SAIPEM S.P.A.
EXTRAORDINARY SHAREHOLDERS' MEETING
DECEMBER 13, 2023

Report by the Board of Directors of Saipem S.p.A. on the sole item on the Meeting Agenda.

1. **Authorization for the conversion of the equity-linked bonds named "€500,000,000 Senior Unsecured Guaranteed Equity-Linked Bonds due 2029" and the share capital increase in divisible form, excluding Shareholders pre-emption rights pursuant to Article 2441, Paragraph 5 of the Italian Civil Code, to be used to convert the aforementioned bonds through the issue of Saipem ordinary shares. Amendment to Article 5 of the Articles of Association. Relevant resolutions. Granting of powers required by the transaction.**

Messrs. Shareholders,
with reference to the above-mentioned item on the agenda of the meeting, you have been called to approve the proposal to authorise the conversion into Saipem S.p.A. ("**Saipem**" or the "**Company**") ordinary shares of the equity-linked bonds named "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029", whose nominal value amounts to €500,000,000 (five hundred million/00), due on September 11, 2029, reserved for qualified investors, issued on September 11, 2023 (the "**Bond Issue**" and the bonds issued under the Bond Issue, the "**Bonds**") and, consequently, the proposal to increase the share capital, in connection with the conversion of the Bonds, for cash and in divisible form, excluding Shareholders pre-emption rights pursuant to art. 2441, Paragraph 5, of the Italian Civil Code, for a maximum amount of €500,000,000.00 (five hundred million/00), including any share premium, to be executed in one or more tranches through the issue of new ordinary shares of the Company (the "**Shares**") with regular entitlement, having the same characteristics as outstanding ordinary shares (the "**Capital Increase**").
The proposed Capital Increase shall enable the Company to issue new Shares should the circumstances provided for by the contractual provisions of the Bond issue occur.
This report aims at illustrating the proposed Capital Increase pursuant to Article 2441, Paragraph 6, of the Italian Civil Code, Article 72 of the regulation adopted by Consob resolution No. 11971 of May 14, 1999 ("**Issuers' Regulation**"), as well as Article 125-*ter*

of Legislative Decree No. 58 of February 24, 1998 (the "**Consolidated Law on Finance**").

1) CHARACTERSTICS OF THE TRANSACTION

1.1) Basis and Purpose of the Capital Increase

The Capital Increase falls within the scope of the issue of the Bonds to qualified investors, as defined under Article 2, Paragraph 1, letter (e) of Regulation (EU) 2017/1129, in the European Economic Area and foreign institutional investors, outside of the United States of America pursuant to Regulation S of Securities Act of 1933, excluding in any case any offer to the general public, as well as in countries and jurisdictions where the offer or placement of the Bonds would be prohibited and/or otherwise subject to specific authorization (the "**Institutional Investors**").

The Bond Issue was resolved by the Board of Directors of the Company on August 30, 2023 and its pricing set on August 31, 2023, following the placement procedure.

The main characteristics and purposes of the Bond Issue are illustrated below.

1.2) Scope and characteristics of the Bond Issue

The Bond Issue and the main terms and conditions of the Bonds were the subject of approval by the Board of Directors of the Company on August 30, 2023. The placement of the Bonds began on August 30, 2023, and was completed the following day, with the pricing being defined on August 31, 2023, by Saipem CEO and General Manager. The transaction was settled through the issue of securities and payment of the subscription price on September 11, 2023.

The principal amount of the Bonds is € 500,000,000.00 (five hundred million/00).

The placement of the Bonds is for national and international Institutional Investors that are specialized in equity-linked instruments due to, on the one hand, the complexity of the Bonds' financial characteristics, which, by their very nature, require an understanding by investors possessing remarkable technical expertise and, on the other, a desire to ensure the positive outcome of the transaction in the short run, which is not compatible with the requirements and timing of placements with other categories of investors, including retail investors. The offer of the Bonds to Institutional Investors has allowed for a prompt raising of financial resources from the capital market, enabling the Company to take advantage of opportunities offered by both the favourable market situation and the placement conditions deriving from the equity-linked elements of the Bonds. Saipem's Board of Directors deems

that the Bond Issue is in the interests of the Company, in that it has gathered financial resources from the medium-term securities market at favorable terms and conditions.
Main benefits of the transaction as it has been structured include:

- the opportunity to timely benefit from the positive market conditions through quick placement to Institutional Investors;
- raising of funds at favorable conditions, in light of the equity linked nature of the Bonds, with significant savings in terms of interest;
- a broader diversification of financial resources;
- increasing the Company financial flexibility; and
- extending the average debt maturity.

