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<i>Testo del comunicato</i>

Vedi allegato.

PRESS RELEASE – RESULTS AT 31 DECEMBER 2022

2022 BEST YEAR EVER: RESULTS ABOVE ALL EXPECTATIONS

PROFITS AND CASH GENERATION GREW BY OVER 50%

- SALES AT €16,067M, ORGANIC GROWTH AT +14.4%
- ADJ EBITDA AT €1,488M, +52.5% VS 2021, WITH SHARPLY IMPROVED MARGINS AT 9.3% VS 7.7% IN 2021
- GROUP NET PROFIT SOAR TO €504M (+63.4%)
- STRONG CASH GENERATION, FREE CASH FLOW AT €559M¹ (+ 53% VS 2021) AND NET DEBT DOWN TO €1,417M

CO2 (SCOPE 1&2) EMISSIONS AT -24%, SCOPE 3 AT -7.5% VS 2019 BASELINE (SBTI CERTIFIED DATA);

BUSINESS PERFORMANCE DRIVEN BY ENERGY TRANSITION, ELECTRIFICATION AND DIGITALISATION, WITH ORDER BOOK PROJECTS AT €8.4BN²

- PROJECTS SALES AT +30.3% THANKS TO SUBMARINE ENERGY SYSTEMS
- ENERGY SALES AT +12.3%, FUELLED BY RENEWABLES, POWER DISTRIBUTION AND DATA CENTRES
- TELECOM SALES AT +10.9%, DRIVEN BY SALES OF OPTICAL CABLES

HIGHER DIVIDEND: PROPOSED A €0.60 PER SHARE (+9% VS 2021)

CAPEX OF €500M PER YEAR IN 2023-2025 FOR ENERGY AND DIGITAL TRANSITION

FY2023 GUIDANCE: ADJUSTED EBITDA AT €1,375M-€1,525M / FCF AT €450M-€550M

Milan, 9 March 2023. The Board of Directors of Prysmian S.p.A. approved today the Group's consolidated results for 2022³.

"Technology innovation, an efficient and effective supply chain and a customer-centric focus allowed us to fully seize the opportunities offered by the current energy transition, electrification and digitalisation trends, enabling us to report record results that exceeded all our expectations," stated CEO Valerio Battista. *"The strong sales growth was accompanied by the jump of over 50% in net profit and cash generation and debt reduction, with a debt ratio to Adjusted EBITDA falling below 1x and further reinforcing our financial structure. The positive start to 2023 confirms the competitive positioning achieved and enables us to set the goal for 2023 of consolidating our 2022 record performance,"* concluded Battista.

"I would like to underscore that, in a year of record results such as 2022, we also paid strong attention to the adoption of new policies and tools for redistributing the value generated to all our stakeholders and for engaging all our employees, not only top managers," Battista added.

¹ Excluding cash flows due to acquisitions, disposals and antitrust-related issues.

² Including the €1.8 billion IJmuiden project secured in March 2023.

³ The Consolidated Financial Statements and Draft Separate Financial Statements are currently still being audited.

FINANCIAL HIGHLIGHTS

Group Sales rose to €16,067 million, with a +14.4% organic change. All the businesses exposed to secular energy transition, electrification and digitalisation trends reported the best results, such as submarine cables and systems for power interconnections and offshore wind farms links, cables for energy grid hardening, cables for the renewables and electric mobility sectors, data centres, cables for non-residential constructions and optical cables. The Projects segment reported the highest organic growth with +30.3%, followed by the Energy segment at +12.3% and Telecom at +10.9%.

Adjusted EBITDA jumped by +52.5% to €1,488 million, improving also compared to the upper part of the guidance, revised at €1,475 million in November 2022. Exchange rates generated a positive impact of approximately €110 million compared to 2021. Margins also improved, with the ratio of Adjusted EBITDA to Sales at 9.3%, increasing by 160 bps compared to 7.7% for 2021. The Telecom segment confirmed its record profitability, with margins at 14.5%. The profitability of the Energy segment improved significantly, with the ratio of Adjusted EBITDA to Sales at 8.1% compared to 5.7% in 2021. Adjusted EBITDA of the Projects segment grew to €243 million, although the sales mix and the impact of inflation on costs affected profitability, which stood at 11.2% (13.2% in 2021). It should be noted that the projects acquired in 2022 are more profitable than those already awarded in the 2018-2019 period.

EBITDA was €1,387 million (€927 million in 2021), including net expenses for company reorganisations, non-recurring expenses and other non-operating expenses totalling €101 million (€49 million in 2021). Operating income amounted to €849 million (€572 million in 2021).

Net profit attributable to owners of the parent jumped by +63.4% to €504 million compared to €308 million for the previous year.

Free Cash Flow before acquisitions and disposals amounted to €559 million (excluding antitrust-related flows), up +53.2% (€365 million for 2021), thus significantly exceeding the upper part of the guidance, which had been revised upwards to €500 million in last November.

As a result of the cash flow generation, Net Financial Debt fell sharply to €1,417 million at year-end (€1,760 million at 31 December 2021). This was driven by the Free Cash Flow of €559 million generated by the Group, excluding cash flows from acquisitions and disposals for €7 million and €44 million antitrust-related outflows. The factors that led to this €559 million positive cash flow were:

- €1,405 million operating cash flows before changes in net working capital;
- €7 million cash outlays for restructuring costs;
- €105 million cash flow absorbed by the increasing net working capital;
- €452 million cash outflows in net capital investments;
- €71 million in payment of net finance;
- €221 million in taxes payment;
- €10 million in dividends received from associates.

