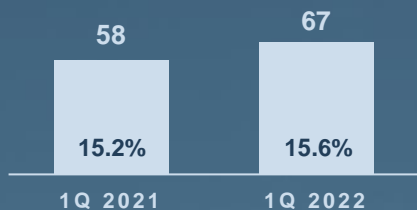
Telecom Euro Millions, % on Sales

SALES



* Org. Growth.

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

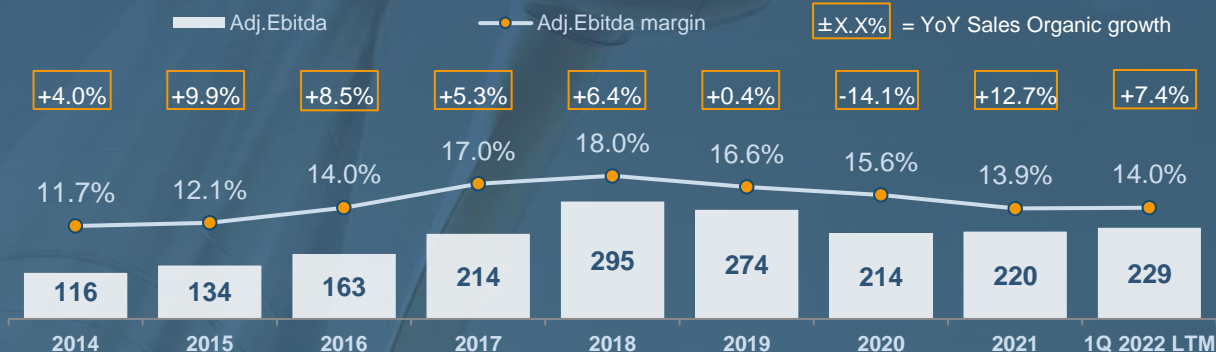
OPTICAL CABLE & FIBRE

- / Solid growth and margins improvement in particular in North America
- / New partnership with Telstra in Australia
- / Further capacity expansion in North America

MMS

- / Solid organic growth confirmed in Q1

ADJ.EBITDA AND % SALES



Financial Highlights Euro Millions

	Sales			Adj.EBITDA			
	1Q 2022		1Q 2021	1Q 2022		1Q 2021	
	€M	organic growth	€M	€M	Adj.EBITDA Margin	€M	Adj.EBITDA Margin
PROJECTS	406	31.6%	314	32	7.8%	29	9.3%
Energy & Infrastructure	1,941	14.7%	1,400	132	6.8%	75	5.3%
Industrial & Network Components	802	7.9%	648	55	6.8%	49	7.6%
Other	96	0.0%	66	2	2.5%	2	3.1%
ENERGY	2,839	12.1%	2,114	189	6.7%	126	6.0%
TELECOM	432	7.4%	382	67	15.6%	58	15.2%
Total Group	3,677	13.6%	2,810	288	7.8%	213	7.6%

Cash Flow Statement Euro Millions

	31 Mar 2022	31 Mar 2021	12 Months (from 1/4/2021 to 31/3/2022)
Adj.EBITDA	288	213	1,051
Adjustments	(3)	(14)	(38)
EBITDA	285	199	1,013
Net Change in provisions & others	(25)	(10)	2
Share of income from investments in op.activities	(11)	(6)	(32)
Cash flow from operations (before WC changes)	249	183	983
Working Capital changes	(794)	(477)	(345)
Dividends received	2	3	7
Paid Income Taxes	(25)	(10)	(135)
Cash flow from operations	(568)	(301)	510
Acquisitions/Disposals	(4)	(73)	(24)
Net Operative CAPEX	(49)	(29)	(295)
Free Cash Flow (unlevered)	(621)	(403)	191
Financial charges	(6)	(13)	(72)
Free Cash Flow (levered)	(627)	(416)	119
<i>Free Cash Flow (levered) excl. Acquisitions & Disposals</i>	<i>(623)</i>	<i>(343)</i>	<i>143</i>
Dividends	-	-	(134)
Capital increase, Shares buy-back & other equity movements	-	-	1
Net Cash Flow	(627)	(416)	(14)
Net Financial Debt beginning of the period	(1,760)	(1,986)	(2,325)
Net cash flow	(627)	(416)	(14)
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	(18)	(5)	(76)
Other variations	25	37	36
Net Financial Debt end of the period	(2,380)	(2,325)	(2,380)

