



# 1Q 2022 Financial Results

Milan - May 12<sup>th</sup>, 2022

**Prysmian**  
Group

Linking  
the Future

## 1Q 2022 Highlights

Group Overview  
Outlook

## Financial Results

## Appendix



# 1Q 2022 Key Highlights

## RESILIENCE AND SELECTIVE GROWTH: THE STRONGEST Q1 EVER

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

## ROBUST START OF THE YEAR DRIVEN BY ENERGY AND TELECOM

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

## SOLID PROJECTS PIPELINE AND NEW ORDERS

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

**+ 11.4%**

Org. Growth (ex Projects)

**288 €M**

Adj. Ebitda

**> 1.4 €Bn**

New orders in Projects



# 1Q 2022 Financial Highlights

## SALES

SALES

ORGANIC GROWTH\*

3,677 €M

11.4%

## ADJ. EBITDA

ADJ. EBITDA

ADJ. EBITDA MARGIN

288 €M

7.8%

## FREE CASH FLOW

FCF\*\*

NET DEBT

86 €M

2,380 €M

### SOLID ORGANIC GROWTH

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

### MARGINS IMPROVEMENT

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

### FREE CASH FLOW

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

# Sound growth across businesses and regions

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

## Org growth by Geography

35% of total  
Group

10.0%

NORTH  
AMERICA

14.1%

EMEA

48% of total  
Group

9% of total  
Group

5.3%

LATIN  
AMERICA

8.6%

ASIA  
PACIFIC

8% of total  
Group

## Organic growth by Business

14.7%

E&I

7.9%

INDUSTRIAL  
& NWC

7.4%

TELECOM

1Q22 Group org. growth  
(ex-Projects)