The funds raised shall be used for general corporate purposes, including the refinancing of a portion of the existing debt.

1.3) Purposes of the Share Capital Increase relating to the conversion of the Bonds

The Bonds regulation, contained in the Trust Deed, which includes the Bonds' terms and conditions (the "**Terms and Conditions**" available on the Company's website www.saipem.com | Section "Investors" - "Saipem Bonds"), provide that the Bonds may be converted into Shares, subject to the approval of the Capital Increase by the Extraordinary Shareholders' Meeting no later than March 31, 2024 (the "**Long-Stop Dat**e").

Should the Shareholders' Meeting not approve the Share Capital Increase by the Long-Stop Date, the Company may, within a limited period not exceeding 10 trading days after the Long-Stop Date, issue a specific notice addressed to the bondholders (the "**Shareholder Event Notice**") and proceed to the early redemption of the entire (not only partial) Bond Issue by paying in cash an amount equal to the higher of (i) 102% of the Bond principal amount and (ii) 102% of the Fair Value of the Bonds (in accordance with the Terms and Conditions), in both cases including interest accrued and not yet paid.

Should the Capital Increase not be approved and the Shareholder Event Notice not be published by the Company pursuant to the Terms and Conditions, the Bondholders will be entitled to receive redemption of the Bonds during the Settlement Period at the Cash Settlement Amount (as both defined in the Terms and Conditions).

However, should the Extraordinary Shareholders' Meeting resolve to authorize the conversion of the Bonds and to consequently approve the Capital Increase, the Company shall send bondholders a specific notice (the "**Physical Settlement Notice**") and shall regulate the exercise of the conversion rights into newly issued Shares.

The potential conversion of the Bonds into Shares shall enable the Company to strengthen its capital structure and diversify its financial structure while limiting the related cash outflow for maturing debt, as well as to expand its shareholding structure with Institutional Investors joining in the share capital.

For the reasons above, the Company's Board of Directors believes it is important that the Bonds could be converted into Company's Shares.

As indicated above, the reasons for waiving the Shareholders' pre-emption right, pursuant to Article 2441, Paragraph 5 of the Italian Civil Code, insofar as the proposed Capital Increase, are those that led to the Bond Issue.

Saipem's Board of Directors therefore believes that the exclusion of the pre-emption right is fully justified in light of the characteristics, timing and objectives of the Bond Issue.

1.4) Main features of the Bond Issue

Pursuant to the resolution by Saipem's Board of Directors and the provisions of the Terms and Conditions, the features of the Bond Issue are as follows:

- nominal amount: €500,000,000.00 (five hundred million/00);
- duration: six (6) years
- nominal value of each bond: €100,000.00 (one hundred thousand/00);
- issue price: 100% (one hundred per cent) of the nominal value;
- redemption price: 100% (one hundred per cent) of the nominal value;
- interest rate: 2.875% (two point eight seven five per cent);
- currency: euro;
- guarantees: unsecured, i.e. not backed by collateral, but guaranteed (A) within the Long-Stop Date, by directly and indirectly controlled companies (i) Saipem (Portugal) Comèrcio Maritimo, Sociedade Unipessoal LDA, (ii) Saipem S.A., (iii) Servizi Energia Italia S.p.A., (iv) Global Projects Services A.G. (formerly, Global Petroprojects Services A.G.), (v) Saipem Contracting Netherlands B.V., (vi) Sofresid S.A., (vii) Saipem Drilling Norway A.S., (viii) Saipem Contracting Nigeria Ltd, and (ix) Saipem Luxembourg S.A. (jointly, the "**Guarantors**"), and (B) by any additional group companies which may be required to guarantee the Bonds pursuant to the Terms and Conditions (the "**Additional Guarantors**"), it being understood that the same

Terms and Conditions provide for the possibility that such personal guarantees may be terminated upon the occurrence of certain conditions;

