PRESS RELEASE

SOLID H1 2023 PERFORMANCE DRIVING GUIDANCE UPGRADE

- **Record high EBITDA and ROCE, pushed by unique value growth execution model**
- **Outstanding performance despite one-offs in Generation & Transmission business**
- **Completion of Reka Cables acquisition in the Nordics, deployment of operational and financial synergies at Centelsa, significantly ahead of plan**
- **Step-up in Prime offerings featuring the deployment of Nexans' Fire Safety global offer; SHIFT Prime and Amplify programs delivering a +36 million euros EBITDA windfall**
- **Record high adjusted Generation & Transmission backlog at 5.2 billion euros excluding 1.4 billion euros, just awarded, EuroAsia Interconnector project**
- **Strategic investment in a new state-of-the-art cable-laying vessel to address backlog growth**
- **Full-year 2023 Guidance upgraded:**
    - EBITDA in the range of 610-650 million euros (from 570-630 million euros)
    - Normalized Free Cash Flow between 220 and 300 million euros (from 150-250 million euros)
    - Demand to remain at high levels in Distribution, while anticipated deceleration in some Usages regions
- **Strengthened Sustainability commitments and Net Zero by 2050 submitted to the SBTi[1]**

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Paris, July 26th, 2023 – Today, Nexans published its financial statements for the first-half of 2023, as approved by the Board of Directors at its meeting on July 25th, 2023 chaired by Jean Mouton.

Commenting on the Group's performance, Christopher Guérin, Nexans' Chief Executive Officer, said: *"I am pleased to announce a new record-high EBITDA and strong Free Cash Flow generation for this first semester, in spite of some challenges in our Generation & Transmission business. These results associated to our transformation platform and strong backlog, reinforce our confidence on Nexans' 2023 outcome and support a significant guidance upgrade for the full year.*

We will continue to sharpen our focus on profitability through enhanced offering supported by new technologies, services, digitalization and sustainability, while actively managing our portfolio to become an electrification pure player."

FIRST-HALF 2023 KEY FIGURES

(in millions of euros)	**H1 2022**	**H1 2023**
Sales at current metal prices	4,342	4,009
Sales at standard metal prices[2]	**3,401**	**3,322**
Organic growth	*+5.1%*	*-0.6%*
EBITDA[3]	**308**	**354**
EBITDA as a % of standard sales	*9.1%*	*10.7%*
Operating margin	**220**	**240**
Reorganization costs	(19)	(23)
Other operating items	62	(1)
Operating income	**263**	**217**
Net financial expense	(14)	(38)
Income taxes	(51)	(45)
Net income	**199**	**134**
Net debt	346	229
Normalized Free Cash Flow	104	281
ROCE	17.4%	21.2%

[1] Science Based Targets initiative - The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).
[2] Standard copper and aluminum prices of respectively €5,000/ton and €1,200/ton.
[3] Starting 2023, EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) some other specific operating items which are not representative of the business performance. In the first-half 2022, EBITDA included 9 million euros of share-based payment expenses while there were no other recurring operating items that were not representative of the business performance.

I. H1 2023 HIGHLIGHTS

In the first-half 2023, sales at standard metal prices reached 3,322 million euros, down -0.6% organically compared to the first-half 2022 and up +4.1% excluding the Other Activities segment. In the second quarter, sales remained at high levels in Distribution and Industry & Solutions segments, while Usages was affected by a high base of comparison and deceleration in some geographies. EBITDA reached 354 million euros in the first-half 2023, up +11.6% on a comparable basis versus the first-half 2022. EBITDA margin was strong at 10.7% versus 9.1% in the first-half 2022, illustrating Nexans' pursued focus on performance and value-driven growth.