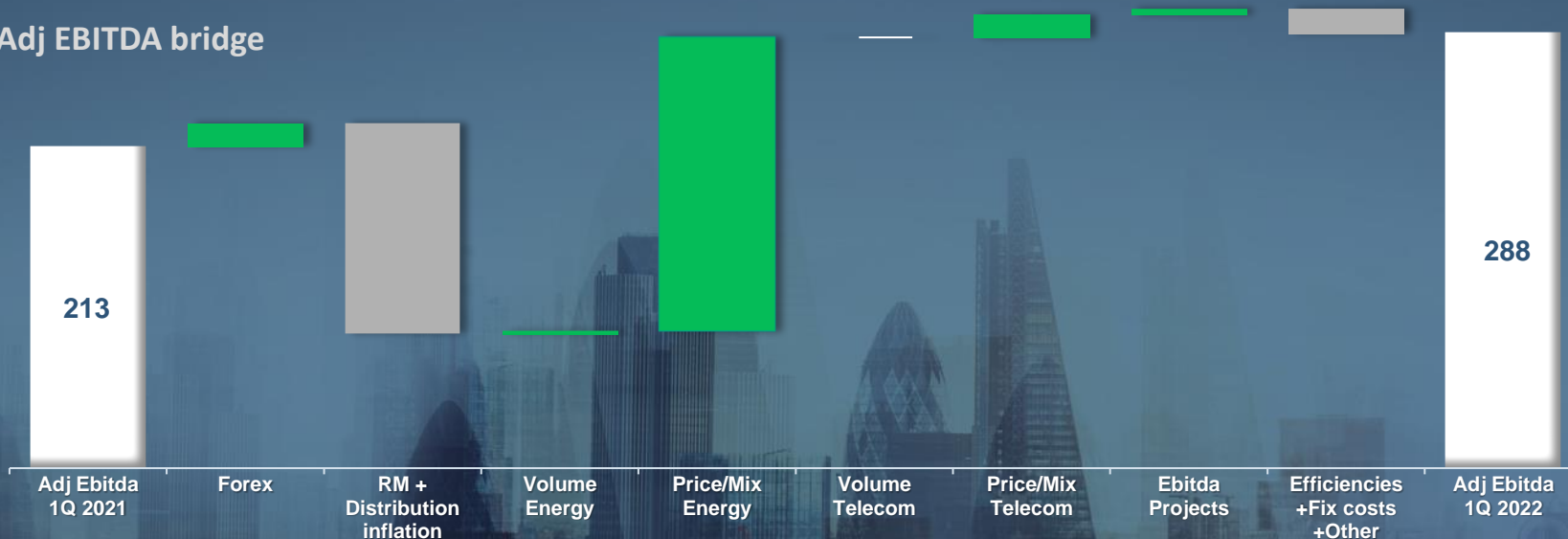
11.4%

Prysmian  
Group

# Proactive management and balanced portfolio spurring results

Selective growth by business and geography

## Adj EBITDA bridge



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



# Solid projects wins and firm backlog

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

## NEW ORDERS

2022 NEW ORDER: >1.4 € BILLION

List of main projects awarded in 2022

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

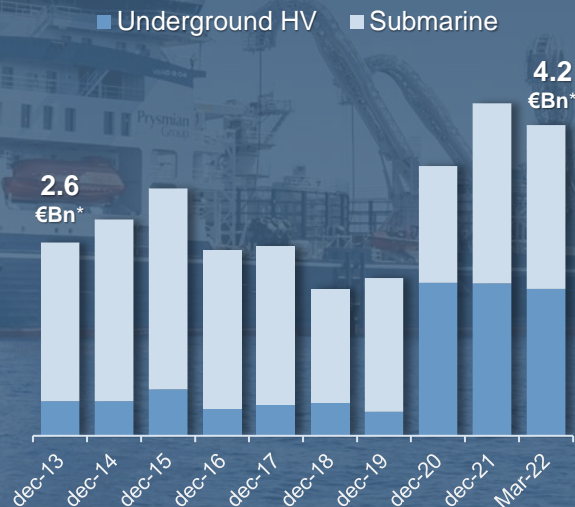
~ 5 €Bn

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

## BACKLOG

ONLY FIRM ORDERS IN THE BACKLOG

Included only projects with Notice to Proceed



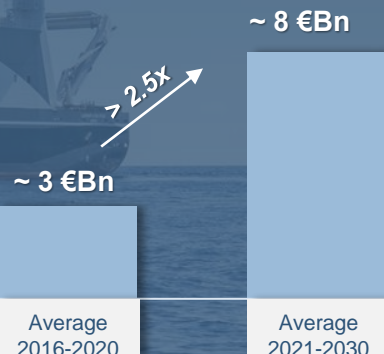
## MARKET

ROBUST MARKET GROWTH

Approx. 8 €Bn Orders/year expected

Prysmian  
market share  
~ 35%

Committed to  
maintain our  
market share







# A global recovery: the value of a wide geographical presence

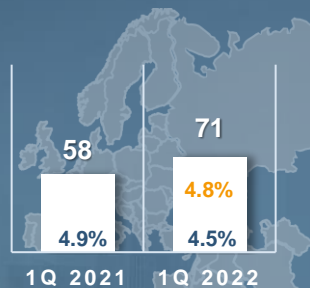
Data excluding Projects

Sales

Adj. Ebitda

## EMEA

1,192    1,565    **+14.1%**

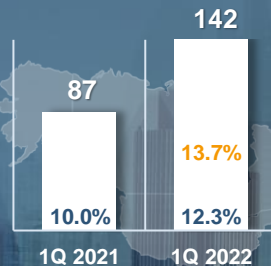


### HIGHLIGHTS

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

## NORTH AMERICA

868    1,151    **+10.0%**

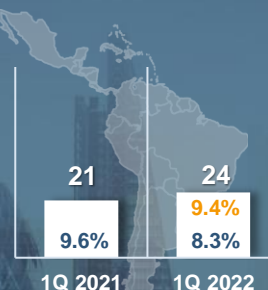


### HIGHLIGHTS

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

## LATIN AMERICA

226    290    **+5.3%**

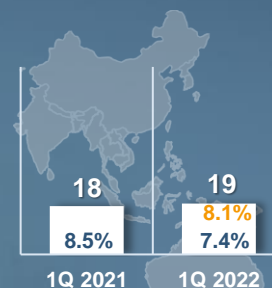


### HIGHLIGHTS

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

## ASIA PACIFIC

210    265    **+8.6%**

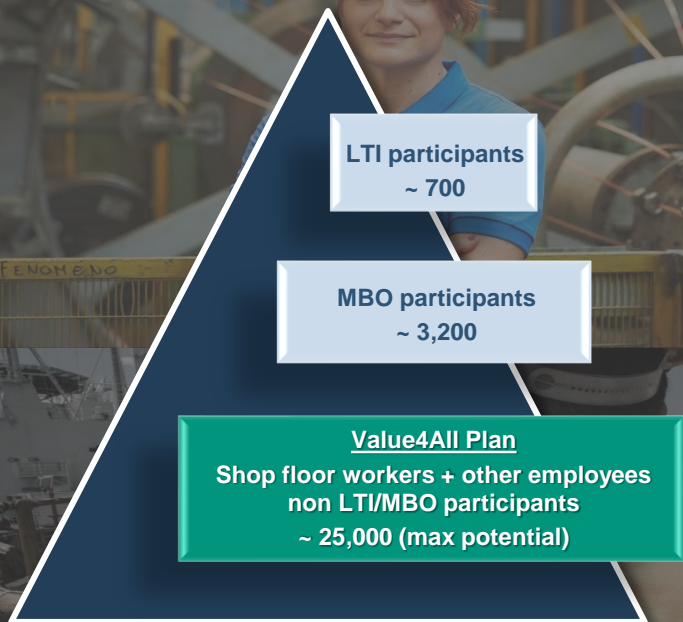


### HIGHLIGHTS

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