ABOUT €500 MILLION YEARLY CAPEX IN THE 2023-2025 THREE-YEAR PERIOD FOR ENERGY AND DIGITAL TRANSITION

“The solidity of our financial structure allows us to keep a balanced position while sustaining the significant investments planned for the coming three years to further strengthen our positioning and our ambition to be a global benchmark for energy transition, electrification and digitalisation,” commented CEO Valerio Battista.

The CAPEX plan approved by the Group for the 2023-2025 period calls for investments up to about €500 million a year referring mainly to production capacity adjustments and the new submarine cable plant in the USA, a new cable-laying vessel alongside the Leonardo da Vinci, and technology innovation.

CONSOLIDATED HIGHLIGHTS
(in millions of Euro)

	2022	2021	Change %	% organic sales
Sales	16,067	12,736	26.2%	14.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	1,442	958	50.5%	
Adjusted EBITDA	1,488	976	52.5%	
EBITDA	1,387	927	49.6%	
Adjusted operating income	1,119	647	73.0%	
Operating income	849	572		
Profit/(Loss) before taxes	739	476		
Net profit/(loss) for the period	509	310		
Net profit attributable to owners of the parent	504	308		

(in millions of Euro)

	31 December 2022	31 December 2021 ^(*)	Change
Net fixed assets	5,583	5,307	276
Net working capital	614	650	(36)
Provisions and net deferred taxes	(680)	(662)	(18)
Net Capital Employed	5,517	5,295	222
Employee provisions	329	446	(117)
Shareholders' equity	3,771	3,089	682
<i>of which: attributable to minority interest</i>	186	174	12
Net financial debt	1,417	1,760	(343)
Total financing and equity	5,517	5,295	222

^(*) The previously published comparative figures have been revised after finalising the purchase price allocation of Omnisens S.A. and Eksa Sp.z.o.o.

2022 CONSOLIDATED NON-FINANCIAL STATEMENT: IMPROVED ENVIRONMENTAL PERFORMANCE

For the first year, Prysmian presents its annual financial statements in an "integrated" form, as a tool for integrated reporting of financial and non-financial data, supplemented by the publication of the Sustainability Report as an independent document. This choice reflects the Group's day-to-day commitment to embedding sustainability in its business strategy and its role as enabler of the energy and digitalisation transition. The Board of Directors approved the Consolidated Non-financial Statement pursuant to Legislative Decree No. 254/16, included in the Annual Integrated Report 2022 and focused on areas specifically related to environmental, social and employee topics, as well as the respect for human rights and anti-corruption and bribery matters. The total economic value generated, namely the overall wealth created by the Group for all stakeholders, stood at €16,719 million in 2022 (€13,484 million in 2021)^[1]. The creation of shareholder value is shown by the Total Shareholders' Return, which amounted to +215.6%, achieved since listing and to 6.6% in 2022. Environmental performance improved:

- CO₂ emissions amounted to 665,104 t eq. in 2022, down -24% compared to the 2019 baseline (Scope 1 and Scope 2, market based);
- total recycled waste rose to 70.8%;
- Diversity & Inclusion: 15.7% of women in executive positions.

"The reduction of our emissions and the improvement of the main environmental and social impact KPIs testify to our commitment to improving our business sustainability," stated CEO Battista.

Prysmian Group confirmed the excellent result achieved in 2021 for the Electrical Components & Equipment category of the Dow Jones Sustainability Assessment with regard to Innovation Management, Environmental Reporting and Social Reporting, maintaining its top-level position (100 scores). In 2022, the Group was also rated "A" in the ESG index of CDP Climate Change and improved its Bloomberg rating to 63/100 (vs 55/100 for 2021).

^[1] Formed by: Spending on Suppliers, Staff Remuneration, Lender Remuneration, Public Administration Remuneration, Contributions to Communities.

PROJECTS

- STRONG ORGANIC GROWTH AT (+ 30.3%) DRIVEN BY SUBMARINE CABLES. Q4 ACCELERATION
- ORDER BOOK ROSE TO €8.4 BILLION (ROBUST ORDER INTAKE WITH €3.4 BILLION ACQUIRED IN 2022)
- NEW CABLE-LAYING VESSEL, TECHNOLOGY INNOVATION WITH THE 525 kV HVDC EXTRUDED CABLE AND PRODUCTION CAPACITY ADJUSTMENTS TO STRENGTHEN INDUSTRY LEADERSHIP

Sales in the Projects segment amounted to €2,161 million in 2022, with a +30.3% organic change compared to 2021, and a further improvement in Q4. Adjusted EBITDA amounted to €243 million (€210 million in 2021), whereas profitability was impacted by the sales mix and the impact of inflation on cost, with the ratio of Adjusted EBITDA to Sales at 11.2% vs 13.2% for 2021. It should be noted that approximately 20% of sales in 2022 was generated by lower-margin projects secured in the 2018-2019 period.