- **Electrification** sales were down -2.5% organically. Accelerated value growth in the Distribution and Usages segments was partially offset by a lower contribution from the Generation & Transmission segment due to project mix and one-offs including the shutdown of the Umbilical activity, and delayed ramp up of Charleston plant. Excluding the negative impact of the exit of the Umbilical activity, organic sales growth of the business would be +3%. EBITDA stood at 250 million euros, thanks to the strong performance of the Distribution and Usages segments.
- **Non-electrification** (Industry & Solutions) sales were up +20.0% organically, benefitting from strong momentum in the first-half and SHIFT improvements in Automation, Mobility, Mining and Automotive Harnesses. Consequently, EBITDA was up +68.8% versus the first-half of 2022, at 109 million euros.
- Within the **Other Activities** segment, the Metallurgy business continued to be downsized in accordance with the Group's strategy to improve profitability of the business.

ROCE reached a record-high level at 21.2% for the Group, versus 17.4% in the first-half 2022, and 27.1% for the Electrification businesses.

Normalized Free Cash Flow came in at 281 million euros, versus 104 million euros at end of June 2022, boosted by a strong operating cash flow performance reflecting the profitability improvement and Generation & Transmission strong cash collection in the first-half 2023.

Forging the future of Distribution and Usages

Nexans is continuing to actively pursue its non-organic growth strategy, coupled with best-in-class integration deployment, in the Distribution and Usages markets. The Group completed the acquisition of Reka Cables in Finland in the first-half of the year, for an equity price of 54 million euros. With operations in four countries, Reka Cables achieved sales of 172 million euros and EBITDA of 11 million euros in 2022. The Group expects to generate approximately 7 million euros annual synergies after ramp-up. Additionally, the integration of Centelsa in South America is progressing seamlessly, exceeding expectation on performance and synergies deployment one year ahead of plan.

Nexans' transformation platform continues to achieve outstanding financial results and is operating at full speed for all units within the Electrification businesses. In the first-half of 2023, the SHIFT Prime and Amplify programs generated a positive EBITDA impact of +36 million euros. The Group has made significant progress toward the step-up in its prime offerings with the launch of its Nexans Fire Safety offer. This comprehensive offer revolves around the safety of people and buildings beyond cables. The Group offers a diverse range of solutions, including innovative tools to simplify cable selection and installation, and post-installation management and monitoring.

Driving sustainability

In April 2023, Nexans made a commitment to achieve Net Zero emissions by 2050. The Group is steadfast in its determination to contribute to fighting climate change and has set ambitious targets. By 2030, it aims to reduce greenhouse gas emissions by -46% in Scopes 1 and 2 and by -30% in Scope 3 (both in comparison to 2019 baseline), which surpasses initial target of -24%. To reach these goals, the Group will leverage its innovative E^3 performance model, across its entire value chain and ecosystem, ensuring a holistic approach including sustainability.

In May 2023, the Nexans Foundation celebrated its 10th anniversary. Throughout the past decade, driven by its mission to bring electricity and sustainable development to disadvantaged communities worldwide, the foundation's unwavering dedication to creating positive change has made an incredible impact. More than 2.2 million individuals' lives have been significantly transformed through the support of 145 projects across five continents.

II. FINANCIAL PERFORMANCE

a. First-half 2023 financial performance per Segment

CONSOLIDATED SALES AT STANDARD METAL PRICES[2] BY SEGMENT

(in millions of euros)	H1 2022[4]	H1 2023	*Organic growth H1 2023 vs. H1 2022*	*Organic growth Q2 2023 vs. Q2 2022*
Electrification	**1,953**	**1,873**	***-2.5%***	***-4.7%***
Generation & Transmission	478	384	*-10.3%*	*-9.9%*
Distribution	551	599	*+4.3%*	*+2.0%*
Usages	924	890	*-2.8%*	*-6.8%*
Non-electrification (Industry & Solutions)	**762**	**908**	***+20.0%***	***+17.9%***
Total excl. Other Activities	**2,715**	**2,781**	***+4.1%***	***+1.9%***
Other Activities	686	541	*-19.2%*	*-23.7%*
Group total	**3,401**	**3,322**	***-0.6%***	***-3.3%***