# Value4All Plan

## A new stock grant plan for Prysmian employees



### Value4All Plan

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

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



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# Promising outlook: Hinting at upper range of Adj EBITDA

## 2022 GUIDANCE

ADJ. EBITDA (€M)

1,010



1,080

FCF (€M)

FCF before acquisition  
& disposals

~ 400 ± 15%

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

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# Profit and Loss Statement Euro Millions

	1Q 2022	1Q 2021	Adj. EBITDA Bridge	
<b>SALES</b>	<b>3,677</b>	<b>2,810</b>		<b>Q1</b>
YoY total growth	30.9%			
YoY organic growth	13.6%			
<b>Adj. EBITDA</b>	<b>288</b>	<b>213</b>	<b>ADJ. EBITDA 2021</b>	<b>213</b>
% on sales	7.8%	7.6%	Projects	3
of which share of net income	11	6	Energy	63
Adjustments	(3)	(14)	Telecom (ex-share of net income)	6
<b>EBITDA</b>	<b>285</b>	<b>199</b>	share of net income	3
% on sales	7.8%	7.1%	<b>ADJ. EBITDA 2022</b>	<b>288</b>
<b>Adj. EBIT</b>	<b>201</b>	<b>135</b>	of which Forex effect	15
% on sales	5.5%	4.8%		
Adjustments	(3)	(14)	<b>Financial Charges (3)</b>	
Non monetary items	11	2		
<b>EBIT</b>	<b>209</b>	<b>123</b>		
% on sales	5.7%	4.4%		
<b>Financial charges</b>	<b>(25)</b>	<b>(13)</b>	<b>Net interest expenses</b>	<b>1Q 2022</b>
<b>EBT</b>	<b>184</b>	<b>110</b>	of which non-cash conv.bond interest exp.	<b>1Q 2021</b>
Taxes	(57)	(32)		
% on EBT	31.0%	29.1%	Financial costs IFRS 16	(22)
<b>NET INCOME</b>	<b>127</b>	<b>78</b>	Bank fees amortization	(21)
Minorities	1	2	Gain/(loss) on exchange rates and derivatives	(2)
<b>GROUP NET INCOME</b>	<b>126</b>	<b>76</b>	Non recurring and other effects	(1)
% on sales	3.4%	2.7%	<b>Net financial charges</b>	(1)
				(25)