The Submarine Power Cable and System business recorded a high operating level, supported by the excellent execution of projects in the order book. The key projects underway in the reporting period were: the Crete-Attica interconnection in Greece, the link between Great Britain and Denmark (Viking Link), the two offshore wind farm projects in Turkey, the offshore wind farm projects in France and in the United States, in addition to the contracts for the sole provision of cables for connecting offshore wind farms. In 2022, the Group successfully completed — ahead of schedule — the world's longest submarine power interconnection between Great Britain and Norway.

In the High Voltage Underground Cables business, the Group confirmed its progress on the German Corridors, the largest infrastructural project in support of the energy transition in Europe. Worth of mention is the start of production of the cables for SuedLink and the project awarded for doubling SuedOstLink; the Group had already been awarded a contract for developing the interconnection in 2020, along with SuedLink and A-Nord.

As further proof of the strong competitive positioning achieved, in 2022 the Group acquired new projects for an amount of about €3.4 billion, bringing the total of its order book to €6.6 billion in December 2022. The €1.8 billion IJmuiden project secured in March 2023 increases the total backlog to €8.4 billion.

To fully seize the secular opportunities offered by the energy transition, the Group will leverage on its technology innovation — with the first-ever 525 kV extruded submarine full cable system for HVDC applications that enables a massive increase in the maximum transmission capacity to 2.5 GW —, constant investments to adjust the production capacity to market demand, and the strengthening of its installation capabilities and assets with the start of construction of a new cable-laying vessels to join the Leonardo da Vinci.

(in millions of Euro)

	2022	2021	Change %
Sales	2,161	1,594	35.6%
% organic sales change	30.3%		
Adjusted EBITDA	243	210	15.9%
% of sales	11.2%	13.2%	

ENERGY

- STRONG ORGANIC GROWTH AND IMPROVED MARGINS, DRIVEN BY ELECTRIFICATION
- VERY POSITIVE PERFORMANCE FOR E&I , POWER DISTRIBUTION AND NON-RESIDENTIAL CONSTRUCTIONS
- EXCELLENT RESULT OF OEM (MOBILITY E MINING) AND RENEWABLES IN THE INDUSTRIAL SEGMENT
- INNOVATION: NEW PHOTOVOLTAIC PRYSOLAR CABLE LAUNCHED ON THE MARKET

Sales of the Energy segment rose to €12,033 million (organic change at +12.3% compared to 2021), far above the 2019 pre-pandemic levels, already exceeded in 2021. Adjusted EBITDA stood at €974 million (€546 million in 2021), improving strongly also in terms of profitability, with a ratio to Sales at 8.1% compared to 5.7% in 2021.

(in millions of Euro)

	2022	2021	Change %
Sales	12,033	9,557	25.9%
% organic sales change	12.3%		
Adjusted EBITDA	974	546	78.3%
% of sales	8.1%	5.7%	

Energy & Infrastructure

Sales of the Energy & Infrastructure business amounted to €8,196 million, marking a positive organic change of +14.7% compared to 2021, mainly attributable to the excellent performance driven by secular trends (grid hardening, data centres, renewables) and the non-residential construction market. Power Distribution confirmed its double-digit growth in all regions also in Q4. Adjusted EBITDA stood at €736 million (€356 million in 2021) with a ratio to Sales at 9.0%. With regard to innovation, and grid hardening in particular, worth of mention is the new E3X coating technology, which allows to increase transmission capacity, reduce costs, improve safety and resilience, and contain network losses. The new Prysolar cable for solar panels was launched on the market, receiving great appreciation by customers operating in the field of photovoltaic development.

Industrial & Network Components

Industrial & Network Components sales amounted to €3,442 million, with a +8.7% organic change compared to 2021. Adjusted EBITDA stood at €252 million (€196 million in 2021) with a ratio to Sales improving to 7.3% compared to 6.9% in 2021. The OEM market grew sharply, driven by the Mining and Mobility segments and the excellent results achieved by Renewables, above all in the EMEA region, North America and LatAm.

TELECOM

- THE OPTIC CABLE BUSINESS CONTINUED TO GROW IN NORTH AMERICA
- IMPROVED MARGINS
- PUSH FOR TECHNOLOGY INNOVATION WITH THE START OF PRODUCTION OF SIROCCO^{EXTREME} MINIATURISED OPTIC CABLES, WHICH ALLOW TO REDUCE CABLE DIAMETER BY 50% AND INCREASE FIBRE DENSITY

Sales of the Telecom segment amounted to €1,873 million, with an organic change of +10.9%. Adjusted EBITDA was €271 million (€220 million in 2021), with a ratio to Sales at 14.5% compared to 13.9% in 2021.

The organic growth was chiefly attributable to the ongoing positive performance of the optic cable segment, driven by North America. The associate YOFC contributed strongly, thanks to the recovery of the Chinese market. In Europe, margins were impacted by higher energy costs.

With regard to technology innovation, worth of mention are the ongoing improvements in the production of the Sirocco^{EXTREME} miniaturised optic cables with the bend-insensitive BendBright^{XS} 180µm fibre solution that ensure new records in terms of fibre density and reduced diameter, specifically developed for FTTx and 5G networks.