- initial conversion price: subject to approval as part of the Capital Increase, €2.0487 (two point zero four eight seven) per share, subject to adjustment in accordance with the Terms and Conditions;
- possible conversion: only should the Capital Increase be approved by the Long-Stop Date and in the manner set forth in the Terms and Conditions;
- redemption: upon maturity, the principal amount shall be redeemed in a lump sum in an amount equal to 100% (one hundred per cent), if the Bonds have not been converted or redeemed early in accordance with the Terms and Conditions;
- early redemption: the right for the Company to redeem the principal amount in advance and in full at its nominal value, together with any interest accrued as of the redemption date (excluded), if:
  - (i) from a certain date specified in the Terms and Conditions, the Parity Value of the Bond is, for a certain number of days specified in the Terms and Conditions, greater than 130% (one hundred and thirty per cent.) of the principal amount of the Bond (issuer call);
  - (ii) a number of Bonds with a total value of less than 15% (fifteen per cent) of the Bond Issue principal amount remain outstanding (clean up call);
  - (iii) the Capital Increase is not approved, in an amount equal to the greater of: (x) 102% (one hundred and two per cent) of the nominal amount (principal amount) of the Bonds, together with any interest accrued as of the redemption date (excluded); and (y) 102% (one hundred and two per cent) of the Fair Bond Value of the Bonds (as set forth in the Terms and Conditions), together with any interest accrued as of the redemption date (excluded), calculated by an independent party on the basis of the Bonds average closing prices during the five trading days following the notice by which the Company declares that it is proceeding with the above-mentioned full early redemption of the Bonds; it being understood that, should the Company not intend to avail itself of such an option, the Bonds will continue and any conversions at the request of the Bondholders will be settled in cash during the so-called Settlement Period on the basis of the value attributed to the shares underlying each Bond, according to predefined formulae specified in the Terms and Conditions (Cash Settlement Amount);

(iv) concerning payments due, the Company shall bear taxes accruing to the Bondholders as a result of changes in tax law (tax call);

- change of control and Free Float Event: in a certain period of time identified in the Terms and Conditions (Relevant Event Period), each investor will be granted, should a Change of Control event occur or should the free float of the Company's ordinary shares fall below a certain threshold and remain there for a certain number of trading days (Free Float Event), either (i) the right to request the redemption of all or part of the Bonds at par value (principal amount), or (ii) the right to convert the Bonds at a (new) conversion price temporarily modified on the basis of a specific *formula*, under the terms and according to the modalities identified in the Terms and Conditions;
- Bondholders will have the right to request the redemption of all or part of the Bonds by exercising a put option if the Guarantors have not given the relevant personal guarantee within 10 (ten) days after the Long-Stop Date for an amount equal to the greater of:
  (i) 102% (one hundred and two per cent) of the nominal amount (principal amount) of the Bonds, together with any interest accrued as of the redemption date; and
  (ii) 102% (one hundred and two per cent) of the No Original Guarantor Event Bond Price of the Bonds as set forth in the Terms and Conditions, together with any interest accrued as of the redemption date;
- Bondholders will have the right to request the redemption of all or part of the Bonds by exercising a put option if the Additional Guarantors have not given the relevant personal guarantee within 10 (ten) days after the term the guarantee is due in accordance with the Bond Issue contractual provisions;
- price adjustment: as per market practice for similar transactions, the Bond Issue envisages mechanisms to adjust the conversion price (Anti-Dilution provisions), including an adjustment mechanism following a dividend distribution for any amount, which is resolved after the closing of the placement (Dividend Protection);
- listing: Vienna MTF operated by the Vienna Stock Exchange;
- applicable law: English law, without prejudice to the application of the mandatory rules of Italian law concerning Shareholders' Meetings and the Common Representative.

1.5) Basis for excluding rights issues

The Bond issue, the Capital Increase and the approval of the convertibility of the Bonds into convertible bonds represent a single transaction designed to equip the Company with a means of procurement that is ideally suited to rapidly collect funds from capital markets on terms favourable (with regards to cost and duration) to the Company.

To this end, completion of the transaction requires the approval of a Capital Increase.

The Board of Directors deems that excluding pre-emption rights is in the interest of the Company with reference to Article 2441, Paragraphs 5 and 6 of the Italian Civil Code, for the following reasons:

a. the basis for directing the Bonds at Institutional Investors only, thus excluding shareholders' pre-emption rights as regards to the subsequent Capital Increase, is the extreme complexity and the characteristics of equity-linked financial instruments, which make them unsuitable for a retail investors (thus including the Company's shareholders). The equity-linked instrument, by its nature (given the chosen structure and characteristics of the Bonds, as offered, *inter alia*, in principal amounts of € 100,000.00) and by its solely being addressed to and directed at Institutional Investors, constitutes an efficient means to source non-bank financing on terms that are both very favourable and well suited to the current requirements of the Company, and stands to provide improvements with respect to financial position and charges not otherwise attainable (more so not attainable with reference to conventional convertible bonds that carry shareholder subscription rights);
b. the issue and placement of equity-linked instruments requires such rapid market timing and implementation as to entail the exclusion of shareholders pre-emption rights and of any public offer of the Bonds, as these entail a higher burden of duties for the Company, as well as slower timing, greater costs and higher implementation risks;
c. approval of the Capital Increase along with rights to convert the Bonds voids Bondholder rights to cash settlements, other than where redemption is provided for pursuant to the conditions described under Paragraph 1.4, thus potentially stabilizing the resources acquired by means of the Bond Issue;
d. finally, the possible conversion of the Bonds and the related issue of Shares, will enable the Company to (i) bolster its capital structure and diversify its financial structure, concurrently limiting cash outflow as regards the principal at maturity and to (ii) expand its shareholder base.

