Half-Year Financial Report at 30 June 2024

prysmian

The planet's pathways

Disclaimer

This document contains forward-looking statements, specifically in the section entitled "Business outlook", that relate to future events and Prysmian's operating, economic and financial results. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may diverge even significantly from those announced in forward-looking statements due to a variety of factors.

Directors' Report

Consolidated Financial Statements and Explanatory Notes

Directors' Report

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The planet's pathways

DIRECTORS AND AUDITORS

Board of Directors [4]	
Chairman	Francesco Gori [*] [2]
Deputy Chairman	Valerio Battista
Chief Executive Officer	Massimo Battaini
Directors	Paolo Amato [*] [1]
	Jaska Marianne de Bakker [*] [1]
	Pier Francesco Facchini
	Richard Keith Palmer [*] [2]
	Ines Kolmsee [*] [3]
	Emma Marcegaglia [*] [3]
	Tarak Mehta [*] [1]
	Susannah Hall Stewart [*] [3]
	Annalisa Stupenengo [*] [2]

Board of Statutory Auditors [5]	
Chairman	Stefano Sarubbi
Standing Statutory Auditors	Laura Gualtieri
	Roberto Capone
Alternate Statutory Auditors	Stefano Rossetti
	Vieri Chimenti

Independent Auditors [6]	EY S.p.A.

[*] Independent Director as per Italian Legislative Decree 58/1998 and Italy's Corporate Governance Code for Listed Companies (January 2020 edition) approved by the Italian Corporate Governance Committee, comprising business associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A. (the Italian Stock Exchange) and Assogestioni (Italian investment managers association).

[1] Members of the Control and Risks Committee

[2] Members of the Remuneration and Nominations Committee

[3] Members of the Sustainability Committee

[4] Appointed by the Shareholders' Meeting on 18 April 2024

[5] Appointed by the Shareholders' Meeting on 12 April 2022

[6] Appointed by the Shareholders' Meeting on 16 April 2015

Preface

The present Half-Year Financial Report at 30 June 2024 has been drawn up and prepared:

- in compliance with art. 154-ter of Italian Legislative Decree 58/1998 and subsequent amendments and with the Issuer Regulations published by Consob (Italy's securities regulator);
- in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and in accordance with IAS 34 – Interim Financial Reporting, applying the same accounting principles and policies adopted to prepare the consolidated financial statements at 31 December 2023.

The Half-Year Financial Report has undergone a limited assurance audit by the independent auditors.

SIGNIFICANT EVENTS DURING THE PERIOD

Finance activities

Prysmian's Board of Directors approves the exercise of the soft call on the Euro 750 million convertible bond and a share buy-back programme

On 7 June 2024, the Board of Directors of Prysmian S.p.A. (the "Company") approved the exercise of the early redemption option (the "Soft Call") on the entire outstanding amount of the convertible bond known as "€750,000,000 Equity Linked Bonds due 2026" (ISIN XS2294704007) issued in February 2021 (the "Bond").

The Board of Directors also approved the start of a share buy-back programme (the "Programme"), in implementation of the shareholder resolution adopted at the meeting held on 18 April 2024. The Programme, which will be implemented starting from 10 June 2024 and will last until 10 March 2025, covers up to 8 million of the Company's shares (equal to approximately 3% of share capital) for a maximum value of Euro 375 million.

With reference to the Soft Call, 7,446,147 new shares had been issued before 30 June 2024 in execution of requests to convert. As at 30 June 2024, approximately 40% of the nominal value of the convertible bond had been converted, leaving the remainder recorded as "Borrowings from banks and other lenders" at a value of around Euro 440 million. Subsequently, on 19 July 2024, Prysmian redeemed the remaining bonds (with a nominal value of Euro 300,000), conversion of which into the Company's ordinary shares had not been requested by 12 July. Also on 19 July, the Bond was delisted from the Vienna Stock Exchange. During the month of July, 11,186,606 new ordinary shares were issued against Bond conversion requests received by the Company by 12 July. As a result of the above, as of today's date, the convertible bond is fully redeemed.

As for the share buy-back programme, consistent with the aforementioned shareholders' resolution, its purpose is:

1. to provide the Company with a portfolio of treasury shares (a so-called "stock of shares") that can be used in any extraordinary transactions (e.g. mergers, demergers, spin-offs, acquisition of equity investments) and to implement the shareholder-approved remuneration policies applied to Prysmian Group;
2. to use the treasury shares to service the exercise of rights arising from convertible debt instruments or instruments exchangeable for financial instruments issued by the Company, its subsidiaries or third parties (e.g. in takeovers bids and/or stock swaps);
3. to use the treasury shares to satisfy share-based incentive plans or stock grant/subsidised purchase plans reserved for Prysmian Group directors and/or employees;

4. to manage the Company's capital effectively, by creating an investment opportunity, also in view of its available liquidity.

The purchase price may be no more than 10% lower or higher than the official share price recorded in the Euronext Milan trading session on the day before each individual transaction is completed; in any case, it may not exceed the higher of the price of the last independent transaction and the price of the highest current independent bid on the trading platform on which the purchase is made.

Purchases will be made in the manner set out in art. 144-bis, para. 1,b), of CONSOB Regulation No. 11971 of 14 May 1999, i.e. on regulated markets or multilateral trading systems, using an authorised intermediary specifically appointed for this purpose who will make the purchases in the name and on behalf of the Company, fully independently and without any influence from the same, subject to predetermined quantitative price and volume limitations consistent with the shareholders' authorisation and in accordance with legal and regulatory requirements. All transactions must be disclosed to the market in accordance with the terms and procedures established by applicable legal and regulatory requirements.

As at 30 June 2024, 618,800 treasury shares had been purchased in implementation of the above programme.

New contracts and other contract-related information

Prysmian signs contracts with Amprion worth a total of around Euro 5 billion

On 15 February 2024, Prysmian signed contracts for three projects worth a total of around Euro 5 billion with Amprion, one of Europe's leading TSOs, for two offshore grid connection systems (BalWin1 and BalWin2), and the DC34 underground cable project. The contracts, which have been added to Prysmian's order backlog, follow its selection as preferred bidder in August 2023. This is the largest "bundle of contracts" ever awarded to Prysmian in terms of both value and kilometres of cable. It involves a total of some 4,400 km of ±525 kV HVDC cables and DMR (Dedicated Metallic Return) cables, of which around 3,400 km are underground cables and 1,000 km submarine cables.

Prysmian signs a contract worth around Euro 1.9 billion with Eastern Green Link 2 Limited

On 27 February 2024, Prysmian finalised the contract worth approximately Euro 1.9 billion awarded by Eastern Green Link 2 Limited, a joint venture between UK transmission grid owners SSEN Transmission and National Grid Electricity Transmission plc. Under the contract, Prysmian will deliver a major HVDC cable system for the construction of the Eastern Green Link 2 (EGL2) network connecting Scotland and England. The award of the EGL2 contract, which has been added to Prysmian's order backlog, follows Prysmian's earlier selection as exclusive preferred bidder in May 2023 and its subsequent commitment in June 2023 to reserve its production capacity for this project. The new connection is due to be operational in 2029.

Prysmian successfully completes export cable project for Gruissan/Eolmed floating offshore wind farm in France

On 30 May 2024, Prysmian announced that it had successfully completed the Gruissan/ EOLMED floating offshore wind farm project in France. Prysmian had been awarded this project in 2021 under a contract with French transmission system operator RTE (Réseau de Transport d'Électricité) for the engineering, procurement, construction and installation (EPCI) of a submarine export cable system. Prysmian was responsible for the design, supply, connection, testing and commissioning of a 66 kV static EPR-insulated three-core submarine export cable totalling 23 km and a 66 kV dynamic EPR-insulated submarine export cable, connecting the onshore grid to the floating substation of EOLMED's 30 MW floating wind farm (currently under construction).

With this high-profile engineering project and second EPCI contract for dynamic cable systems, Prysmian has further consolidated its position in the floating offshore wind farm market, using its know-how and experience to provide innovative dynamic cable systems designed for deepwater areas.

Other significant events

Telecom footprint rationalization

As described in the Integrated Annual Report 2023, following the reduction in demand that occurred from the second half of 2023 in the Telecom business, the Group has implemented various initiatives that have involved factories in Calais, Washington and Battipaglia. During 2024, the implementation of these measures continued, with the Group actively involved in constructive discussions aimed at minimizing social impacts.

Prysmian and Telstra partner to expand optical cable manufacturing plant

On 30 January 2024, Telstra and Prysmian announced an expansion of Prysmian's optical cable manufacturing plant in Australia in order to produce the industry-leading fibre optic cable required for Telstra's intercity fibre network, using advanced technology aimed at reducing the project's environmental impact. Telstra InfraCo is building the intercity fibre network in response to the ever-growing demand for fast and capable digital networks. Sustainability has continued to be a critical focus when developing manufacturing technology. The new fibre optic cable is 59% smaller and 54% lighter than the previous design employed across Telstra's existing fibre network. The reduced size and weight allow an estimated 35,000 tonnes of CO_2 emissions to be saved during cable manufacturing and transportation over the project's lifetime. To support the rollout of this major project, Prysmian has invested in three key areas of production to significantly increase the capacity of its Dee Why plant.

Prysmian launches innovative Sirocco Extreme 864-fibre cable

On 12 February 2024, Prysmian announced the launch of its revolutionary Sirocco Extreme 864f microduct cable, setting a new standard of innovation for the industry. This groundbreaking cable features record diameters and fibre density for blown microduct cables. The Sirocco Extreme 864f microduct cable contains 864 fibres in a 9.8mm diameter, providing an unprecedented fibre density of 11.5 fibres per mm2. It can be installed in a 12mm duct, pushing the boundaries of what is possible in the telecom cable systems industry. Prysmian's Sirocco Extreme microduct cables use state-of-the-art BendBrightXS 180μm single-mode (ITU-T G.657.D, G.657.A2) bend-insensitive fibre, ensuring compatibility with existing G.652 fibres and application in advanced systems.

Prysmian Board of Directors approves candidate slate for its renewal

On 28 February 2024, the Board of Directors of Prysmian S.p.A. unanimously resolved to submit to the Ordinary Shareholders' Meeting, to be held on 18 April 2024, its slate of candidates ("BoD Slate") for renewal of the Board of Directors for the three-year period 2024-2026.

The candidates included in the BoD Slate were picked by the Board of Directors following a selection process managed by the Remuneration and Nominations Committee, assisted by the Lead Independent Director to ensure the independence of the process and with the support of a leading international consulting firm. The process was conducted in line with best market practice and in compliance with applicable legal requirements.

The candidates were selected in accordance with Prysmian's Board Composition Policy, also containing the Board Skills Matrix and the applicable process, approved by the outgoing Board of Directors and published in November 2023.

The BoD Slate included outgoing CEO Valerio Battista, who was proposed as Deputy Chairman with no other offices or executive roles and remuneration consistent with the other directors. The Board felt that his presence would ensure due continuity and best reflect the views of all stakeholders and that Mr. Battista would be able to continue supporting Prysmian in his new role.

Approval of the Annual Financial Statements at 31 December 2023, distribution of dividends and appointment of the Prysmian S.p.A. Board of Directors

On 18 April 2024, the shareholders' meeting of Prysmian S.p.A. approved the 2023 financial statements and the distribution of a gross dividend of Euro 0.70 per share, for a total of some Euro 191 million. The dividend was paid out from 24 April 2024, with record date 23 April 2024 and ex-div date 22 April 2024. The same shareholders' meeting also appointed the new members of the Prysmian S.p.A. Board of Directors.

Massimo Battaini is Prysmian's new Chief Executive Officer and General Manager

On 18 April 2024, the Board of Directors appointed Massimo Battaini as Prysmian's new Chief Executive Officer and General Manager. With this appointment, the new organisational structure, aimed at supporting the Group's strategic plan and value creation, has entered its operational phase.

More than 50-year expected lifetime for Prysmian's Sirocco cables

On 19 March 2024, Prysmian announced the results of new and rigorous long-term ageing tests on the Sirocco cable family, which showed an expected lifetime of more than 50 years, allowing operators to calculate the life cycle analysis of their networks over an extended period.

As part of its continuing industry leadership in cable design and reliability, Prysmian has carried out long-term durability and ageing certification for its SiroccoHD and SiroccoEXTREME microduct cables and the fibres contained therein in order to simulate a cable lifetime of at least 50 years under dry and wet ageing conditions. The results show that after lifetime simulation, optical fibre attenuation as well as cable performance and material properties remain unchanged and able to meet industry standards for newly manufactured cables.

Prysmian wins "FTTH Innovation Award" with Bendbright 180μm optical fibre

On 22 March 2024, Prysmian announced it had won the "FTTH Innovation Award" in the Passive Infrastructure category, for its groundbreaking BendBright 180μm optical fibre. This award underlines Prysmian's commitment to pioneering advancements in the field of optical fibre and its dedication to delivering cutting-edge solutions to meet the evolving needs of the telecommunications industry.

The FTTH Innovation Award, presented by the FTTH Council Europe, honours the most innovative FTTH technology product solutions that support the key objectives of the FTTH Council Europe, namely accelerating fibre roll-out, reducing costs and making roll-out more efficient, and promoting sustainable technologies. Prysmian's BendBright 180μm fibre was selected as an outstanding innovation, demonstrating unparalleled excellence and ingenuity in the advancement of optical fibre technology.

BendBright 180μm is currently the only small diameter 180μm optical fibre that is already colour coded, and designed to meet the challenges of deploying optical fibre networks in increasingly demanding environments, without compromising performance or reliability. With its ultra-fine diameter, BendBright offers unmatched flexibility and bend resilience. Its unique attributes make it ideally suited for a wide range of applications, including urban, rural, and indoor environments, where space constraints and challenging conditions present significant obstacles to traditional optical fibre solutions.

Prysmian joins the FMP Alliance to accelerate adoption of Fault-Managed Power technology

On 9 April 2024, Prysmian announced that it had joined the Fault-Managed Power (FMP) Alliance, strengthening its commitment to advancing the safety, reliability and efficiency of power supply systems around the globe.

The FMP Alliance, an open industry association whose members include leading companies such as Belden, Cisco Systems, Panduit, Prysmian, and VoltServer, is dedicated to advocating, promoting, and advancing fault-managed power technologies across a variety of industries.

Fault-managed power technology represents a significant step forward in power system management, by reliably and safely preventing electrocution and fire hazards. This technology not only improves safety and operational performance but also tallies with sustainability goals, by helping make power distribution more eco-friendly.

By joining the FMP Alliance, Prysmian emphasises its commitment to innovation and collaboration also when it comes to safe electrical power. As a recognised industry leader, Prysmian brings its extensive experience and resources to the Alliance, further reinforcing its efforts to promote the widespread adoption of low-voltage fault-managed power solutions.

Prysmian signs an agreement to acquire Warren & Brown, Australian leader in telecom network connectivity products

On 10 April 2024, Prysmian announced that it had signed an agreement to acquire Warren & Brown Technologies, the Australian leader in telecom network connectivity products. The acquisition represents a strategic milestone for both companies, combining Prysmian's know-how in Digital Solutions technologies with Warren & Brown's resources, capabilities and strength in enterprise solutions for the Telecom market. The transaction is part of Prysmian's "Connect, to Lead" strategy to become a global solution provider and lead the energy transition and digital transformation. Warren & Brown is the Australian leader in telecommunication network connectivity products, providing solutions to telecom operators for various applications mainly in the FTTA and FTTH & Data Centre areas. Founded in 1921, Warren & Brown is headquartered in Melbourne and operates 3 main production sites, 2 in Australia (Melbourne) and 1 in the Philippines (Manila), generating annual turnover of about AUD 90 million (approximately Euro 55 million). The transaction is subject to approval by the relevant authorities and customary conditions precedent.

Prysmian honoured at GEO Awards 2024 for its share ownership plans

On 11 April 2024, Prysmian was named as one of the winners of the GEO Awards 2024, bestowed annually by Global Equity Organization, for its BE IN share ownership plan, part of the Value4All programme, in recognition of its commitment to offering value-sharing plans to its employees.

Value sharing has been part of Prysmian's DNA since 2013 when it launched the first employee share purchase plan, known as YES (Your Employee Shares), with the aim of promoting the

generation and distribution of value to the group's employees and participation in the company's shareholder base. The Value4All programme comprises three remuneration and incentive plans created to ensure maximum inclusivity according to the geographical, organisational or local diversity of participants.
Prysmian's goal is to have at least 50% of its employees (including non-desk workers) as company shareholders by 2027. At the end of 2023, 46% of employees, totalling more than 13,400 people, were company shareholders. To strengthen its inclusivity strategy, Prysmian launched the BE IN plan in 2022, which for the first time also included non-desk workers in a stock-based compensation plan.

Prysmian to acquire Encore Wire for USD 290.00 per share

On 15 April 2024, Prysmian announced that it had entered into a merger agreement under which it would acquire Encore Wire for USD 290.00 per share in cash. The price per share of USD 290.00 represents a premium of approximately 20% over the 30-day volume weighted average share price (VWAP) on Friday, 12 April 2024 and approximately 29% over the 90-day VWAP on the same date.
On 28 May 2024, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act relating to the acquisition of Encore Wire Corporation expired, meaning that this acquisition was cleared for US antitrust purposes.
On 26 June 2024, shareholders with a majority of Encore Wire's outstanding ordinary shares voted at a special meeting in favour of adopting the merger agreement under which Prysmian would acquire Encore Wire for USD 290.00 per share.
As reported in the note on "Events after the reporting period" later on in this Half-Year Financial Report, on 2 July 2024, Prysmian announced that it had completed the acquisition of Encore Wire Corporation by purchasing all the outstanding ordinary shares of Encore Wire for USD 290.00 per share in cash, for a total consideration of approximately USD 4,643 million (equating to approximately Euro 4,341 million).
Encore Wire is a leading manufacturer of a broad range of copper and aluminium electrical wire and cables, supplying power generation and distribution solutions. With its diversified product portfolio and low production cost, Encore Wire plays a key role in the transition to a more sustainable and reliable energy infrastructure model. In 2023, Encore Wire generated revenue of approximately USD 2.6 billion and EBITDA of USD 517 million[1].
Based on pro-forma aggregated results for the twelve months ended 31 December 2023, the combined group would have had sales of over Euro 17.7 billion and Adjusted EBITDA of approximately Euro 2.1 billion[2].

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[1] Encore Wire financials in accordance with US GAAP
[2] Based on pro forma EBITDA of Euro 2,102 million (Prysmian Euro 1,628 million + Encore Wire USD 517 million or Euro 479 million translated at USD/EUR rate of 1.08). Encore Wire financials in accordance with US GAAP.

From segmentation perspective, Encore Wire operates mainly in the Electrification segment.
The acquisition of Encore Wire will make it possible to generate approximately Euro 140 million in run-rate adjusted EBITDA synergies over the 4 years from completing the transaction.
The acquisition will consolidate Prysmian's leadership position in North America. Prysmian will benefit from greater cross-selling opportunities, as well as from the efficiency and innovation of Encore Wire's unique manufacturing, distribution and service model. The transaction also increases the importance of the North American business within Prysmian's geographical footprint.
The combined business will be well-positioned to drive electrification and digital transformation processes in North America, including data centre expansion and power grid upgrades.
The completion of the transaction means that Encore Wire has become a private company, and therefore its shares will no longer be listed on NASDAQ or any other public market.

Prysmian and Aurubis enter into a long-term supply agreement for copper wire rod

On 23 April 2024, Prysmian and Aurubis, a leading supplier of non-ferrous metals and one of the world's largest recycled copper producers, entered into a long-term supply agreement for copper wire rod. Under the agreement, Aurubis will supply a significant volume of copper wire rod, which will increase year by year. The agreement with Aurubis, Europe's largest vertically integrated manufacturer of copper wire rod, will meet Prysmian's needs, especially those of its European plants, ensuring coverage of current and prospective activities.

Francesco Tutino is Prysmian's new Group Chief HR & Organization Officer

On 3 June 2024, Prysmian announced the appointment of Francesco Tutino as Group Chief HR & Organization Officer.
Tutino brings with him more than 20 years of experience in the HR area, having held leadership positions in several multinational companies. His career includes positions at DENSO and CNH, culminating in his most recent role as Chief Human Resources and IT Officer at Iveco Group.

Prysmian accelerates on Sustainability

Prysmian has marked its annual "Sustainability and Innovation Days" event by announcing the acceleration of certain key sustainability initiatives, as well as an update of the medium-term targets in its Sustainability Plan.
Among the key points:

- Prysmian will revise up its sustainability targets thanks to the announced acquisition of Encore Wire, a sustainable leader through its unique business model.

- The launch of E-Path, Prysmian's new cable label designed to fully incorporate market-leading standards in measurable sustainability criteria. The label will be applied to Prysmian products meeting this standard throughout the world.
- Prysmian is to become a partner of the "Copper Mark" initiative, the leading assurance framework to help increase the amount of responsibly produced, sourced, and recycled metal available to the company.
- Prysmian is considering the introduction of science-based biodiversity targets, in line with the Science Based Network.
- Prysmian's share of revenues from sustainable products reached 41% in the first quarter of 2024, already surpassing the 40% target for 2025.

