



Prysmian
Group

Linking
the Future



9M 2022 Financial Results

November 10th, 2022

Milan

Key Highlights

STRONGEST QUARTER EVER

- Remarkable performance continued in Q3 (10.4% Adj. Ebitda Margin), with sound contribution from all businesses
- Results driven by exposure to secular trends, customers service and efficient and flexible operations

OUTSTANDING RESULTS ACROSS SEGMENTS

- Excellent performance in Energy, especially E&I and OEM & Renewables
- Solid performance in Telecom driven by North America
- Projects progressing in line with expectations (62 €M Adj Ebitda vs. 48 €M in Q3 2021)

RECORD BACKLOG AND SOLID ORDER INTAKE

- All time record backlog at 6.85 €Bn. €3.2 billion of order intake YTD

432 €M

Adj. Ebitda in Q3

+ 16.2%

Q3 Org. Growth

~ 6.85 €BN

Backlog at sept. 2022

9M 2022 Financial Highlights

SALES

SALES	ORGANIC GROWTH
12,089 €M	15.0%

ADJ. EBITDA

ADJ. EBITDA	ADJ. EBITDA MARGIN
1,131 €M	9.4%

FREE CASH FLOW

FCF*	NET DEBT
344 €M	2,372 €M

SOLID ORGANIC GROWTH

- 29% growth in Projects driven by Submarine
- +16.1% E&I, with PD particularly strong; +10.3% Industrial & NWC, with excellent performance in OEM & Renewables
- +9.2% Telecom, with double digit growth both in Optical (+18.2%) and MMS

MARGINS EXPANSION

- 1,131 €M Adj. Ebitda vs 725 €M in 9M 2021
- 10.4% Adj Ebitda margin in Q3: 260 bps Adj. Ebitda improvement vs 7.8% in Q3 2021
- 9M Adj. Ebitda margins at 9.8% at 2021 metal price

FREE CASH FLOW

- Sound deleverage continued: 291 €M net debt reduction vs. last year
- Approaching 1x Net debt /Adj. Ebitda ratio at year end

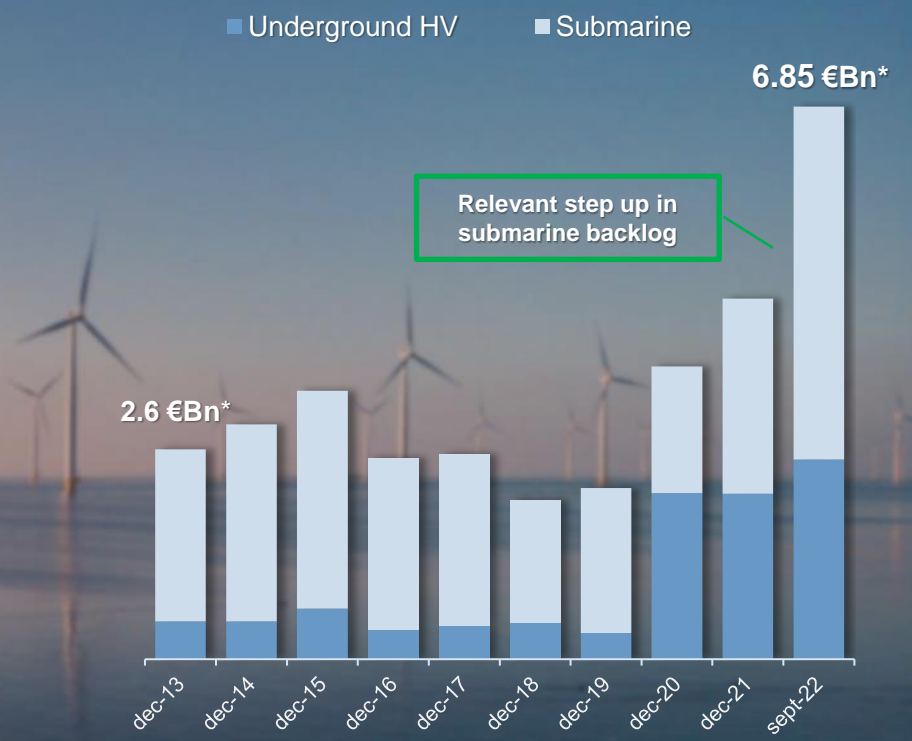
Projects: highest backlog ever at €6.85 billion

Only firm orders in the backlog

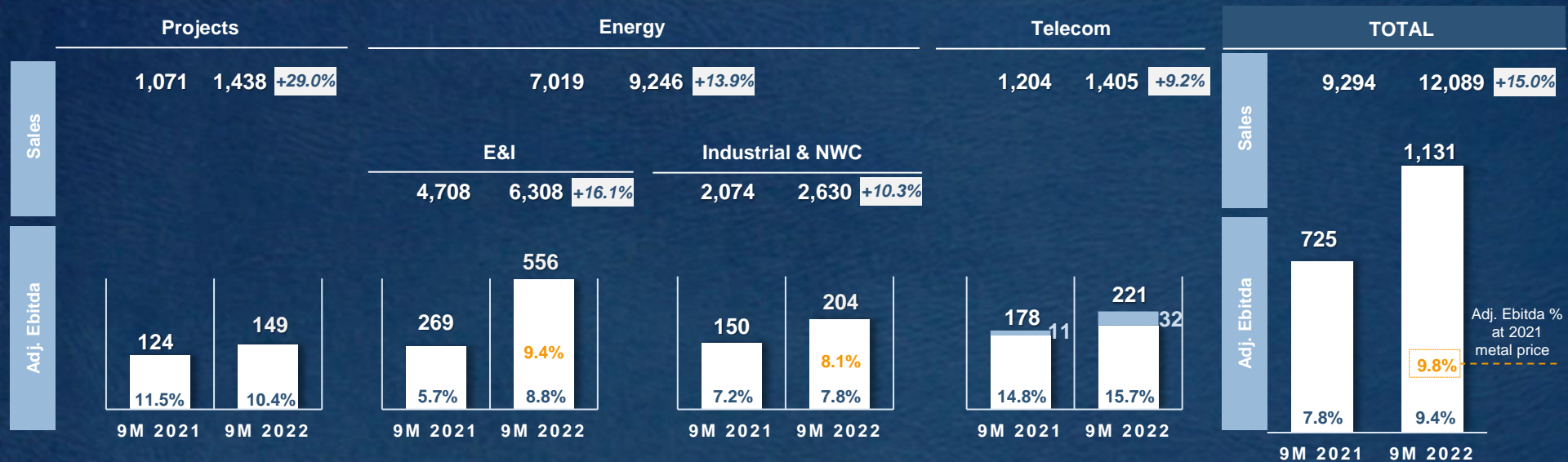
~ 6.85 €Bn **RECORD BACKLOG**
 Only firm orders included in the Backlog