EBITDA BY SEGMENT

(in millions of euros)	H1 2022[4]	H1 2023	*H1 2023 vs. H1 2022*	H1 2022 EBITDA margin	H1 2023 EBITDA margin
Electrification	**240**	**250**	***+4.0%***	**12.3%**	**13.3%**
Generation & Transmission	89	30	*-66.1%*	18.5%	7.8%
Distribution	47	82	*+73.6%*	8.6%	13.7%
Usages	104	137	*+32.2%*	11.2%	15.4%
Non-electrification (Industry & Solutions)	**65**	**109**	***+68.8%***	**8.5%**	**12.0%**
Total excl. Other Activities	**305**	**359**	***+17.8%***	**11.2%**	**12.9%**
Other Activities	3	(5)	*n.a.*	0.5%	-0.9%
Group total	**308**	**354**	***+15.1%***	**9.1%**	**10.7%**

ELECTRIFICATION BUSINESSES

| GENERATION & TRANSMISSION: Addressing one-off performance

Generation & Transmission sales came in at 384 million euros in the first-half 2023, down -10.3% compared to the first-half 2022 reflecting the ongoing exit from the Umbilicals activity. During the period, the largest contributors to sales were the Crete-Attica and Tyrrhenian Link interconnectors and Revolution, Moray West and South Fork offshore wind projects.

EBITDA amounted to 30 million euros in the first-half 2023, down -66.1% compared to the first-half 2022. As anticipated, EBITDA was impacted by a combination of factors, including project mix and phasing, and one-offs. These one-offs were related to (i) the gradual ramp-up of Charleston manufacturing plant which impacted some project progress, (ii) inflation costs on some contracts and (iii) delays on EuroAsia Interconnector award.

These headwinds are expected to gradually ease, thanks to an adjusted backlog 97% subsea driven, up +133% since the end of June 2022, at 5.2 billion euros at end of June 2023, excluding the EuroAsia Interconnector awarded in July 2023 for 1.43 billion euros. In the first-half 2023, the Group was awarded its largest contract ever, worth more than 1.7 billion euros, with TenneT, which consists in three turnkey 525kV HVDC projects for offshore wind farms in the German North Sea to be commissioned by 2031.

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[4] Pro forma 2022 figures. Impact of changes of allocation are detailed in the appendix to this press release.

Nexans
ELECTRIFY THE FUTURE

With this record-high and risk-reward modelled backlog, the Halden plant in Norway, the Charleston plant in the United States, together with Nexans' cable-laying vessels will be fully loaded until 2025, with strong backlog visibility secured up to 2028. In order to bolster its installation capabilities, Nexans has decided to invest in a new ultra-modern, technology advanced, cable-laying vessel. This advanced vessel will be equipped with a state-of-the-art logistics and handling system capable of laying four cables simultaneously and is expected to be operational by 2026.

| DISTRIBUTION: Secular trends and transformation platform driving record margins

Distribution sales amounted to 599 million euros at standard metal prices in the first-half of 2023 up +4.3% organically, compared to the first-half 2022. The segment is benefiting from expanding grid investments in Europe and North America, and demand for Accessories. EBITDA reached 82 million euros, up +73.6% versus the first-half of 2022, representing a record 13.7% margin. This substantial margin expansion reflected successful SHIFT programs deployment and high asset load level, resulting from strong demand.

During the first-half 2023, the Group made significant progress in the deployment of value-added solutions to enhance customer experience, with more than 850,000 connected users (vs 540,000 in 2022) and more than 44,000 connected objects through its ULTRACKER digital services.

Half-yearly trends by geography were as follows:

- **Europe** was up driven by the execution of new contracts, consistent demand from utilities to strengthen grid infrastructure, and a strong operating performance.
- **South America** maintained selectivity to drive performance improvements.
- **Asia Pacific** suffered from lower demand in China and New-Zealand.
- **North America** was strongly up propelled by the enduring momentum.
- **Middle East and Africa** demonstrated a notable performance improvement, supported by solar projects and the resilience of the Moroccan market.

| USAGES: Structurally improving performance

Usages sales reached 890 million euros at standard metal prices in the first-half of 2023, down -2.8% organically compared to the first-half 2022 resulting from selectivity and prioritizing structural performance. As a result, EBITDA reached a record 137 million euros, with a strong EBITDA margin of 15.4% (vs 11.2% in the first-half 2022), reflecting the continued strength in pricing and successful transformation efforts. Furthermore, the rise in prime offers and related volumes also contributed to this performance. Nexans made notable advances in the development of its Fire Safety offering (before, during and after cable installation solutions), which forms an essential component of the Group's strategy to increase value creation in its low-voltage product range.