Prysmian's "Sustainability and Innovation Days", with the flagship event held on 27 June, have brought together Prysmian suppliers and customers from around the world, as well as other key stakeholders, to discuss, share progress and explore initiatives that have been put in place to make a positive impact on the environment and the company, united by a spirit of innovation.
"Sustainability and Innovation Days" are also part of Prysmian's approach to sustainability – engaging with key stakeholders to assess and accelerate the prime environmental, social and governance issues which impact both business and society. To ensure that progress is transparent and regularly updated, Prysmian's sustainability goals are reported in detail through the lens of its sustainability scorecard, which looks at 12 Impact KPIs aligned to the UN's sustainable development goals. The scorecard is based on the four pillars of Prysmian's approach to sustainability: Environment, People-Community, Governance and Innovation. The scorecard targets are regularly monitored by the Sustainability Steering Committee, chaired by the Chief Investor Relations, Sustainability and Communication Officer, and shared with the Sustainability Committee. Further details about Prysmian's sustainability targets, available to all stakeholders, can be found at: https://www.prysmian.com/en/sustainability/sustainability-targets-the-scorecard.

CONSOLIDATED FINANCIAL HIGHLIGHTS *

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	7,819	8,003	-2.3%	15,354
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	860	863	-0.3%	1,595
Adj. EBITDA (1)	869	878	-1.0 %	1,628
EBITDA (2)	801	828	-3.3%	1,485
Adj. operating income (3)	676	702	-3.7%	1,270
Operating income	592	636	-6.9%	860
Profit before taxes	539	582	-7.4%	764
Net profit	410	413	-0.7%	547

(Euro/million)

	30.06.2024	30.06.2023	Change	31.12.2023
Net invested capital	6,328	6,283	45	5,493
Employee benefit obligations	316	321	(5)	333
Equity	4,691	3,897	794	3,972
of which attributable to non-controlling interests	195	181	14	191
Net financial debt	1,321	2,065	(744)	1,188

(Euro/million)

	30.06.2024	30.06.2023	% change	31.12.2023
Net capital expenditure (4)	209	164	27.4%	624
Employees (at period end)	30,849	30,880	-0.1%	30,088
Earnings/(loss) per share				
- basic	1.47	1.49		1.94
- diluted	1.39	1.49		1.84

In terms of ESG performance, Prysmian continues to create value for sharing with stakeholders. The following table summarises the indicators that are also included in the short- and long-term incentive systems and that are reportable on an interim basis:

	30.06.2024	31.12.2023	Change
Percentage reduction of Scope 1 and Scope 2 CO_2 emissions vs FY2019 baseline (5)	-36%	-33%	-3%
Share of revenues from sustainable products (6)	43%	37%	+6%
Share of recycled content: PE sheaths and copper (7)	15.2%	12.7%	+2.5%
Percentage of women in executive positions (job grade ≥ 20) (8)	19.2%	18.8%	+0.4%
Percentage of female desk workers on permanent contracts (9)	46.7%	46.0%	+0.7%

(1) Adjusted EBITDA is defined as EBITDA before income and expense for business reorganisation, non-recurring items and other non-operating income and expense.

(2) EBITDA is defined as earnings/(loss) for the period, before the fair value change in derivatives on commodities and in other fair value items, amortisation, depreciation and impairment, finance costs and income, dividends from other companies and taxes.

(3) Adjusted operating income is defined as operating income before income and expense for business reorganisation, non-recurring items and other non-operating income and expense, and before the fair value change in metal derivatives and in other fair value items.
(4) Net capital expenditure reflects cash flows from disposals of Assets held for sale and from disposals and additions of Property, plant and equipment and Intangible assets not acquired under specific financing arrangements, meaning that additions of leased assets are excluded.
(5) Percentage reduction in Scope 1 and Scope 2 GHG emissions versus 2019 baseline: percentage reduction in the GHG emissions generated by business activities (Scopes 1 and 2, market based). It includes the emissions of CO2 and other gases (such as SF6) expressed in CO2 eq (CO2 equivalent). The reduction is calculated on a rolling last 12-month basis with respect to the 2019 baseline.
(6) Share of revenues from sustainable products: with the aim of making the Group's approach more holistic and thanks to the progress made in developing sustainable products and solutions in all Regions, Prysmian has decided to eliminate the distinction between Europe and the rest of the world when calculating this KPI, as already illustrated during the Capital Markets Day held in October 2023.
(7) Percentage weight of recycled content in certain purchased materials. The scope of the indicator includes 1) copper purchased at Group level, excluding occasional suppliers and semi-finished products 2) polyethylene used for sheaths, excluding those applications for which customers do not allow the use of recycled materials.
(8) Percentage of women in executive positions: proportion of women in executive positions (job grade 20 and above) out of the total number of managerial employees. The number of employees refers to the total workforce as at 30.06.2024, including all permanent and fixed-term contracts. The KPI shows Prysmian's ability to develop people internally to take on leadership roles and to recruit them from the market, as well as its ability to retain those talents.
(9) Proportion of female desk workers on permanent contracts out of the total number of desk workers on permanent contracts. The indicator includes all externally hired desk workers (including professional programmes) and all contract changes from agency/temporary to permanent.

(*) All percentages contained in this report have been calculated with reference to amounts expressed in thousands of Euro.

PRYSMIAN PERFORMANCE AND RESULTS

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	7,819	8,003	-2.3%	15,354
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**860**	**863**	**-0.3%**	**1,595**
% Sales	11.0%	10.8%		10.4%
Adj. EBITDA	**869**	**878**	**-1.0%**	**1,628**
% Sales	11.1%	11.0%		10.6%
EBITDA	**801**	**828**	**-3.3%**	**1,485**
% Sales	10.2%	10.3%		9.7%
Fair value change in derivatives on commodities	13	3		6
Fair value share-based payment	(29)	(17)		(57)
Amortisation, depreciation, impairment and impairment reversal	(193)	(178)		(574)
Operating income	**592**	**636**	**-6.9%**	**860**
% Sales	7.6%	7.9%		5.6%
Net finance income/(costs)	(53)	(54)		(96)
Profit before taxes	**539**	**582**	**-7.4%**	**764**
% Sales	6.9%	7.3%		5.0%
Taxes	(129)	(169)		(217)
Net profit	**410**	**413**	**-0.7%**	**547**
% Sales	5.2%	5.2%		3.6%
Attributable to:				
Owners of the parent	402	405		529
Non-controlling interests	8	8		18
Reconciliation of Operating Income/EBITDA to Adj. Operating Income/Adj. EBITDA				
Operating income (A)	**592**	**636**	**-6.9%**	**860**
EBITDA (B)	**801**	**828**	**-3.3%**	**1,485**
Adjustments:				
Business reorganisation	48	9		48
Non-recurring expenses/(income)	6	3		9
Other non-operating expenses/(income)	14	38		86
Total adjustments (C)	**68**	**50**		**143**
Fair value change in derivatives on commodities (D)	(13)	(3)		(6)
Fair value share-based payment (E)	29	17		57
Asset impairment and impairment reversal (F)	-	2		216
Adj. operating income (A+C+D+E+F)	**676**	**702**	**-3.7%**	**1,270**
Adj. EBITDA (B+C)	**869**	**878**	**-1.0%**	**1,628**

Sales came to Euro 7,819 million in the first six months of 2024 (Euro 8,003 million in the first six months of 2023), with an organic decline of 3.0%. Prysmian's Adjusted EBITDA came to Euro 869 million, representing a margin on sales of 11.1%. These dynamics enabled Prysmian to generate a net operating cash inflow of Euro 889 million over the preceding 12 months.

The variation in sales can be broken down into the following main factors:

- organic sales downturn, accounting for a decrease of Euro 240 million (-3.0%);
- unfavourable exchange rate movements, resulting in a reduction of Euro 15 million (-0.2%);
- fluctuation in the price of metals (copper, aluminium and lead), generating a sales price increase of Euro 71 million (+0.9%).

Prysmian's Adjusted EBITDA (before net expenses for business reorganisation, net non-recurring expenses and other net non-operating expenses) came to Euro 869 million in the first six months of 2024, down Euro 9 million (-1.0%) on the corresponding 2023 figure of Euro 878 million. The Adjusted EBITDA margin on sales was 11.1% (11.0% in the first six months of 2023).

EBITDA is stated after net expenses for business reorganisation, net non-recurring expenses and other net non-operating expenses totalling Euro 68 million (Euro 50 million in the first six months of 2023).

Amortisation, depreciation and impairment of Euro 193 million in the first six months of 2024 were slightly higher than in the same period last year (Euro 178 million).

The fair value change in metal derivatives was a positive Euro 13 million in the first six months of 2024, compared with a positive Euro 3 million in the same period of 2023.

A total of Euro 29 million in costs were recognised in the first six months of 2024 to account for the effects of the long-term incentive plan and employee share purchase scheme, compared with Euro 17 million in the same period last year.

Reflecting the effects described above, operating income came to Euro 592 million, compared with Euro 636 million in the first six months of 2023, thus reporting a decrease of Euro 44 million.

Net finance costs amounted to Euro 53 million in the first six months of 2024, slightly down from Euro 54 million in the prior year equivalent period.

Taxes of Euro 129 million represented an effective tax rate of 23.9%, compared with 29.0% in the first six months of 2023.

Net profit for the first six months of 2024 was Euro 410 million (of which Euro 402 million the Group share), compared with Euro 413 million in the first six months of 2023 (of which Euro 405 million the Group share).

Net financial debt stood at Euro 1,321 million at 30 June 2024, down Euro 744 million from Euro 2,065 million at 30 June 2023, thus confirming a significant reduction in net debt.

PERFORMANCE OF TRANSMISSION OPERATING SEGMENT

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	1,084	1,002	8.3%	2,122
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**150**	**116**	**28.5%**	**273**
% Sales	13.8%	11.6%		12.9%
Adj. EBITDA	**150**	**116**	**28.5%**	**273**
% Sales	13.8%	11.6%		12.9%
Adjustments	(6)	(5)		(15)
EBITDA	**144**	**111**	**28.5%**	**258**
% Sales	13.2%	11.1%		12.2%
Amortisation and depreciation	(43)	(37)		(70)
Adj. operating income	**107**	**79**	**33.9%**	**203**
% Sales	9.8%	7.9%		9.6%

The *Transmission* operating segment is focused on renewable energy transmission using innovative cable solutions. It encompasses the following high-tech high value-added businesses: High Voltage Direct Current (HVDC), Network Components High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage.

FINANCIAL PERFORMANCE

Transmission segment sales amounted to Euro 1,084 million in the first half of 2024, versus Euro 1,002 million in the same period of 2023, recording a positive change of Euro 82 million (+8.3%).

The factors behind this change were:

- organic sales growth, accounting for an increase of Euro 95 million (+9.5%);
- metal price fluctuations, producing a decrease of Euro 12 million (-1.2%);
- exchange rate fluctuations, producing a decrease of Euro 1 million.

The Transmission segment's organic growth is mainly attributable to the HVDC, Offshore Specialties and Submarine Power businesses.

The main Submarine Power projects on which work was performed during the period were:

- the Neuconnect interconnector, the Tyrrhenian Link, the ADNOC interconnector and the Egypt KSA interconnector;
- the Dominion offshore wind project in the United States.

The HVDC business recorded strong growth, mainly thanks to the German Corridors.

Sales in the period were generated by cable manufacturing activities at the Group's industrial facilities (Pikkala in Finland, Arco Felice in Italy and Nordenham in Germany) and installation activities forming part of project execution, carried out using both its own assets and third-party equipment.

Adjusted EBITDA for the first half of 2024 was Euro 150 million, above the 2023 figure of Euro 116 million, with a double-digit margin of 13.8%, beating the first-half 2023 margin of 11.6%.
These results were mainly due to solid project delivery, together with projects with improved margins.

The Transmission segment is key for energy transition processes, since, as a solution provider, it offers its customers a whole range of solutions for the implementation of renewable energy production and distribution projects.
As evidence of this megatrend, the value of the Group's Submarine Power order backlog has reached a record level of Euro 13.1 billion, mainly consisting of:

- offshore wind contracts: Dominion in North America, DolWin4 and BorWin4, Ijmuiden Ver, the Amprion Framework Agreement consisting of the Balwin 1 and Balwin 2 projects, and the 50Hz Framework Agreement, consisting of the NOR 11 project;
- interconnection contracts: Biscay Bay, Tyrrhenian Link, Saudi-Egypt, NeuConnect, Adriatic Link, EGL1 and EGL2.

Prysmian's HVDC order backlog is worth approximately Euro 4.6 billion, consisting of the German Corridors contracts, the DC34 project included in the Amprion Framework Agreement and the DC31 project included in the 50 Hertz Framework Agreement.

Including the Submarine Telecom and Offshore Specialties businesses, the total order backlog of the Transmission segment is worth approximately Euro 17.7 billion.

PERFORMANCE OF POWER GRID OPERATING SEGMENT

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	1,802	1,772	1.7%	3,394
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**238**	**182**	**31.5%**	**389**
% Sales	13.2%	10.2%		11.5%
Adj. EBITDA	**238**	**182**	**31.5%**	**390**
% Sales	13.2%	10.2%		11.5%
Adjustments	(3)	(13)		(28)
EBITDA	**235**	**169**	**39.6%**	**362**
% Sales	13.1%	9.5%		10.7%
Amortisation and depreciation	(41)	(35)		(72)
Adj. operating income	**197**	**147**	**34.6%**	**318**
% Sales	11.0%	8.3%		9.4%

The *Power Grid* operating segment comprises the businesses that support power grid upgrading with innovative technologies. This segment is organised in the following lines of business: High Voltage Alternate Current (HVAC), Power Distribution, Overhead Lines, Network Components Medium Voltage/Low Voltage, EOSS Medium Voltage/Low Voltage.

FINANCIAL PERFORMANCE

Power Grid segment sales amounted to Euro 1,802 million in the first six months of 2024, versus Euro 1,772 million in the same period of 2023, posting a positive change of Euro 30 million (+1.7%), largely due to organic growth with only a negligible impact from exchange rates and metal prices.

The segment's organic growth particularly benefited from continuation of the megatrends involving enhancement of power transmission and distribution grids, specially in North America and EMEA, and development of renewable energy.

Adjusted EBITDA for the first half of 2024 was Euro 238 million, versus Euro 182 million in the first half of 2023, posting an improvement of Euro 56 million (+31.5%). This increase reflects a positive performance by all the businesses, especially Power Distribution and HVAC. At a regional level, the segment reported a major improvement in EMEA and North America partly due to newly available capacity. The Power Grid segment reported a margin of 13.2%, compared with 10.2% in the same period last year.

PERFORMANCE OF ELECTRIFICATION OPERATING SEGMENT

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	4,277	4,372	-2.2%	8,349
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**403**	**451**	**-10.9%**	**820**
% Sales	9.4%	10.3%		9.8%
Adj. EBITDA	**405**	**453**	**-10.7%**	**825**
% Sales	9.5%	10.4%		9.9%
Adjustments	(25)	(27)		(72)
EBITDA	**380**	**426**	**-10.7%**	**753**
% Sales	8.9%	9.7%		9.0%
Amortisation and depreciation	(77)	(69)		(146)
Adj. operating income	**328**	**384**	**-14.6%**	**679**
% Sales	7.7%	8.8%		8.1%

The *Electrification* operating segment encompasses different businesses within the electrical energy sector, offering a comprehensive and innovative product portfolio designed to meet growing demand for electricity in various market sectors, namely:

- Industrial and Construction;
- Specialties, in turn comprising OEM, Renewables, Elevators, Automotive Oil & Gas and Downhole Technologies (DHT);
- Other: occasional sales of residual products.

FINANCIAL PERFORMANCE

Electrification segment sales came to Euro 4,277 million, versus Euro 4,372 million in the first six months of 2023, posting a negative change of Euro 95 million (-2.2%), the main components of which were as follows:

- negative organic sales growth of Euro 165 million (-3.8%);
- negative change of Euro 12 million (-0.3%) for exchange rate fluctuations;
- sales price increase of Euro 82 million (+1.9%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 405 million, down from Euro 453 million in the first six months of 2023, posting a decrease of Euro 48 million (-10.7%). The reduction on the same period in 2023 is primarily due to a slight decline in the Industrial & Construction business, partly offset by the positive performance of Specialties, particularly in the OEM sector.

The Electrification segment reported a margin of 9.5%, compared with 10.4% in the corresponding prior year reporting period.

The following paragraphs describe market trends and financial performance in each of the Electrification operating segment's business areas.

INDUSTRIAL & CONSTRUCTION

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	2,500	2,570	-2.7%	4,793
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**223**	**289**	**-22.8%**	**511**
% Sales	8.9%	11.2%		10.7%
Adj. EBITDA	**224**	**290**	**-22.7%**	**514**
% Sales	9.0%	11.3%		10.7%
Adj. operating income	**182**	**251**	**-27.5%**	**433**
% Sales	7.3%	9.8%		9.0%

Industrial & Construction sales came to Euro 2,500 million in the first half of 2024, versus Euro 2,570 million in the same period last year, recording a negative change of Euro 70 million (-2.7%), the main components of which were as follows:

- negative organic sales growth of Euro 77 million (-3.0%);
- negative change of Euro 3 million (-0.1%) for exchange rate fluctuations;
- sales price increase of Euro 10 million (+0.4%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 224 million in the first six months of 2024, down from Euro 290 million in the same period last year, posting a decrease of Euro 66 million (-22.7%), including a negative exchange rate impact of Euro 3 million.
The margin stood at 9.0%, down from the first half of 2023 (11.3%) reflecting price normalisation in North America, in line with expectation, while volumes grew thanks to a significant surge in the region.

SPECIALTIES

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	1,552	1,642	-5.4%	3,177
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**178**	**169**	**5.4%**	**325**
% Sales	11.5%	10.3%		10.2%
Adj. EBITDA	**179**	**170**	**5.4%**	**327**
% Sales	11.5%	10.3%		10.3%
Adj. operating income	**146**	**141**	**4.2%**	**266**
% Sales	9.4%	8.6%		8.4%

Specialties sales came to Euro 1,552 million in the first half of 2024, compared with Euro 1,642 million in the same period last year, recording a negative change of Euro 90 million (-5.4%), the main components of which were as follows:

- negative organic sales growth of Euro 88 million (-5.3%);
- negative change of Euro 9 million (-0.5%) for exchange rate fluctuations;
- sales price increase of Euro 7 million (+0.4%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 179 million in the first six months of 2024, up from Euro 170 million in the same period last year, posting an improvement of Euro 9 million (+5.4%) mainly thanks to the OEM business.
The margin of 11.5% improved from 10.3% in the prior year reporting period.

OTHER

(Euro/million)

	1st half 2024	1st half 2023	2023
Sales	225	160	379
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**2**	**(7)**	**(16)**
Adj. EBITDA	**2**	**(7)**	**(16)**
Adj. operating income	**-**	**(8)**	**(20)**

This business area encompasses occasional sales by Prysmian operating units of intermediate goods, raw materials or other products forming part of the production process. These sales are normally linked to local business situations, do not generate high margins and can vary in size and from period to period.

PERFORMANCE OF DIGITAL SOLUTIONS OPERATING SEGMENT

(Euro/million)

	1st half 2024	1st half 2023	% change	2023
Sales	656	857	-23.5%	1,489
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**69**	**114**	**-39.1%**	**113**
% Sales	10.5%	13.2%		7.6%
Adj. EBITDA	**76**	**127**	**-40.2%**	**140**
% Sales	11.6%	14.8%		9.4%
Adjustments	(34)	(5)		(28)
EBITDA	**42**	**122**	**-65.8%**	**112**
% Sales	6.4%	14.3%		7.5%
Amortisation and depreciation	(32)	(35)		(70)
Adj. operating income	**44**	**92**	**-52.0%**	**70**
% Sales	6.7%	10.7%		4.7%

The *Digital Solutions* operating segment produces cable systems and telecom network connectivity products. This segment is organised in the following lines of business: optical fibre, optical cables, connectivity components and accessories, OPGW (Optical Ground Wire) and copper cables.

FINANCIAL PERFORMANCE

Digital Solutions sales came to Euro 656 million in the first six months of 2024, compared with Euro 857 million in the same period of 2023.
The negative change of Euro 201 million (-23.5%) is explained by:

- negative organic sales growth of Euro 201 million (-23.5%);
- sales price increase of Euro 1 million (+0.1%) due to metal price fluctuations;
- negative change of Euro 1 million (-0.1%) for exchange rate fluctuations.

The 2024 first-half slowdown in organic sales growth reflects a temporary downturn in the multimedia solutions business and a decline in the copper and optical cables business mainly in the North American market.

Both the multimedia solutions business and the optical and copper cable business are suffering a slowdown due to overstocking in our customers' warehouses, the former in both Europe and America, the latter mainly in North America.
In addition, America has seen a concomitant contraction in the construction of office buildings, the demand for which has declined following the mass introduction of remote working.

Globally, copper cables continued their steady decline as traditional networks were retired in favour of new-generation ones.
The high value-added business of optical connectivity accessories, linked to the development of new FTTx (last mile broadband) networks, also recorded a temporary slowdown, mainly in Great Britain.

Adjusted EBITDA amounted to Euro 76 million in the first six months of 2024, reporting a decrease of Euro 51 million (-40.2%) from Euro 127 million in the same period of 2023, especially due to the reduction in volumes on the North American market. However, a recovery is expected in the second half of 2024.

The long-term growth drivers for the Digital Solutions business remain unchanged, driven by massive data growth as well as the increase of FTTH, 5G coverage and datacentres. Prysmian is well-positioned to seize the opportunities offered by digitalisation.