~ 4.1 €Bn **LONG TERM VISIBILITY**
 projects awarded expected to be converted into backlog by 2024

- PROJECTS AWARDED IN 2022: ~ 3.2 €Bn**
- ✓ ▪ Dolwin4 & Borwin4 offshore wind farm (~ 800 €M) Awarded since August
 - ✓ ▪ Neuconnect interconnection (~ 1.2 €Bn)
 - ✓ ▪ Extension of the Suedostlink project (~ 700 €M)
 - Two submarine interconnections in Spain (~ 250 €M)
 - ✓ ▪ Project Lightning in the Middle East (~ 220 €M)



Sound performance across segments



HIGHLIGHTS

- Solid improvement mainly driven by Submarine
- Strong contribution expected in Q4
- Qualified for 525kV extruded submarine HVDC

HIGHLIGHTS

- Excellent performance driven by secular trends (grid hardening, datacenters) and nonresidential construction market
- Double digit growth in PD across all regions

HIGHLIGHTS

- Strong growth in OEM (mobility and mining) & Renewables (solar)

HIGHLIGHTS

- Solid growth continued in Optical in particular in North America
- Strong performance in MMS
- YOFC results driven by Chinese market rebound

■ 9M 2022 organic growth

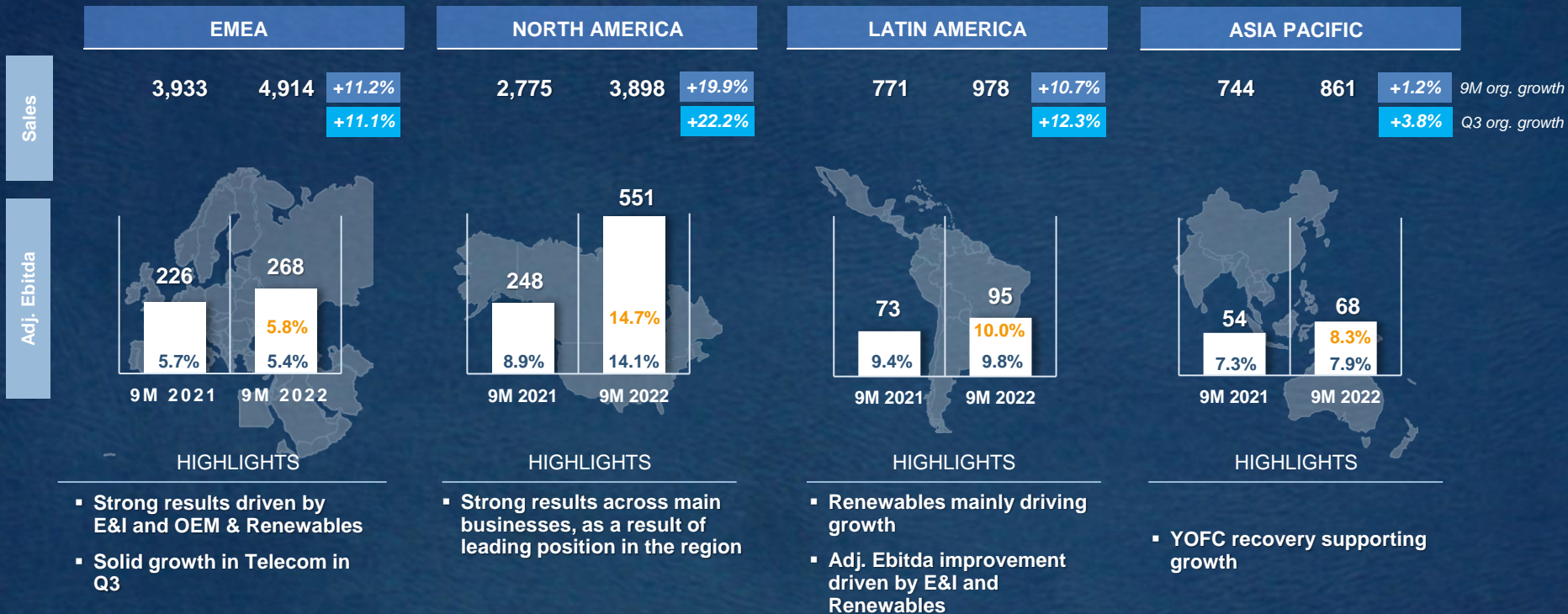
■ Share of net income

■ x% Adj. Ebitda % at 2021 metal price

Q3 organic growth acceleration across regions

The value of a wide geographical presence

Data excluding Projects Business



Upgrading 2022 outlook | Further increasing guidance

UPGRADED ADJ. EBITDA TARGET (€M)

1,425 ↔ 1,475

PREVIOUS 2022 GUIDANCE

1,300 ↔ 1,400

2021 Adj. EBITDA actual: 976 €M

UPGRADED FCF TARGET (€M)

FCF before acquisition & disposals **450 - 500**

PREVIOUS 2022 GUIDANCE

FCF before acquisition & disposals **400 - 460**

2021 FCF actual: 365 €M

9M 2022 Highlights

Group Overview
Outlook

Financial Results

Appendix

Profit and Loss Statement Euro Millions

	9M 2022	9M 2021
SALES	12,089	9,294
<i>YoY total growth</i>	30.1%	
<i>YoY organic growth</i>	15.0%	
Adj. EBITDA	1,131	725
<i>% on sales</i>	9.4%	7.8%
<i>of which share of net income</i>	36	13
Adjustments	(60)	(25)
EBITDA	1,071	700
<i>% on sales</i>	8.9%	7.5%
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Adjustments	(60)	(25)
Non monetary items	(115)	(10)
EBIT	684	448
<i>% on sales</i>	5.7%	4.8%
Financial charges	(66)	(69)
EBT	618	379
Taxes	(183)	(122)
<i>% on EBT</i>	29.6%	32.2%
NET INCOME	435	257
Minorities	4	2
GROUP NET INCOME	431	255
<i>% on sales</i>	3.6%	2.7%