1.6) Terms and methods for the conversion of Bonds into share capital

The conversion price, which corresponds to the issue price of new Shares from the Capital Increase, is € 2.0487 (two point zero four eight seven) save for possible adjustments to the conversion price as described in the Terms and Conditions.

The issue price per share shall be recognized at € 0.01 (or at the smaller amount of the conversion price) as share equity and, for any remainder, as share premium.

The number of shares to be issued or transferred for the conversion will be determined by dividing the aggregate principal amount of the Bonds by the conversion price in effect at the conversion date, rounding down to the nearest whole number of ordinary shares. No Share fractions shall be issued or delivered and no cash payment or adjustment will be made in lieu of such fractions.

Given such parameters, namely an initial conversion price of € 2.0487 (two point zero four eight seven) per share, no more than 244,057,207 (two hundred and forty four million fifty seven thousand two hundred and seven) Shares shall be issued.

Terms and Conditions of the Bonds envisage that the initial conversion price may be subject to adjustments, in a manner in accordance with customary market practice for such financial instruments, upon occurrence, *inter alia*, of the following events, including but not limited to: *(i)* consolidation or subdivision of outstanding ordinary shares; *(ii)* the issue of ordinary shares for no consideration (excluding capital increases in service to compensation plans based on financial instruments as defined under Article 114-*bis* of the Consolidated Law on Finance); *(iii)* distribution of dividends in kind or of dividends in cash for ordinary shares; *(iv)* allocation to ordinary shareholders and/or issue of ordinary shares, financial instruments convertible into ordinary shares, rights or options giving the right to subscribe ordinary shares at a price lower than market price and not offered to Bondholders (excluding capital increases for financial compensation plans based on financial instruments as defined under Article 114-*bis* of the Consolidated Law on Finance); *(v)* modification of rights attaching to financial instruments previously issued that entail the right or obligation to convert such instruments into ordinary shares, so as to enable the acquisition of ordinary shares at a price lower than fair market value.

Bonds offer the investor greater protections compared with future dividends paid by the Company. In fact, should the Company decide to distribute dividends, whatever their amount, for ordinary shares throughout the term of the Bonds, the conversion price of the Bond shall be adjusted based on the formulas set forth under the Terms and Conditions of the Bonds, in order to compensate Bondholders for the amount of the distributed dividends.

Should a Change of Control or Free Float Event occur, as subject to and as defined by the Terms and Conditions, investors may be granted a separate conversion *ratio* for a limited period (60 days), said *ratio* being adjusted and lower than the initial conversion price, based on a *formula* that shall factor in the time at which the relevant event occurs and the overall duration of the Bonds, so as to reflect the (unenjoyed) value of the option underlying the Bonds, in accordance with the provisions set out in detail in the Terms and Conditions.

2) SHORT-TERM AND MEDIUM/LONG-TERM FINANCIAL DEBT

The table below shows the financial debt as of September 30, 2023, of the Company and the Saipem Group.

Net financial debt of the Company

	31.12.2022	**30.09.2023**
(€ million)	Total	Total
A. Cash and cash equivalents	**1,032**	**1,426**
B. Cash and cash equivalents	**-**	**-**
C. Other current financial assets:	**353**	**1,031**
- Financial assets measured at fair value through OCI	-	-
- Financial receivables	353	1,031
D. Liquidity (A+B+C)	**1,385**	**2,457**
E. Current debt:	**1,300**	**1,130**
- Current financial liabilities with banks	76	36
- Current financial liabilities with related parties	1,188	1,067
- Other current financial liabilities		-
- Lease liabilities	36	27
F. Current portion of the non-current debt:	**112**	**19**
- Non-current financial liabilities with banks	112	18
- Bonds	-	1
G. Current financial debt (E+F)	**1,412**	**1,149**
H. Net current financial debt (G-D)	**27**	**(1,308)**
I. Non-current financial debt:	**99**	**511**
- Non-current financial liabilities with banks	-	382
- Non-current financial liabilities with related parties	-	-
- Lease liabilities	99	129
J. Debt instruments:	**-**	**413**
- Bonds	-	413
K. Trade payables and other non-current debts	**-**	**-**
L. Non-current financial debt (I+J+K)	**99**	**924**
M. Net financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	**126**	**(384)**