PRYSMIAN STATEMENT OF FINANCIAL POSITION

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(Euro/million)

	30.06.2024	30.06.2023	Change	31.12.2023
Net fixed assets	5,823	5,609	214	5,709
Net working capital	1,290	1,362	(72)	518
Provisions and net deferred taxes	(785)	(688)	(97)	(734)
Net invested capital	**6,328**	**6,283**	**45**	**5,493**
Employee benefit obligations	316	321	(5)	333
Total equity	4,691	3,897	794	3,972
of which attributable to non-controlling interests	195	181	14	191
Net financial debt	1,321	2,065	(744)	1,188
Total equity and sources of funds	**6,328**	**6,283**	**45**	**5,493**

NET FIXED ASSETS

(Euro/million)

	30.06.2024	30.06.2023	Change	31.12.2023
Property, plant and equipment	3,507	3,112	395	3,401
Intangible assets	2,078	2,112	(34)	2,071
Equity-accounted investments	226	363	(137)	218
Other investments at fair value through other comprehensive income	12	12	-	10
Assets held for sale (**)	-	10	(10)	9
Net fixed assets	**5,823**	**5,609**	**214**	**5,709**

(**) Excluding the value of financial assets and liabilities held for sale.

At 30 June 2024, net fixed assets amounted to Euro 5,823 million, compared with Euro 5,709 million at 31 December 2023, posting an increase of Euro 114 million mainly due to the combined effect of the following factors:

- Euro 209 million in net capital expenditure on property, plant and equipment and intangible assets;
- Euro 193 million in amortisation, depreciation and impairment for the period;
- Euro 26 million in increases for property, plant and equipment accounted for in accordance with IFRS 16;
- Euro 58 million in positive currency translation differences affecting the value of property, plant and equipment and intangible assets;
- Euro 4 million for monetary revaluations due to hyperinflation.

NET WORKING CAPITAL

(Euro/million)

	30.06.2024	30.06.2023	Change	31.12.2023
Inventories	2,637	2,543	94	2,264
Trade receivables	2,579	2,583	(4)	1,987
Trade payables	(2,570)	(2,518)	(52)	(2,199)
Other receivables/(payables)	(1,528)	(1,191)	(337)	(1,527)
Net operating working capital	**1,118**	**1,417**	**(299)**	**525**
Derivatives	172	(55)	227	(7)
Net working capital	**1,290**	**1,362**	**(72)**	**518**

Net working capital of Euro 1,290 million at 30 June 2024 was Euro 72 million lower than the corresponding figure of Euro 1,362 million at 30 June 2023. Net operating working capital, which excludes the value of derivatives, amounted to Euro 1,118 million at 30 June 2024, down Euro 299 million from Euro 1,417 million at 30 June 2023, with the ratio to annualised last-quarter sales at 6.8% (8.8% in the same period last year).

NET FINANCIAL DEBT

The following table provides a detailed breakdown of net financial debt:

(Euro/million)

	30.06.2024	30.06.2023	Change	31.12.2023
Long-term financial payables				
CDP Loans	194	194	-	194
EIB Loans	135	245	(110)	135
Convertible Bond 2021	440	722	(282)	728
Sustainability-Linked Term Loan 2022	1,193	1,192	1	1,193
Intesa Loan	-	150	(150)	-
Lease liabilities	223	220	3	234
Other financial payables	3	10	(7)	4
Total long-term financial payables	**2,188**	**2,733**	**(545)**	**2,488**
Short-term financial payables				
CDP Loans	3	103	(100)	103
EIB Loans	113	2	111	113
Sustainability-Linked Term Loan 2022	24	18	6	25
Unicredit Loan	-	201	(201)	-
Mediobanca Loan	-	100	(100)	100
Intesa Loan	151	1	150	151
Lease liabilities	68	61	7	70
Forex derivatives on financial transactions	3	3	-	9
Other financial payables	35	54	(19)	46
Total short-term financial payables	**397**	**543**	**(146)**	**617**
Total financial liabilities	**2,585**	**3,276**	**(691)**	**3,105**
Long-term financial receivables	3	3	-	3
Long-term bank fees	4	4	-	4
Financial assets at amortised cost	3	3	-	3
Non-current interest rate swaps	21	49	(28)	11
Current interest rate swaps	15	23	(8)	20
Current forex derivatives on financial transactions	5	9	(4)	2
Short-term financial receivables	20	14	6	22
Short-term bank fees	3	2	1	2
Financial assets at fair value through profit or loss	30	266	(236)	85
Financial assets at fair value through other comprehensive income	13	11	2	24
Cash and cash equivalents	1,147	827	320	1,741
Total financial assets	**1,264**	**1,211**	**53**	**1,917**
Net financial debt	**1,321**	**2,065**	**(744)**	**1,188**

STATEMENT OF CASH FLOWS

(Euro/million)

	1st half 2024	1st half 2023	Change	12 months (from 01-Jul-2023 to 30-Jun-2024)	2023
EBITDA	**801**	**828**	**(27)**	**1,458**	**1,485**
Changes in provisions (including employee benefit obligations) and other movements	11	18	(7)	75	82
Share of net profit/(loss) of equity-accounted companies	(20)	(15)	(5)	(38)	(33)
Net cash flow from operating activities (before changes in net working capital)	**792**	**831**	**(39)**	**1,495**	**1,534**
Changes in net working capital	(603)	(774)	171	368	197
Taxes paid	(123)	(193)	70	(258)	(328)
Dividends from equity-accounted companies	3	2	1	14	13
Net cash flow from operating activities	**69**	**(134)**	**203**	**1,619**	**1,416**
Net cash flow used in operating investing activities	(209)	(164)	(45)	(669)	(624)
Free cash flow (unlevered)	**(140)**	**(298)**	**158**	**950**	**792**
Net finance costs	(27)	(32)	5	(67)	(72)
Free cash flow (levered)	**(167)**	**(330)**	**163**	**883**	**720**
Dividend distribution	(197)	(162)	(35)	(200)	(165)
Other movements in equity	(36)	-	(36)	(40)	(4)
Net cash flow provided/(used) in the period	**(400)**	**(492)**	**92**	**643**	**551**
Opening net financial debt	**(1,188)**	**(1,417)**	**229**	**(2,065)**	**(1,417)**
Net cash flow provided/(used) in the period	(400)	(492)	92	643	551
Equity component from Convertible Bond 2021 issue	293	-	293	293	-
Increase in net financial debt for IFRS 16	(26)	(95)	69	(84)	(153)
Other changes	-	(61)	61	(108)	(169)
Closing net financial debt	**(1,321)**	**(2,065)**	**744**	**(1,321)**	**(1,188)**

In the past 12 months, Prysmian generated Euro 889 million in free cash flow (levered), excluding Euro 6 million in antitrust-related outlays.

The net cash inflow of Euro 889 million was generated by:

a) Euro 1,243 million in net cash flow provided by operating activities before changes in net working capital;

b) Euro 368 million in cash inflows from the change in net working capital;

c) Euro 669 million in cash outflows for net capital expenditure;

d) Euro 67 million in payments of net finance costs;

e) Euro 14 million in dividends received from associates.

ALTERNATIVE PERFORMANCE INDICATORS

In addition to the standard financial reporting formats and indicators required under IFRS, this document contains a number of reclassified statements and alternative performance indicators in order to enable a better appreciation of Prysmian's business performance. Such reclassified statements and performance indicators should not however be treated as substitutes for the accepted ones required by IFRS.

In this regard, on 3 December 2015, Consob adopted the ESMA guidelines in Italy with publication of "ESMA Guidelines/2015/1415" which supersede the "CESR Recommendation 2005 (CESR/05-178b)". The alternative performance measures have therefore been revised in light of these guidelines.

The alternative indicators used for reviewing the income statement include:

- **Adjusted operating income**: operating income before income and expense for business reorganisation[3], before non-recurring items[4], as presented in the consolidated income statement, before other non-operating income and expense[5] and before the fair value change in derivatives on commodities and in other fair value items. The purpose of this indicator is to present Prysmian's operating profitability without the effects of events considered to be outside its continuing operations;

- **EBITDA**: operating income before the fair value change in price of derivatives on commodities and in other fair value items and before amortisation, depreciation and impairment. The purpose of this indicator is to present Prysmian's operating profitability before the main non-monetary items;

- **Adjusted EBITDA**: EBITDA as defined above calculated before income and expense for business reorganisation, before non-recurring items, as presented in the consolidated income statement, and before other non-operating income and expense. The purpose of this indicator is to present Prysmian's operating profitability before the main non-

[3] Income and expense for business reorganisation: these refer to income and expense that arise as a result of the closure of production facilities and/or as a result of projects to optimise organisational structure;

[4] Non-recurring income and expense: these refer to income and expense related to unusual events that have not affected profit or loss in past periods and are not likely to affect the results in future periods;

[5] Other non-operating income and expense: these refer to income and expense that management considers should not be taken into account when measuring business performance.

monetary items, without the effects of events considered to be outside its recurring operations;

- **Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies**: Adjusted EBITDA as defined above calculated before the share of net profit/(loss) of equity-accounted companies;

- **Organic growth**: growth in sales calculated net of changes in the scope of consolidation, changes in metal prices and exchange rate effects.

The alternative indicators used for reviewing the reclassified statement of financial position include:

- **Net fixed assets:** sum of the following items contained in the statement of financial position:
  - Intangible assets
  - Property, plant and equipment
  - Equity-accounted investments
  - Other investments at fair value through other comprehensive income
  - Assets held for sale (excluding financial assets and liabilities held for sale)

- **Net working capital:** sum of the following items contained in the statement of financial position:
  - Inventories
  - Trade receivables
  - Trade payables
  - Other non-current receivables and payables, net of long-term financial receivables classified in net financial debt
  - Other current receivables and payables, net of short-term financial receivables classified in net financial debt
  - Derivatives, net of interest rate and forex risk hedges of financial transactions classified in net financial debt
  - Current tax payables
  - Current assets and current liabilities held for sale

- **Net operating working capital:** net working capital, as defined above, net of derivatives not classified in net financial debt.

- **Provisions and net deferred taxes:** sum of the following items contained in the statement of financial position:
  - Provisions for risks and charges – current portion
  - Provisions for risks and charges – non-current portion
  - Provisions for deferred tax liabilities
  - Deferred tax assets

- **Net invested capital:** sum of Net fixed assets, Net working capital and Provisions.

- **Employee benefit obligations** and **Total equity:** these indicators correspond to Employee benefit obligations and Total equity reported in the statement of financial position.

- **Net financial debt:** sum of the following items:
  - Borrowings from banks and other lenders – non-current portion
  - Borrowings from banks and other lenders – current portion
  - Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial receivables
  - Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial receivables
  - Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial payables
  - Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial payables
  - Medium/long-term financial receivables recorded in Other non-current receivables
  - Loan arrangement fees recorded in Other non-current receivables
  - Short-term financial receivables recorded in Other current receivables
  - Loan arrangement fees recorded in Other current receivables
  - Financial assets at amortised cost
  - Financial assets at fair value through profit or loss
  - Financial assets at fair value through other comprehensive income
  - Cash and cash equivalents

Reconciliation between the Reclassified Statement of Financial Position presented in the Directors' Report and the Statement of Financial Position contained in the Consolidated Financial Statements and Explanatory Notes at 30 June 2024

(Euro/million)

			30.06.2024	31.12.2023
		Note	As per financial statements	As per financial statements
Total net fixed assets	**A**		**5,823**	**5,709**
Inventories		4	2,637	2,264
Trade receivables		3	2,579	1,987
Trade payables		11	(2,570)	(2,199)
Other receivables		3	1,311	1,090
Other payables		11	(2,725)	(2,522)
Current tax payables			(84)	(64)
Derivatives		5	210	17
Items not included in net working capital:				
Financial receivables			23	25
Prepaid finance costs			7	6
Interest rate derivatives			36	31
Forex derivatives on financial transactions			2	(7)
Total net working capital	**B**		**1,290**	**518**
Provisions for risks and charges		12	(839)	(811)
Deferred tax assets			296	299
Deferred tax liabilities			(242)	(222)
Total provisions	**C**		**(785)**	**(734)**
Net invested capital	**D=A+B+C**		**6,328**	**5,493**
Employee benefit obligations	**E**	13	**316**	**333**
Total equity	**F**		**4,691**	**3,972**
Borrowings from banks and other lenders		10	2,582	3,096
Financial assets at amortised cost			(3)	(3)
Financial assets at fair value through profit or loss		6	(30)	(85)
Financial assets at fair value through other comprehensive income		6	(13)	(24)
Cash and cash equivalents		7	(1,147)	(1,741)
Financial receivables			(23)	(25)
Prepaid finance costs			(7)	(6)
Interest rate derivatives			(36)	(31)
Forex derivatives on financial transactions			(2)	7
Net financial debt	**G**		**1,321**	**1,188**
Total equity and sources of funds	**H=E+F+G**		**6,328**	**5,493**

Reconciliation between the principal performance indicators and the Income Statement contained in the Consolidated Financial Statements and Explanatory Notes at 30 June 2024

(Euro/million)

		1st half 2024 As per income statement	1st half 2023 As per income statement
Sales	**A**	7,819	8,003
Change in inventories of finished goods and work in progress		233	132
Other income		23	34
Raw materials, consumables and supplies		(5,072)	(5,217)
Personnel costs		(948)	(878)
Other expenses		(1,303)	(1,278)
Operating costs	**B**	**(7,067)**	**(7,207)**
Share of net profit/(loss) of equity-accounted companies	**C**	20	15
Fair value share-based payment	**D**	29	17
EBITDA	**E=A+B+C+D**	**801**	**828**
Other non-recurring expenses and revenues	**F**	(6)	(3)
Business reorganisation	**G**	(48)	(9)
Other non-operating expenses	**H**	(14)	(38)
Total adjustments to EBITDA	**I = F+G+H**	(68)	(50)
Adj. EBITDA	**L = E-I**	**869**	**878**
Share of net profit/(loss) of equity-accounted companies	**M**	9	15
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**N = L-M**	**860**	**863**

(Euro/million)

		1st half 2024 As per income statement	1st half 2023 As per income statement
Operating income	**A**	**592**	**636**
Other non-recurring expenses and revenues		(6)	(3)
Business reorganisation		(48)	(9)
Other non-operating expenses		(14)	(38)
Total adjustments to EBITDA	**B**	**(68)**	**(50)**
Fair value change in derivatives on commodities	**C**	13	3
Fair value share-based payment	**D**	(29)	(17)
Non-recurring impairment and releases	**E**	-	(2)
Adj. operating income	**F=A-B-C-D-E**	**676**	**702**

BUSINESS OUTLOOK

Based on Prysmian's strong performance, and thanks to the acquisition of Encore Wire which will be fully consolidated as of 1st July, Prysmian has decided to upgrade the guidance for FY24:

- adjusted EBITDA in the range of €1,900–€1,950 million;
- free cash flow in the range of €840-€920 million;
- scope 1&2 GHG emission reduction of 36% and Scope 3 reduction of 13% vs 2019, while including Encore Wire within the perimeter.

These goals assume no material changes in the geopolitical situation, in addition to excluding extreme dynamics in the prices of production factors or significant supply chain disruptions. The forecasts are based on the Company's current business perimeter (including the contribution of Encore Wire as of 1st July), assuming a EUR/USD exchange rate of 1.08, and do not include impacts on cash flows related to Antitrust issues.

FORESEEABLE RISKS FOR 2024

Prysmian is exposed in the normal conduct of its business to a number of financial and non-financial risk factors which, if they should occur, could also have a material impact on its results of operations and financial condition. Prysmian has always acted to maximise value for its shareholders by implementing all necessary measures to prevent or mitigate the risks inherent in the Prysmian business, which is why it adopts specific procedures to manage the risk factors that could influence its business results. Given operating performance in the first six months of the year and the specific macroeconomic context, these risks do not appear to differ from those described in the Integrated Annual Report 2023 to which, therefore, express reference should be made.

RELATED PARTY TRANSACTIONS

Related party transactions do not qualify as either atypical or unusual but form part of the normal course of business by Prysmian companies. Such transactions take place under market terms and conditions, according to the type of goods and services provided.

Information about related party transactions, including that required by the Consob Communication dated 28 July 2006, is presented in Note 20 of the Explanatory Notes.

Milan, 31 July 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN
Francesco Gori

Consolidated Financial Statements and Explanatory Notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Euro/million)

	Note	30.06.2024	of which related parties	31.12.2023	of which related parties
Non-current assets					
Property, plant and equipment	1	3,507		3,401	
Goodwill	1	1,691		1,660	
Other intangible assets	1	387		411	
Equity-accounted investments	2	226	226	218	218
Other investments at fair value through other comprehensive income		12		10	
Financial assets at amortised cost		3		3	
Derivatives	5	132		41	
Deferred tax assets		296		299	
Other receivables	3	39		36	
Total non-current assets		**6,293**		**6,079**	
Current assets					
Inventories	4	2,637		2,264	
Trade receivables	3	2,579	1	1,987	3
Other receivables	3	1,272	15	1,054	2
Financial assets at fair value through profit or loss	6	30		85	
Derivatives	5	143		80	
Financial assets at fair value through other comprehensive income	6	13		24	
Cash and cash equivalents	7	1,147		1,741	
Total current assets		**7,821**		**7,235**	
Assets held for sale	8	-		9	
Total assets		**14,114**		**13,323**	
Equity					
Share capital	9	28		28	
Reserves	9	4,066		3,224	
Group share of net profit/(loss)	9	402		529	
Equity attributable to the Group		**4,496**		**3,781**	
Equity attributable to non-controlling interests		195		191	
Total equity		**4,691**		**3,972**	
Non-current liabilities					
Borrowings from banks and other lenders	10	2,188		2,488	
Employee benefit obligations	13	316		333	
Provisions for risks and charges	12	50		58	
Deferred tax liabilities		242		222	
Derivatives	5	13		47	
Other payables	11	52		53	
Total non-current liabilities		**2,861**		**3,201**	
Current liabilities					
Borrowings from banks and other lenders	10	394		608	
Provisions for risks and charges	12	789	8	753	5
Derivatives	5	52		57	
Trade payables	11	2,570	3	2,199	4
Other payables	11	2,673	1	2,469	5
Current tax payables		84		64	
Total current liabilities		**6,562**		**6,150**	
Total liabilities		**9,423**		**9,351**	
Liabilities held for sale		**-**		**-**	
Total equity and liabilities		**14,114**		**13,323**	

CONSOLIDATED INCOME STATEMENT

(Euro/million)

	Note	1st half 2024	of which related parties	1st half 2023	of which related parties
Sales		7,819	1	8,003	-
Change in inventories of finished goods and work in progress		233		132	
Other income		23	-	34	2
Total sales and income		**8,075**		**8,169**	
Raw materials, consumables and supplies		(5,072)	-	(5,217)	-
Fair value change in derivatives on commodities		13		3	
Personnel costs		(948)	(8)	(878)	(4)
Amortisation, depreciation, impairment and impairment reversals		(193)		(178)	
Other expenses		(1,303)	(3)	(1,278)	(4)
Share of net profit/(loss) of equity-accounted companies		20	20	15	15
Operating income		**592**		**636**	
Finance costs	14	(357)		(786)	
Finance income	14	304		732	
Profit before taxes		**539**		**582**	
Taxes	15	(129)		(169)	
Net profit		**410**		**413**	
Of which:					
Attributable to non-controlling interests		8		8	
Group share		**402**		**405**	
Basic earnings/(loss) per share (in Euro)	16	**1.47**		**1.49**	
Diluted earnings/(loss) per share (in Euro)	16	**1.39**		**1.49**	

OTHER COMPREHENSIVE INCOME

(Euro/million)

	Note	1st half 2024	1st half 2023
Net profit		**410**	**413**
Other comprehensive income:			
A) Change in cash flow hedge reserve:	9	**137**	**(51)**
- Profit/(loss) for the period		195	(66)
- Taxes		(58)	15
B) Other changes relating to cash flow hedges:	9	**(25)**	**4**
- Profit/(loss) for the period		(34)	5
- Taxes		9	(1)
C) Change in currency translation reserve	9	**93**	**(117)**
D) Actuarial gains/(losses) on employee benefits (*):		**11**	**2**
- Profit/(loss) for the period		15	3
- Taxes		(4)	(1)
Total other comprehensive income (A+B+C+D):		**216**	**(162)**
Total comprehensive income		**626**	**251**
Of which:			
Attributable to non-controlling interests		11	1
Group share		**615**	**250**

(*) Components of comprehensive income that will not be reclassified to profit or loss in subsequent periods.