(in millions of Euro)

	2022	2021	Change %
Sales	1,873	1,585	18.2%
% organic sales change	10.9%		
Adjusted EBITDA	271	220	23.1%
% of sales	14.5%	13.9%	

PERFORMANCE BY GEOGRAPHICAL AREA: EXCELLENT PERFORMANCE IN NORTH AMERICA AND LATAM, RECOVERY OF ENERGY AND OF THE EMEA REGION (*)

EMEA

Sales in the EMEA area amounted to €6,381 million in 2022, with a +10.7% organic change. Adjusted EBITDA was €311 million (compared to €265 million in 2021), with a virtually stable ratio to sales at 4.9% compared to 5.0% in 2021. These results are mainly driven by the positive performance of the Energy & Infrastructure business, OEM and Renewables.

North America

Sales in this area amounted to €5,132 million in 2022, with a +18.3% organic change compared to the previous year. Adjusted EBITDA virtually doubled to €722 million (€336 million in 2021), with a ratio to sales at 14.1% compared to 8.8% for the previous year. Nearly all businesses and segments showed an excellent performance, also thanks to the Group's recognised leadership position.

LatAm

Sales of the LatAm area totalled €1,275 million, with a +8.2% organic change. Adjusted EBITDA stood at €120 million (€99 million in 2021), with a ratio to sales stable at 9.4%. Sales growth was mainly driven by the Renewables segment, whereas the best profitability result was reported by Energy & Infrastructure and Renewables.

Asia Pacific

Sales in Asia Pacific amounted to €1,118 million in 2022, with a +0.7% organic change. Adjusted EBITDA rose to €92 million (€66 million in 2021), with a ratio to sales improving to 8.2% compared to 6.6% for the previous year. The region performed well, despite the impact of Covid on China's results. The associate YOFC contributed significantly.

(in millions of Euro)

	Sales		Adjusted EBITDA	
	2022	2021	2022	2021
EMEA	6,381	5,272	311	265
North America	5,132	3,808	722	336
Central-South America	1,275	1,060	120	99
Asia and Oceania	1,118	1,002	92	66
Total (excluding Projects)	13,906	11,142	1,245	766
Projects	2,161	1,594	243	210
Total	16,067	12,736	1,488	976

(*) Data by geographical area are stated excluding the Projects segment.

FURTHER BOARD OF DIRECTORS' RESOLUTIONS

Notice of Calling of the Ordinary and Extraordinary Shareholders' Meeting

The Board of Directors resolved to call the Ordinary and Extraordinary Shareholders' Meeting for Wednesday, 19 April 2023 (single call).

Based on the results for 2022, the Board of Directors will recommend to the AGM that a dividend of €0.60 per share be distributed, involving a total pay-out of approximately €158 million. If approved, the dividend will be paid out from 26 April 2023, with record date on 25 April 2023 and ex-dividend date on 24 April 2023.

Authorisation to buy back and dispose of treasury shares

The Board of Directors decided to submit to the forthcoming AGM a request for the authorisation to buy back and dispose of treasury shares, after revocation of the previous resolution approved by the AGM on 12 April 2022.

The authorisation requested establishes that the total number of shares that can be purchased, in one or more tranches, cannot exceed the 10% of the share capital at any time. Treasury shares may be purchased within the limits of available reserves recognised from time to time in the most recently approved annual financial statements. The plan has a maximum term of 18 months, commencing from the date of authorisation by the AGM.

The said authorisation will be requested to:

- create the Company's portfolio of treasury shares (so-called "stock of shares") that can be used in any extraordinary transactions (e.g., mergers, de-mergers, purchase of equity investments) and to implement the remuneration policies approved by the Shareholders' Meeting and adopted by Prysmian Group;
- use the treasury shares by exercising the rights ensuing from debt instruments, whether convertible or exchangeable for financial instruments issued by the Company, its subsidiaries or third-parties (e.g., takeover bids and/or share swaps);
- dispose of own shares in service of share-based incentive plans or share ownership plans to allot and/or purchase shares also at favourable conditions, reserved for Prysmian Group's directors and/or employees;
- ensure effective management of the Company's share capital, by creating investment opportunities also on the basis of available liquidity.

The buy-back and disposal of treasury shares will be performed in compliance with applicable laws and regulations in force:

- i. at a minimum price no more than 10% below the stock's official price during the trading session on the day before each transaction is undertaken;
- ii. at a maximum price no more than 10% above the stock's official price during the trading session on the day before each individual transaction is undertaken.

At today's date, Prysmian S.p.A. directly and indirectly holds 4,612,031 own shares.

Group employee incentive plan

Upon proposal of the Remuneration and Nomination Committee, the Board of Directors resolved to submit for approval to the Shareholders' Meeting the adoption of a new long-term incentive plan (the "Plan") targeting approximately 1,100 beneficiaries of Prysmian Group's management and key personnel, including Executive Directors of Prysmian S.p.A. and Managers with Strategic Responsibilities. The Plan is thus to be regarded as "of major significance" pursuant to Article 84-bis, paragraph 2, of the Rules for Issuers. The Plan calls for the assignment of newly issued ordinary shares following a bonus capital increase through the allocation of profits or profit reserves pursuant to Article 2349 of the Italian Civil Code, or a combination of newly issued shares and treasury shares. Through the Plan, Prysmian intends to strengthen the commitment of the Company and its management to creating sustainable value over time for all stakeholders, including by involving a broad array of key people, in over 40 countries, who play an important role in the Group's sustainable success. The Plan extends over a three-year period and involves assigning shares upon the achievement of financial performance, Total Shareholder Return and ESG targets. The Plan also involves deferred payment in shares of 50% of the annual bonus, subject to vesting, for the years 2023, 2024 and 2025. The annual bonus is also tied to the achievement of ESG objectives, in addition to financial targets. In addition, deferral of the annual bonus involves an additional allotment of

shares — matching — that, for the Group's approximately 50 top managers, is also conditional upon the achievement of 2025 ESG objectives. The Plan pursues the following objectives:

- motivating participants to achieve long-term results oriented towards creating sustainable value over time;
- aligning the interests of management and shareholders through the use of share-based incentive mechanisms;
- promoting stable equity investment in the Company by management;
- ensuring the long-term sustainability of the Group's annual performance, reinforcing personnel engagement and retention, also by paying part of the annual bonus on a deferred basis in shares.

The information document of the incentive plan and the report illustrating the amendments to the By-laws linked to the proposed capital increase in service of the Plan will be made public within the terms provided for by the law.

OUTLOOK

After the rebound that followed the Covid-19 pandemic, global economy is now facing a phase of volatility and great uncertainty. Inflation has reached its peak for several decades, mainly due to the hikes in energy and commodity prices, and supply chain bottlenecks. To mitigate rising inflation, the main central banks began to pare back some monetary stimuli and to increase interest rates. At the same time, the Russian war in Ukraine and the supply chain slowdowns — also triggered by the pandemic consequences — continued to impact the world economic outlook.

After a 6.2% rebound in 2021, the global economy is expected to grow by 3.4% in 2022 and by 2.9% in 2023, according to the most recent estimates by the International Monetary Fund in January 2023. These estimates have been revised upwards compared to October 2022, reflecting a greater-than-expected resilience for many economies, including Europe and the United States. In detail, considering the war in Ukraine, Europe's economic growth was higher than expected and partly reflects the supporting measures for households and businesses approved by the main governments, in addition to the dynamic trend driven by the post-Covid reopening of economies. Gas prices have also traced back compared to the peaks reached last autumn, thanks to non-Russian gas supplies and demand contraction, also due to winter temperatures that exceeded seasonal average data.

Short-term growth forecasts are impacted by several elements of uncertainty, including the persistently high inflation levels, increasing interest rates and the geopolitical tensions due to the ongoing war in Ukraine.

The record results for 2022 further confirmed Prysmian Group's focus on proactively and seamlessly serving its customers, also leveraging its efficient and geographically widespread industrial footprint. This approach is supported by the excellent results achieved by the Energy segment, which hit a record level, by the Telecom business' solid performance, and the ongoing improvement of the Projects business, in line with expectations, with €3.4 billion orders awarded in the year and an order backlog of approximately €6.6 billion. Including the €1.8 billion order secured in March 2023 (IJmuiden) as well, the order backlog amounts to about €8.4 billion — an all-time high.

As a result, for the full year 2023 Prysmian Group expects demand to remain virtually stable in the construction and industrial cables businesses, after last year's excellent performance, with results that will depend on the capacity to implement pricing policies able to offset the impact on costs generated by inflation-driven pressures. In the high-voltage underground and submarine cables and systems business, the Group aims to confirm its leadership on the market, which is expected to grow sharply, driven by the development of offshore wind farms and interconnections to support the energy transition, as well as the start of a significant market uptrend in the United States, where the Group has decided to expand its production capacity with the construction of the new submarine cable plant at Brayton Point, Massachusetts. In order to fully seize the significant opportunities offered by the market, the Group decided to expand its installation capabilities, ordering a new vessel that will join the Leonardo Da Vinci. For this segment, the Group expects results to grow compared to the previous year, thanks to the growing order book, a solid execution and the full use of the submarine cable business's capacity. In the Telecom segment, demand in the optical business is expected to grow. In Europe, the Telecom business' margins continue to be negatively impacted by higher energy prices.

The long-term growth drivers are confirmed, mainly linked to the energy transition, the strengthening of telecommunications networks (digitalisation), and the electrification process. The Group can also leverage its broad business and geographical diversification, solid capital structure, efficient and flexible supply chain and lean organisation, all of which is enabling it to effectively seize growth opportunities.

Given the above considerations, the Group expects to achieve an adjusted EBITDA for FY 2023 in the range of €1,375-1,525 million, and to generate a cash flow in the range of €450-550 million (FCF before acquisitions and disposals).

These forecasts assume no material changes in both the geopolitical crisis relating to the military conflict in Ukraine and in the development of the health emergency, in addition to excluding extreme dynamics in the prices of factors of production or significant supply chain disruptions. The forecasts assume, for the upper part of the range, an essentially stable construction market, whilst for the lower part they assume a

rapid deterioration, particularly in the United States, where the current inflationary and pricing dynamics provide for considerable profit opportunities. In addition, the forecasts are based on the Company's current business scope, assuming a EUR/USD exchange rate of 1.08, and do not include impacts on cash flows related to Antitrust issues.