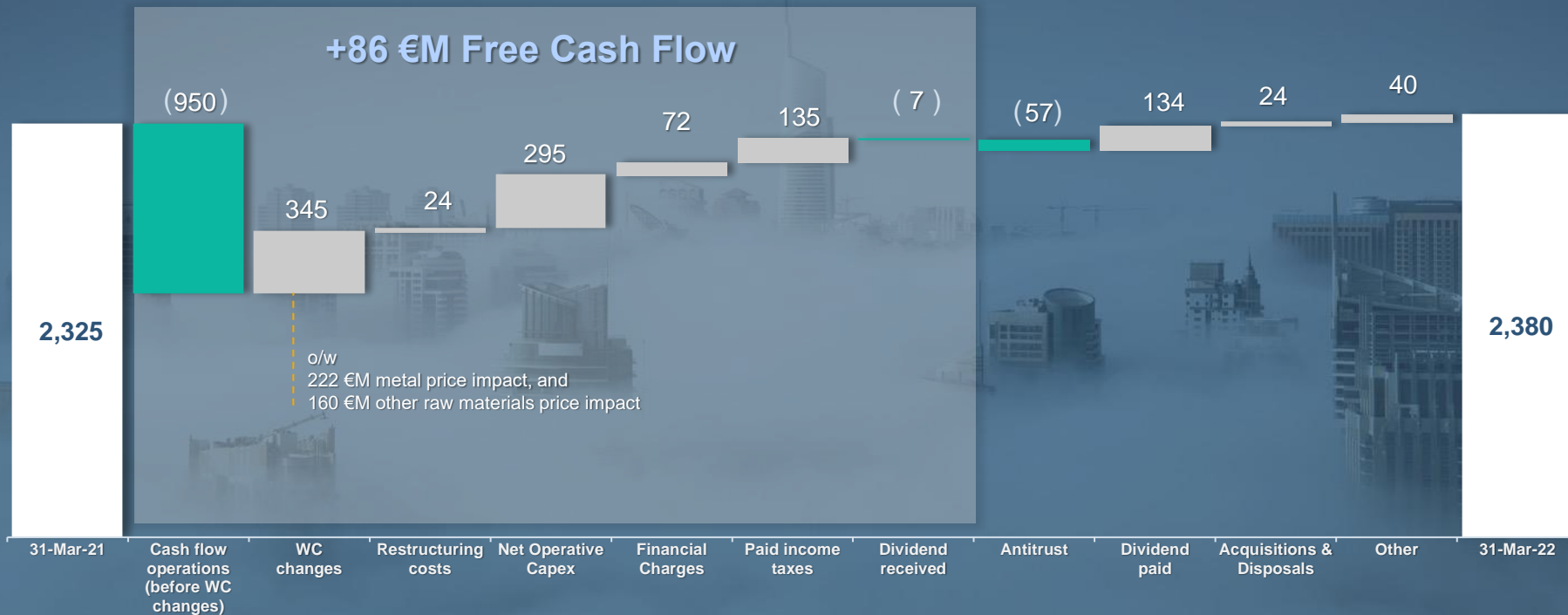


# Statement of financial position (Balance Sheet) Euro Millions

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

# Cash Flow

## NET DEBT EVOLUTION



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# Supporting Ukraine: Prysmian's Aid to Refugees

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

PRYSMIAN HAS NO BUSINESS ACTIVITY IN UKRAINE



# German Corridors

**P-Laser** 525kV HVDC Technology

**160** kms produced



**140** kms FAT



**120** kms in Germany

**SOLID EXECUTION and SuedOstLink Production ON TRACK**

## HVDC Innovation Leadership

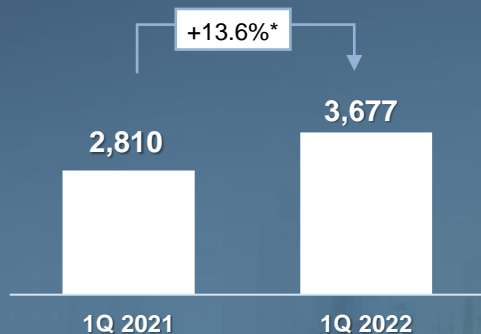


- Prysmian has completed all **PREQUALIFICATIONS** and **TYPE TESTS ON SCHEDULE** for both **P-Laser** and **XLPE 525kV HVDC Systems**
- State of the Art High Voltage Electrical Labs set up in **LIVORNO, GRON** and **MONTEREAU**
- World's first **TRANSIENT OVER VOLTAGE (TOV)** test on a **525kV DC Cable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