CONSOLIDATED INCOME STATEMENT – 2nd QUARTER*

(Euro/million)

	2nd quarter 2024	2nd quarter 2023
Sales	4,132	4,011
Change in inventories of finished goods and work in progress	94	(34)
Other income	15	21
Total sales and income	**4,241**	**3,998**
Raw materials, consumables and supplies	(2,662)	(2,530)
Fair value change in derivatives on commodities	5	6
Personnel costs	(486)	(438)
Amortisation, depreciation, impairment and impairment reversals	(93)	(88)
Other expenses	(705)	(613)
Share of net profit/(loss) of equity-accounted companies	5	7
Operating income	**305**	**342**
Finance costs	(172)	1,163
Finance income	141	(1,194)
Profit before taxes	**274**	**311**
Taxes	(54)	(85)
Net profit	**220**	**226**
Of which:		
Attributable to non-controlling interests	3	3
Group share	**217**	**223**

OTHER COMPREHENSIVE INCOME – 2nd QUARTER*

(Euro/million)

	2nd quarter 2024	2nd quarter 2023
Net profit	**220**	**226**
Other comprehensive income:		
A) Change in cash flow hedge reserve:	**83**	**(81)**
- Profit/(loss) for the period	119	(107)
- Taxes	(36)	26
B) Other changes relating to cash flow hedges:	**(7)**	**16**
- Profit/(loss) for the period	(9)	21
- Taxes	2	(5)
C) Change in currency translation reserve	**17**	**(26)**
D) Actuarial gains/(losses) on employee benefits (**):	**11**	**2**
- Profit/(loss) for the period	15	3
- Taxes	(4)	(1)
Total other comprehensive income (A+B+C+D):	**104**	**(89)**
Total comprehensive income	**324**	**137**
Of which:		
Attributable to non-controlling interests	3	1
Group share	**321**	**136**

(*) The figures for Q2 2024 and Q2 2023 have not been the subject of limited assurance audit.

(**) Components of comprehensive income that will not be reclassified to profit or loss in subsequent periods.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Note 9)

(Euro/million)

	Share capital	Cash flow hedge reserve	Currency translation reserve	Other reserves	Group share of net profit	Equity attributable to the Group	Equity attributable to non-controlling interests	Total
Balance at 31-Dec-2022	**27**	**70**	**(174)**	**3,158**	**504**	**3,585**	**186**	**3,771**
Allocation of prior year net result	-	-	-	504	(504)	-	-	-
Fair value share-based payment	1	-	-	-	-	1	-	1
Dividend distribution	-	-	-	17	-	17	-	17
Effect of hyperinflation	-	-	-	(158)	-	(158)	(7)	(165)
Total compre-hensive income	-	-	-	21	-	21	1	22
Allocation of prior year net result	-	(40)	(112)	(3)	405	250	1	251
Balance at 30-Jun-2023	**28**	**30**	**(286)**	**3,539**	**405**	**3,716**	**181**	**3,897**

(Euro/million)

	Share capital	Cash flow hedge reserve	Currency translation reserve	Other reserves	Group share of net profit	Equity attributable to the Group	Equity attributable to non-controlling interests	Total
Balance at 31-Dec-2023	**28**	**35**	**(367)**	**3,556**	**529**	**3,781**	**191**	**3,972**
Allocation of prior year net result	-	-	-	529	(529)	-	-	-
Fair value share-based payment	-	-	-	28	-	28	1	29
Dividend distribution	-	-	-	(192)	-	(192)	(9)	(201)
Share buy-back	-	-	-	(36)	-	(36)	-	(36)
Partial conversion of Convertible Bond 2021	-	-	-	293	-	293	-	293
Effect of hyperinflation	-	-	-	7	-	7	1	8
Total compre-hensive income	-	138	89	(14)	402	615	11	626
Balance at 30-Jun-2024	**28**	**173**	**(278)**	**4,171**	**402**	**4,496**	**195**	**4,691**

CONSOLIDATED STATEMENT OF CASH FLOWS (Note 24)

(Euro/million)

		1st half 2024	of which related parties	1st half 2023	of which related parties
	Profit before taxes	539		582	
	Amortisation, depreciation and impairment	193		178	
	Share of net profit/(loss) of equity-accounted companies	(20)	(20)	(15)	(15)
	Dividends received from equity-accounted companies	3	3	2	2
	Share-based payments	29	2	17	2
	Fair value change in derivatives on commoditites	(13)		(3)	
	Net finance costs	53		54	
	Changes in inventories	(359)		(317)	
	Changes in trade receivables/payables	(204)	1	(830)	(3)
	Changes in other receivables/payables	(40)	(17)	374	(10)
	Changes in derivative assets/liabilities	-		(1)	
	Change in employee benefit obligations	(9)		(10)	
	Change in provisions for risks and other movements	20	3	28	
	Net income taxes paid	(123)		(193)	
A.	**Cash flow from operating activities**	**69**		**(134)**	
	Investments in property, plant and equipment	(210)		(158)	
	Disposal of assets held for sale	9		-	
	Investments in intangible assets	(8)		(6)	
	Investments in financial assets at fair value through profit or loss	-		(2)	
	Disposals of financial assets at fair value through profit or loss	50		4	
	Investments in financial assets or equity interests at fair value through other comprehensive income	(2)		-	
	Disposals of financial assets at fair value through other comprehensive income	13		-	
B.	**Cash flow from investing activities**	**(148)**		**(162)**	
	Share buy-back	(36)		**-**	
	Dividend distribution	(197)		(162)	
	Proceeds of new loans	-		120	
	Repayments of loans	(200)		-	
	Changes in other net financial receivables/payables	(61)		(65)	
	Finance costs paid	(88)		(55)	
	Finance income received	61		23	
C.	**Cash flow from financing activities**	**(521)**		**(139)**	
D.	**Net currency translation difference on cash and cash equivalents**	**6**		**(23)**	
E.	**Net cash flow for the period (A+B+C+D)**	**(594)**		**(458)**	
F.	**Cash and cash equivalents at beginning of period**	**1,741**		**1,285**	
G.	**Cash and cash equivalents at end of period (E+F)**	**1,147**		**827**	

EXPLANATORY NOTES

A. GENERAL INFORMATION

Prysmian S.p.A. ("the Company") is a company incorporated and domiciled in Italy and organised under the laws of the Republic of Italy. The Company has its registered office in Via Chiese 6, Milan (Italy).

Prysmian S.p.A. was floated on the Italian Stock Exchange on 3 May 2007 and since September 2007 has been included in the FTSE MIB index, comprising the top 40 Italian companies by capitalisation and stock liquidity. Since 18 October 2021, the stock has been included in the MIB® ESG, the first "Environmental, Social and Governance" index dedicated to Italian blue chips, featuring the most important listed issuers that demonstrate their espousal of ESG best practices.

The Company and its subsidiaries (together "the Group" or "Prysmian") produce power and telecom cables and systems and related accessories, and distribute and sell them around the globe.

The Half-Year Financial Report was approved by the Board of Directors of Prysmian S.p.A. on 31 July 2024 and has undergone a limited assurance audit by the independent auditors. Please note that the comparative figures at 31 December 2023 were the subject of full statutory audit.

A.1 SIGNIFICANT EVENTS IN THE FIRST HALF OF 2024

Significant events in the period are reviewed in the Directors' Report in the section entitled "SIGNIFICANT EVENTS DURING THE PERIOD".

B. FORM AND CONTENT

The Half-Year Financial Report has been prepared on a going concern basis, since the Directors have assessed that there are no financial, operating or other kind of indicators that might provide evidence of Prysmian's inability to meet its obligations in the foreseeable future and particularly in the next 12 months.

The information contained in these Explanatory Notes must be read in conjunction with the Directors' Report, an integral part of the Half-Year Financial Report, and the annual IFRS Consolidated Financial Statements at 31 December 2023.

All the amounts shown in Prysmian's financial statements are expressed in millions of Euro, unless otherwise stated.

B.1 FINANCIAL STATEMENTS AND DISCLOSURES

Prysmian has elected to present its income statement according to the nature of expenses, whereas assets and liabilities in the statement of financial position are classified as current or non-current. The statement of cash flows has been prepared using the indirect method.
Prysmian has prepared the present Half-Year Financial Report at 30 June 2024 in accordance with art. 154-ter of Legislative Decree 58/1998 and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and in compliance with IAS 34 – Interim Financial Reporting, applying the same accounting standards and policies adopted to prepare the consolidated financial statements at 31 December 2023.
When preparing the Half-Year Financial Report, management has made judgements, estimates and assumptions that affect the value of revenues, costs, assets and liabilities and the disclosures relating to contingent assets and liabilities at the reporting date. As estimates, these may differ from the actual results attained in the future. Certain valuation processes, particularly more complex ones, such as the determination of any fixed asset impairment, are only conducted fully at the time of drawing up the year-end consolidated financial statements when all the necessary information is available.
No evidence of impairment has been identified during the first six months of 2024, having considered both external and internal sources. Market capitalisation at 30 June 2024 was in excess of Euro 16 billion, thus significantly above the book value of equity.

B.2 ACCOUNTING PRINCIPLES

Accounting principles used to prepare the Half-Year Financial Report

The basis of consolidation, the methods used to translate financial statements into the presentation currency, the accounting principles, estimates and policies adopted are the same as those used for the consolidated financial statements at 31 December 2023, to which reference should be made for more details, except for income taxes, which are recognised using the best estimate of Prysmian's full-year expected weighted average tax rate.
It should be noted that as of 1 January 2024, the requirements being met, the Argentine company switched its functional currency from the Argentine peso to the US dollar. IAS 29 - Financial Reporting in Hyperinflationary Economies is therefore no longer being applied to the Argentine subsidiary.
Like in the 2023 consolidated financial statements, the Indian company Ravin Cables Limited is not under Prysmian's control for the reasons described in more detail below.

Ravin Cables Limited

In January 2010, Prysmian acquired a 51% interest in the Indian company Ravin Cables Limited ("Ravin"), with the remaining 49% held by other shareholders directly or indirectly associated with the Karia family (the "Local Shareholders"). Under the agreements signed with the Local Shareholders, after a limited transition period, management of Ravin would be transferred to a Chief Executive Officer appointed by Prysmian. However, this failed to happen and, in breach of the agreements, Ravin's management remained in the hands of the Local Shareholders and their representatives. Consequently, having now lost control, Prysmian ceased to consolidate Ravin and its subsidiary Power Plus Cable Co. LLC. with effect from 1 April 2012. In February 2012, Prysmian found itself forced to initiate arbitration proceedings before the London Court of International Arbitration (LCIA), requesting that the Local Shareholders be declared in breach of contract and ordered to sell the shares representing 49% of Ravin's share capital to Prysmian. In a ruling handed down in April 2017, the LCIA upheld Prysmian's claims and ordered the Local Shareholders to sell the shares representing 49% of Ravin's share capital to Prysmian. However, the Local Shareholders did not voluntarily enforce the arbitration award and so Prysmian had to initiate proceedings in the Indian courts in order to have the arbitration award recognised in India. Having gone through two levels of the court system, these proceedings were finally concluded on 13 February 2020 with the pronouncement of a ruling by the Indian Supreme Court under which the latter definitively declared the arbitration award enforceable in India. In view of the continuing failure of the Local Shareholders to comply voluntarily, Prysmian has requested the Mumbai court to enforce the arbitration award so as to purchase the shares representing 49% of Ravin's share capital as soon as possible. This case is currently still in progress and so control of the company is considered to have not yet been acquired.

Accounting standards, amendments and interpretations applied from 1 January 2024

The following is a list of new standards, interpretations and amendments whose application became mandatory from 1 January 2024 but which, upon evaluation, have been found not to have had a material impact on the consolidated financial statements at 30 June 2024:

- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements;*
- *Amendments to IAS 1: Presentation of Financial Statements:*
    - *Classification of Liabilities as Current or Non-current;*
    - *Classification of Liabilities as Current or Non-current: Deferral of Effective Date;*
    - *Non-current Liabilities with Covenants.*
- *Amendments to IFRS 16 Leases: Lease Liability in a Sale as Leaseback.*

There are no accounting standards, amendments and interpretations to report that are applicable to annual reporting periods after 2024 and that have already completed the EU endorsement process.

International Tax Reform - Pillar Two

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Sharing (OECD/G20 BEPS), has published the Pillar Two anti-Base Erosion rules ("Pillar Two") aimed at addressing the tax challenges arising from digitalisation of the global economy.

The Pillar Two Global anti-Base Erosion rules (GloBE Rules) represent the first substantial proposal to renovate international tax rules in a century. Among others, the GloBE Rules propose a new tax mechanism whereby multinational enterprises (MNEs) with a revenue level in excess of EUR 750 million will have to pay a minimum level of tax on their income.

The Pillar Two rules have been adopted with effect from 2024 by several jurisdictions in which the Group operates. These rules are applicable to the 2024 consolidated financial statements. Falling within the scope of the Pillar Two rules, the Group has assessed its potential exposure to these rules.

This assessment has been based on tax filings, country-by-country reports, financial statements of Group companies, and forecast results. Based on this assessment, most of the jurisdictions in which the Group operates are expected to be exempt from the application of the Pillar Two tax under the Transitional CbCR Safe Harbour. A limited number of jurisdictions may not benefit from the exemption under the Transitional CbCR Safe Harbour. However, these are jurisdictions in which the Group has a marginal presence and therefore if the Safe Harbour exemption does not apply, any Pillar Two top-up tax is not expected to be material. Therefore, no current tax has been accounted for as a result of the Pillar Two rules.

In preparing the Half-Year Financial Report, consistent with what was done for the Consolidated Financial Statements at 31 December 2023 and in continuity of policies, Prysmian has applied the temporary exception provided for in the amendments to IAS 12 ‘Income Taxes’ whereby a company does not recognise or disclose information on deferred tax assets and liabilities related to Pillar Two.

B.3 CHANGES IN THE SCOPE OF CONSOLIDATION

Prysmian's scope of consolidation includes the financial statements of Prysmian S.p.A. (the Parent Company) and the companies over which it exercises direct or indirect control, which are consolidated from the date when control is obtained until the date when such control ceases.

The changes in the scope of consolidation at 30 June 2024, with respect to 31 December 2023, are reported below.

Liquidations

Liquidated companies	Nation	Date
Omnisens do Brasil Serviços de Soluções de Monitoração em Fibra Ótica LTDA	Brazil	11 March 2024

Mergers

Merged company	Nation	Merged into	Nation	Date
Prysmian RE Company Designated Activity Company	Ireland	Prysmian Servizi S.p.A.	Italy	1 April 2024

Name changes

Previous name	New name	Nation	Date
Prysmian Servizi S.p.A.	Prysmian Riassicurazioni S.p.A.	Italy	1 April 2024

New company formations

New companies	Nation	Date
Applause Merger Sub Inc.	U.S.A.	12 April 2024

Appendix A to these notes contains a list of the companies included in the scope of consolidation at 30 June 2024.

C. FINANCIAL RISK MANAGEMENT

Prysmian's activities are exposed to various types of risk: market risk (including exchange rate, interest rate and price risks), credit risk and liquidity risk.

The Half-Year Financial Report does not contain all the information about the financial risks described in the Integrated Annual Report at 31 December 2023, which should be consulted for a more detailed review.

With reference to the risks described in the Integrated Annual Report at 31 December 2023, there have been no material changes in the types of risks to which Prysmian is exposed or in its policies for managing such risks.

D. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

IFRS 13 requires assets and liabilities recognised in the statement of financial position at fair value to be classified according to a hierarchy that reflects the significance of the inputs used in measuring fair value.

Financial instruments are classified according to the following fair value measurement hierarchy:

Level 1: Fair value is determined with reference to quoted prices (unadjusted) in active markets for identical financial instruments;

Level 2: Fair value is determined using valuation techniques where the input is based on observable market data;

Level 3: Fair value is determined using valuation techniques where the input is not based on observable market data.

(Euro/million)

				30.06.2024
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value:				
Derivatives at FVPL	-	20	-	20
CFH derivatives	-	255	-	255
Financial assets at FVPL	30	-	-	30
Financial assets at FVOCI	13	-	-	13
Other investments at FVOCI	-	-	12	12
Total assets	**43**	**275**	**12**	**330**
Liabilities				
Financial liabilities at fair value:				
Derivatives at FVPL	-	14	-	14
CFH derivatives	-	51	-	51
Total liabilities	**-**	**65**	**-**	**65**

Financial assets classified in fair value Level 3 reported no significant movements in the period.
Given the short-term nature of trade receivables and trade payables, their carrying amounts, net of any allowances for impairment, are treated as a good approximation of fair value.
Financial assets at fair value through profit or loss of Euro 30 million, classified in fair value Level 1, refer to funds in which Brazilian subsidiaries have temporarily invested their liquidity.
Financial assets at fair value through other comprehensive income of Euro 13 million, classified in fair value Level 1, mainly refer to Italian government bonds. During the first six months of 2024 there were no transfers of financial assets and liabilities between the different levels of the fair value hierarchy.

The valuation techniques are described below:

Level 1: The fair value of financial instruments quoted in an active market is based on market price at the reporting date. The market price used for derivatives is the bid price, while for financial liabilities the ask price is used.
Level 2: Derivatives classified in this category include interest rate swaps, currency forwards and derivative contracts on metals and other commodities that are not quoted in active markets. Fair value is determined as follows:

- for interest rate swaps, it is calculated on the basis of the present value of forecast future cash flows;
- for currency forwards, it is determined using the forward exchange rate at the reporting date, appropriately discounted;
- for metal derivatives, it is determined using the prices of such metals at the reporting date, appropriately discounted.

Level 3: The fair value of instruments not quoted in an active market is primarily determined using valuation techniques based on estimated discounted cash flows.

E. SEGMENT INFORMATION

Further to the Group's new strategy presented at the Capital Markets Day on 5 October 2023, on 19 December 2023, Prysmian announced changes to its internal organisational structure and operating segments. In particular, effective 1 January 2024, four new business segments are in operation: Transmission, Power Grid, Electrification and Digital Solutions.
The implementation of the reporting systems to support the new model, undertaken in early 2024, was completed prior to preparing the current report. The criteria used to identify the reportable segments are therefore consistent with the current organisational model.
In accordance with IFRS 8 and taking into account the organisational structure and the management, internal reporting and performance monitoring models, the directors have therefore modified the structure of the operating segments, as illustrated below.

The Group's operating segments are:

- *Transmission,* whose smallest identifiable CGUs are the High Voltage Direct Current, Network Components High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage businesses*;*
- *Power Grid*, whose smallest identifiable CGUs are Regions/Countries depending on the specific organisation*;*
- *Electrification*, whose smallest identifiable CGUs are Regions/Countries depending on the specific organisation;
- *Digital Solutions*, whose smallest CGU is the operating segment itself.

Segment information is structured in the same way as the report periodically prepared for the purpose of reviewing business performance. This management report presents operating performance by macro type of business (Transmission, Power Grid, Electrification and Digital Solutions)), and the results of operating segments primarily on the basis of Adjusted EBITDA, defined as earnings (loss) for the period before income and expense considered non-recurring, non-operating or related to business reorganisations, the fair value change in commodity price derivatives and in other fair value items, amortisation, depreciation and impairment, finance costs and income and taxes.

All Corporate fixed costs are allocated to the Transmission, Power Grid, Electrification and Digital Solutions segments. Revenues and costs are allocated to each operating segment by identifying all directly attributable revenues and costs and allocating the related indirect costs.
Group operating activities are organised and managed separately according to the nature of the products and services provided: each segment offers different products and services to different markets. Sales of goods and services are analysed geographically on the basis of the location of the registered office of the company that issues the invoices, regardless of the geographic destination of the products sold. All transfer prices are set using the same conditions applied to other transactions between Group companies and are generally determined by applying a mark-up on production costs.
Assets and liabilities by operating segment are not included in the data reviewed by management and so, as permitted by IFRS 8, the Group's statement of financial position is not presented by operating segment.

E.1 OPERATING SEGMENTS

The following tables present information by operating segment:

(Euro/million)

	Transmission	Power Grid	Electrification				Digital Solutions	1st half 2024 Total Prysmian
			IC	Specialties	Other	Total Electrification		
Sales [(1)]	1,084	1,802	2,500	1,552	225	4,277	656	7,819
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**150**	**238**	**223**	**178**	**2**	**403**	**69**	**860**
% Sales	13.8%	13.2%	8.9%	11.5%	0.7%	9.4%	10.5%	11.0%
Adj. EBITDA (A)	**150**	**238**	**224**	**179**	**2**	**405**	**76**	**869**
% Sales	13.8%	13.2%	9.0%	11.5%	0.8%	9.5%	11.6%	11.1%
Adjustments	(6)	(3)	(22)	(3)	-	(25)	(34)	(68)
EBITDA (B)	**144**	**235**	**202**	**176**	**2**	**380**	**42**	**801**
% Sales	13.2%	13.1%	8.1%	11.4%	0.8%	8.9%	6.4%	10.2%
Amortisation and depreciation (C)	(43)	(41)	(42)	(33)	(2)	(77)	(32)	(193)
Adj. Operating income (A+C)	**107**	**197**	**182**	**146**	**-**	**328**	**44**	**676**
% Sales	9.8%	11.0%	7.3%	9.4%	0.0%	7.7%	6.7%	8.6%
Fair value change in derivatives on commodities(D)								13
Fair value share-based payment (E)								(29)
Asset (impairment)/ impairment reversal (F)								-
Operating income (B+C+D+E+F)								**592**
% Sales								7.6%
Finance income								304
Finance costs								(357)
Taxes								(129)
Net profit								**410**
% Sales								5.2%
Attributable to:								
Owners of the parent								402
Non-controlling interests								8

(1) Sales of the operating segments and business areas are reported net of intercompany transactions and net of transactions between operating segments, consistent with the presentation adopted in the regularly reviewed reports.