The Integrated Annual Report, which includes the Draft Financial Statements of Prysmian S.p.A. and the Consolidated Financial Statements of Prysmian Group at 31 December 2022, together with the Directors' Report that contains the Consolidated Non-Financial Statement, approved today by the Board of Directors will be made available to the public by the terms and conditions provided for by applicable law in force at the Company's registered office in Via Chiese 6, Milan. It will also be made available, by the same terms and conditions, on the corporate website www.prysmiangroup.com, on the website of Borsa Italiana S.p.A www.borsaitaliana.it, and in the authorised central storage mechanism used by the Company at www.emarketstorage.com. This document may contain forward-looking statements relating to future events and future operating, economic and financial results of Prysmian Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Therefore, actual results may differ materially from those reflected in forward-looking statements due to a variety of factors. The managers responsible for preparing corporate accounting documents (Stefano Invernici and Alessandro Brunetti) hereby declare, pursuant to Article 154-bis, paragraph 2, of Italy's Unified Financial Act, that the accounting information contained in this press release corresponds to the underlying documents, accounting books and records.

EBITDA means the operating result gross of the effect of the change in the fair value of derivatives on raw material prices, other items measured at fair value, amortisation, depreciation and write-downs. This indicator allows to present the Group's operating profitability situation before the main non-monetary items. Adjusted EBITDA means the EBITDA described above calculated before charges and income relating to corporate reorganisations, charges and income considered to be of a non-recurring nature, as indicated in the consolidated income statement, and other non-operating income and expenses. This indicator allows to present the Group's operating profitability before the main non-monetary items, without the economic effects of events considered unrelated to the current management of the Group itself.

The results at 31 December 2022 will be presented to the financial community during a conference call to be held today at 16:00 CEST, a recording of which will be subsequently made available on the Group's website: www.prysmiangroup.com. The documentation used during the presentation will be made available today in the Investor Relations section of the Prysmian website at www.prysmiangroup.com and can be viewed on the Borsa Italiana website www.borsaitaliana.it and in the central storage mechanism at www.emarketstorage.com.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cable systems industry. With over 150 years of experience, sales of over €16 billion, about 30,000 employees in over 50 countries and 108 plants, the Group is strongly positioned in high-tech markets and offers the widest possible range of products, services, technologies and know-how. It operates in the businesses of underground and submarine cables and systems for power transmission and distribution, of special cables for applications in many different industries and of medium and low voltage cables for the construction and infrastructure sectors. For the telecommunications industry, the Group manufactures cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibres, optical and copper cables and connectivity systems. Prysmian is a public company, listed on the Italian Stock Exchange in the FTSE MIB index.

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ANNEX A

Consolidated Statement of Financial Position

(in millions of Euro)

	31 December 2022	31 December 2021 (*)
Non-current assets		
Property, plant and equipment	3,020	2,794
Goodwill	1,691	1,635
Other intangible assets	473	505
Equity-accounted investments	387	360
Other investments at fair value through other comprehensive income	12	13
Financial assets at amortised cost	3	3
Derivatives	135	105
Deferred tax assets	203	182
Other receivables	34	34
Total non-current assets	5,958	5,631
Current assets		
Inventories	2,241	2,054
Trade receivables	1,942	1,622
Other receivables	978	627
Financial assets at fair value through income statement	270	244
Derivatives	71	128
Financial assets at fair value through other comprehensive income	11	11
Cash and cash equivalents	1,285	1,702
Total current assets	6,798	6,388
Total assets	12,756	12,019
Equity		
Share capital	27	27
Reserves	3,054	2,580
Net result attributable to the Group	504	308
Equity attributable to the Group	3,585	2,915
Share capital and reserves attributable to non-controlling interests	186	174
Total equity	3,771	3,089
Non-current liabilities		
Borrowings from banks and other lenders	2,744	2,606
Employee benefit obligations	329	446
Provisions for risks and charges	31	46
Deferred tax liabilities	187	190
Derivatives	61	26
Other payables	28	6
Total non-current liabilities	3,380	3,320
Current liabilities		
Borrowings from banks and other lenders	323	1,123
Provisions for risks and charges	665	608
Derivatives	72	42
Trade payables	2,718	2,592
Other payables	1,694	1,191
Current tax payables	133	54
Total current liabilities	5,605	5,610
Total liabilities	8,985	8,930
Total equity and liabilities	12,756	12,019

(*) The previously published comparative figures have been revised after finalising the purchase price allocation of Omnisens S.A. and Ekxa Sp.z.o.o.

Consolidated Income Statement

(in millions of Euro)

	2022	2021
Sales	16,067	12,736
Change in inventories of finished goods and work in progress	(30)	229
Other income	70	125
Total sales and income	16,107	13,090
Raw materials, consumables used and goods for resale	(10,588)	(8,906)
Fair value change in metal derivatives	(31)	13
Personnel costs	(1,758)	(1,486)
Amortisation, depreciation, impairment and impairment reversal	(403)	(335)
<i>Other expenses</i>	(2,525)	(1,831)
Share of net profit/(loss) of equity-accounted companies	47	27
Operating income	849	572
Finance costs	(1,116)	(785)
Finance income	1,006	689
Result before taxes	739	476
Taxes	(230)	(166)
Net Result	509	310
Of which:		
attributable to non-controlling interests	5	2
attributable to the Group	504	308
Basic earnings/(loss) per share (in Euro)	1.91	1.17
Diluted earnings/(loss) per share (in Euro)	1.90	1.17