Reconciliation of net debt

	31.12.2022			30.09.2023		
(€ million)	Current	Non-current	Total	Current	Non-current	Total
M. Net financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	**27**	**99**	**126**	**(1,308)**	**924**	**(384)**
N. Non-current financial receivables	**-**	**-**	**-**	**-**	**-**	**-**
O. Lease assets	**-**	**-**	**-**	**-**	**-**	**-**
P. Net financial debt (M-N-O)	**27**	**99**	**126**	**(1,308)**	**924**	**(384)**

Pre-IFRS 16 net financial position as of September 30, 2023, amounted to a net cash of euro 540 million (positive for euro 9 million as of December 31, 2022) and a positive net debt including lease liabilities of euro 384 million (negative for euro 126 million as of December 31, 2022).

Net Financial Position of the Saipem Group

	31.12.2022	30.09.2023
(€ million)	Total	Total
A. Cash and cash equivalents	**2,052**	**2,209**
B. Cash and cash equivalents	**-**	**-**
C. Other current financial assets:	**569**	**559**
- Financial assets measured at fair value through OCI	75	86
- Financial receivables	494	473
D. Liquidity (A+B+C)	**2,621**	**2,768**
E. Current debt:	**298**	**272**
- Current financial liabilities with banks	82	75
- Current financial liabilities with related parties	1	1
- Other current financial liabilities	76	36
- Lease liabilities	139	160
F. Current portion of the non-current debt:	**742**	**133**
- Non-current financial liabilities with banks	206	113
- Bonds	536	20
G. Current financial debt (E+F)	**1,04**	**405**
H. Net current financial debt (G-D)	**(1,581)**	**(2,363)**
I. Non-current financial debt:	**498**	**941**
- Non-current financial liabilities with banks	234	542
- Non-current financial liabilities with related parties	-	-
- Lease liabilities	264	399
J. Debt instruments:	**1,495**	**1,911**
- Bonds	1,495	1,911
K. Trade payables and other non-current debts	**-**	**-**
L. Non-current financial debt (I+J+K)	**1,993**	**2,852**
M. Net financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	**412**	**489**

Reconciliation of net financial debt

(€ million)	31.12.2022 Current	Non-current	Total	30.09.2023 Current	Non-current	Total
M. Net financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	**(1,581)**	**1,993**	**412**	**(2,363)**	**2,852**	**489**
N. Non-current financial receivables	**-**	**65**	**65**	**-**	**55**	**55**
O. Lease assets	**26**	**57**	**83**	**89**	**174**	**263**
P. Net financial debt (M-N-O)	**(1,607)**	**1,871**	**264**	**(2,452)**	**2,623**	**171**

The *pre*-IFRS 16 net financial position as of September 30, 2023, is positive at euro 125 million. Net debt, including IFRS 16 lease liability of euro 296 million, amounted to euro 171 million.

Pre-IFRS 16 gross debt as of September 30, 2023, amounted to euro 2,698 million, liquidity to euro 2,823 million of which available cash for euro 1,664 million.

3) UNDERWRITING AND/OR PLACEMENT SYNDICATE, THEIR COMPOSITION, TERMS AND CONDITIONS OF INTERVENTION

No underwriting and/or placement syndicate is envisaged in connection with the Capital Increase, as it is intended solely to service the conversion, if any, of the Bonds.

Please note, however, that in the context of the placement of the Bonds, BNP PARIBAS acted as Sole Structuring and Documentation Bank. BNP PARIBAS, HSBC Continental Europe, Intesa Sanpaolo S.p.A. and UNICREDIT BANK AG, Milan Branch acted as Joint Global Coordinators in the context of the Placement and the Concurrent Delta Placement. BNP PARIBAS, HSBC Continental Europe, Intesa Sanpaolo S.p.A., UNICREDIT BANK AG, Milan Branch, ABN AMRO Bank N.V. in collaboration with ODDO BHF, Banca Akros - Gruppo Banco BPM, Citigroup Global Markets Europe AG and DEUTSCHE BANK AKTIENGESELLSCHAFT acted as Joint Bookrunners in the context of the Placement.

4) OTHER FORMS OF PLACEMENT

No other forms of placement are envisaged.

5) PRICE-SETTING CRITERIA FOR THE ISSUE OF NEW ORDINARY SHARES

The Company’s Board of Directors, upon due consideration of the characteristics of both the Bonds and the Capital Increase, has resolved to submit to the Extraordinary

Shareholders' Meeting for approval that the issue price of the Shares proceeding from the Capital Increase be equal to the conversion price of the Bonds, without prejudice to the *criteria* set forth under Article 2441, Paragraph 6 of the Italian Civil Code pursuant to which the issue price shall not be less than the price determined based on Company equity and shall, furthermore, duly account for the prior semester's Company stock performance on the Italian Stock Exchange's Euronext Milan.