Adj. EBITDA Bridge

	Q1	Q2	Q3	9M
ADJ. EBITDA 2021	213	257	255	725
Projects	3	8	14	25
Energy	63	140	135	338
Telecom (ex-share of net income)	6	4	12	22
share of net income	3	2	16	21
ADJ. EBITDA 2022	288	411	432	1,131
of which Forex effect	15	33	39	87

Financial Charges

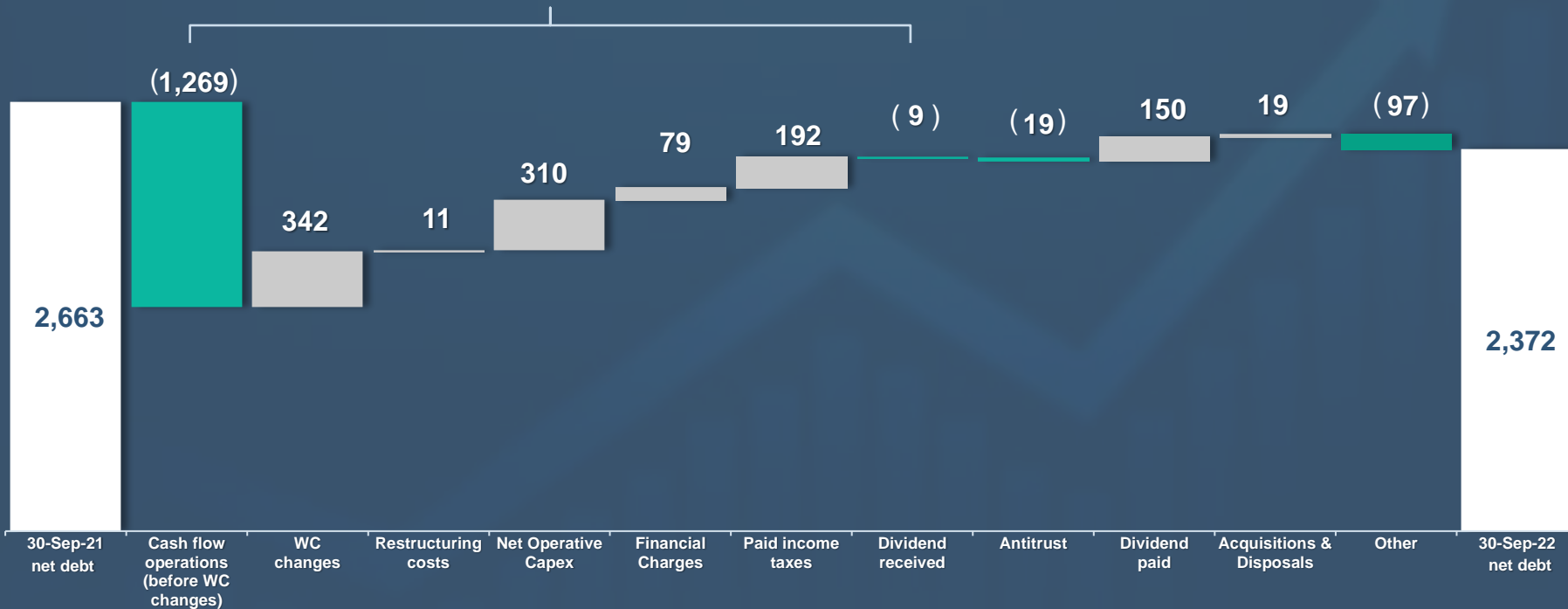
	9M 2022	9M 2021
Net interest expenses	(61)	(60)
of which non-cash conv.bond interest exp.	(7)	(10)
Financial costs IFRS 16	(4)	(4)
Bank fees amortization	(4)	(5)
Gain/(loss) on exchange rates and derivatives	3	(11)
Non recurring and other effects	-	11
Net financial charges	(66)	(69)

Statement of financial position (Balance Sheet) Euro Millions

	30 Sept 2022	30 Sept 2021	31 Dec 2021 ⁽³⁾
Net fixed assets	5,698	5,160	5,307
of which: goodwill	1,788	1,603	1,635
Net working capital	1,683	1,443	650
of which: derivatives assets/(liabilities)	(120)	156	174
of which: Operative Net working capital	1,803	1,287	476
Provisions & deferred taxes	(663)	(565)	(662)
Net Capital Employed	6,718	6,038	5,295
Employee provisions	361	484	446
Shareholders' equity	3,985	2,891	3,089
of which: attributable to minority interest	197	171	174
Net financial debt	2,372	2,663	1,760
Total Financing and Equity	6,718	6,038	5,295