(Euro/million)

								1st half 2023(*)
	Transmission	Power Grid	Electrification				Digital Solutions	Total Prysmian
			IC	Specialties	Other	Total Electrification		
Sales [1]	1,002	1,772	2,570	1,642	160	4,372	857	8,003
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**116**	**182**	**289**	**169**	**(7)**	**451**	**114**	**863**
% Sales	11.6%	10.2%	11.2%	10.3%	-4.1%	10.3%	13.2%	10.8%
Adj. EBITDA (A)	**116**	**182**	**290**	**170**	**(7)**	**453**	**127**	**878**
% Sales	11.6%	10.2%	11.3%	10.3%	-4.1%	10.4%	14.8%	11.0%
Adjustments	(5)	(13)	(15)	(12)	-	(27)	(5)	(50)
EBITDA (B)	**111**	**169**	**275**	**158**	**(7)**	**426**	**122**	**828**
% Sales	11.1%	9.5%	10.7%	9.6%	-4.4%	9.7%	14.3%	10.3%
Amortisation and depreciation (C)	(37)	(35)	(39)	(29)	(1)	(69)	(35)	(176)
Adj. Operating income (A+C)	**79**	**147**	**251**	**141**	**(8)**	**384**	**92**	**702**
% Sales	7.9%	8.3%	9.8%	8.6%	-4.9%	8.8%	10.7%	8.8%
Fair value change in Derivatives on commoditites (D)								3
Fair value share-based payment (E)								(17)
Asset (impairment)/ impairment reversal (F)								(2)
Operating income (B+C+D+E+F)								**636**
% Sales								7.9%
Finance income								732
Finance costs								(786)
Taxes								(169)
Net profit								**413**
% Sales								5.2%
Attributable to:								
Owners of the parent								405
Non-controlling interests								8

(*) Comparative data have been restated on the basis of the new segmentation

[1] Sales of the operating segments and business areas are reported net of intercompany transactions and net of transactions between operating segments, consistent with the presentation adopted in the regularly reviewed reports.

E.2 GEOGRAPHICAL AREAS

The following table presents sales of goods and services by geographical area. Sales of goods and services are analysed geographically on the basis of the location of the registered office of the company that issues the invoices, regardless of the geographic destination of the products sold.

(Euro/million)

	1st half 2024	1st half 2023
Sales	**7,819**	**8,003**
EMEA*	**4,113**	**4,227**
(of which Italy)	1,008	986
North America	**2,453**	**2,542**
Latin America	**708**	**696**
Asia Pacific	**545**	**538**

(*) EMEA = Europe, Middle East and Africa

1. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Details of these line items and related movements are as follows:

(Euro/million)

	Property, plant and equipment	Goodwill	Other intangible assets
Balance at 31 December 2023	**3,401**	**1,660**	**411**
Movements in 2024:			
- Investments	210	-	8
- Increases for leases (IFRS 16)	26	-	-
- Depreciation and amortisation	(154)	-	(39)
- Currency translation differences	20	31	7
- Monetary revaluation for hyperinflation	4	-	-
Balance at 30 June 2024	**3,507**	**1,691**	**387**
Of which:			
- Historical cost	6,521	1,691	1,204
- Accumulated depreciation/amortisation and impairment	(3,014)	-	(817)
Net book value	**3,507**	**1,691**	**387**

(Euro/million)

	Property, plant and equipment	Goodwill	Other intangible assets
Balance at 31 December 2022	**3,020**	**1,691**	**473**
Movements in 2023:			
- Investments	158	-	6
- Increases for leases (IFRS 16)	95	-	-
- Depreciation and amortisation	(138)	-	(38)
- Impairment	(2)	-	-
- Currency translation differences	(20)	(17)	(3)
- Reclassification (to)/from Assets held for sale	(10)	-	-
- Monetary revaluation for hyperinflation	9	-	-
Balance at 30 June 2023	**3,112**	**1,674**	**438**
Of which:			
- Historical cost	5,859	1,674	1,196
- Accumulated depreciation/amortisation and impairment	(2,747)	-	(758)
Net book value	**3,112**	**1,674**	**438**

Investments in the first half of 2024 amounted to Euro 218 million, of which Euro 210 million in Property, plant and equipment and Euro 8 million in Intangible assets.

This expenditure is analysed as follows:

- 78%, or Euro 170 million, for projects to increase and rationalise production capacity and develop new products;
- 13%, or Euro 28 million, for projects to improve industrial efficiency;
- 9%, or Euro 20 million, for IT implementation projects.

Regarding the recoverability of the goodwill, no impairment indicators were recognised in the first six months of 2024, having considered both external and internal sources. The analysis of these indicators, with particular reference to those from internal sources, was conducted both in view of the new segment reporting adopted as of 1 January 2024 and in view of the previous segment reporting valid until 31 December 2023.

2. EQUITY-ACCOUNTED INVESTMENTS

Details are as follows:

(Euro/million)

	30.06.2024	31.12.2023
Investments in associates	226	218
Total equity-accounted investments	**226**	**218**

Investments in associates

Information about the main investments in associates:

Company name	Location	% owned
Yangtze Optical Fibre and Cable Joint Stock Limited Company	China	23.73%
Yangtze Optical Fibre and Cable (Shanghai) Co. Ltd	China	42.80%
Kabeltrommel Gmbh & Co.K.G.	Germany	44.93%
Power Cables Malaysia Sdn Bhd	Malaysia	40.00%
Elkat Ltd.	Russia	40.00%

Yangtze Optical Fibre and Cable Joint Stock Limited Company is a Chinese company formed in 1988 whose main shareholders are: China Huaxin Post and Telecommunication Economy Development Center, Wuhan Yangtze Communications Industry Group Company Ltd. and Prysmian. The company is one of the industry's most important manufacturers of optical fibre and cables. Its products and solutions are sold in more than 50 countries, including the United States, Japan, the Middle East and Africa.
The company was listed on the Main Board of the Hong Kong Stock Exchange in December 2014 and on the Shanghai Stock Exchange in July 2018.

At 30 June 2024, the fair value of the investment in Yangtze Optical Fibre and Cable Joint Stock Limited Company was Euro 168 million (based on the price quoted on the Hong Kong market), approximating the carrying amount.

Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd, formed in 2002 and based in Shanghai (China), is an associate company, 25% of whose share capital is held by Prysmian and 75% by Yangtze Optical Fibre and Cable Joint Stock Limited Company. The company specialises in the manufacture and sale of optical fibre and cables, offering a wide range of optical fibre cables and accessories, services and FTTx solutions.

Kabeltrommel GmbH & Co. K.G. is a German company that heads a consortium for the production, procurement, management and sale of disposable and reusable cable carrying devices (drums). The services offered by the company include both the sale of cable drums, and the complete management of logistical services such as drum shipping, handling and subsequent retrieval. The company operates primarily in the German market.

Power Cables Malaysia Sdn Bhd, a company based in Malaysia, manufactures and sells power cables and conductors, with its prime specialism high voltage products.

Elkat Ltd. is based in Russia and manufactures and sells copper conductors; it is the only company certified by the LME to test copper cathodes for the local market.

3. TRADE AND OTHER RECEIVABLES

Details are as follows:

(Euro/million)

			30.06.2024
	Non-current	**Current**	**Total**
Trade receivables	-	2,669	2,669
Allowance for doubtful accounts	-	(90)	(90)
Total trade receivables	**-**	**2,579**	**2,579**
Other receivables:			
Tax receivables	16	327	343
Financial receivables	3	20	23
Prepaid finance costs	4	3	7
Receivables from employees	3	5	8
Pension plan receivables	-	3	3
Construction contracts	-	627	627
Advances to suppliers	-	148	148
Other	13	139	152
Total other receivables	**39**	**1,272**	**1,311**
Total	**39**	**3,851**	**3,890**

(Euro/million)

			31.12.2023
	Non-current	**Current**	**Total**
Trade receivables	-	2,085	2,085
Allowance for doubtful accounts	-	(98)	(98)
Total trade receivables	-	**1,987**	**1,987**
Other receivables:			
Tax receivables	8	298	306
Financial receivables	3	22	25
Prepaid finance costs	4	2	6
Receivables from employees	1	6	7
Pension plan receivables	-	2	2
Construction contracts	-	485	485
Advances to suppliers	-	133	133
Other	20	106	126
Total other receivables	**36**	**1,054**	**1,090**
Total	**36**	**3,041**	**3,077**

4. INVENTORIES

Details are as follows:

(Euro/million)

	30.06.2024	31.12.2023
Raw materials	835	755
of which allowance for obsolete and slow-moving raw materials	*(110)*	*(117)*
Work in progress and semi-finished goods	663	533
of which allowance for obsolete and slow-moving work in progress and semi-finished goods	*(36)*	*(29)*
Finished goods (*)	1.139	976
of which allowance for obsolete and slow-moving finished goods	*(137)*	*(124)*
Total	**2,637**	**2,264**

(*) Finished goods also include those for resale.

5. DERIVATIVES

Details are as follows:

(Euro/million)

		30.06.2024
	Asset	**Liability**
Interest rate derivatives (CFH)	21	-
Forex derivatives on commercial transactions (CFH)	2	11
Derivatives on commodities (CFH)	108	2
Derivatives on commodities	1	-
Total non-current	**132**	**13**
Interest rate derivatives (CFH)	15	-
Forex derivatives on commercial transactions (CFH)	3	22
Derivatives on commodities (CFH)	106	16
Forex derivatives on commercial transactions	1	7
Forex derivatives on financial transactions	5	3
Derivatives on commodities	13	4
Total current	**143**	**52**
Total	**275**	**65**

(Euro/million)

		31.12.2023
	Asset	**Liability**
Interest rate derivatives (CFH)	11	-
Forex derivatives on commercial transactions (CFH)	7	6
Derivatives on commodities (CFH)	22	41
Derivatives on commodities	1	-
Total non-current	**41**	**47**
Interest rate derivatives (CFH)	20	-
Forex derivatives on commercial transactions (CFH)	5	19
Derivatives on commodities (CFH)	40	13
Forex derivatives on commercial transactions	5	6
Forex derivatives on financial transactions	2	9
Derivatives on commodities	8	10
Total current	**80**	**57**
Total	**121**	**104**

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Financial assets at fair value through profit or loss, amounting to Euro 30 million (Euro 85 million at 31 December 2023), refer to funds in which Brazilian subsidiaries have temporarily invested their liquidity.

Financial assets at fair value through other comprehensive income, amounting to Euro 13 million (Euro 24 million at 31 December 2023), mainly refer to funds invested in Italian government bonds.

7. CASH AND CASH EQUIVALENTS

Details are as follows:

(Euro/million)

	30.06.2024	31.12.2023
Cash and cheques	4	5
Bank and postal deposits	1,143	1,736
Total	**1,147**	**1,741**

Cash and cash equivalents, deposited with major financial institutions, are managed centrally through Prysmian's treasury company and by its various operating units.

Cash and cash equivalents managed by Prysmian's treasury company amounted to Euro 738 million at 30 June 2024, versus Euro 1,273 million at 31 December 2023. The change in cash and cash equivalents is commented on in Note 24. Statement of cash flows.

8. ASSETS HELD FOR SALE

The amount of assets held for sale was zero at 30 June 2024, having finalised the sale of a building owned by a foreign subsidiary during the first half of 2024 and for which a preliminary sale agreement had been reached in 2023, resulting in the recognition of Euro 9 million as "Assets held for sale".

9. EQUITY

Consolidated equity has recorded an increase of Euro 719 million since 31 December 2023, mainly reflecting the net effect of:

- the net profit for the period of Euro 410 million;
- positive currency translation differences of Euro 93 million;
- an increase of Euro 293 million upon partially converting the Convertible Bond 2021;
- a positive post-tax change of Euro 137 million in the fair value of derivatives designated as cash flow hedges and a negative post-tax change of Euro 25 million in hedging costs;
- a positive change of Euro 29 million in the share-based payment reserve related to long-term incentive plans and the employee share purchase plan;
- an increase of Euro 8 million for the effects of hyperinflation;
- a decrease of Euro 201 million for dividends;
- an increase of Euro 11 million in the reserves for actuarial gains and losses on employee benefits;
- a decrease of Euro 36 million for the purchase of treasury shares.

At 30 June 2024, the share capital of Prysmian S.p.A. consisted of 284,518,813 shares, each of nominal value Euro 0.10 for a total of Euro 28,451,881.30.

Movements in the ordinary shares and treasury shares of Prysmian S.p.A. are reported in the following table:

	Ordinary shares	Treasury shares	Total
Balance at 31 December 2022	**268,144,246**	**(4,612,031)**	**263,532,215**
Capital increase (1)	8,390,202	-	8,390,202
Allotments and sales (2)	-	882,957	882,957
Balance at 31 December 2023	**276,534,448**	**(3,729,074)**	**272,805,374**
Capital increase (3)	7,984,365	-	7,984,365
Share buy-back	-	(618,800)	(618,800)
Allotments and sales (4)	-	90,883	90,883
Balance at 30 June 2024	**284,518,813**	**(4,256,991)**	**280,261,822**

(1) Issue of new shares serving the long-term incentive plan for Prysmian employees (8,000,000 shares) and the BE IN plan (390,202 shares).

(2) Allotment and/or sale of treasury shares under Group employee incentive and share purchase plans.

(3) Issue of 538,218 new shares under the BE IN plan and 7,446,147 new shares upon partial conversion of the Convertible Bond 2021.

(4) Allotment and/or sale of treasury shares under the BE IN plan for Prysmian employees.

Treasury shares

The following table shows movements in treasury shares during the reporting period:

	Number of shares	Total nominal value (in Euro)	% of share capital	Average unit value (in Euro)	Total carrying value (in Euro)
Balance at 31 December 2022	**4,612,031**	**461,204**	**1.72%**	**20.0**	**93,880,703**
- Allotments and sales	(882,957)	(88,296)	-	20.0	(17,588,503)
Balance at 31 December 2023	**3,729,074**	**372,908**	**1.35%**	**20.0**	**76,292,200**
- Allotments and sales	(90,883)	(9,088)		20.4	(1,850,378)
- Share buy-back	618,800	61,880		57.8	35,754,264
Balance at 30 June 2024	**4,256,991**	**425,700**	**1.50%**	**25.9**	**110,196,086**

10. BORROWINGS FROM BANKS AND OTHER LENDERS

Details are as follows:

(Euro/million)

			30.06.2024
	Non-current	**Current**	**Total**
Borrowings from banks and other lenders	332	151	483
Sustainability-Linked Term Loan	1,193	24	1,217
Intesa Loan	-	151	151
Convertible Bond 2021	440	-	440
Lease liabilities	223	68	291
Total	**2,188**	**394**	**2,582**

(Euro/million)

			31.12.2023
	Non-current	**Current**	**Total**
Borrowings from banks and other lenders	333	262	595
Sustainability-Linked Term Loan	1,193	25	1,218
Mediobanca Loan	-	100	100
Intesa Loan	-	151	151
Convertible Bond 2021	728	-	728
Lease liabilities	234	70	304
Total	**2,488**	**608**	**3,096**

Borrowings from banks and other lenders and Bonds are analysed as follows:

(Euro/million)

	30.06.2024	31.12.2023
CDP Loans	197	297
EIB Loans	248	248
Sustainability-Linked Term Loan	1,217	1,218
Mediobanca Loan	-	100
Intesa Loan	151	151
Other borrowings	38	50
Borrowings from banks and other lenders	**1,851**	**2,064**
Convertible Bond 2021	440	728
Total	**2,291**	**2,792**

Prysmian's principal credit agreements in place at the reporting date are as follows:

Revolving Credit Facility 2023

On 20 June 2023, a Revolving Credit Facility was signed. The credit facility in the amount of eur 1,000 million may be used for business and working capital activities, including the refinancing of existing lines, and for may be drawn down for business and working capital needs, including the refinancing of existing facilities, and to issue guarantees. It has a duration of five years with the option of extension to six and seven years. At the date of this report, the option to extend to six years has already been exercised.

In addition, with the aim of making ESG factors an even more integral part of group strategy, Prysmian has elected to include important environmental and social KPIs among the parameters determining the terms of credit. The revolving credit facility is in fact Sustainability-Linked, being

tied to the decarbonisation targets already set by Prysmian (annual GHG emissions from 2023 to 2030), to the ratio of female white-collar and executive hires to total Group hires, and to the number of sustainability audits performed in the supply chain as described in more detail in the Sustainability-Linked Term Loan section. Whether or not these indicators are achieved leads to a positive or negative adjustment to the margin applied annually.
At 30 June 2024, this facility was not being used.

CDP Loans

On 28 October 2019, Prysmian entered into an agreement with Cassa Depositi e Prestiti S.p.A. (CDP) for a Euro 100 million long-term loan, which was repaid in April 2024 on the agreed maturity date.
On 28 January 2021, a second loan was agreed with CDP for Euro 75 million with a term of 4 years and 6 months, for the purpose of financing part of Prysmian's expenditure on purchasing the "Leonardo Da Vinci" cable-laying vessel. This loan, drawn down in full on 9 February 2021, is repayable in a lump sum at maturity on 28 July 2025. Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 75 million, with the objective of hedging variable rate interest flows over the period 2021-2025.
On 6 March 2023, another long-term 6-year loan with CDP was announced for Euro 120 million, for the purpose of supporting R&D programs in Italy and Europe (specifically in France, Germany, Spain and the Netherlands).
The loan, received on 15 February 2023, is repayable in a lump sum at maturity on 15 February 2029.
At 30 June 2024, the fair value of the CDP Loans approximated their carrying amount.

EIB Loans

On 10 November 2017, Prysmian S.p.A. entered into a loan agreement with the European Investment Bank (EIB) for Euro 110 million to support the Group's R&D programs in Europe over the period 2017-2020. The loan was received on 29 November 2017 and is repayable in a lump sum at maturity on 29 November 2024. Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 110 million, with the objective of hedging variable rate interest flows over the period 2018-2024.
On 3 February 2022, Prysmian announced that it had finalised a loan from the EIB for Euro 135 million to support its European R&D program in the energy and telecom cable systems sector over the period 2021-2024.
This loan is specifically intended to support projects to be developed at R&D centres in five European countries: Italy, France, Germany, Spain and the Netherlands.
The loan, received on 28 January 2022, is repayable in a lump sum at maturity on 29 January 2029.
At 30 June 2024, the fair value of the EIB Loans approximated their carrying amount.

Sustainability-Linked Term Loan

On 7 July 2022, Prysmian entered into a medium-term Sustainability-Linked loan for Euro 1,200 million with a syndicate of leading Italian and international banks. This five-year loan was drawn down in full on 14 July 2022 and primarily used to refinance the Euro 1 billion term loan obtained in 2018, which was thus repaid early on the same date. With the aim of strengthening its financial structure and making ESG factors an integral part of its strategy, Prysmian has elected to include important environmental and social KPIs among the parameters determining the terms of the loan. In fact, the loan is linked to the decarbonisation targets already set by Prysmian (annual GHG emissions from 2023 to 2030), to the ratio of female white-collar and executive hires to total Prysmian hires, and to the number of sustainability audits performed in the supply chain. The achievement or otherwise of these indicators entails a positive or negative adjustment to the annual spread.

Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 1,200 million, with the objective of hedging variable rate interest flows.

At 30 June 2024, the fair value of the Sustainability-Linked Term Loan approximated its carrying amount.

Mediobanca Loan

On 20 February 2019, Prysmian entered into an agreement with Mediobanca for a Euro 100 million long-term loan for 5 years from the date of signing. The loan was drawn down in full on 22 February 2019 and repaid in February 2024, on the agreed maturity date.

Intesa Loan

On 11 October 2019, Prysmian entered into an agreement with Intesa Sanpaolo for a Euro 150 million long-term loan for 5 years from the date of signing. The loan was drawn down in full on 18 October 2019 and is repayable in a lump sum at maturity. At 30 June 2024, the fair value of this loan approximated its carrying amount.

The fair value of loans has been determined using valuation techniques that refer to observable market data (Level 2 of the fair value hierarchy).

The following tables summarise the committed lines available to Prysmian at 30 June 2024 and 31 December 2023, shown at their nominal value:

(Euro/million)

			30.06.2024
	Total lines	**Drawn**	**Undrawn**
Revolving Credit Facility 2023	1,000	**-**	1,000
Sustainability-Linked Term Loan	1,200	(1,200)	-
CDP Loans	195	(195)	-
EIB Loans	245	(245)	-
Intesa Loan	150	(150)	-
Total	**2,790**	**(1,790)**	**1,000**

(Euro/million)

(in milioni di Euro)			31.12.2023
	Total lines	Drawn	Undrawn
Revolving Credit Facility 2023	1,000	-	1,000
Sustainability -Linked Term Loan	1,200	(1,200)	-
EIB Loans	245	(245)	-
CDP Loans	295	(295)	-
Intesa Loan	150	(150)	-
Mediobanca Loan	100	(100)	-
Total	**2,990**	**(1,990)**	**1,000**

Bonds

As at 30 June 2024, Prysmian had the following bond issue in place:

Convertible Bond 2021

On 26 January 2021, Prysmian announced the successful placement of an equity-linked bond (the "Bonds") for the sum of Euro 750 million.

The shareholders' meeting held on 28 April 2021 authorised the convertibility of the equity-linked bond and approved the proposal for a share capital increase serving the conversion of the convertible bond for a maximum nominal amount of Euro 1,864,025.50 by issuing up to 18,640,255 ordinary shares with a nominal value of Euro 0.10 each.

On 14 June 2021, the Bond was admitted to listing on the multilateral trading facility of the Vienna Stock Exchange.

As provided for in the Bond regulations, Prysmian had the option to call all - but not just a part - of the Bonds at their principal amount from 12 February 2024, should the share price exceed 130% of the conversion price for at least 20 days within a period of 30 consecutive trading days.