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	2022	2021
Net profit/ (loss)	509	310
Other comprehensive income:		
A) Change in cash flow hedge reserve:	(34)	63
- Profit/(loss) for the year	(46)	83
- Taxes	12	(20)
B) Other changes relating to cash flow hedges:	(11)	-
- Profit/(loss) for the year	(15)	-
- Taxes	4	-
C) Change in currency translation reserve	142	292
D) Actuarial gains/(losses) on employee benefits (*):	79	51
- Profit/(loss) for the year	109	60
- Taxes	(30)	(9)
Total other comprehensive income (A+B+C+D):	176	406
Total comprehensive income/(loss)	685	716
Of which:		
Attributable to non-controlling interests	11	13
Group share	674	703

(*) The Statement of Comprehensive Income items which cannot be restated in the net result of the year in subsequent periods

Consolidated Statement of Cash Flows

(in millions of Euro)

	2022	2021
Profit/(loss) before taxes	739	476
Amortisation, depreciation and impairment	403	335
Net gains on disposal of fixed assets	(1)	(2)
Share of net profit/(loss) of equity-accounted companies	(47)	(27)
Dividends received from equity-accounted companies	10	8
Share-based payments	104	33
Fair value change in metal derivatives	31	(13)
Net finance costs	110	96
Changes in inventories	(171)	(449)
Changes in trade receivables/payables	(175)	398
Changes in other receivables/payables	241	23
Change in employee benefit obligations	(16)	(15)
Change in provisions for risks	31	34
Net income taxes paid	(221)	(120)
A. Cash flow from operating activities	1,038	777
Cash flow from acquisitions and/or disposals	(7)	(85)
Investments in property, plant and equipment	(429)	(258)
Disposals of property, plant and equipment	2	8
Investments in intangible assets	(25)	(25)
Disposals of (investments in) financial assets at fair value through profit or loss and financial assets at amortised cost	(39)	(222)
B. Cash flow from investing activities	(498)	(582)
Capital contributions and other changes in equity	-	1
Dividend distribution	(148)	(134)
Proceeds of new loans	1,335	844
Repayments of loans	(2,000)	(269)
Changes in other net financial receivables/payables and other movements	(77)	(28)
Finance costs paid	(88)	(104)
Finance income received	17	25
C. Cash flow from financing activities	(961)	335
D. Exchange (losses) gains on cash and cash equivalents	4	8
Net increase/(decrease) in cash and cash equivalents	(417)	538
E. (A+B+C+D)		
Cash and cash equivalents at the beginning of the period	1,702	1,164
F.		
Cash and cash equivalents at the end of the period	1,285	1,702
G. (E+F)		

ANNEX B

Reconciliation table between Net result, EBITDA and adjusted EBITDA of the Group

(in millions of Euro)

	2022	2021
Net result	509	310
Taxes	230	166
Finance income	(1,006)	(689)
Finance costs	1,116	785
Amortisation, depreciation, impairment and impairment reversal	403	335
Fair value change in metal derivatives	31	(13)
Fair value change in stock options	104	33
EBITDA	1,387	927
Company reorganization	11	21
Non-recurring expenses/(income)	47	2
Other non-operating expenses/(income)	43	26
Total adjustments to EBITDA	101	49
Adjusted EBITDA	1,488	976

Statement of Cash Flows with reference to change in net financial position

(in millions of Euro)

	2022	2021	Change
EBITDA	1,387	927	460
Changes in provisions (including employee benefit obligations) and other movements	15	19	(4)
Net gains on disposal of property, plant and equipment and intangible assets	(1)	(2)	1
Share of net profit/(loss) of equity-accounted companies	(47)	(27)	(20)
Net cash flow from operating activities (before changes in net working capital)	1,354	917	437
Changes in net working capital	(105)	(28)	(77)
Taxes paid	(221)	(120)	(101)
Dividends from investments in equity-accounted companies	10	8	2
Net cash flow from operating activities	1,038	777	261
Cash flow from acquisitions and/or disposals	(7)	(93)	86
Net cash flow used in operating investing activities	(452)	(275)	(177)
Free cash flow (unlevered)	579	409	170
Net finance costs	(71)	(79)	8
Free cash flow (levered)	508	330	178
Dividend distribution	(148)	(134)	(14)
Capital contributions and other changes in equity	-	1	(1)
Net cash flow provided/(used) in the year	360	197	163
Opening net financial debt	(1,760)	(1,986)	226
Net cash flow provided/(used) in the year	360	197	163
Equity component of Convertible Bond 2021	-	49	(49)
Partial redemption of Convertible Bond 2017	-	(13)	13
Increase in net financial debt for IFRS 16	(58)	(63)	5
Net financial debt from acquisitions and divestment	-	8	(8)
Other changes	41	48	(7)
Closing net financial debt	(1,417)	(1,760)	343

ANNEX C

Statement of financial position of Prysmian S.p.A.