The initial conversion price of the Bonds – given the nature of the Bonds and their being subject to conversion into ordinary Shares provided the Extraordinary Shareholders' Meeting so approves – was determined, in line with customary market practice for such financial instruments and upon placement of the Bonds, based on the fair market value of the Company's ordinary shares and on the quantity and quality of demand for the Bonds during placement.

Specifically, for the purposes of determining the fair market value of the ordinary shares, this was determined as the reference share price of the Company's ordinary shares placed by the Joint Bookrunners concurrent to the placement of the Bonds ("Concurrent Delta Placement"), on behalf of the subscribers of the bonds wishing to hedge the market risk of an investment in the Bonds.

Such price, set at €1.49 (one point four nine), with a 5.3% (five point three per cent) discount on the closing price on the date the placement began, *i.e.* €1.574 (one point five seven four), was determined by way of an accelerated bookbuilding process.

The price was then adjusted by a 37.5% (thirtyseven point five per cent) conversion premium as determined based on opinions submitted by the banks involved in the operation and on market conditions, delivering a final conversion price of €2.0487 (two point zero four eight seven).

Pursuant to provisions under Article 2441, Paragraph 6, of the Italian Civil Code, for the purposes of setting the issue price of the new ordinary shares in service to any prospective conversion of the Bonds, Saipem's Board of Directors factored in the book value per share of Saipem's equity as at June 30, 2023, namely €1.09 (one point zero nine), as well as the arithmetic average of the price of the Company's ordinary shares based on Italian Stock Exchange listings for the prior semester ending August 30, 2023, namely €1.36 (one point three six).

It should be noted that, as per the Terms and Conditions, the initial conversion price may be adjusted on the conversion date in accordance with customary market practice for such financial instruments, upon occurrence of such events as are listed, but are not limited to, in Paragraph 1.6 above.

Pursuant to such assessments, Saipem's Board of Directors deems the *criteria* adopted in determining the initial conversion price of the Bonds and of the issue price of the new Shares to be consistent with the *criteria* set forth under article 2441, Paragraph 6, of the Italian Civil Code and, as such, suitable in respect of establishing a pricing that, given the exclusion of shareholder pre-emption rights, best reflects the equity interests of the Company's shareholders.

As regards any Change of Control or Free Float Event, as subject to and as defined by the Terms and Conditions, any adjustment of the conversion price is justified by the relevant events heretofore outlined. More specifically, should any such relevant event occur, investors may be granted a separate conversion *ratio* for a limited period (60 days), said *ratio* being adjusted and lower than the initial conversion price, based on a formula that shall factor in the time at which the relevant event occurs and the overall duration of the Bonds, so as to reflect the (unenjoyed) value of the option underlying the Bonds, in accordance with the provisions set out in detail in the Terms and Conditions.

6) SHAREHOLDERS WILLING TO SUBSCRIBE, IN PROPORTION TO THEIR SHAREHOLDING, THE NEWLY ISSUED SHARES AS WELL AS ANY UNEXERCISED SUBSCRIPTION RIGHTS

As illustrated above, the Capital Increase is intended to exclusively serve the conversion, if any, of the Bonds into newly issued Shares.

Therefore, for the reasons set forth above, the shareholders shall not be entitled to exercise their pre-emption right pursuant to Article 2441, Paragraph 5, of the Italian Civil Code.

7) TIME TO COMPLETION OF THE TRANSACTION

The Capital Increase shall be carried to the extent of the conversion of the Bonds during the term of the Bonds.

Should the Capital Increase not be fully subscribed on the closing date for conversion, the Company's share capital shall be increased by the amount equivalent to that subscribed by the closing date.

8) ACCRUAL DATE OF THE NEWLY ISSUED ORDINARY SHARES

The Shares which will be issued following the exercise of conversion of the Bonds will be fully paid and will in all respects rank *pari passu* with the fully paid ordinary outstanding shares on the relevant conversion date.

9) *PRO-FORMA* EQUITY AND FINANCIAL *CRITERIA* REFLECTING THE TRANSACTION'S PROSPECTIVE EFFECTS ON EQUITY AND FINANCIAL POSITION – SHARE VALUE EFFECTS.