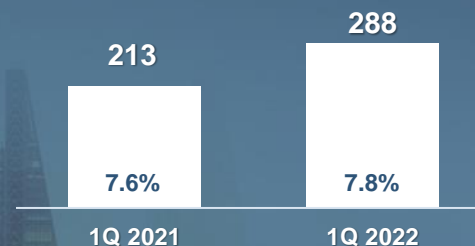
# 1Q 2022 Financial highlights

Euro Millions, % on Sales

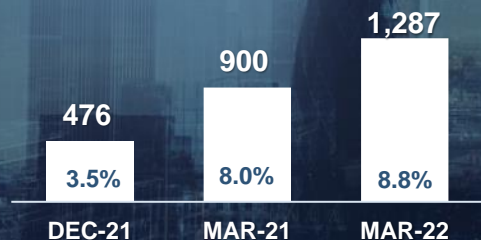
## SALES



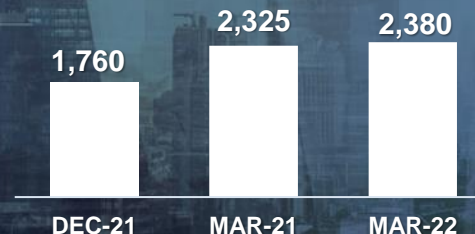
## ADJUSTED EBITDA <sup>(1)</sup>



## OPERATIVE NET WORKING CAPITAL <sup>(2)</sup>



## NET FINANCIAL DEBT





# Profit and Loss Statement Euro Millions

	1Q 2022	1Q 2021
<b>SALES</b>	<b>3,677</b>	<b>2,810</b>
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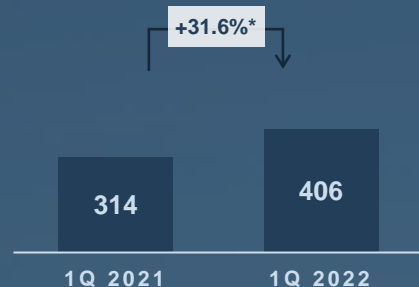
## Adjustments and Special Items on EBIT

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

# Projects

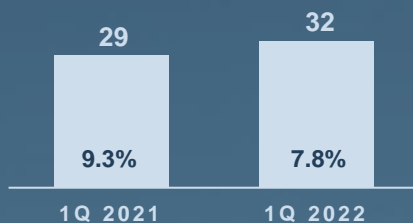
Euro Millions, % on Sales

## SALES



\* Org. Growth.

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

### SUBMARINE

- / Strong organic growth driving growth in Projects
- / Tendering activity ongoing, with a solid pipeline of projects (interconnections and off-shore wind farms)
- / More than €1.4 billion of new orders in 1Q 2022

### UNDERGROUND HIGH VOLTAGE

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

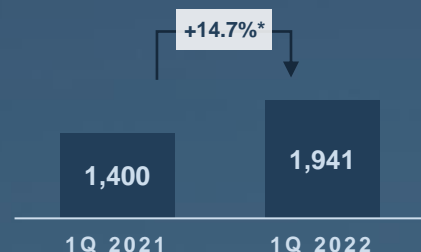
## ORDERS BACKLOG EVOLUTION (€M)