(in Euro)

	31 December 2022	31 December 2021
Non-current assets		
Property, plant and equipment	86,356,289	91,073,444
Intangible assets	125,832,341	126,838,617
Investments in subsidiaries	5,701,163,010	5,719,976,842
Derivatives	59,208,767	-
Deferred tax assets	-	9,400,192
Other receivables	480,905	96,529,880
Total non-current assets	5,973,041,312	6,043,818,975
Current assets		
Trade receivables	267,751,421	224,766,271
Other receivables	313,399,028	110,065,881
Financial assets at fair value through profit or loss	193,419,090	199,608,525
Derivatives	14,184,805	55,257
Cash and cash equivalents	935,390	100,097,408
Total current assets	789,689,734	634,593,342
Total assets	6,762,731,046	6,678,412,317
Equity:		
Share capital	26,814,425	26,814,425
Reserves	2,290,362,325	2,129,080,464
Net result	143,767,869	138,966,969
Total equity	2,460,944,619	2,294,861,858
Non-current liabilities		
Borrowings from banks and other lenders	2,592,754,055	2,455,672,985
Employee benefit obligations	6,085,009	7,283,947
Derivatives	-	2,547,820
Other payables	-	281,059
Deferred tax liabilities	10,005,178	-
Total non-current liabilities	2,608,844,242	2,465,785,811
Current liabilities		
Borrowings from banks and other lenders	223,427,951	1,021,702,243
Provisions for risks and charges	43,203,216	37,771,967
Derivatives	1,177,325	6,800,066
Trade payables	651,916,269	562,306,414
Other payables	771,051,672	276,213,575
Current tax payables	2,165,752	12,970,383
Total current liabilities	1,692,942,185	1,917,764,648
Total liabilities	4,301,786,427	4,383,550,459
Total equity and liabilities	6,762,731,046	6,678,412,317

Income statement of Prysmian S.p.A.

(in Euro)

	2022	2021
Sales and Other incomes	245,035,005	292,852,059
Raw materials, consumables used and goods for resale	(9,150,196)	(7,000,417)
Fair value change in metal derivatives	27,662	(242,806)
Personnel costs	(77,954,822)	(64,151,494)
Amortisation, depreciation, impairment and impairment reversal	(35,020,099)	(29,637,006)
Other expenses	(134,392,147)	(165,100,130)
Operating income	(11,454,597)	26,720,206
Finance costs	(89,062,002)	(80,112,904)
Finance income	75,097,619	65,562,750
Dividends from subsidiaries	243,001,115	153,550,924
(Impairment)/Reversal of impairment of investments	(66,714,088)	(5,000,000)
Result before taxes	150,868,047	160,720,976
Taxes	(7,100,178)	(21,754,007)
Net result	143,767,869	138,966,969

Statement of Comprehensive Income of Prysmian S.p.A.

(in Euro)

	2022	2021
Net result	143,767,869	138,966,969
Other components of comprehensive income/(loss) for the year:		-
A) Change in the Cash Flow Hedge reserve:	61,334,194	7,426,865
- Gross of tax	80,702,886	9,772,506
- Tax effect	(19,368,693)	(2,345,641)
B) Actuarial gains/(losses) on employee benefits (*):	782,040	(230,280)
- Gross of tax	1,029,000	(303,000)
- Tax effect	(246,960)	72,720
		-
Total other components of comprehensive income/(loss) for the year (A+B)	62,116,234	7,196,585
Total comprehensive result	205,884,103	146,163,554

(*) Statement of Comprehensive Income items that cannot be restated in net result for the year in subsequent periods.

Statement of cash flows of Prysmian S.p.A.

(in Euro)

	2022	2021
Profit before taxes	150,868,046	160,720,976
Amortisation, depreciation and impairment	35,020,099	29,637,006
Impairment/(revaluation) of investments	66,714,088	5,000,000
Net gains (losses) on disposal of fixed assets	-	-
Dividends	(243,001,115)	(153,550,924)
Share-based compensation	20,518,943	9,440,001
Fair value change in metal derivatives	(27,662)	242,806
Net finance costs	13,964,384	14,550,154
Change in trade receivables/payables	46,540,467	97,325,164
Change in other receivables/payables	(36,812,672)	26,271,800
Change in employee benefit obligations	(292,460)	(306,491)
Change in provisions for risks and other movements	5,376,403	(440,546)
Taxes collected/(paid)	(7,273,430)	800,700
Cash flow from operating activities	51,595,090	189,690,646
Investments in property, plant and equipment	(2,875,388)	(2,730,578)
Investments in intangible assets	(23,235,163)	(20,831,017)
Disposals of intangible assets	-	-
Investments in financial assets at fair value through profit or loss	-	(200,000,000)
Investments to recapitalise subsidiaries	(38,803,000)	(355,000,000)
Dividends received	179,671,995	121,500,004
Cash flow from investing activities	114,758,444	(457,061,591)
Capital payments and movements in equity	-	-
Dividend distribution	(144,058,262)	(131,067,383)
Sale of treasury shares	821,714	1,029,405
Proceeds of new loans	1,335,000,000	75,000,000
Repayment of loans	(1,249,823,897)	(8,333,333)
Redemption of bonds	(750,000,000)	(261,000,000)
Proceeds of new bonds	-	768,750,000
Changes in other net financial receivables/payables	542,550,077	(58,032,601)
Finance costs paid	(71,941,734)	(83,576,851)
Finance income received	71,936,549	64,449,008
Cash flow from financing activities	(265,515,552)	367,218,245
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(99,162,018)	99,847,300
Cash and cash equivalents at the beginning of the year	100,097,408	250,108
Cash and cash equivalents at the end of the year (D+E)	935,390	100,097,408

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