Half-year trends by geography were as follows:

- **Europe** benefitted from sustained pricing and resilient volumes, notably in the Nordics thanks to fire safety and prime offers.
- **South America** was affected by the economic environment in the region. Centelsa performed well with the integration progressing ahead of schedule with strong synergies.
- **Asia Pacific** demand was lower on a still weak market in China.
- **North America** moderated from previously high levels in residential, as expected.
- **Middle East and Africa** benefitted from a rebound in Turkey and resilient demand in Morocco.

NON-ELECTRIFICATION BUSINESS: ROBUST PERFORMANCE IN H1

Industry & Solutions sales were 908 million euros at standard metal prices in the first-half of 2023, representing an organic year-on-year increase of +20%. This growth was primarily driven by solid momentum in the first-half 2023 and performance improvements, notably in the Automotive Harnesses, Automation and Mining businesses. Consequently, EBITDA rose to 109 million euros, up +68.8% from the first-half of 2022, with an EBITDA margin of 12%.

Automotive Harnesses was up +25% in the first-half of 2023, driven by the ramp-up of projects in the United States, a strong demand in Europe and an increased share of electric vehicles.

OTHER ACTIVITIES: CONTINUED DOWNSIZING OF THE METALLURGY BUSINESS

The **Other Activities** segment reported sales of 541 million euros at standard metal prices in the first-half of 2023, down -19.2% organically year-on-year, reflecting Metallurgy's continued scale-down as part of Nexans' strategy to prioritize tolling and reduce external copper sales to improve margins of the business, and lower sales in Telecom. EBITDA was a negative 5 million euros over the period.

b. Analysis of other income statement items and net debt

(in millions of euros)	H1 2022	H1 2023
EBITDA	**308**	**354**
Specific operating items	-	(27)
Depreciation and amortization	(88)	(87)
Operating margin	**220**	**240**
Core exposure effect	25	6
Reorganization costs	(19)	(23)
Other operating income and expenses	38	(6)
o/w net asset impairment	*(13)*	*7*
o/w net gain (loss) on assets disposals	*54*	*(6)*
Share in net income (loss) of associates	(1)	(0)
Operating income	**263**	**217**
Net financial expense	(14)	(38)
Income taxes	(51)	(45)
Net income from continuing operations	**199**	**134**
Attributable net income	**197**	**132**

Starting in 2023, consolidated EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based expenses, and (iii) some other specific operating items which are not representative of the business performance**.**

In the first-half 2023, **specific operating items** included an expense of 7 million euros related to share-based payments, and an expense of 20 million euros related to additional costs on long-term projects impacted by previous reorganizations. These additional costs led to losses at completion that are not representative of the business performance.

Operating margin totaled 240 million euros in the first-half 2023, representing 7.2% of sales at standard metal prices (versus 6.5% in the first-half 2022).

The Group ended the first-half of 2023 with **operating income** of 217 million euros, compared with 263 million euros in the first-half of 2022. The main changes were as follows:

- The **core exposure effect** was a positive 6 million euros in the first-half 2023 versus a positive 25 million euros in the first-half 2022.
- **Reorganization costs** amounted to 23 million euros in the first-half 2023 versus 19 million euros in the first-half 2022. In 2023, this amount mainly included costs for the on-going termination of Umbilical projects in Norway, costs from the conversion of the Charleston plant in the United States, as well as costs related to new transformation actions launched during the period.
- **Net asset impairment** represented a positive 7 million euros in the first-half 2023, versus an expense of 13 million euros in the first-half 2022. In the first-half 2023, the reversal of impairments was related to the US entity Amercable on the back of the continued strong performance. In the first-half 2022, the impairment losses were related to tangible assets in Ukraine.
- **Net loss on asset disposals** amounted to 6 million euros in the first-half 2023 for the disposal of an equity investment. In the first-half of 2022, the net gain of 54 million euros was mainly related to the sale of the Hanover property in Germany.