The estimated *pro-forma* economic and financial effects on the consolidated financial statements of the Saipem Group and on the statutory financial statements of Saipem of the transaction are as follows:

(i) at settlement, against the cash deriving from bondholder payments, equal to €500,000,000.00 (five hundred million/00), the debt component of the financial instrument is recognized as the fair value of a debt instrument issued by the Company at substantially equivalent market conditions without the conversion right, while the remaining portion, up to the amount received, is recognised as a component of shareholders' equity, with a consequent reduction in net debt. Issue costs are recognised proportionally under liabilities and equity;

(ii) from the settlement date, the recognition in the profit and loss statement, over the life of the Bonds, of notional interest expenses, *i.e.* the difference between the redemption value (nominal value) of the Bond Issue and its initial book value, with a consequent increase in net debt;

(iii) subsequently, in the event of conversion into Shares by the bondholders, on the date the option is exercised, the reclassification of the liability of the debt component of the bonds subject to conversion, including the portion of notional interest accrued up to that date, to equity, with a consequent reduction in the Company's net debt;

(iv) in case of non-conversion, the liability relating to the debt component will remain on the balance sheet, increased by the portion of notional interest, until maturity, when the repayment of the nominal value of €500,000,000.00 (five hundred million/00) will occur.

It should be noted that, in accordance with the Terms and Conditions, conversion of the Bonds by individual bondholders may take place during the entire duration of the Bonds until the seventh day prior to maturity of the Bonds in accordance with the terms and limitations set forth in the Terms and Conditions, without prejudice to the Company's ability to exercise the early repurchase options provided for in the Terms and Conditions and described under Paragraph 1.4.

Based on the number of outstanding shares comprising the Company's share capital as of the date of this Report, if the Bonds were to be fully converted into ordinary Shares of the Company at maturity, based on the maximum number of Shares (no. 244,057,207 Shares), compared an initial theoretical stake of 1% of the ordinary share capital, upon conversion current shareholders shall hold a 0.89% stake of the total ordinary share capital, as illustrated in the table below:

	Share capital at the date of this Report	**Maximum capital increase in service to the Bonds conversion**	**Share capital at the date of this Report + maximum capital increase in service to the Bonds**
Total number of ordinary shares	1,995,557,732	244,057,207	2,239,614,939
Number of ordinary shares equivalent to 1% of the outstanding ordinary share capital at the date of this Report	19,955,577		19,955,577
Incidence on the total number of ordinary shares	*1.00%*		*0.89%*

10) AMENDMENT TO THE ARTICLES OF ASSOCIATION

As a result of the Capital Increase that is the subject of this Report, we also propose to add a new Paragraph closing Article 5 of the current Articles of Association, with the following text:

"*The Extraordinary Shareholders' Meeting held on December 13, 2023, resolved to approve a share capital increase, for cash and in divisible form, excluding Shareholders pre-emption rights pursuant to Article 2441, Paragraph 5, of the Italian Civil Code, for a maximum amount of €500,000,000.00 (five hundred million/00), including any share premium, in connection with the conversion of the "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029", to be executed in one or more tranches through the issue of new ordinary shares of the Company, with regular entitlement, for a maximum amount of €500,000,000.00 (five hundred million/00), solely in connection with* *the conversion of the bond issued by the Company as "€500,000,000 Senior Unsecured Guaranteed Equity-linked bonds due 2029", according to the criteria determined by the relevant Terms and Conditions, provided that the closing date for the subscription of the shares to be issued is set at September 11, 2029, and should the capital increase not be fully subscribed by such date, the same shall be deemed to have been increased by an amount equal to the subscriptions collected and as of the subscription date thereof, and to grant express authorization to the Board Directors to issue the new shares as and when they will be subscribed.*

No share fractions shall be issued or delivered, and no cash payment or adjustment will be made in lieu of such fractions."

Note that modifications to the Company's Articles of Association as proposed herein do not constitute entitlement to exercise any redemption rights pursuant to current laws and regulations.

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A copy of this Board of Directors' Report, as written above, was sent to the External Auditors, pursuant to Article 158 of the Consolidated Law on Finance, and notified to CONSOB, pursuant to Article 72 of the Issuers' Regulation.