Prysmian Group Liquidity and Debt Profile

COMFORTABLE LIQUIDITY POSITION:

- Average debt maturity of 2.6 years
- 1,0 €Bn of committed Revolving Credit Facility fully unutilized as of 31st March 2022
- Approx. 1,0 €Bn cash on balance as of 31st March 2022

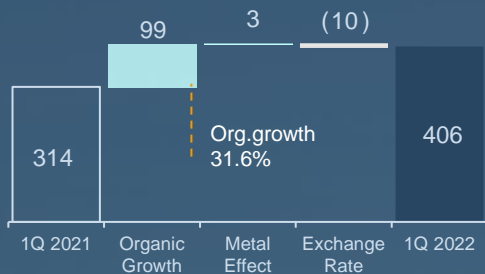
CURRENT FINANCIAL DEBT MATURITY PROFILE(*)



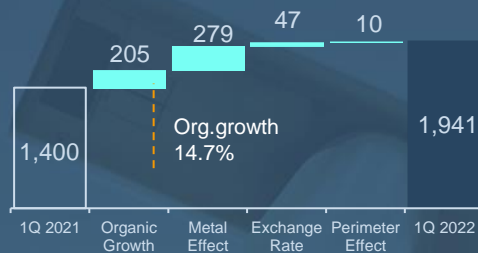
(*) - Excluding debt held by local affiliates and debt coming from IFRS 16 (142 €M and 210 €M respectively) at 31.03.2022;
 - 750 €M Eurobond repaid at maturity on 11 April 2022

Bridge Consolidation Sales Euro Millions

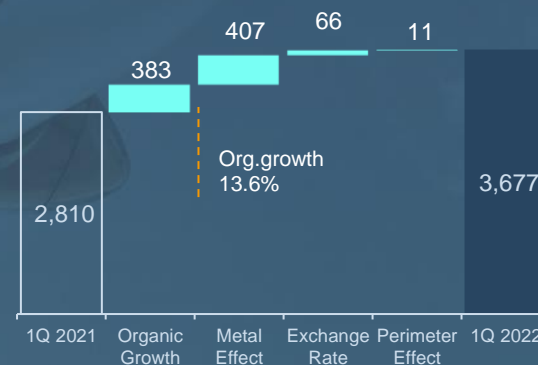
PROJECTS



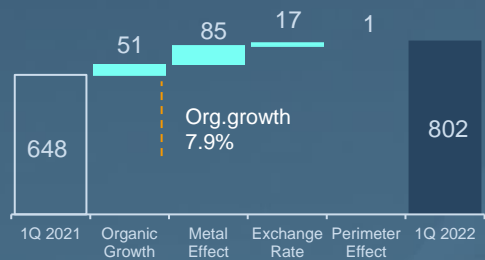
ENERGY & INFRASTRUCTURE



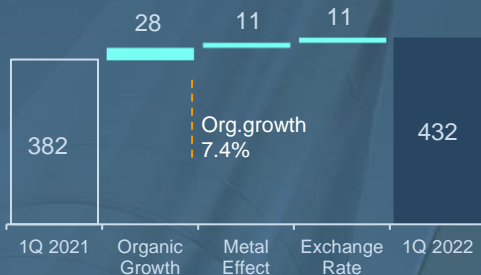
TOTAL CONSOLIDATED



INDUSTRIAL & NETWORK COMP.



TELECOM



- 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) 1Q 2021 financial charges has been reclassified for a better representation

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.
- Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. The Company's businesses include its Projects, Energy and Telecom Operating Segments, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting these businesses.
- Any estimates or forward-looking statements contained in this document are referred to the current date and, therefore, any of the assumptions underlying this document or any of the circumstances or data mentioned in this document may change. Prysmian S.p.A. expressly disclaims and does not assume any liability in connection with any inaccuracies in any of these estimates or forward-looking statements or in connection with any use by any third party of such estimates or forward-looking statements. This document does not represent investment advice or a recommendation for the purchase or sale of financial products and/or of any kind of financial services. Finally, this document does not represent an investment solicitation in Italy, pursuant to Section 1, letter (t) of Legislative Decree no. 58 of February 24, 1998, or in any other country or state.
- 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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Group

Linking
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Thank you

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