- **Other operating income and expenses** represented net loss of 6 million euros in the first-half 2023, to be compared with a net income of 38 million euros in the first-half 2022. The main items are the net asset impairment and the net gain on asset disposals mentioned above.

Net financial expense amounted to 38 million euros in the first-half 2023, compared with 14 million euros during the same period last year. The increase is mainly related to the higher cost of net debt for 9 million euros, 6 million euros of negative changes in impairment on certain financial investments (negative for 1 million euros in the first-half 2023 versus a positive 5 million euros in the first-half 2022), as well as the change in the hyperinflation impact in Turkey, 4 million euros lower in the first six-months 2023 than the same period of 2022.

The Group's **net income** came in at 134 million euros in the first-half 2023, versus net income of 199 million euros for the comparative period. Income before taxes reached 179 million euros in the first-half 2023, versus 250 million euros last year. **Income tax expense** stood at 45 million euros, down from 51 million euros in the first-half 2022.

The Group ended the period with **attributable net income** of 132 million euros compared with 197 million euros in the first-half 2022.

Net debt increased to 229 million euros at June 30th, 2023, from 182 million euros at December 31st, 2022, reflecting in particular:

- Cash from operations of +237 million euros;
- Reorganization cash outflows of -24 million euros, down 8 million euros compared to the first-half 2022;
- Capital expenditure of -148 million euros, a large portion of which was related to the strategic investments made at the Halden plant;
- Net cash outflows of -70 million euros for M&A operations, of which mainly -68 million euros for the acquisition of Reka Cables;
- Investing flows of -3 million euros;
- A +142 million euros positive change in working capital, partly due to the positive impact of cash collection in the Generation & Transmission segment in the first-half 2023;
- Cash outflows of -130 million euros related to financing and equity activities, mainly including the Group dividend payment of -92 million euros and interest payments of -33 million euros;
- A -14 million euros negative impact corresponding to new lease liabilities;
- A negative impact of -36 million euros for favorable foreign exchange fluctuations in the first-half 2023.

III. SIGNIFICANT EVENTS SINCE THE END OF JUNE

On July 19th – Nexans was awarded the major turnkey contract valued at 1.43 billion euros for the section of the EuroAsia Interconnector that connects Greece and Cyprus.

On July 24th - Nexans announced the arrival of Pascal Radue as Executive Vice President, Generation & Transmission Business Group and member of the Executive Committee, from September 1st.

IV. 2023 OUTLOOK

Nexans remains confident in its ability to maintain and enhance its performance momentum, even in an uncertain geopolitical and economic environment. The Group will continue to prioritize value growth over volume in its strategy, leveraging its transformation platform to convert short-term growth into long-term structural growth, while investing in the expanding Generation & Transmission markets. Furthermore, Nexans is still in the early stages of its premiumization journey, as it continues to develop value-added systems and solutions to cater for the evolving needs of its end-users.

Nexans is upgrading today its financial outlook for full-year 2023 and expects, excluding non-closed acquisitions and divestments, to achieve:

- EBITDA of between 610 and 650 million euros, versus 570 and 630 million euros previously;
- Normalized Free Cash Flow of between 220 and 300 million euros, versus 150 and 250 million euros previously.

The Group anticipates the following trends:

- A persistently uncertain geopolitical and economic environment
- The continuation of dynamic market demand, supported by the secular trend of electrification and backlogs in the Generation & Transmission and Distribution segments;
- Demand to moderate from elevated levels in some residential segments and Automation;
- A focus on structural transformation and premiumization to support improvements in Distribution and Usages margins;
- Generation & Transmission risk-reward backlog reinforced by EuroAsia Interconnector award while executing legacy contracts with dilutive margins.