Cash Flow

+344 €M Free Cash Flow



Closing Remarks

1

Outstanding performance driving
2nd FY22 guidance upgrade

2

High exposure to secular trends
sustaining results

3

Strong financial deleverage

4

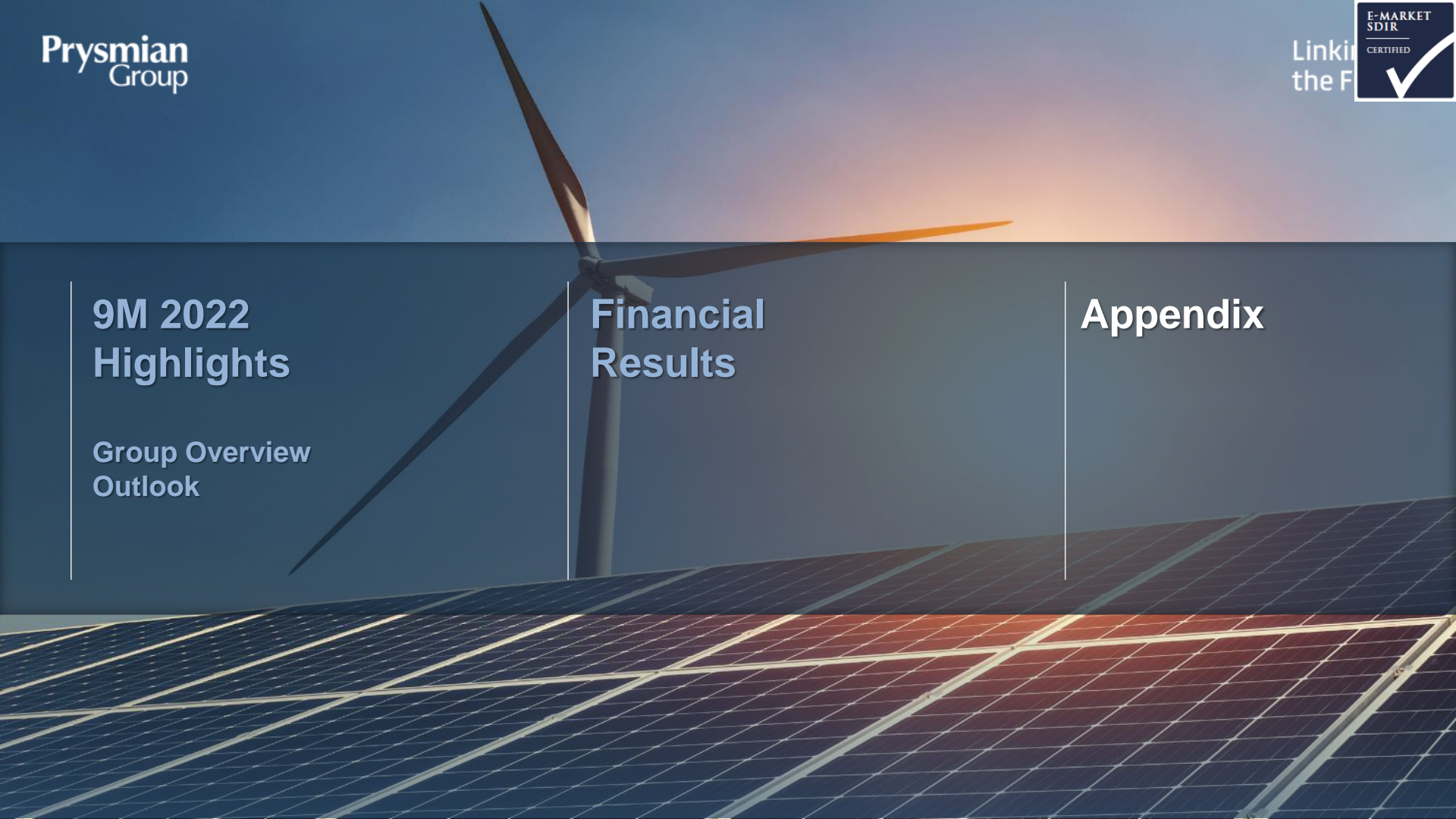
Solid order intake and
record backlog

9M 2022 Highlights

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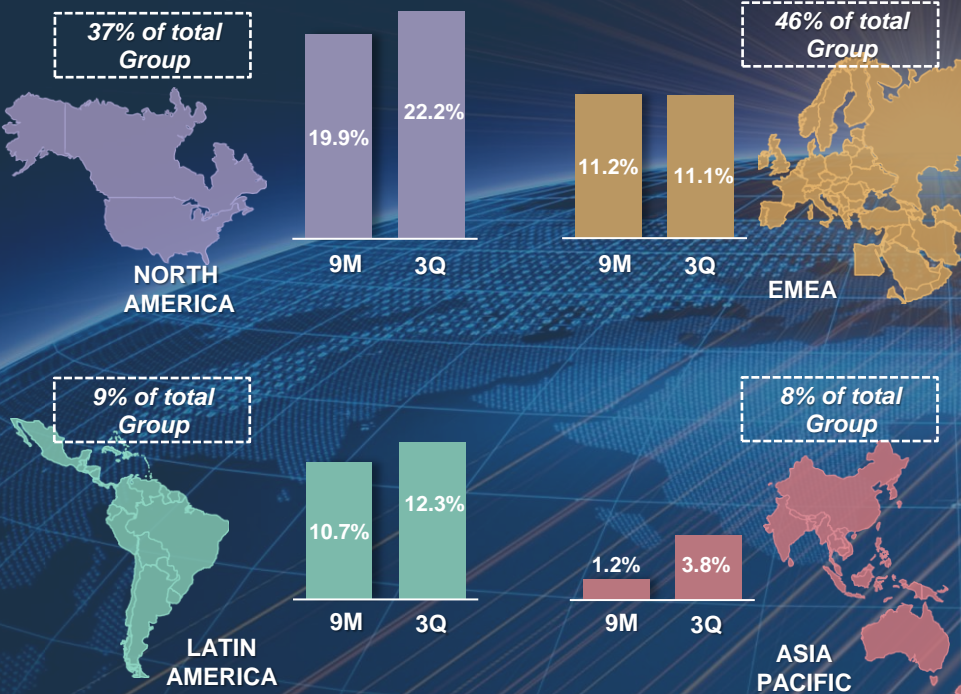
Appendix



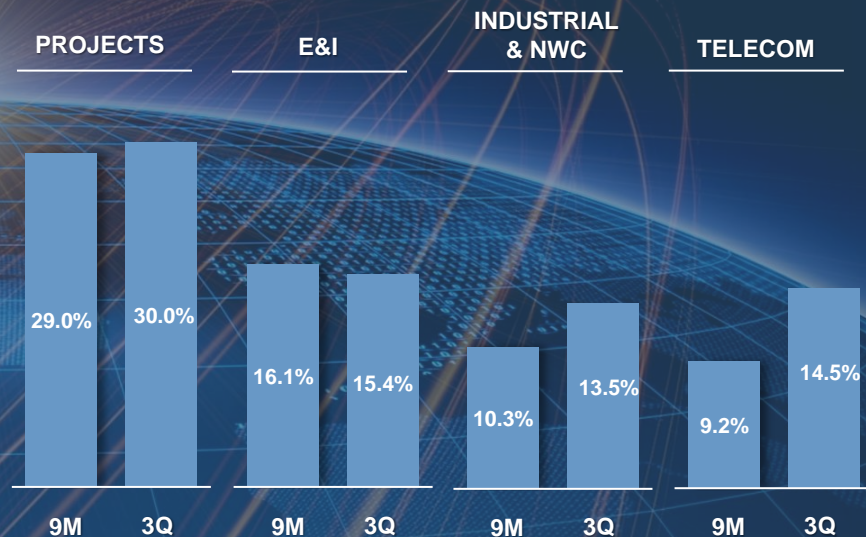
Sound growth across businesses and regions