This option was exercised on 10 June 2024, meaning that at the date of the approval of this report, the Convertible Bond 2021 has been almost entirely converted, as already disclosed in the section 'Significant events during the period' of this Half-Yearly Financial Report, while at 30 June 2024 about 40% of the bond has been converted, taking its residual book value to Euro 440 million.

At 30 June 2024, the fair value of the Convertible Bond 2021 (equity component and debt component) was Euro 650 million, of which Euro 425 million attributable to the debt component and Euro 225 million to the equity component. In the absence of trading on the relevant market, the fair value of the Bond's debt and equity components has been determined using valuation techniques that refer to observable market data (Level 2 of the fair value hierarchy).

Borrowings from banks and other lenders and Lease liabilities

The following tables report movements in Borrowings from banks and other lenders and in Lease liabilities:

(Euro/million)

	CDP Loans	EIB Loans	Conv. Bond	Sustain-ability Term Loan	Medio-banca and Intesa Loans	Other borrowings/ Lease liabilities	Total
Balance at 31-Dec-2023	**297**	**248**	**728**	**1,218**	**251**	**354**	**3,096**
Currency translation differences	-	-	-	-	-	2	2
New funds	-	-	-	-	-	29	29
Repayments	(100)	-	-	-	(100)	(83)	(283)
Amortisation of bank and financial fees and other expenses	-	-	1	-	-	-	1
New IFRS 16 leases	-	-	-	-	-	26	26
Conversion of Conv. Bond 2021	-	-	(281)	-	-	-	(281)
Interest and other movements	-	-	(8)	(1)	-	1	(8)
Balance at 30-Jun-2024	**197**	**248**	**440**	**1,217**	**151**	**329**	**2,582**

(Euro/million)

	CDP Loans	EIB Loans	Conv. Bond	Sustain-ability Term Loan	Unicredit, Medio-banca and Intesa Loans	Other borrowings/ Lease liabilities	Total
Balance at 31-Dec-2022	**176**	**246**	**718**	**1,197**	**451**	**279**	**3,067**
Currency translation differences	-	-	-	-	-	(9)	(9)
New funds	120	-	-	-	-	62	182
Repayments	-	-	-	-	-	(82)	(82)
Amortisation of bank and financial fees and other expenses	(1)	-	-	1	-	(1)	(1)
New IFRS 16 leases	-	-	-	-	-	95	95
Interest and other movements	2	1	4	12	1	1	21
Balance at 30-Jun-2023	**297**	**247**	**722**	**1,210**	**452**	**345**	**3,273**

NET FINANCIAL DEBT

(Euro/million)

	Note	30.06.2024	31.12.2023
CDP Loans	10	194	194
EIB Loans	10	135	135
Convertible Bond 2021	10	440	728
Sustainability-Linked Term Loan 2022	10	1,193	1,193
Lease liabilities	10	223	234
Other financial payables	10	3	4
Other long-term financial payables		**2,188**	**2,488**
CDP Loans	10	3	103
EIB Loans	10	113	113
Sustainability-Linked Term Loan 2022	10	24	25
Mediobanca Loan	10	-	100
Intesa Loan	10	151	151
Lease liabilities	10	68	70
Forex derivatives on financial transactions	5	3	9
Other financial payables	10	35	46
Total short-term financial payables		**397**	**617**
Total financial liabilities		**2,585**	**3,105**
Long-term financial receivables	3	3	3
Long-term bank fees	3	4	4
Financial assets at amortised cost		3	3
Non-current interest rate swaps	5	21	11
Current interest rate swaps	5	15	20
Current forex derivatives on financial transactions	5	5	2
Short-term financial receivables	3	20	22
Short-term bank fees	3	3	2
Financial assets at FVPL	6	30	85
Financial assets at FVOCI	6	13	24
Cash and cash equivalents	7	1,147	1,741
Total financial assets		**1,264**	**1,917**
Net financial debt		**1,321**	**1,188**

The following table presents a reconciliation of Prysmian's net financial debt to the amount reported in accordance with the requirements of CONSOB advice notice no. 5/21 of 29 April 2021 concerning compliance with the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 (reference ESMA32-382-1138):

(Euro/million)

	Note	30.06.2024	31.12.2023
Net financial debt – as reported above		**1,321**	**1,188**
Adjustments to exclude:			
Long-term financial receivables and other assets	3	6	6
Long-term bank fees	3	4	4
Cash flow derivatives (assets)		36	31
Adjustments to include:			
Net non-hedging forex derivatives on commercial transactions, excluding non-current assets	5	6	1
Net non-hedging metal derivatives, excluding non-current assets	5	(9)	2
Recalculated net financial debt		**1,364**	**1,232**

11. TRADE AND OTHER PAYABLES

Details are as follows:

(Euro/million)

			30.06.2024
	Non-current	**Current**	**Total**
Trade payables	-	2,570	2,570
Total trade payables	**-**	**2,570**	**2,570**
Other payables:			
Tax and social security payables	-	276	276
Advances from customers	26	1,887	1,913
Payables to employees	2	190	192
Accrued expenses	-	135	135
Other	24	185	209
Total other payables	**52**	**2,673**	**2,725**
Total	**52**	**5,243**	**5,295**

(Euro/million)

			31.12.2023
	Non-current	**Current**	**Total**
Trade payables	-	2,199	2,199
Total trade payables	**-**	**2,199**	**2,199**
Other payables:			
Tax and social security payables	1	241	242
Advances from customers	27	1,717	1,744
Payables to employees	2	193	195
Accrued expenses	-	104	104
Other	23	214	237
Total other payables	**53**	**2,469**	**2,522**
Total	**53**	**4,668**	**4,721**

Advances from customers include the liability for construction contracts, amounting to Euro 1,796 million at 30 June 2024 (Euro 1,627 million at 31 December 2023). This liability represents the excess of amounts billed over costs incurred plus accumulated profits (or losses), recognised using the percentage of completion method.

12. PROVISIONS FOR RISKS AND CHARGES

Details are as follows:

(Euro/million)

			30.06.2024 (*)
	Non-current	Current	Total
Restructuring costs	1	58	59
Legal, contractual and other risks	30	539	569
Environmental risks	15	86	101
Tax risks	4	106	110
Total	**50**	**789**	**839**

(*) Provisions for risks at 30 June 2024 include Euro 108 million for potential liabilities recorded in application of IFRS 3 - Business Combinations.

(Euro/million)

			31.12.2023 (*)
	Non-current	Current	Total
Restructuring costs	1	55	56
Legal, contractual and other risks	32	496	528
Environmental risks	16	85	101
Tax risks	9	117	126
Total	**58**	**753**	**811**

(*) Provisions for risks at 31 December 2023 include Euro 118 million for potential liabilities recorded in application of IFRS 3 - Business Combinations.

The following table presents the movements in these provisions during the reporting period:

(Euro/million)

	Restructuring costs	Legal, contractual and other risks	Environ-mental risks	Tax risks	Total
Balance at 31 December 2023	**56**	**528**	**101**	**126**	**811**
Increases	25	52	-	1	78
Uses	(17)	(12)	(1)	(8)	(38)
Releases	-	(18)	-	-	(18)
Currency translation differences	-	1	-	(7)	(6)
Other	(5)	18	1	(2)	12
Balance at 30 June 2024	**59**	**569**	**101**	**110**	**839**

The provision for restructuring costs (Euro 59 million at 30 June 2024 versus Euro 56 million at 31 December 2023) includes liabilities for plant closure projects, as described in the Annual Report 2023.

The provision for contractual, legal and other risks amounts to Euro 569 million at 30 June 2024 (Euro 528 million at 31 December 2023). This provision mainly includes Euro 185 million (Euro 184 million at 31 December 2023) for antitrust investigations in progress and legal actions brought by third parties against Prysmian companies as a result of and/or in connection with decisions adopted by the relevant authorities, as described below. The rest of this provision consists of provisions related to and arising from business combinations and provisions for risks related to ongoing and completed contracts.

Antitrust - European Commission proceedings in the high voltage underground and submarine cables business

By way of introduction, it will be recalled that the European Commission started an investigation in late January 2009 into a number of European and Asian electrical cable manufacturers to verify the existence of alleged anti-competitive practices in the high voltage underground and submarine cables markets. This investigation was concluded with the decision adopted by the European Commission, also upheld by the European courts, which found Prysmian Cavi e Sistemi S.r.l. ("Prysmian CS") jointly liable with Pirelli & C. S.p.A. ("Pirelli") for the alleged infringement in the period from 18 February 1999 to 28 July 2005, and Prysmian Cavi e Sistemi S.r.l. jointly liable with Prysmian S.p.A. ("Prysmian") and The Goldman Sachs Group Inc. ("Goldman Sachs") for the alleged infringement in the period from 29 July 2005 to 28 January 2009. Following the conclusion of this case, Prysmian paid the European Commission its share of the related fine within the prescribed term, using provisions previously set aside.

Likewise in the case of General Cable, the European courts confirmed the contents of the European Commission's decision of April 2014, thus definitively upholding the fine levied against it under this decision. As a result, Prysmian went ahead and paid the related fine.

In November 2014 and October 2019 respectively, Pirelli filed two civil actions, since combined, against Prysmian CS and Prysmian in the Court of Milan, seeking (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for the damages allegedly suffered and quantified as a result of Prysmian CS and Prysmian having requested, in certain pending legal actions, that Pirelli be held liable for the unlawful conduct found by the European Commission in the period from 1999 to 2005. As part of the same proceedings, Prysmian CS and Prysmian, in addition to requesting full dismissal of the claims brought by Pirelli, filed symmetrical and opposing counterclaims to those of Pirelli in which they sought (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for damages suffered as a result of the legal actions brought by Pirelli. In a ruling dated 13 May 2024, the Court entirely dismissed all of the claims brought by Pirelli and partially upheld the claims brought by Prysmian. Pirelli has appealed against the ruling, reiterating its claims and requesting a full review.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

Antitrust - Claims for damages ensuing from the European Commission's 2014 decision
During the first few months of 2017, operators belonging to the Vattenfall Group filed claims in the High Court of London against a number of cable manufacturers, including companies in the Prysmian Group, to obtain compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. In June 2020, the Prysmian companies concerned presented their defence as well as serving a summons on another party to whom the EU decision was addressed. In July 2022, an agreement was reached for an out-of-court settlement of claims against the Prysmian companies concerned. However, the legal proceedings brought by the Prysmian companies against the other party to whom the EU decision was addressed are continuing.

On 2 April 2019, a writ of summons was served, on behalf of Terna S.p.A., on Pirelli, Nexans and companies in the Prysmian Group, demanding compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. This action has been brought before the Court of Milan. On 24 October 2019, the Prysmian Group companies concerned responded by presenting their preliminary defence. By an order dated 3 February 2020, the Court upheld the points raised by the defendants, giving Terna until 11 May 2020 to complete its writ of summons and scheduling a hearing for 20 October 2020. Terna duly completed its summons, which was filed within the required deadline. The proceedings are at a pre-trial stage.

On 2 April 2019, a writ of summons was served, on behalf of Electricity & Water Authority of Bahrain, GCC Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, on a number of cable manufacturers, including companies in the Prysmian Group, on Pirelli and Goldman Sachs. This action, brought in the Court of Amsterdam, once again involved a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. On 18 December 2019, the Prysmian companies concerned presented their preliminary defence, which was heard on 8 September 2020. On 25 November 2020, the Court of Amsterdam handed down a ruling under which it upheld the submissions made and declined jurisdiction over defendants not based in the Netherlands, thus excluding them from the proceedings. On 19 February 2021, the plaintiffs announced that they had filed an appeal against this ruling. The Prysmian companies concerned, together with the other third-party first-instance defendants, have taken legal action to contest the plaintiff's claims. On 25 April 2023, the Amsterdam Court of Appeal handed down a ruling under which it decided to submit to the European Court of Justice a number of questions on the interpretation of European law, which it considers instrumental to its decision. The case has therefore been stayed pending the European Court of Justice's response.

Furthermore, in February 2023, Prysmian received notification of an application by British consumer representatives requesting authorisation from the relevant local court to initiate proceedings against a number of cable manufacturers, including Prysmian S.p.A. and Prysmian Cavi e Sistemi S.r.l., and which also involved a claim for compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. The case is pending and the Prysmian companies concerned have submitted their preliminary defences. Under a decision dated 3 May 2024, the UK court authorised under reserve the British consumer representatives to initiate the aforementioned proceedings, which will therefore proceed.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In June 2023, a writ of summons, sent on behalf of Saudi Electricity Company, was received by a number of cable manufacturers, including some Prysmian companies. This action, brought before the Court of Cologne, once again involves a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. The case is pending.

Based on the information currently available, and believing these potential liabilities unlikely to crystallise, the Directors are of the opinion not to make any provision.

Antitrust - Other investigations

In Brazil, the local antitrust authority started proceedings against a number of manufacturers of high voltage underground and submarine cables, including Prysmian, notified of such in 2011. On 15 April 2020, the CADE Tribunal issued the operative part of the decision under which it held Prysmian liable for the alleged infringement in the period from February 2001 to March 2004 and ordered it to pay a fine of BRL 10.2 million (approximately Euro 1.8 million). Using the provisions already set aside in previous years, Prysmian made these payments within the required deadline. Prysmian filed an appeal against the CADE ruling. Under a ruling dated 11 July 2024, Prysmian's appeal was dismissed, therefore confirming the original decision against which the appeal had been lodged. Prysmian is considering whether to appeal against this ruling.

At the end of February 2016, the Spanish antitrust authority commenced proceedings to verify the existence of anti-competitive practices by local low voltage cable manufacturers and distributors, including Prysmian's local subsidiaries. On 24 November 2017, the local antitrust authority notified Prysmian's Spanish subsidiaries of a decision under which they were held liable for the alleged infringements in the period from June 2002 to June 2015 and were jointly and severally ordered to pay a fine of Euro 15.6 million. Prysmian's Spanish subsidiaries lodged an appeal against this decision.
The appeal was partially upheld by the local court, which ruled on 19 May 2023 that the time period used by the authority to calculate the fine should be reduced, with consequent revision of the fine itself. Prysmian's Spanish subsidiaries have appealed against this ruling.

The decision of 24 November 2017 also held the Spanish subsidiaries of General Cable liable for breach of local antitrust law. However, they have obtained immunity from paying the related fine (quantified at about Euro 12.6 million) having filed for leniency and collaborated with the local antitrust authority in its investigations. The General Cable Spanish subsidiaries also appealed against the decision of the local antitrust authority. The appeals were dismissed in rulings dated 19 May and 1 June 2023 respectively. These appeals were also dismissed by the Spanish Supreme Court, as notified to the companies concerned on 19 January 2023.
In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In addition, in January 2022, an investigation was initiated by the German antitrust authority (Federal Cartel Office) concerning alleged coordination in setting the standard metal surcharges applied by the industry in Germany.
Prysmian's local subsidiaries have challenged before the courts the search and seizure orders under which the German authorities carried out inspections at their offices and seized company documents.

During June 2022, the competition authorities of the Czech Republic and Slovakia conducted inspections at the offices of Prysmian's local subsidiaries with regard to alleged anti-competitive practices in setting metal surcharges. Subsequently, in August 2022 and March 2023, the competition authorities of the Czech Republic and Slovakia respectively announced the opening of an investigation into this matter involving, among others, Prysmian's local subsidiaries.

Given the high degree of uncertainty as to the timing and outcome of these ongoing investigations, the Directors currently feel unable to estimate the related risk.

Antitrust - Claims for damages ensuing from Other investigations

In February 2020, a writ of summons was served on a number of cable manufacturers, including Prysmian's Spanish subsidiaries, under which companies belonging to the Iberdrola Group have claimed compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

In July 2020, a writ of summons was served on a number of cable manufacturers, including Prysmian's Spanish subsidiaries, under which companies belonging to the Endesa Group have claimed compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

During 2022, other third-party lawsuits were filed against certain cable manufacturers, including Prysmian's Spanish subsidiaries, to obtain compensation for damages supposedly suffered as a result of the alleged anti-competitive conduct sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel and maintaining a consistent accounting policy, have adjusted the related provisions for risks to a level deemed appropriate to cover the potential liabilities for the matters in question.

With reference to the above matters, a number of Prysmian companies have received various notices in which third parties have claimed compensation for damages, albeit not quantified, allegedly suffered as a result of Prysmian's involvement in the anti-competitive practices sanctioned by the European Commission and the antitrust authorities in Brazil and Spain.

Based on the information currently available, and believing it unlikely that these potential or unquantifiable liabilities will arise, the Directors have decided not to make any provision.

Despite the uncertainty of the outcome of the investigations and legal actions in progress, the amount of the provision set aside, the substance of which explained above, is considered to represent the best estimate of the liability based on the information available to date and the developments in the proceedings described above.

13. EMPLOYEE BENEFIT OBLIGATIONS

Details are as follows:

(Euro/million)

	30.06.2024	31.12.2023
Pension plans	249	271
Italian statutory severance benefit	13	12
Medical benefit plans	13	14
Termination and other benefits	41	36
Total	**316**	**333**

Movements in employee benefit obligations have had an overall impact of Euro 11 million on the period's income statement, of which Euro 5 million classified in Personnel costs and Euro 6 million in Finance costs.

Employee benefit obligations have decreased due to the higher discount rates used in actuarial valuations.

The following table shows the period average headcount and period-end closing headcount, calculated using the Full Time Equivalent method:

	1st half 2024	1st half 2023
Average number	30,406	30,819

	30.06.2024	31.12.2023
Closing number	30,849	30,088

14. FINANCE COSTS AND INCOME

Finance costs are detailed as follows:

(Euro/million)

	1st half 2024	1st half 2023
Interest on loans	42	35
Interest on Convertible Bond 2021 - non-monetary component	5	5
Interest on lease liabilities	7	4
Amortisation of bank and financial fees and other expenses	3	4
Employee benefit interest costs net of interest on plan assets	6	6
Other bank interest	3	4
Costs for undrawn credit lines	1	1
Sundry bank fees	13	12
Other	4	3
Finance costs	**84**	**74**
Forex losses	273	712
Total finance costs	**357**	**786**

Finance income is detailed as follows:

(Euro/million)

	1st half 2024	1st half 2023
Interest income from banks and other financial institutions	27	16
Interest Rate Swaps	17	8
Non-operating finance income	4	-
Change in fair value of financial instruments through profit or loss	-	3
Non-recurring finance income	-	2
Other finance income	2	1
Finance income	**50**	**30**
Net gains on forex derivatives	7	18
Gains on derivatives	**7**	**18**
Forex gains	247	684
Total finance income	**304**	**732**

15. TAXES

Taxes have been estimated on the basis of the expected average tax rate for the full year. The tax charge for the first six months of 2024 is Euro 129 million whereas they amounted to Euro 169 million in the same period of the previous year. The tax rate for the first six months of 2024 is approximately 23.9% which is a significant decrease compared to the same period of the previous year of approximately 29%.

16. EARNINGS/(LOSS) PER SHARE

Both basic and diluted earnings (loss) per share have been calculated by dividing the net result for the period attributable to the Group by the average number of the Company's outstanding shares.

Diluted earnings/(loss) per share have been affected by the options under the Convertible Bond, whose conversion was in the money as at 30 June 2024, the effects of the YES employee share purchase plan and the 2023 incentives in the form of deferred and matching shares vesting under the 2023-2025 long-term incentive plan, and the 2023 shares vesting under the BE IN long-term incentive plan. However, diluted earnings/(loss) have not been affected by deferred and matching shares for 2024 or by performance shares under the 2023-2025 long-term incentive plan, since not awardable based on the targets achieved up to 30 June 2024 or by BE IN loyalty shares, which had also not vested.

(Euro/million)

	1st half 2024	1st half 2023
Net profit/(loss) attributable to owners of the parent	402	405
Weighted average number of ordinary shares (thousands)	274,182	272,026
Basic earnings per share (in Euro)	**1.47**	**1.49**
Net profit/(loss) attributable to owners of the parent for purposes of diluted earnings per share	406	405
Weighted average number of ordinary shares (thousands)	274,182	272,026
Adjustments for:		
New shares from conversion of bonds into shares	17,399	-
Dilution from incremental shares arising from exercise of share-based payment plans and employee share purchase plans (thousands)	344	85
Weighted average number of ordinary shares to calculate diluted earnings per share (thousands)	291,925	272,111
Diluted earnings per share (in Euro)	**1.39**	**1.49**

17. CONTINGENT LIABILITIES

As a global operator, Prysmian is exposed to legal risks primarily, by way of example, in the areas of product liability and environmental, antitrust and tax rules and regulations. The outcome of legal disputes and proceedings currently in progress cannot be predicted with certainty. An adverse outcome in one or more of these proceedings could result in the payment of costs that are not covered, or not fully covered, by insurance, which would therefore have a direct effect on Prysmian's financial position and results. As at 30 June 2024, contingent liabilities for which Prysmian has not recognised any provision for risks and charges, on the grounds that an outflow of resources is considered unlikely, but for which reliable estimates are available, amount to approximately Euro 65 million and mainly refer to legal and tax issues.

18. RECEIVABLES FACTORING

Prysmian has factored some of its trade receivables on a without-recourse basis. Receivables factored but not yet paid by customers amounted to Euro 40 million at 30 June 2024 (Euro 157 million at 31 December 2023).

19. SEASONALITY

Prysmian's business features a certain degree of seasonality in its revenues, which are usually higher in the second and third quarters. This is due to the fact that utilities projects in the northern hemisphere are mostly concentrated in the warmer months of the year. Prysmian's level of debt is generally higher in the period May-September, with funds being absorbed by the growth in working capital.