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A webcast is scheduled today at 9:00 a.m. CET. Please find below the access details:

Webcast
https://channel.royalcast.com/landingpage/nexans/20230726_2/

Audio dial-in

- International switchboard: +44 (0) 33 0551 0200
- France: +33 (0)1 70 37 71 66
- United Kingdom: +44 (0) 33 0551 0200
- United States: +1 786 697 3501

Confirmation code: Nexans

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Financial calendar

October 25th, 2023: 2023 third-quarter financial information

February 15th, 2024: 2023 full-year earnings

Appendices

The review procedures were carried out and the Statutory Auditors' report is being issued.

Information by Segment

(in millions of euros)	1st semester 2023 reported	1st semester 2022 pro forma	1st semester 2022 reported
NET SALES AT CURRENT METAL PRICES			
Generation & Transmission	396	495	452
Distribution	695	672	668
Usages	1,177	1,292	1,292
Industry & Solutions	980	847	847
Telecom & Data	-	-	183
Other activities	761	1,037	901
GROUP TOTAL	**4,009**	**4,342**	**4,342**

(in millions of euros)	1st semester 2023 reported	1st semester 2022 pro forma	1st semester 2022 reported
NET SALES AT CONSTANT METAL PRICES			
Generation & Transmission	384	478	434
Distribution	599	551	547
Usages	890	924	924
Industry & Solutions	908	762	762
Telecom & Data	-	-	176
Other activities	541	686	557
GROUP TOTAL	**3,322**	**3,401**	**3,401**

(in millions of euros)	1st semester 2023 reported	1st semester 2022 pro forma	1st semester 2022 reported
EBITDA			
Generation & Transmission	30	89	78
Distribution	82	47	49
Usages	137	104	104
Industry & Solutions	109	65	65
Telecom & Data	-	-	22
Other activities	(5)	3	(9)
GROUP TOTAL	**354**	**308**	**308**

Consolidated income statement

(in millions of euros)	1st semester 2023	1st semester 2022
NET SALES (a)	**4,009**	**4,342**
Cost of sales	(3,483)	(3,835)
GROSS PROFIT	**526**	**507**
Administrative and selling expenses	(243)	(245)
R&D costs	(42)	(42)
OPERATING MARGIN (b)	**240**	**220**
Core exposure effect (c)	6	25
Reorganization costs	(23)	(19)
Other operating income and expenses	(6)	38
Share in net income of associates	(0)	(1)
OPERATING INCOME	**217**	**263**
Cost of debt (net)	(26)	(17)
Other financial income and expenses (d)	(12)	3
INCOME BEFORE TAXES	**179**	**250**
Income taxes	(45)	(51)
NET INCOME FROM CONTINUING OPERATIONS	**134**	**199**
Net income from discontinued operations	-	-
NET INCOME	**134**	**199**
- attributable to owners of the parent	132	197
- attributable to non-controlling interests	2	1
ATTRIBUTABLE NET INCOME PER SHARE (in euros)		
- basic earnings (loss) per share	3.02	4.53
- diluted earnings (loss) per share	2.93	4.40

(a) Sales at constant metal prices calculated using reference prices are presented in the segment information. Sales at constant copper and aluminum prices are used by the Group to monitor its operational performance, because the effect of changes in non-ferrous metals prices is neutralized to show underlying business growth. Cost of sales is restated on the same basis.
(b) Operating margin is one of the business management indicators used to assess the Group's operating performance.
(c) Effect relating to the revaluation of Core exposure at its weighted average cost.
(d) Other financial income and expenses includes the adjustment on monetary impact of Turkey due to the application of IAS 29 "Hyperinflation".

Consolidated balance sheet

(in millions of euros)	June 30th, 2023	December 31st, 2022
ASSETS		
Goodwill	313	289
Intangible assets	173	175
Property, plant and equipment	1,665	1,645
Investments in associates	18	25
Deferred tax assets	133	122
Other non-current assets	154	137
NON-CURRENT ASSETS	**2,456**	**2,393**
Inventories and work in progress	1,343	1,432
Contract assets	174	198
Trade receivables	1,051	935
Current derivative assets	53	52
Other current assets	252	259
Cash and cash equivalents	1,174	1,134
Assets and groups of assets held for sale	102	-
CURRENT ASSETS	**4,149**	**4,010**
TOTAL ASSETS	**6,605**	**6,402**