3Q/9M 2022 y-o-y org. growth excluding Projects segment

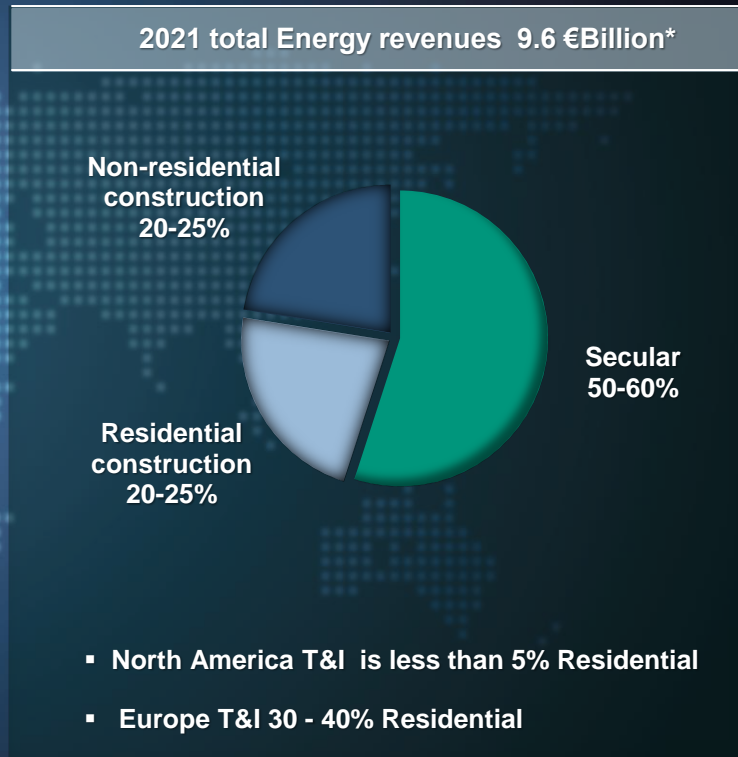
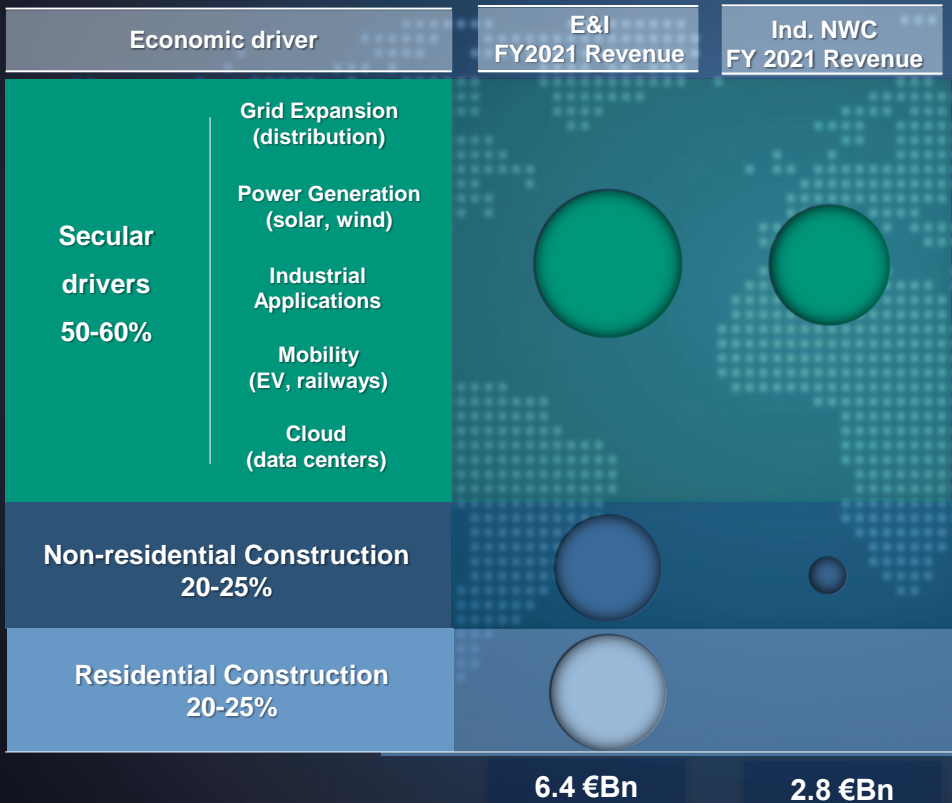
Org growth by Geography



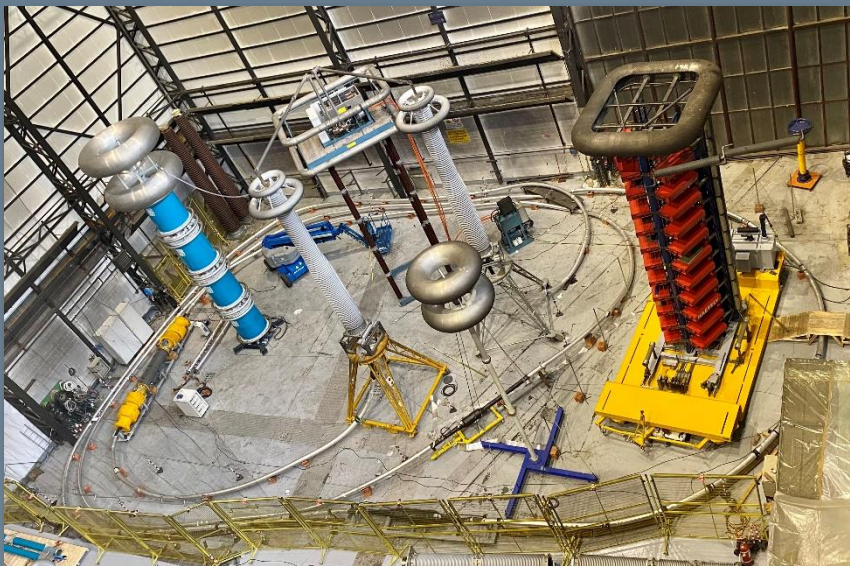
Organic growth by Business



Energy Division – Secular economic drivers balancing market volatility



525kV HVDC 2GW Submarine Cable System



- Prysmian reaches key milestone in the field of Power Grids for Energy Transition
- Breakthrough innovation in cable technology will enable 2GW transmission for large scale offshore wind deployment
- Successful development and testing of 525kV extruded submarine full cable system for HVDC applications
- Leveraged extensive knowledge of high performance materials and optimized a reliable industrial process
- Providing an entire system of cable and accessories with best dielectric properties including flexible factory joints, rigid repair joints and sea-land joints
- Prequalification testing carried per international standards and witnessed by a third-party certification body