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PROPOSED RESOLUTION

Messrs Shareholders,

all the above being stated, Saipem's Board of Directors submits for your approval the following

proposal

"*The Shareholders' Meeting of Saipem S.p.A., convened in extraordinary session,*

- *having examined the Board of Directors' report;*
- *having acknowledged the main terms and conditions of the Bonds, as illustrated in Saipem Board of Directors' report;*
- *having acknowledged the fairness opinion pursuant to Article 2441 of the Italian Civil Code and Article 158 of Legislative Decree 58/98;*
- *having acknowledged the Board of Statutory Auditors' attestation to the effect that current share capital is fully paid up;*

resolves

1. *to envisage and authorize, pursuant to the provisions of the Terms and Conditions, the convertibility of the equity linked Bonds with a nominal value of €500,000,000.00 (five hundred million/00) due on September 11, 2029, named "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029" and therefore to approve the proposal to increase the share capital for cash and in divisible form, excluding Shareholders pre-emption rights pursuant to Article 2441, Paragraph 5 of the Italian Civil Code, for a maximum amount of €500,000,000.00 (five hundred million/00), including any share premium, in connection with the conversion of the "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029", to be possibly settled in shares in accordance with the Terms and Conditions, to be executed in one or more tranches through the issue of new ordinary shares of the Company, for a maximum amount of €500,000,000.00 (five hundred million/00) – through the issue, based on the initial conversion price of the Bonds of €2.0487, of a maximum of no. 244,057,207 (two hundred and forty four million fifty seven thousand two hundred and seven) Saipem ordinary shares (it being understood that the maximum number of ordinary shares of Saipem may increase on the basis of the actual conversion price applicable from time to time) – with regular entitlement, solely in connection with the conversion of the Bonds issued by the Company as "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029", pursuant to provisions thereto under the Terms and*

Conditions. No share fractions shall be issued or delivered, and no cash payment or adjustment will be made in lieu of such fractions;

2. *to approve that the Chief Executive Officer and General Manager, or any party delegated by such person, shall provide bondholders with a Physical Settlement Notice, pursuant to which bondholders shall be entitled to convert the Bonds into newly issued Saipem ordinary shares;*
3. *to agree that the issue price of the newly issued shares as regards to the Capital Increase shall be determined based on the provisions of the Bonds' Terms and Conditions as per the above point 1, and as such shall be €2.0487 (two point zero four eight seven), save for adjustments and save for cases where the relevant conversion price shall be calculated differently pursuant to the provisions of the Terms and Conditions as per the above point 1; and that issue price per share shall be allocated at € 0.01 (or at the smaller amount of the conversion price) as share capital and, for any remainder, as share premium;*
4. *to mandate the Company's Board of Directors and the Board's legal representatives to execute the above approved Capital Increase and to determine, from time to time and pursuant to the provisions of the Terms and Conditions, inter alia, (i) the issue price of the shares, as well as, having determined such issue price, (ii) the number of shares to be issued and the conversion ratio, as required for the purposes of fully implementing the provisions and criteria set forth under the Terms and Conditions; all of which without prejudice to, should the Capital Increase not be fully subscribed by September 11, 2029, the share capital being increased by an amount equal to the subscriptions collected and as of the subscription date thereof;*
5. *to introduce a new closing paragraph to Article 5 of the Company's Articles of Association, worded as follows:*

   "The Extraordinary Shareholders' Meeting held on December 13, 2023 resolved to approve a share capital increase, for cash and in divisible form, excluding Shareholders pre-emption rights pursuant to Article 2441, Paragraph 5, of the Italian Civil Code, for a maximum amount of €500,000,000.00 (five hundred million/00), including any share premium, in connection with the conversion of the "€500,000,000 Senior Unsecured Guaranteed Equity-linked Bonds due 2029", to be executed in one or more tranches through the issue of ordinary shares of the Company, with regular entitlement, for a maximum amount of €500,000,000.00 (five hundred million/00),

solely in connection with the conversion of the bond issued by the Company as "€500,000,000 Senior Unsecured Guaranteed Equity-linked bonds *due 2029", according to the criteria determined by the relevant Terms and Conditions, provided that the closing date for the subscription of the shares to be issued is set at September 11, 2029, and should the capital increase not be fully subscribed by such date, the same shall be deemed to have been increased by an amount equal to the subscriptions collected and as of the subscription date thereof, and to grant express authorization to the Board Directors to issue the new shares as and when they will be subscribed.*

No share fractions shall be issued or delivered, and no cash payment or adjustment will be made in lieu of such fractions;

6. *to grant the Board of Directors of the Company – and, jointly and severally, any legal representatives thereof – all powers to execute the Capital Increase and to, from time to time, provide for the modifications to Article 5 of the Company's Articles of Association and, as such, to provide for all obligations and mandatory disclosure requirements pursuant to governing laws and regulations, and to carry out all necessary formalities pursuant to the filing of the hereby resolutions with the Registrar of Companies and to acknowledge and reflect any non-material modifications, additions and suppressions to said resolutions as requested by relevant authorities, and to grant all powers to fulfil all mandatory legal and regulatory requirements pursuant to the hereby approved resolutions and conversions (if any).*".

On behalf of the Board of Directors

the Chairman

Silvia Merlo