(in millions of euros)	June 30th, 2023	December 31st, 2022
EQUITY AND LIABILITIES		
Capital stock, additional paid-in capital, retained earnings and other reserves	1,707	1,664
Other components of equity	(144)	(12)
Equity attributable to owners of the parent	**1,563**	**1,652**
Non-controlling interests	16	15
TOTAL EQUITY	**1,579**	**1,667**
Pensions and other long-term employee benefit obligations	220	232
Non-current provisions	78	76
Long-term debt	798	511
Non-current derivative liabilities	62	10
Deferred tax liabilities	133	151
NON-CURRENT LIABILITIES	**1,291**	**981**
Current provisions	96	100
Short-term debt	604	805
Contract liabilities	662	588
Current derivative liabilities	83	64
Trade payables	1,769	1,735
Other current liabilities	479	461
Liabilities related to groups of assets held for sale	41	-
CURRENT LIABILITIES	**3,734**	**3,754**
TOTAL EQUITY AND LIABILITIES	**6,605**	**6,402**

Consolidated statement of cash flows

(in millions of euros)	1st semester 2023	1st semester 2022
Net income	134	199
Depreciation, amortization and impairment of assets (including goodwill)	80	101
Cost of debt (gross)	35	18
Core exposure effect (a)	(6)	(25)
Current and deferred income tax charge (benefit)	45	51
Net (gains) losses on asset disposals	6	(54)
Net change in provisions and non current liabilities	(7)	(19)
Fair value changes on operational derivatives	(20)	(9)
Charges related to the cost of share-based payments	7	9
Other restatements	7	3
CASH FLOWS FROM OPERATIONS BEFORE GROSS COST OF DEBT AND TAX (b)	**282**	**274**
Decrease (increase) in working capital	142	(87)
Impairment of current assets and accrued contract costs	(0)	18
Income taxes paid	(69)	(35)
NET CHANGE IN CURRENT ASSETS AND LIABILITIES	**73**	**(104)**
NET CASH GENERATED FROM OPERATING ACTIVITIES	**355**	**170**
Proceeds from disposals of property, plant and equipment and intangible assets	0	61
Capital expenditure	(148)	(126)
Decrease (increase) in loans granted and short-term financial assets	(3)	3
Purchase of shares in consolidated companies, net of cash acquired	(56)	(208)
Proceeds from sale of shares in consolidated companies, net of cash transferred	0	(0)
NET CASH USED IN INVESTING ACTIVITIES	**(206)**	**(270)**
NET CHANGE IN CASH AND CASH EQUIVALENTS AFTER INVESTING ACTIVITIES	**148**	**(100)**
Proceeds from (repayments of) long-term and short-term borrowings	72	321
- of which proceeds of bond 2023 - 2028	*398*	-
- of which repayment of bond 2018 - 2023	*(325)*	-
- of which proceeds from the European Investment Bank loan	-	*200*
Cash capital increases (reductions) (c)	(5)	(42)
Interest paid	(35)	(15)
Transactions with owners not resulting in a change of control	-	(0)
Dividends paid	(92)	(54)
NET CASH USED IN FINANCING ACTIVITIES	**(61)**	**210**
Hyperinflation impact (d)	1	3
Net effect of currency translation differences	(51)	1
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**38**	**114**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,129**	**968**
CASH AND CASH EQUIVALENTS AT YEAR-END	**1,167**	**1,082**
- of which cash and cash equivalents recorded under assets	1,174	1,088
- of which short-term bank loans and overdrafts recorded under liabilities	(6)	(6)

(a) Effect relating to the revaluation of Core exposure at its weighted average cost, which has no cash impact.

(b) The Group also uses the "cash from operations" concept, which is mainly calculated after adding back cash outflows relating to reorganizations and deduction of paid taxes.

(c) This line includes also inflows and outflows on acquisitions/sales of treasury stocks.

(d) This line contains the impacts related to the application of IAS 29 "Hyperinflation".