Prysmian becomes the first in the industry to complete the Prequalification in August 2022

German Corridors

P-Laser 525kV HVDC Technology

240 kms produced



220 kms FAT



200 kms in Germany

SOLID EXECUTION and SuedOstLink Production ON TRACK

XLPE 525kV HVDC Technology

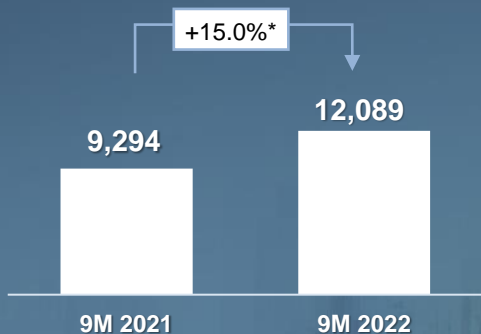


- Prysmian has completed all **PREQUALIFICATIONS** and **TYPE TESTS ON SCHEDULE** for both P-Laser and XLPE 525kV HVDC Systems
- XLPE 525kV HVDC cable industrialization successfully completed in Montereau along with state of the art high voltage lab set up

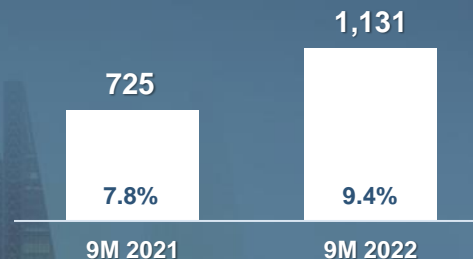
New Milestone for SuedLink: Cable production started ON SCHEDULE

9M 2022 Financial highlights Euro Millions, % on Sales

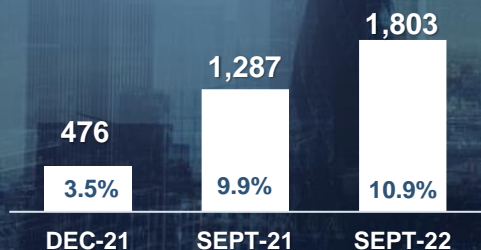
SALES



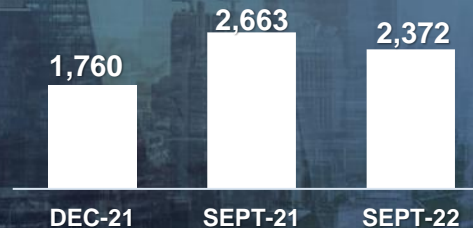
ADJUSTED EBITDA ⁽¹⁾



OPERATIVE NET WORKING CAPITAL ⁽²⁾

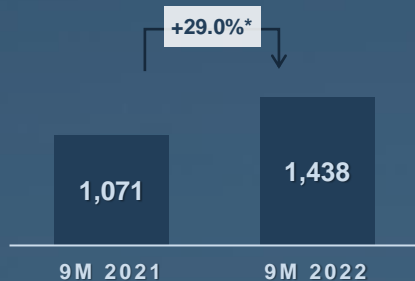


NET FINANCIAL DEBT



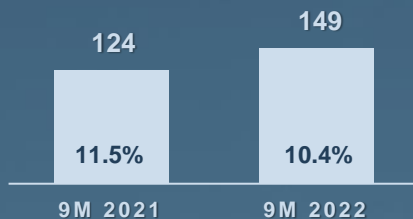
Projects Euro Millions, % on Sales

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 €3.2 billion of new orders YTD

UNDERGROUND HIGH VOLTAGE

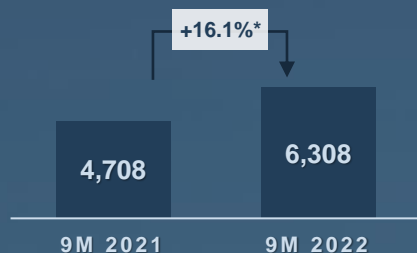
- / Cables production for German Corridors progressing on track
- / Awarded extension of the Suedostlink project in Germany for approx. 700 €M

ORDERS BACKLOG EVOLUTION (€M)

	DEC '13	DEC '14	DEC '15	DEC '16	DEC '17	DEC '18	DEC '19	DEC '20	DEC '21	Sept '22
Underground HV	~450	~450	~600	~350	~400	~435	~310	~1,980	~1,970	~2,380
Submarine	~2,050	~2,350	~2,600	~2,050	~2,050	~1,465	~1,730	~1,510	~2,330	~4,230
GROUP*	~2,560	~2,900	~3,300	~2,430	~2,480	~1,900	~2,070	~3,550	~4,440	~6,850

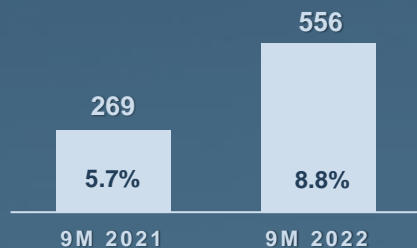
Energy & Infrastructure Euro Millions, % on Sales

SALES



* Org. Growth

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

TRADE & INSTALLERS

- / Excellent performance continued in Q3
- / Solid demand and price management drives margins improvement

POWER DISTRIBUTION

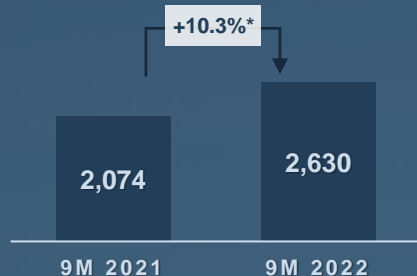
- / Double digit organic growth across all regions