20. RELATED PARTY TRANSACTIONS

Transactions by Prysmian S.p.A. and its subsidiaries with associates mainly refer to:

- trade relations involving purchases and sales of raw materials and finished goods;
- services (technical, organisational and general) provided by head office for the benefit of Prysmian companies;
- recharge of royalties for the use of trademarks, patents and technological know-how by Prysmian companies.

All the above transactions form part of Prysmian's continuing operations.

The following tables provide a summary of transactions with other related parties in the six months ended 30 June 2024:

(Euro/million)

					30.06.2024
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Equity-accounted investments	226	-	**226**	226	100.0%
Trade receivables	1	-	**1**	2,579	0.0%
Other receivables	15	-	**15**	1,311	1.1%
Trade payables	3	-	**3**	2,570	0.1%
Other payables	-	1	**1**	2,725	0.0%
Provisions for risks and charges	-	8	**4**	839	0.5%

(Euro/million)

					31.12.2023
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Equity-accounted investments	218	-	**218**	218	100.0%
Trade receivables	3	-	**3**	1,987	0.2%
Other receivables	2	-	**2**	1,090	0.2%
Trade payables	4	-	**4**	2,199	0.2%
Other payables	-	5	**5**	2,522	0.2%
Provisions for risks and charges	-	5	**5**	811	0.6%

(Euro/million)

					1st half 2024
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Sales	1	-	**1**	7,819	0.0%
Other income	-	-	**-**	23	0.0%
Raw materials, consumables and supplies	-	-	**-**	(5,072)	0.0%
Personnel costs	-	(8)	**(8)**	(948)	0.8%
Other expenses	(3)	-	**(3)**	(1,303)	0.2%
Share of net profit/(loss) of equity-accounted companies	20	-	**20**	20	100.0%

(Euro/million)

					1st half 2023
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Sales	-	-	**-**	8,003	0.0%
Other income	2	-	**2**	34	5.9%
Raw materials, consumables and supplies	-	-	**-**	(5,217)	0.0%
Personnel costs	-	(4)	**(4)**	(878)	0.5%
Other expenses	(3)	(1)	**(4)**	(1,278)	0.3%
Share of net profit/(loss) of equity-accounted companies	15	-	**15**	15	100.0%

Transactions with associates

Trade and other payables refer to goods and services provided in the ordinary course of Prysmian's business. Trade and other receivables refer to transactions carried out in the ordinary course of Prysmian's business.

Compensation of Directors, Statutory Auditors and Key Management Personnel

The compensation of the Directors, Statutory Auditors and Key Management Personnel totals Euro 8 million at 30 June 2024 (Euro 4 million in the first six months of 2023).

21. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions were carried out during the first half of 2024.

22. COMMITMENTS

Contractual commitments, already given to third parties at 30 June 2024 and not yet reflected in the financial statements, amount to Euro 569 million for Property, plant and equipment and Euro 5 million for Intangible assets. Furthermore, as of 30 June 2024, Prysmian had committed to acquire 100% of the share capital of Encore Wire, for details of which please refer to the section 'Events after the reporting period'.

As at 30 June 2024, there were no outstanding loans or guarantees by the Parent Company or its subsidiaries to any of the directors, senior managers or statutory auditors.

23. DIVIDEND DISTRIBUTION

On 18 April 2024, the shareholders' meeting of Prysmian S.p.A. approved the 2023 financial statements and the distribution of a gross dividend of Euro 0.70 per share, for a total of some Euro 191 million. The dividend was paid out from 24 April 2024, with record date 23 April 2024 and ex-div date 22 April 2024.

24. STATEMENT OF CASH FLOWS

The increase in net working capital used Euro 601 million in cash flow. After Euro 123 million in tax payments and Euro 3 million in dividend receipts, operating activities in the first six months of 2024 therefore resulted in a net cash inflow of Euro 69 million. Net operating capital expenditure used Euro 209 million in cash in the first six months of 2024, a large part of which relating to projects to increase and rationalise production capacity. More details can be found in Note 1. Property, plant and equipment and Intangible assets of these Explanatory Notes. Cash flows from financing activities were affected by the distribution of Euro 197 million in dividends and the repayment of the Mediobanca loan for Euro 100 million and the CDP loan for Euro 100 million. Finance costs paid, net of finance income received, came to Euro 27 million.

25. FINANCIAL COVENANTS

The principal credit agreements in place at 30 June 2024, details of which are presented in Note 10. Borrowings from banks and other lenders, require Prysmian to comply with a series of covenants on a consolidated basis. The main covenants, classified by type, are listed below:

a) Financial covenants

- Ratio between EBITDA and Net Financial Expenses (as defined in the relevant agreements. This covenant does not apply to the Revolving Credit Facility 2023 as long as Prysmian S.p.A. maintains a long-term "Investment Grade" credit rating").
- Ratio between Net Financial Debt and EBITDA (as defined in the relevant agreements).

The covenants contained in the relevant credit agreements are as follows:

	EBITDA / Net Financial Expenses (1) not less than:	Net financial debt/ EBITDA (1) not more than:
	4.00x	3.00x

(1) The ratios are calculated on the basis of the definitions contained in the relevant credit agreements. The Net Financial Debt/EBITDA ratio can go as high as 3.5 following extraordinary transactions like acquisitions, no more than three times, including on non-consecutive occasions.

b) Non-financial covenants

A number of non-financial covenants have been established in line with market practice applying to transactions of a similar nature and size. These covenants involve restrictions on the grant of secured guarantees to third parties and on amendments to the Company's by-laws.

Events of default

The main events of default are as follows:

- default on loan repayment obligations;
- breach of financial covenants;
- breach of some of the non-financial covenants;

- declaration of bankruptcy by Group companies or their involvement in other insolvency proceedings;
- issuance of particularly significant court orders;
- occurrence of events that may adversely and materially affect the business, the assets or the financial conditions of the Group.

Should an event of default occur, the lenders are entitled to demand full or partial repayment of the amounts lent and not yet repaid, together with interest and any other amount due. No collateral security is required.

Actual financial ratios reported at period end, calculated at a consolidated level for Prysmian, are as follows:

	30 June 2024	31 December 2023
EBITDA / Net Financial Expenses (1) (2)	34.88x	26.92x
Net financial debt / EBITDA (2)	0.66x	0.56x

(1) The ratios are calculated on the basis of the definitions contained in the relevant credit agreements.

(2) This covenant does not apply to the Revolving Credit Facility 2023.

The above financial ratios comply with both covenants contained in the relevant credit agreements and there are no instances of non-compliance with the financial and non-financial covenants indicated above.

26. EXCHANGE RATES

The main exchange rates used to translate financial statements in foreign currencies for consolidation purposes are reported below:

		Closing rates at		Period average rates
	30.06.2024	31.12.2023	1st half 2024	1st half 2023
Europe				
British Pound	0.846	0.869	0.855	0.876
Swiss Franc	0.963	0.926	0.961	0.986
Hungarian Forint	395.100	382.800	389.757	380.848
Norwegian Krone	11.397	11.241	11.493	11.320
Swedish Krona	11.360	11.096	11.391	11.333
Czech Koruna	25.025	24.724	25.015	23.687
Danish Krone	7.458	7.453	7.458	7.446
Romanian Leu	4.977	4.976	4.974	4.934
Turkish Lira	35.192	32.633	34.221	21.466
Polish Zloty	4.309	4.340	4.317	4.624
Russian Rouble	90.987	99.192	98.143	83.221
North America				
US Dollar	1.071	1.105	1.081	1.081
Canadian Dollar	1.467	1.464	1.468	1.457
South America				
Colombian Peso	4,463	4,268	4,239	4,960
Brazilian Real	5.951	5.350	5.497	5.485
Argentine Peso	976.296	893.337	929.232	229.007
Chilean Peso	1,021.540	977.070	1,016.238	871.111
Costa Rican Colón	560.471	575.561	555.857	595.238
Mexican Peso	19.565	18.723	18.509	19.646
Peruvian Sol	4.102	4.082	4.056	4.061
Oceania				
Australian Dollar	1.608	1.626	1.642	1.599
New Zealand Dollar	1.760	1.750	1.775	1.732
Africa				
CFA Franc	655.957	655.957	655.957	655.957
Angolan Kwanza	921.990	920.402	911.979	591.086
Tunisian Dinar	3.366	3.394	3.375	3.339
South African Rand	19.497	20.348	20.248	19.679
Asia				
Chinese Renminbi (Yuan)	7.775	7.851	7.801	7.489
United Arab Emirates Dirham	3.931	4.058	3.971	3.969
Bahraini Dinar	0.403	0.415	0.407	0.406
Hong Kong Dollar	8.359	8.631	8.454	8.471
Singapore Dollar	1.451	1.459	1.456	1.444
Indian Rupee	89.250	91.905	89.986	88.844
Indonesian Rupiah	17,487	17,080	17,205	16,275
Japanese Yen	171.940	156.330	164.461	145.760
Thai Baht	39.319	37.973	39.119	36.956
Philippine Peso	62.560	61.283	61.528	59.701
Omani Rial	0.412	0.425	0.416	0.416
Malaysian Ringgit	5.050	5.078	5.111	4.819
Qatari Riyal	3.897	4.022	3.936	3.934
Saudi Riyal	4.014	4.144	4.055	4.052

27. EVENTS AFTER THE REPORTING PERIOD

Prysmian completes the acquisition of Encore Wire

On 2 July 2024, Prysmian announced that it had completed the acquisition of Encore Wire Corporation as also described in the section of the Report on Operations entitled 'Significant events during the period'.

Financing of Encore Wire acquisition

On 2 July 2024, at the same time as the acquisition of Encore Wire, Prysmian S.p.A. has drawn a loan divided into short and medium-term credit facilities, as follows:

- Term Loan: a medium-long term credit facility, for a maximum aggregate amount of Euro 1,000,000,000, available to the Company in EUR or USD, whose maturity date coincides with the 5th (fifth) anniversary of the Acquisition closing date;
- Bridge Loan A: a bridge credit facility, for a maximum aggregate amount of Euro 450,000,000, available to the Company in EUR or USD, whose maturity date coincides with the 10th (tenth) day after the Acquisition closing date:
- Bridge Loan B: a bridge credit facility, for a maximum aggregate amount of Euro 925,000,000, available to the Company in EUR or USD, whose maturity date coincides with:
    - i. the date falling 18 (eighteen) months and 2 (two) days after the Acquisition closing date (the "Initial Maturity Date"); or, if the Company has exercised, with at least 30 (thirty) days' notice prior to the Bridge Loan Maturity Date, the option to extend the maturity date;
    - ii. the date falling 2 (two) years and 2 (two) days after the Acquisition closing date (the "Long Stop Date");
- Bridge Loan C1: a bridge credit facility, for a maximum aggregate amount of Euro 512,500,000, available to the Company in EUR or USD, whose maturity date coincides with the Initial Maturity Date or the Long Stop Date;
- Bridge Loan C2: a bridge-to-cash flow credit facility for a maximum aggregate amount of Euro 512,500,000, available to the Company in EUR or USD, whose maturity date coincides with the Initial Maturity Date or the Long Stop Date.

The amount disbursed under the Loan Facilities on 2 July 2024, the Closing Date, was as follows:

- Term Loan USD 1.070 million;
- Bridge Loan A USD 481 million
- Bridge Loan B EUR 925 million;
- Bridge Loan C1 EUR 513 million;
- Bridge Loan C2 USD 548 million.

Interest rate swaps with an overall notional value of USD 1,344 million have been arranged against the Long Term Loan for USD 1,070 million and Bridge Loan C2 for USD 548 million, with the objective of hedging variable rate interest flows.

Bridge Loan A was repaid in full on 10 July 2024.

Record-breaking installation at 2,150-metre depth

On 8 July 2024, Prysmian announced that it had successfully completed sea trial tests for the ultra-deepwater installation of a 500 kV HVDC mass-impregnated cable, at a depth of 2,150 metres. This installation is an industry record, being the first time an HVDC cable has been laid at such a depth, setting new market standards.

This non-metallic armoured cable has been designed with High Modulus Synthetic Fibres (HMSF) composite material, defining a new generation of cable technology. The use of an innovative armouring solution that can be up to 50% lighter than steel in water, combined with the state-of-the-art Leonardo da Vinci cable-laying vessel, will allow the cable for Terna's Tyrrhenian Link to be installed and maintained at a depth of more than 2,000 metres below sea level, the most ever reached with a power cable.

The cable will be used for the Tyrrhenian Link, a total Euro 1.7 billion project awarded by Terna S.p.A. in 2021. Prysmian's task has been to design, supply and install more than 1,500 km of submarine cables to support electrical power exchanges between Sardinia, Sicily and Campania, thus reinforcing the Mediterranean energy hub.

Convertible Bond 2021 – outcome of exercising the soft call

On 19 July 2024, Prysmian redeemed the remaining bonds (with a nominal value of Euro 300,000), conversion of which into the Company's ordinary shares had not been requested by 12 July. Also on 19 July, the Bond was delisted from the Vienna Stock Exchange. During the month of July, 11,186,606 new ordinary shares were issued against Bond conversion requests received by the Company by 12 July. These shares were in addition to the 7,446,147 ordinary shares already issued prior to 30 June in execution of previous bond conversion requests.

New EIB Financing agreement

On 24 July 2024, the European Investment Bank (EIB) and Prysmian have signed a new Euro 450 million financing agreement to facilitate electricity transmission and distribution in Europe.

The loan can be disbursed in tranches and is to be repaid in one lump sum eight years after the disbursement of each tranche. The disbursement of the first tranche of EUR 198 million is scheduled on 1 August 2024.

With a view to meeting the growing demand for renewable energy in general and offshore wind in particular, Prysmian will use the EIB funds to build new production lines for extra-high-voltage submarine cables, lines for high-voltage onshore cables and other technical improvements to existing lines.

The EIB-financed investment will enable Prysmian to double its production capacity for extruded cables at its three factories in Pikkala (Finland), Pozzuoli (Italy) and Gron (France) from around 2,000 km a year to over 4,000 km a year. This will help to meet EU targets for clean energy transmission via submarine cable solutions and long-distance interconnections, improving the integration and efficiency of renewable energy.

According to Prysmian estimates and in line with time frames and procedures that are still being defined, this investment will also promote the creation of new jobs, thereby generating major economic benefits for the countries involved.

The project is fully in line with the EIB's climate action and environmental sustainability goals and the REPowerEU framework, which the EU bank has committed to support with Euro 45 billion of additional investment by 2027. In addition, almost half of the operations covered by the agreement will take place in cohesion regions, such as Campania in Italy and Burgundy in France, thereby helping to reduce regional economic disparities and promote more balanced and inclusive economic development.

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Milan, 31 July 2024

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN

Francesco Gori

SCOPE OF CONSOLIDATION – APPENDIX A

The following companies have been consolidated line-by-line:

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Europe					
Austria					
Prysmian OEKW GmbH	Wien	Euro	2,053,008	100.00%	Prysmian Cavi e Sistemi S.r.l.
Belgium					
Draka Belgium N.V.	Leuven	Euro	61,973	98.52%	Draka Holding B.V.
				1.48%	Draka Kabel B.V.
Denmark					
Prysmian Group Denmark A/S	Albertslund	Danish Krone	40,001,000	100.00%	Draka Holding B.V.
Estonia					
Prysmian Group Baltics AS	Keila	Euro	1,664,000	100.00%	Prysmian Group Finland OY
Finland					
Prysmian Group Finland OY	Kirkkonummi	Euro	100,000	77.7972%	Prysmian Cavi e Sistemi S.r.l.
				19.9301%	Draka Holding B.V.
				2.2727%	Draka Comteq B.V.
France					
Prysmian (French) Holdings S.A.S.	Paron	Euro	129,026,210	100.00%	Prysmian Cavi e Sistemi S.r.l.
Prysmian Cables et Systèmes France S.A.S.	Sens	Euro	136,800,000	100.00%	Prysmian (French) Holdings S.A.S.
Draka Comteq France S.A.S.	Paron	Euro	246,554,316	100.00%	Draka France S.A.S.
Draka Fileca S.A.S.	Sainte Geneviève	Euro	5,439,700	100.00%	Draka France S.A.S.
Draka Paricable S.A.S.	Montreau-Fault-Yonne	Euro	5,177,985	100.00%	Draka France S.A.S.
Draka France S.A.S.	Montreau-Fault-Yonne	Euro	261,551,700	100.00%	Draka Holding B.V.
P.O.R. S.A.S.	Montreau-Fault-Yonne	Euro	100,000	100.00%	Draka France S.A.S.
Silec Cable, S. A. S.	Montreau-Fault-Yonne	Euro	60,037,000	100.00%	Grupo General Cable Sistemas, S.L.
EHC France s.a.r.l.	Sainte Geneviève	Euro	310,717	100.00%	EHC Global Inc.
Germany					
Prysmian Kabel und Systeme GmbH	Berlin	Euro	15,000,000	93.75%	Draka Deutschland GmbH
				6.25%	Prysmian S.p.A.
Prysmian Cable Industrial GmbH	Berlin	Euro	25,000	100.00%	Prysmian Cavi e Sistemi s.r.l.
Prysmian Unterstuetzungseinrichtung Lynen GmbH	Eschweiler	Deutsche Mark	50,000	100.00%	Prysmian Kabel und Systeme GmbH
Draka Comteq Berlin GmbH & Co. KG	Berlin	Deutsche Mark	46,000,000	50.10%	Prysmian Netherlands B.V.
		Euro	1	49.90%	Draka Deutschland GmbH
Draka Comteq Germany Verwaltungs GmbH	Koln	Euro	25,000	100.00%	Draka Comteq B.V.
Draka Comteq Germany GmbH & Co. KG	Koln	Euro	5,000,000	100.00%	Draka Comteq B.V.
Draka Deutschland Erste Beteiligungs GmbH	Wuppertal	Euro	25,000	100.00%	Draka Holding B.V.
Draka Deutschland GmbH	Wuppertal	Euro	25,000	90.00%	Draka Deutschland Erste Beteiligungs GmbH
				10.00%	Draka Deutschland Zweite Beteiligungs GmbH
Draka Deutschland Verwaltungs GmbH	Wuppertal	Deutsche Mark	50,000	100.00%	Prysmian Kabel und Systeme GmbH
Draka Deutschland Zweite Beteiligungs GmbH	Wuppertal	Euro	25,000	100.00%	Prysmian Netherlands B.V.
Prysmian Projects Germany GmbH	Nordenham	Euro	25,000	100.00%	Draka Deutschland GmbH
Höhn GmbH	Wuppertal	Deutsche Mark	1,000,000	100.00%	Draka Deutschland GmbH
Kaiser Kabel GmbH	Wuppertal	Deutsche Mark	9,000,000	100.00%	Draka Deutschland GmbH
NKF Holding (Deutschland) GmbH i.L	Wuppertal	Euro	25,000	100.00%	Prysmian Netherlands B.V.
Norddeutsche Seekabelwerke GmbH	Nordenham	Euro	50,025,000	100.00%	Grupo General Cable Sistemas, S.L.
EHC Germany GmbH	Baesweiler	Euro	25,200	100.00%	EHC Global Inc

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
U.K.					
Prysmian Cables & Systems Ltd.	Eastleigh	British Pound	113,901,120	100.00%	Prysmian UK Group Ltd.
Prysmian Construction Company Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cables & Systems Ltd.
Prysmian Cables (2000) Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cables & Systems Ltd.
Cable Makers Properties & Services Ltd.	Esher	British Pound	39	63.84%	Prysmian Cables & Systems Ltd.
				36.16%	Third Parties
Comergy Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cavi e Sistemi S.r.l.
Prysmian Pension Scheme Trustee Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian S.p.A.
Prysmian UK Group Ltd.	Eastleigh	British Pound	70,011,000	100.00%	Draka Holding B.V.
Draka Comteq UK Ltd.	Eastleigh	British Pound	14,000,002	100.00%	Prysmian UK Group Ltd.
Draka UK Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian UK Group Ltd.
Prysmian PowerLink Services Ltd.	Eastleigh	British Pound	46,000,100	100.00%	Prysmian UK Group Ltd.
Escalator Handrail (UK) Ltd.	Eastleigh	British Pound	2	100.00%	EHC Global Inc.
Italy					
Prysmian Cavi e Sistemi S.r.l.	Milan	Euro	50,000,000	100.00%	Prysmian S.p.A.
Prysmian Cavi e Sistemi Italia S.r.l.	Milan	Euro	77,143,249	100.00%	Prysmian S.p.A.
Prysmian Treasury S.r.l.	Milan	Euro	80,000,000	100.00%	Prysmian S.p.A.
Prysmian PowerLink S.r.l.	Milan	Euro	100,000,000	100.00%	Prysmian S.p.A.
Fibre Ottiche Sud - F.O.S. S.r.l.	Battipaglia	Euro	47,700,000	100.00%	Prysmian S.p.A.
Electronic and Optical Sensing Solutions S.r.l.	Milan	Euro	5,000,000	100.00%	Prysmian S.p.A.
Prysmian Riassicurazioni S.p.A.	Milan	Euro	3,000,000	100.00%	Prysmian S.p.A.
Norway					
Prysmian Group Norge AS	Drammen	Norwegian Krone	22,500,000	100.00%	Draka Holding B.V.
The Netherlands					
Draka Comteq B.V.	Amsterdam	Euro	1,000,000	100.00%	Draka Holding B.V.
Draka Comteq Fibre B.V.	Eindhoven	Euro	18,000	100.00%	Prysmian Netherlands Holding B.V.
Draka Holding B.V.	Amsterdam	Euro	52,229,321	100.00%	Prysmian S.p.A.
Draka Kabel B.V.	Amsterdam	Euro	2,277,977	100.00%	Prysmian Netherlands B.V.
Donne Draad B.V.	Nieuw Bergen	Euro	28,134	100.00%	Prysmian Netherlands B.V.
NKF Vastgoed I B.V.	Delft	Euro	18,151	99.00%	Draka Holding B.V.
				1.00%	Prysmian Netherlands B.V.
NKF Vastgoed III B.V.	Delft	Euro	18,151	99.00%	Draka Deutschland GmbH
				1.00%	Prysmian Netherlands B.V.
Prysmian Netherlands B.V.	Delft	Euro	1	100.00%	Prysmian Netherlands Holding B.V.
Prysmian Netherlands Holding B.V.	Amsterdam	Euro	1	100.00%	Draka Holding B.V.
Poland					
Prysmian Poland sp. z o.o.	Sokolów	Polish Zloty	394,000	100.00%	Draka Holding B.V.
Portugal					
General Cable Investments, SGPS, Sociedade Unipessoal, S.A.	Funchal	Euro	8,500,020	100.00%	Draka Holding B.V.
General Cable Celcat, Energia e Telecomunicaçoes SA	Pero Pinheiro	Euro	13,500,000	100.00%	General Cable Investments, SGPS, Sociedade Unipessoal, S.A.
Czech Republic					
Prysmian Kabely, s.r.o.	Velké Meziříčí	Czech Koruna	255,000,000	100.00%	Draka Holding B.V.
Romania					
Prysmian Cabluri Si Sisteme S.A.	Slatina	Leu rumeno	403,850,920	99.99987%	Draka Holding B.V.
				0.00013%	Prysmian Cavi e Sistemi S.r.l.
Russia					
Limited Liability Company Prysmian RUS	Rybinsk city	Russian Rouble	230,000,000	99.00%	Draka Holding B.V.
				1.00%	Prysmian Cavi e Sistemi S.r.l.
Limited Liability Company "Rybinskelektrokabel"	Rybinsk city	Russian Rouble	90,312,000	100.00%	Limited Liability Company Prysmian RUS
Slovakia					
Prysmian Kablo s.r.o.	Bratislava	Euro	21,246,001	99.995%	Prysmian Cavi e Sistemi S.r.l.
				0.005%	Prysmian S.p.A.