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

# Energy & Infrastructure

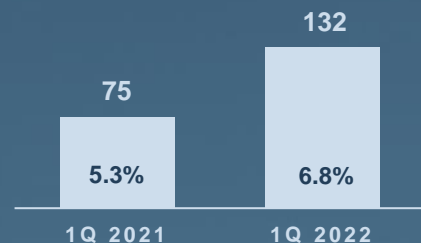
Euro Millions, % on Sales

## SALES



\* Org. Growth

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

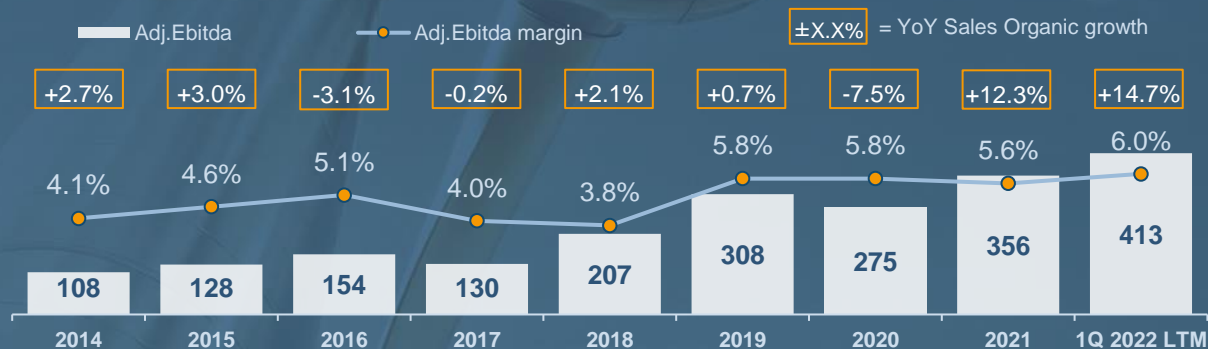
### TRADE & INSTALLERS

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

### POWER DISTRIBUTION

- / Double digit growth driven by North America and EMEA

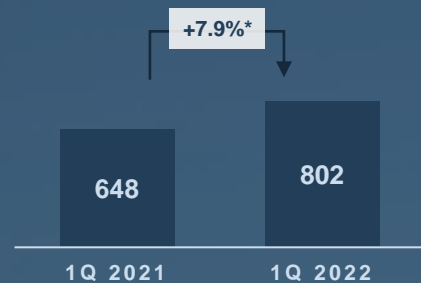
## ADJ.EBITDA AND % SALES





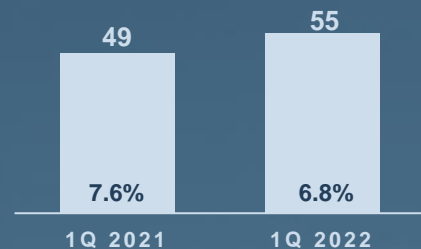
# Industrial & Network Components Euro Millions, % on Sales

## SALES



\* Org. Growth

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

### SPECIALTIES, OEM & RENEWABLES

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

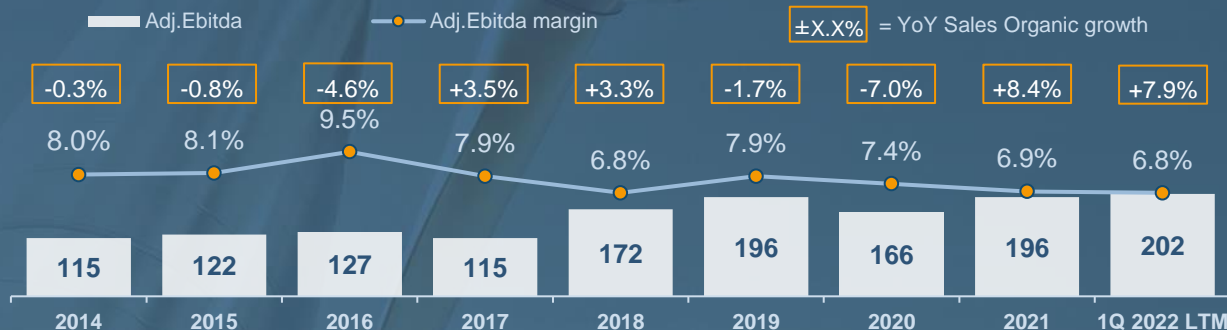
### ELEVATOR

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

### AUTOMOTIVE

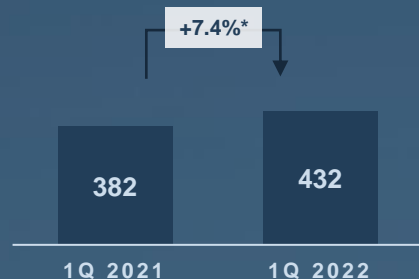
/ Negative growth in Q1 across regions, except in Latam