ADJ.EBITDA AND % SALES



Industrial & Network Components Euro Millions, % on Sales

SALES



* Org. Growth

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

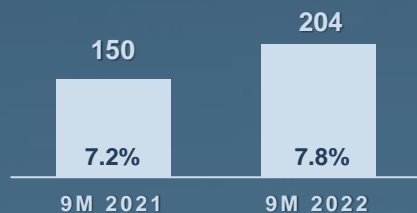
ELEVATOR

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

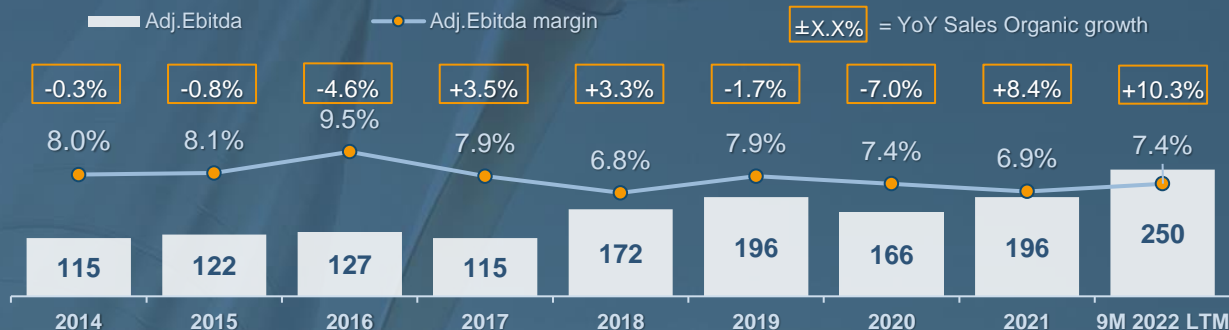
AUTOMOTIVE

- / Recovery in Q3 with a positive organic growth across regions, except in North America

Adj. EBITDA / % of Sales⁽¹⁾

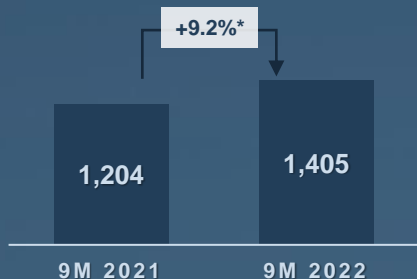


ADJ. EBITDA AND % SALES



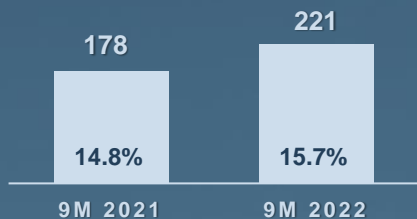
Telecom Euro Millions, % on Sales

SALES



* Org. Growth.

Adj. EBITDA / % of Sales⁽¹⁾



HIGHLIGHTS

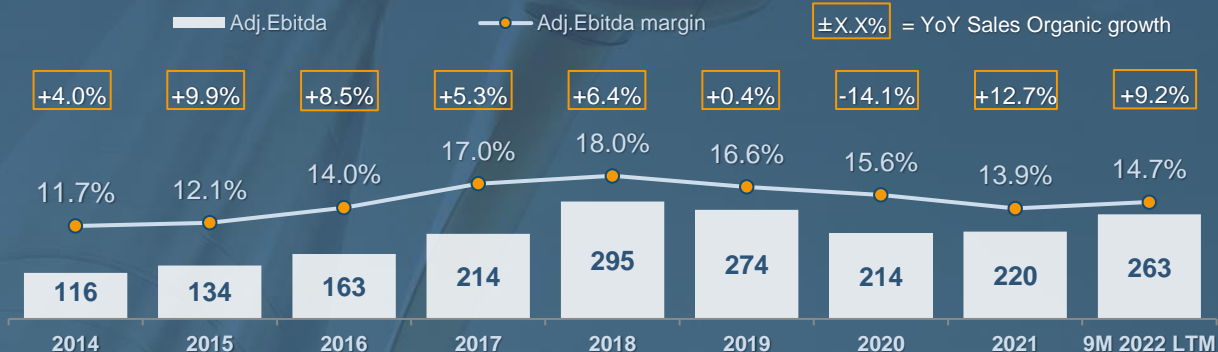
OPTICAL CABLE & FIBRE

- / Solid growth continued in Optical in particular in North America
- / YOFC results driven by Chinese market rebound

MMS

- / Strong performance in MMS

ADJ.EBITDA AND % SALES



Financial Highlights Euro Millions

	Sales			Adj.EBITDA			
	9M 2022		9M 2021	9M 2022		9M 2021	
	€M	organic growth	€M	€M	Adj.EBITDA Margin	€M	Adj.EBITDA Margin
PROJECTS	1,438	29.0%	1,071	149	10.4%	124	11.5%
Energy & Infrastructure	6,308	16.1%	4,708	556	8.8%	269	5.7%
Industrial & Network Components	2,630	10.3%	2,074	204	7.8%	150	7.2%
Other	308	0.0%	237	1	0.3%	4	1.8%
ENERGY	9,246	13.9%	7,019	761	8.2%	423	6.0%
TELECOM	1,405	9.2%	1,204	221	15.7%	178	14.8%
Total Group	12,089	15.0%	9,294	1,131	9.4%	725	7.8%

Profit and Loss Statement Euro Millions

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Adjustments and non monetary items on EBIT

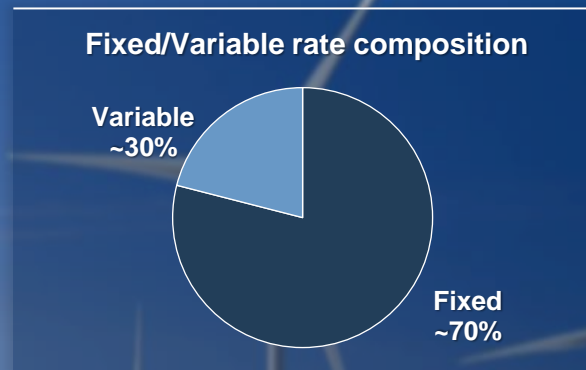
	9M 2022	9M 2021
Non-recurring Items	(20)	(1)
Restructuring	(7)	(13)
Other Non-operating Income / (Expenses)	(33)	(11)
EBITDA adjustments	(60)	(25)
Non monetary items	(115)	(10)
Gain/(loss) on derivatives on commodities	(48)	22
Assets impairment	(3)	(6)
Share-based compensation	(64)	(26)
EBIT adjustments	(175)	(35)