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Spain					
Prysmian Cables Spain, S.A. (Sociedad Unipersonal)	Vilanova I la Geltrù	Euro	58,178,234	100.00%	Draka Holding, S.L.
Draka Holding, S.L. (Sociedad Unipersonal)	Santa Perpetua de Mogoda	Euro	24,000,000	100.00%	Draka Holding B.V.
GC Latin America Holdings, S.L.	Abrera	Euro	151,042,030	100.00%	General Cable Holdings (Spain), S.L.
General Cable Holdings (Spain), S.L.	Abrera	Euro	138,304,698	100.00%	General Cable Corporation
Grupo General Cable Sistemas, S.L.	Abrera	Euro	22,116,019	100.00%	Draka Holding B.V.
EHC Spain and Portugal, S.L.	Sevilla	Euro	3,897,315	100.00%	EHC Global Inc.
Sweden					
Prysmian Group Sverige AB	Nässjö	Swedish Krona	100,000	100.00%	Draka Holding B.V.
Switzerland					
Omnisens S.A.	Morges	Swiss Franc	11,811,719	100.00%	Electronic and Optical Sensing Solutions S.r.l.
Turkey					
Turk Prysmian Kablo Ve Sistemleri A.S.	Mudanya	Turkish new Lira	216,733,652	83.7464%	Draka Holding B.V.
				0,4614%	Turk Prysmian Kablo Ve Sistemleri A.S.
				15.7922%	Third Parties
Hungary					
Prysmian MKM Magyar Kabel Muvek Kft.	Budapest	Hungarian Forint	5,000,000,000	100.00%	Prysmian Cavi e Sistemi S.r.l.
North America					
Canada					
Prysmian Cables and Systems Canada Ltd.	New Brunswick	Canadian Dollar	1,000,000	100.00%	Draka Holding B.V.
Draka Elevator Products Incorporated	New Brunswick	Canadian Dollar	n/a	100.00%	Prysmian Cables and Systems USA, LLC
General Cable Company Ltd.	Halifax	Canadian Dollar	295,768	100.00%	Prysmian Cables and Systems USA, LLC
EHC Global Inc.	Oshawa	Canadian Dollar	1,511,769	100.00%	Prysmian Cables and Systems Canada Ltd.
EHC Canada Inc.	Oshawa	Canadian Dollar	39,409	100.00%	EHC Global Inc.
Dominican Repuplic					
General Cable Caribbean, S.R.L	Santa Domingo Oeste	Dominican Peso	2,100,000	99.995%	General Cable Corporation
				0.005%	Prysmian Cables and Systems USA, LLC
U.S.A.					
Prysmian Cables and Systems (US) Inc.	Carson City	US Dollar	330,517,608	100.00%	Draka Holding B.V.
Prysmian Cables and Systems USA, LLC	Wilmington	US Dollar	10	100.00%	General Cable Corporation
Prysmian Construction Services Inc.	Wilmington	US Dollar	1,000	100.00%	Prysmian Cables and Systems USA, LLC
Draka Elevator Products, Inc.	Boston	US Dollar	1	100.00%	Prysmian Cables and Systems USA, LLC
Draka Transport USA, LLC	Boston	US Dollar	-	100.00%	Prysmian Cables and Systems USA, LLC
General Cable Corporation	Wilmington	US Dollar	1	100.00%	Prysmian Cables and Systems (US) Inc.
General Cable Technologies Corporation	Wilmington	US Dollar	1,884	53.08%	Prysmian Cables and Systems USA, LLC
				46.92%	General Cable Corporation
Phelps Dodge Enfield Corporation	Wilmington	US Dollar	800,000	100.00%	Prysmian Cables and Systems USA, LLC
Phelps Dodge National Cables Corporation	New York	US Dollar	10	100.00%	Prysmian Cables and Systems USA, LLC
EHC USA Inc.	Oshawa	US Dollar	1	100.00%	EHC Global Inc.
Prysmian Group Speciality Cables, LLC	Wilmington	US Dollar		100.00%	Prysmian Cables and Systems USA, LLC
Prysmian Projects North America, LLC	Wilmington	US Dollar		100.00%	Prysmian Cables and Systems USA, LLC
Applause Merger Sub Inc.	Wilmington	US Dollar	1	100.00%	Prysmian Cables and Systems USA, LLC

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Central/South America					
Argentina					
Prysmian Energia Cables y Sistemas de Argentina S.A.	Buenos Aires	Argentine Peso	993,992,914	97.75%	Draka Holding B.V.
				2.01%	Prysmian Cavi e Sistemi S.r.l.
				0.13%	Third Parties
				0.11%	Prysmian Cabos e Sistemas do Brasil S.A.
Brazil					
Prysmian Cabos e Sistemas do Brasil S.A.	Sorocaba	Brazilian Real	910,044,391	94.543%	Prysmian Cavi e Sistemi S.r.l.
				0.027%	Prysmian S.p.A.
				1.129%	Draka Holding B.V.
				4.301%	Draka Comteq B.V.
Draka Comteq Cabos Brasil S.A.	Santa Catarina	Brazilian Real	27,467,522	49.352%	Draka Comteq B.V.
				50.648%	Prysmian Cabos e Sistemas do Brasil S.A.
Chile					
Cobre Cerrillos S.A.	Cerrillos	US Dollar	74,574,400	99.80%	General Cable Holdings (Spain), S.L.
				0.20%	Third Parties
Colombia					
Productora de Cables Procables S.A.S.	Bogotà	Colombian Peso	1,902,964,285	99.96%	GC Latin America Holdings, S.L.
				0.04%	General Cable Corporation
Costa Rica					
Conducen, S.R.L.	Heredia	Costa Rican Colón	1,845,117,800	100.00%	GC Latin America Holdings, S.L.
Ecuador					
Cables Electricos Ecuatorianos C.A. CABLEC	Quito	US Dollar	243,957	67.14%	General Cable Holdings (Spain), S.L.
				24.86%	Cables Electricos Ecuatorianos C.A. CABLEC
				8.00%	Third Parties
Guatemala					
Proveedora de Cables y Alambres PDCA Guatemala, S.A.	Guatemala City	Guatemalan Quetzal	100,000	99.00%	Conducen, S.R.L.
				1.00%	Third Parties
Honduras					
Electroconductores de Honduras, S.A. de C.V.	Tegucigalpa	Honduran Lempira	3,436,400	59.39%	General Cable Holdings (Spain), S.L.
				40.61%	GC Latin America Holdings, S.L.
Mexico					
Draka Durango S. de R.L. de C.V.	Durango	Mexican Peso	163,471,787	99.996%	Draka Mexico Holdings S.A. de C.V.
				0.004%	Draka Holding B.V.
Draka Mexico Holdings S.A. de C.V.	Durango	Mexican Peso	57,036,501	99.999998%	Draka Holding B.V.
				0.000002%	Draka Comteq B.V.
NK Mexico Holdings S.A. de C.V.	Città del Messico	Mexican Peso	n/a	100.00%	Prysmian Group Finland OY
Prysmian Cables y Sistemas de Mexico S. de R. L. de C. V.	Durango	Mexican Peso	173,050,500	99.9983%	Draka Holding B.V.
				0.0017%	Draka Mexico Holdings S.A. de C.V.
General Cable de Mexico, S.A de C.V.	Tetla	Mexican Peso	1,329,621,471	80.41733609%	Prysmian Cables and Systems USA, LLC
				19.58266361%	Conducen, S.R.L.
				0.00000030%	General Cable Technologies Corporation
General de Cable de Mexico del Norte, S.A. de C.V.	Piedras Negras	Mexican Peso	10,000	99.80%	General Cable Technologies Corporation
		Mexican Peso		0.20%	Prysmian Cables and Systems USA, LLC
Prestolite de Mexico, S.A. de C.V.	Sonora	Mexican Peso	50,000	99.80%	Prysmian Cables and Systems USA, LLC
		Mexican Peso		0.20%	General Cable Technologies Corporation
Servicios Latinoamericanos GC, S.A. de C.V.	Puebla	Mexican Peso	50,000	99.998%	General Cable de Mexico, S.A de C.V.
				0.002%	General Cable Technologies Corporation

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Perù					
General Cable Peru S.A.C.	Santiago de Surco (Lima)	Nuevo sol peruviano	90,327,868	99.99999%	GC Latin America Holdings, S.L.
				0.00001%	Third Parties
Africa					
Angola					
General Cable Condel, Cabos de Energia e Telecomunicaçoes SA	Luanda	Kwanza angolano	20,000,000	99.80%	General Cable Celcat, Energia e Telecomunicaçoes SA
				0.20%	Third Parties
Ivory Coast					
SICABLE - Sociète Ivoirienne de Cables S.A.	Abidjan	CFA Franc	740,000,000	51.00%	Prysmian Cables et Systèmes France S.A.S.
				49.00%	Third Parties
South Africa					
National Cables (Pty) Ltd.	Illovo	South African Rand	101	100.00%	Phelps Dodge National Cables Corporation
Tunisia					
Auto Cables Tunisie S.A.	Grombalia	Tunisian Dinar	4,050,000	50.998%	Prysmian Cables et Systèmes France S.A.S.
				49.002%	Third Parties
Prysmian Cables and Systems Tunisia S.A.	Menzel Bouzelfa	Tunisian Dinar	1,850,000	99.965%	Prysmian Cables et Systèmes France S.A.S.
				0.005%	Prysmian (French) Holdings S.A.S.
				0.005%	Prysmian Cavi e Sistemi S.r.l.
				0.025%	Third Parties
Oceania					
Australia					
Prysmian Australia Pty Ltd.	Liverpool	Australian Dollar	56,485,736	100.00%	Prysmian Cavi e Sistemi S.r.l.
New Zeland					
Prysmian New Zealand Ltd.	Auckland	New Zeland Dollar	10,000	100.00%	Prysmian Australia Pty Ltd.
Asia					
Saudi Arabia					
Prysmian Powerlink Saudi LLC	Al Khoabar	Saudi Arabian Riyal	500,000	95.00%	Prysmian PowerLink S.r.l.
				5.00%	Third Parties
China					
Prysmian Tianjin Cables Co. Ltd.	Tianjin	US Dollar	36,790,000	67.00%	Prysmian (China) Investment Company Ltd.
				33.00%	Third Parties
Prysmian Cable (Shanghai) Co. Ltd.	Shanghai	Chinese Renminbi (Yuan)	34,867,510	100.00%	Prysmian (China) Investment Company Ltd.
Prysmian Wuxi Cable Co. Ltd.	Yixing (Jiangsu Province)	Chinese Renminbi (Yuan)	240,863,720	100.00%	Prysmian (China) Investment Company Ltd.
Prysmian Hong Kong Holding Ltd.	Hong Kong	Euro	72,000,000	100.00%	Prysmian Cavi e Sistemi S.r.l.
Prysmian (China) Investment Company Ltd.	Beijing	Euro	74,152,961	100.00%	Prysmian Hong Kong Holding Ltd.
Nantong Haixun Draka Elevator Products Co. LTD	Nantong	US Dollar	2,400,000	75.00%	Draka Elevator Products, Inc.
				25.00%	Third Parties
Nantong Zhongyao Draka Elevator Products Co. LTD	Nantong	US Dollar	2,000,000	60.00%	Draka Elevator Products, Inc.
				40.00%	Third Parties
Suzhou Draka Cable Co. Ltd.	Suzhou	Chinese Renminbi (Yuan)	304,500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Prysmian Technology Jiangsu Co. Ltd.	Yixing	Chinese Renminbi (Yuan)	495,323,466	100.00%	Prysmian (China) Investment Company Ltd.
EHC Escalator Handrail (Shanghai) Co. Ltd.	Shanghai	US Dollar	2,100,000	100.00%	EHC Global Inc.
EHC Engineered Polymer (Shanghai) Co. Ltd.	Shanghai	US Dollar	1,600,000	100.00%	EHC Global Inc.
EHC Lift Components (Shanghai) Co. Ltd.	Shanghai	US Dollar	200,000	100.00%	EHC Global Inc.
Philippines					
Draka Philippines Inc.	Cebu	Philippine Peso	253,652,000	99.9999975%	Draka Holding B.V.
				0.0000025%	Third Parties
India					
Associated Cables Pvt. Ltd.	Mumbai	Indian Rupee	183,785,700	99.999946%	Oman Cables Industry (SAOG)
				0.000054%	Third Parties
Jaguar Communication Consultancy Services Private Ltd.	Mumbai	Indian Rupee	157,388,218	99.99999%	Prysmian Cavi e Sistemi S.r.l.
				0,000001%	Prysmian S.p.A.

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Indonesia					
PT.Prysmian Cables Indonesia	Cikampek	US Dollar	67,300,000	99.48%	Draka Holding B.V.
				0.52%	Prysmian Cavi e Sistemi S.r.l.
Malaysia					
Sindutch Cable Manufacturer Sdn Bhd	Malacca	Malaysian Ringgit	500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Draka (Malaysia) Sdn Bhd	Malacca	Malaysian Ringgit	8,000,002	100.00%	Cable Supply and Consulting Company Pte Ltd.
Oman					
Oman Cables Industry (SAOG)	Al Rusayl	Omani Riyal	8,970,000	51.17%	Draka Holding B.V.
				48.83%	Third Parties
Oman Aluminium Processing Industries (SPC)	Sohar	Omani Riyal	4,366,000	100.00%	Oman Cables Industry (SAOG)
Singapore					
Prysmian Cables Asia-Pacific Pte Ltd.	Singapore	Singapore Dollar	174,324,290	100.00%	Draka Holding B.V.
Draka Cableteq Asia Pacific Holding Pte Ltd.	Singapore	Singapore Dollar	28,630,504	100.00%	Draka Holding B.V.
Singapore Cables Manufacturers Pte Ltd.	Singapore	Singapore Dollar	1,500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Cable Supply and Consulting Company Private Limited	Singapore	Singapore Dollar	50,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Thailand					
MCI-Draka Cable Co. Ltd.	Bangkok	Thai Baht	435,900,000	99.999931%	Draka Cableteq Asia Pacific Holding Pte Ltd.
				0.000023%	Draka (Malaysia) Sdn Bhd
				0.000023%	Sindutch Cable Manufacturer Sdn Bhd
				0.000023%	Singapore Cables Manufacturers Pte Ltd.

The following companies have been accounted for using the equity method:

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Europe					
Germany					
Kabeltrommel GmbH & Co.KG	Troisdorf	Euro	10,225,837.65	43.18%	Prysmian Kabel und Systeme GmbH
				1.75%	Norddeutsche Seekabelwerke GmbH
				55.07%	Third parties
Kabeltrommel GmbH	Troisdorf	Deutsche Mark	51,000	41.18%	Prysmian Kabel und Systeme GmbH
				5.82%	Norddeutsche Seekabelwerke GmbH
				53.00%	Third parties
Nostag GmbH & Co. KG	Oldenburg	Euro	540,000	33.00%	Norddeutsche Seekabelwerke GmbH
				67.00%	Third parties
U.K.					
Rodco Ltd.	Woking	British Pound	5	40.00%	Prysmian Cables & Systems Ltd.
				60.00%	Third parties
Russia					
Elkat Ltd.	Moscow	Russian Rouble	10,000	40.00%	Prysmian Group Finland OY
				60.00%	Third parties
Central/South America					
Chile					
Colada Continua Chilena S.A.	Quilicura (Santiago)	Chile Peso	100	41.00%	Cobre Cerrillos S.A.
				59.00%	Third parties
Asia					
China					
Yangtze Optical Fibre and Cable Joint Stock Limited Co	Wuhan	Chinese Renminbi (Yu	757,905,108	23.73%	Draka Comteq B.V.
				76.27%	Third parties
Yangtze Optical Fibre and Cable (Shanghai) Co. Ltd.	Shanghai	Chinese Renminbi (Yu	100,300,000	75.00%	Yangtze Optical Fibre and Cable Joint Stock Limited
				25.00%	Draka Comteq B.V.
Malaysia					
Power Cables Malaysia Sdn Bhd	Selangor Darul Esha	Malaysian Ringgit	18,000,000	40.00%	Draka Holding B.V.
				60.00%	Third parties

List of unconsolidated other investments at fair value through other comprehensive income:

Legal name	% ownership	Direct parent company
India		
Ravin Cables Limited	51.00%	Prysmian Cavi e Sistemi S.r.l.
	49.00%	Third Parties
United Arab Emirates		
Power Plus Cable CO. LLC	49.00%	Ravin Cables Limited
	51.00%	Third Parties

CERTIFICATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION 11971 DATED 14 MAY 1999 AS AMENDED

1. The undersigned Massimo Battaini, as Chief Executive Officer, and Stefano Invernici and Alessandro Brunetti, as managers responsible for preparing the financial reports of Prysmian S.p.A., certify, also taking account of the provisions of paragraphs 3 and 4, art. 154-bis of Italian Legislative Decree 58 dated 24 February 1998, that during the first half of 2024 the accounting and administrative processes for preparing the half-year condensed consolidated financial statements:

- have been adequate in relation to the business's characteristics and
- have been effectively applied.

2. The adequacy of the accounting and administrative processes for preparing the half-year condensed consolidated financial statements at 30 June 2024 has been evaluated on the basis of a procedure established by Prysmian in compliance with the internal control framework published by the Committee of Sponsoring Organizations of the Treadway Commission, which represents the generally accepted standard model internationally.

It is nonetheless reported that:

- during the first half of 2024, some Prysmian companies were involved in the information system changeover project. The process of fine-tuning the new system's operating and accounting functions is still in progress for some of them; in any case, the system of controls in place ensures uniformity with the Group's system of procedures and controls.

3. It is also certified that:

3.1 The half-year condensed consolidated financial statements at 30 June 2024:

a) have been prepared in accordance with applicable international accounting standards recognised by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;
b) correspond to the underlying accounting records and books of account;

c) are able to provide a true and fair view of the issuer's statement of financial position and results of operations and of the group of companies included in the consolidation.

3.2 The interim directors' report contains a fair review of important events that took place in the first six months of the year and their impact on the half-year condensed consolidated financial statements, together with a description of the main risks and uncertainties in the remaining six months of the year. The financial report at 30 June 2024 also contains a fair review of the disclosures about significant related party transactions.

Milan, 31 July 2024

Chief Executive Officer	*Managers responsible for preparing company financial reports*	
Massimo Battaini	**Stefano Invernici**	**Alessandro Brunetti**

Audit Report

prysmian
The planet's pathways

Prysmian S.p.A.

Interim condensed consolidated financial statements as of 30 June 2024

Review report on the interim condensed consolidated financial statements

(Translation from the original Italian text)

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Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Prysmian S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the statement of financial position, the income statement, the other comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes of Prysmian S.p.A. and its subsidiaries (the "Prysmian Group") as of 30 June 2024. The Directors of Prysmian S.p.A. are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Prysmian Group as of 30 June 2024 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 1 August 2024

EY S.p.A.
Signed by: Massimo Meloni, Statutory Auditor

This report has been translated into the English language solely for the convenience of international readers

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