Glossary

Adjusted Generation & Transmission backlog: Backlog adjusted for secured but not yet implemented Subsea, Land and Special Telecom contracts.

EBITDA: Starting 2023, Nexans consolidated EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) other specific operating items which are not representative of the business performance.

Electrification: The electrification of an area is the connection of that place to an electricity supply. For Nexans, the electrification value chain covers the Generation & Transmission, Distribution and Usages segments.

Free Cash Flow (FCF): FCF is determined based on EBITDA restated for the net change in provisions including pensions/other postemployment benefits and other non-cash items. It also includes net changes working capital, capital expenditure net of disposal proceeds, other investing cash-in/out but excluding those related to the sale/purchase of shares in a company with a change in consolidation method, restructuring cash-out, financial interest paid and income tax paid.

Normalized Free Cash Flow (NFCF): NFCF is calculated as FCF excluding Strategic Capex, proceeds from the disposal of tangible assets, impact of material activity closures and assuming project tax cash-out based on the completion rate rather than termination.

Normative net income: Normative net income corresponds to the sum of the operating margin, the cost of financial debt (net), other financial income and expenses (excluding impairment of financial assets where applicable), and the normative corporate income tax.

Operating margin: The operating margin is assessed before the impact of (i) the revaluation of the Core exposure, (ii) impairment of property, plant and equipment, intangible assets or goodwill resulting from impairment tests, (iii) the change in fair value of non-ferrous metal financial instruments, (iv) capital gains and losses on asset disposals, (v) related acquisition costs for completed acquisitions and costs and fees related to planned acquisitions, (vi) expenses and provisions for antitrust investigations, (vii) reorganization costs, (viii) the share in net income of associates, (ix) net financial income (loss), (x) taxes and (xi) net income from discontinued operations.

Organic growth: Standard sales growth as a percentage of prior-year standard sales. Organic growth is a measure of growth excluding the impact of changes in the scope of consolidation and changes in exchange rates.

ROCE (Return on Capital Employed): ROCE is defined as 12 months Operating Margin in relation to end-of-period Operational Capital Employed, excluding the antitrust provision.
Operational Capital Employed includes operating and non-operating working capital items, intangible and tangibles assets, loans and receivables, deferred taxes, reserves excluding pensions and other employee benefit reserves and restructuring reserves.

Sales at constant/standard metal prices: Sales figures based on a standard price for copper and aluminum in order to neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying sales trend. Starting on January 1, 2020, these references are set at 5,000 euros per metric ton for copper and 1,200 euros per metric ton for aluminum and are then converted into the currencies of each unit.

Sales at current metal prices: Net sales (at current metal prices) represent revenue from sales of goods held for resale, as well as sales of goods and services deriving from the Group's main activities, for which consideration has been promised in contracts drawn up with customers.

Strategic capex: Strategic capex correspond to the investment in the Halden (Norway) and Charleston (United States) plants in the Generation & Transmission segment, announced at the Capital Markets Day on February 17th, 2021.

About Nexans

For over a century, Nexans has played a crucial role in the electrification of the planet and is committed to electrifying the future. With around 28,000 people in 42 countries, the Group is leading the charge to the new world of electrification: safe, sustainable, renewable, decarbonized and accessible to everyone. In 2022, Nexans generated 6.7 billion euros in standard sales. The Group is a leader in the design and manufacturing of cable systems and services across four main business areas: Generation & Transmission, Distribution, Usages, and Industry & Solutions. Nexans was the first company in its industry to create a Foundation supporting sustainable initiatives bringing access to energy to disadvantaged communities worldwide. The Group pledged to contribute to carbon neutrality by 2030.

Nexans. Electrify the future.

Nexans is listed on Euronext Paris, compartment A.
For more information, please visit **www.nexans.com**

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NB: Any discrepancies are due to rounding

This press release contains forward-looking statements which are subject to various expected or unexpected risks and uncertainties that could have a material impact on the Company's future performance.

Readers are invited to visit the Group's website where they can view and download the 2023 half-year report and 2022 Universal Registration Document, which include a description of the Group's risk factors.