Cash Flow Statement Euro Millions

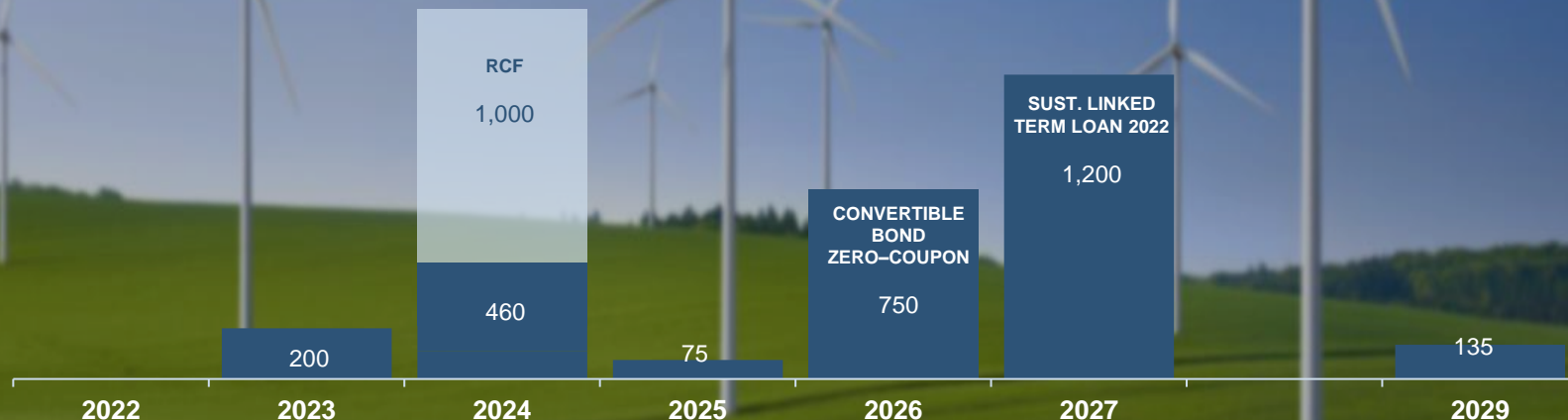
	30 Sept 2022	30 Sept 2021	12 Months (from 1/10/2021 to 30/9/2022)
Adj.EBITDA	1,131	725	1,382
Adjustments	(60)	(25)	(84)
EBITDA	1,071	700	1,298
Net Change in provisions & others	(51)	(56)	22
Share of income from investments in op.activities	(37)	(21)	(43)
Cash flow from operations (before WC changes)	983	623	1,277
Working Capital changes	(1,158)	(844)	(342)
Dividends received	9	8	9
Paid Income Taxes	(150)	(78)	(192)
Cash flow from operations	(316)	(291)	752
Acquisitions/Disposals	(7)	(81)	(19)
Net Operative CAPEX	(200)	(165)	(310)
Free Cash Flow (unlevered)	(523)	(537)	423
Financial charges	(61)	(61)	(79)
Free Cash Flow (levered)	(584)	(598)	344
<i>Free Cash Flow (levered) excl. Acquisitions & Disposals</i>	<i>(577)</i>	<i>(517)</i>	<i>363</i>
Dividends	(145)	(129)	(150)
Capital increase, Shares buy-back & other equity movements	-	-	1
Net Cash Flow	(729)	(727)	195
Net Financial Debt beginning of the period	(1,760)	(1,986)	(2,663)
Net cash flow	(729)	(727)	195
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	(43)	(33)	(73)
Other variations	160	38	170
Net Financial Debt end of the period	(2,372)	(2,663)	(2,372)

A solid and sustainable financial structure

- Average debt maturity of 4.2 years
- 1,0 €Bn of committed Revolving Credit Facility fully unutilized as of 30th September 2022
- Approx. 675 €M cash on balance as of 30th September 2022



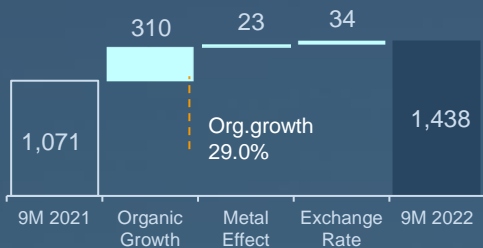
CURRENT FINANCIAL DEBT MATURITY PROFILE⁽⁴⁾



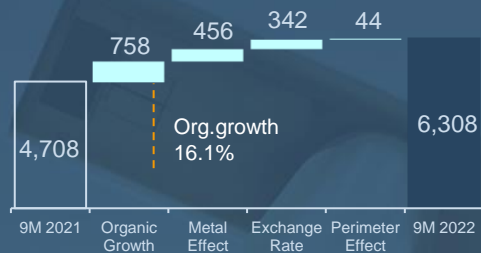
RCF undrawn at 30 September 2022

Bridge Consolidation Sales Euro Millions

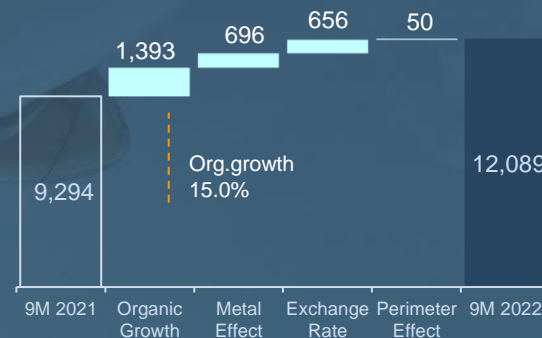
PROJECTS



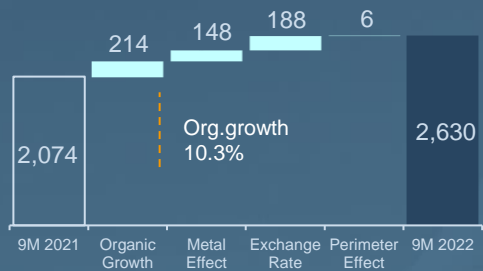
ENERGY & INFRASTRUCTURE



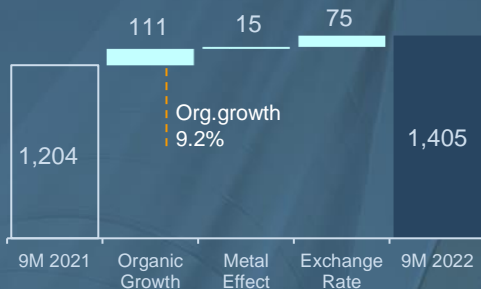
TOTAL CONSOLIDATED



INDUSTRIAL & NETWORK COMP.



TELECOM



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) The 2021 figures have been restated due to definition of the purchase price allocation for Omnisens and Eksa, conducted in accordance with the procedures and timing established by IFRS 3 - Business Combinations;
- 4) Current financial debt maturity profile (Excluding debt held by local affiliates and debt coming from IFRS 16 (152 €M and 215 €M respectively) at 30.09.2022):
 - 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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Group

Linking
the Future



Thank you

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