## ADJ. EBITDA AND % SALES



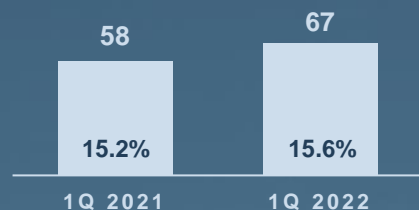
# Telecom Euro Millions, % on Sales

## SALES



\* Org. Growth.

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

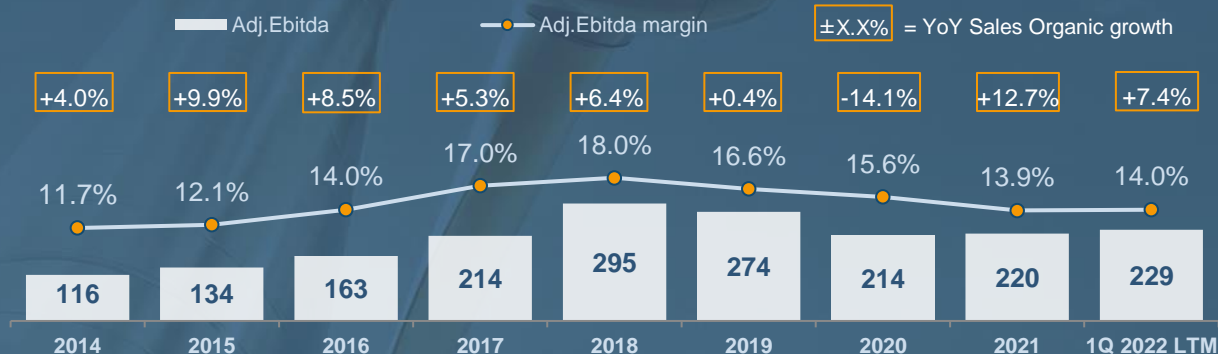
### OPTICAL CABLE & FIBRE

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

### MMS

- / Solid organic growth confirmed in Q1

## ADJ.EBITDA AND % SALES



# Financial Highlights Euro Millions

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



# Cash Flow Statement

Euro Millions

	31 Mar 2022	31 Mar 2021	12 Months (from 1/4/2021 to 31/3/2022)
<b>Adj.EBITDA</b>	<b>288</b>	<b>213</b>	<b>1,051</b>
Adjustments	(3)	(14)	(38)
<b>EBITDA</b>	<b>285</b>	<b>199</b>	<b>1,013</b>
Net Change in provisions & others	(25)	(10)	2
Share of income from investments in op.activities	(11)	(6)	(32)
<b>Cash flow from operations (before WC changes)</b>	<b>249</b>	<b>183</b>	<b>983</b>
Working Capital changes	(794)	(477)	(345)
Dividends received	2	3	7
Paid Income Taxes	(25)	(10)	(135)
<b>Cash flow from operations</b>	<b>(568)</b>	<b>(301)</b>	<b>510</b>
Acquisitions/Disposals	(4)	(73)	(24)
Net Operative CAPEX	(49)	(29)	(295)
<b>Free Cash Flow (unlevered)</b>	<b>(621)</b>	<b>(403)</b>	<b>191</b>
Financial charges	(6)	(13)	(72)
<b>Free Cash Flow (levered)</b>	<b>(627)</b>	<b>(416)</b>	<b>119</b>
<i>Free Cash Flow (levered) excl. Acquisitions &amp; Disposals</i>	<i>(623)</i>	<i>(343)</i>	<i>143</i>
Dividends	-	-	(134)
Capital increase, Shares buy-back & other equity movements	-	-	1
<b>Net Cash Flow</b>	<b>(627)</b>	<b>(416)</b>	<b>(14)</b>
<b>Net Financial Debt beginning of the period</b>	<b>(1,760)</b>	<b>(1,986)</b>	<b>(2,325)</b>
Net cash flow	(627)	(416)	(14)
Equity component of Convertible Bond 2021	-	49	-
Partial Redemption of the 2017 Convertible Bond	-	(13)	-
Net Financial Debt from acquisition & disposals	-	9	(1)
NFD increase due to IFRS16	(18)	(5)	(76)
Other variations	25	37	36
<b>Net Financial Debt end of the period</b>	<b>(2,380)</b>	<b>(2,325)</b>	<b>(2,380)</b>

