

**Saipem signs agreement with KCA Deutag for the sale of the Drilling Onshore business**

- *Total consideration consisting of \$550m in cash plus 10% equity stake in the combined entity*
- *The agreement is consistent with Saipem's strategy around building a more resilient and focused business model, supporting its capital structure and liquidity objectives*

*San Donato Milanese (Italy), June 1, 2022* - Saipem S.p.A. ("Saipem") announced today that it has signed a binding agreement with KCA Deutag ("KCAD") to sell the entirety of its Drilling Onshore operations in exchange for a cash consideration of \$550 million plus 10% stake in KCAD after its acquisition of the Saipem's Drilling Onshore.

The transaction does not entail any financial debt transfer from Saipem to KCAD.

Saipem operates its Drilling Onshore business globally outside Italy, with a focus in the Middle East and Americas, in 13 countries with around 4,000 people and with a portfolio of 83 proprietary land rigs.

Saipem's Drilling Onshore business posted full year 2021 revenues of 347 million euro and adjusted EBITDA of 82 million euro; adjusted EBITDA of Drilling Onshore is expected to represent around 20% of the full year 2022 consolidated adjusted EBITDA of Saipem.

KCA Deutag is a leading drilling, engineering and technology company working onshore and offshore. It operates approximately 110 drilling rigs in 20 countries, employing 8,300 people. In full year 2021 KCAD posted consolidated revenues of 1,196 million USD and adjusted EBITDA of 237 million USD. Consolidated Net Debt at the year-end 2021 was 396 million USD.

The addition of Saipem's Drilling Onshore activities to KCAD, which is already among the most reputable international drilling operators, will bring additional opportunities of value creation from operational synergies and inclusion of Saipem expertise from which Saipem in turn expects to benefit via its minority stake in the enhanced entity.

Moreover, the transaction for Saipem is a further step towards a more focused and resilient business model based on the growing trends of Saipem's reference markets, concentrating efforts in the Drilling Offshore while supporting the achievement of its capital structure and liquidity objectives.



## Price Sensitive

The cash proceeds from the transaction will improve Saipem's liquidity, lowering its net debt and supporting the delivery of its 2022-25 business plan.

Final consideration is subject to customary closing adjustments.

Closing of the transaction - subject to the completion of the carve out of the Drilling Onshore business from Saipem Group and the completion of Saipem's capital increase and customary conditions and approvals - is expected to occur by October 31, 2022 for the activities in Middle East and by March 31, 2023 for Americas.

In the context of the transaction, Saipem is being advised by J.P. Morgan and Lazard.

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### About Saipem

*Saipem is an advanced technological and engineering platform for the design, construction and operation of safe and sustainable complex infrastructure and plants. Saipem has always been oriented towards technological innovation and is currently committed, alongside its clients, on the frontline of energy transition with increasingly digitalised tools, technologies and processes that were devised from the outset with environmental sustainability in mind. It is listed on the Milan stock exchange and operates in over 70 countries around the world with 32 thousand employees from 130 different nationalities.*

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### About KCA Deutag

*With over 130 years of experience, KCA Deutag is a leading drilling, engineering and technology company working onshore and offshore with a focus on safety, quality and operational performance. It operates approximately 110 drilling rigs in 20 countries, either directly or through affiliates, employing people across Africa, Europe, Middle East and other geographies.*