# Prysmian Group Liquidity and Debt Profile

## COMFORTABLE LIQUIDITY POSITION:

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

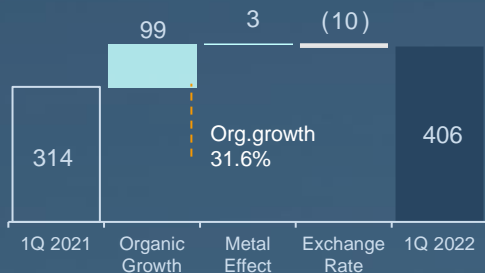
## CURRENT FINANCIAL DEBT MATURITY PROFILE(\*)



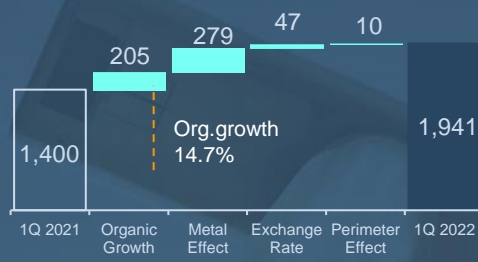
(\*) - Excluding debt held by local affiliates and debt coming from IFRS 16 (142 €M and 210 €M respectively) at 31.03.2022;  
 - 750 €M Eurobond repaid at maturity on 11 April 2022

# Bridge Consolidation Sales Euro Millions

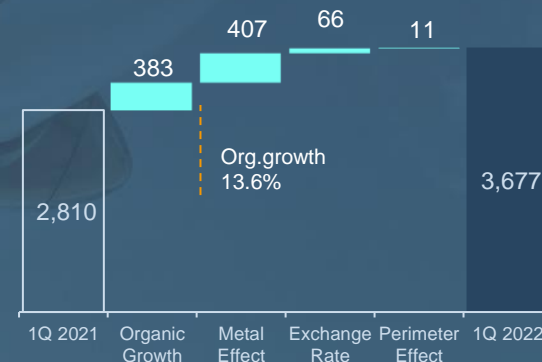
## PROJECTS



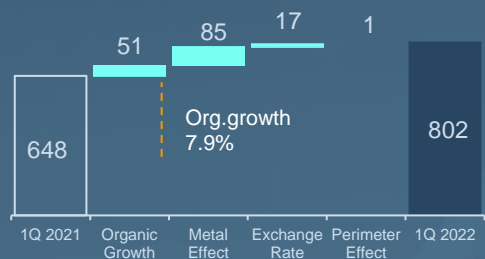
## ENERGY & INFRASTRUCTURE



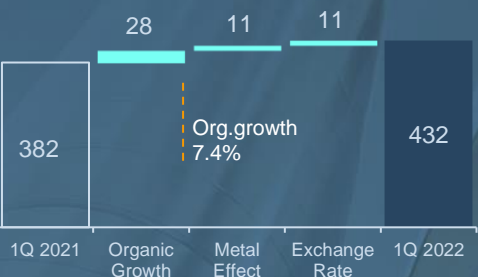
## TOTAL CONSOLIDATED



## INDUSTRIAL & NETWORK COMP.



## TELECOM





# Notes

- 1) Adjusted excluding restructuring, non-operating income/expenses and non-recurring income / expenses;
- 2) Defined as NWC excluding derivatives; % on annualized last quarter sales;
- 3) 1Q 2021 financial charges has been reclassified for a better representation

# Disclaimer

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

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**Thank you**

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