

SAIPEM CAPITAL MARKETS DAY NINE MONTHS 2021 RESULTS AND NEW STRATEGIC PLAN

October 28th, 2021





Forward-looking statements

Forward-looking statements contained in this presentation regrading future events and future results are based on current expectations, estimates, forecasts and projections about the industries in which Saipem S.p.A. (the "Company") operates, as well as the beliefs and assumptions of the Company's management.

These forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other factors beyond the Company' control that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. These include, but are not limited to: forex and interest rate fluctuations, commodity price volatility, credit and liquidity risks, HSE risks, the levels of capital expenditure in the oil and gas industry and other sectors, political instability in areas where the Group operates, actions by competitors, success of commercial transactions, risks associated with the execution of projects (including ongoing investment projects), the Coronavirus outbreak (including its impact across our business, worldwide operations and supply chain); in addition to changes in stakeholders' expectations and other changes affecting business conditions.

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The Financial Reports contain analyses of some of the aforementioned risks.

Forward-looking statements neither represent nor can be considered as estimates for legal, accounting, fiscal or investment purposes. Forward-looking statements are not intended to provide assurances and/or solicit investment.



Today's Speakers



Francesco Caio

Chief Executive Officer and General Manager



Antonio Paccioretti

Chief Financial Officer



Agenda

9M 2021 results

Group strategic guidelines

Group financial highlights

Closing remarks

Q&A



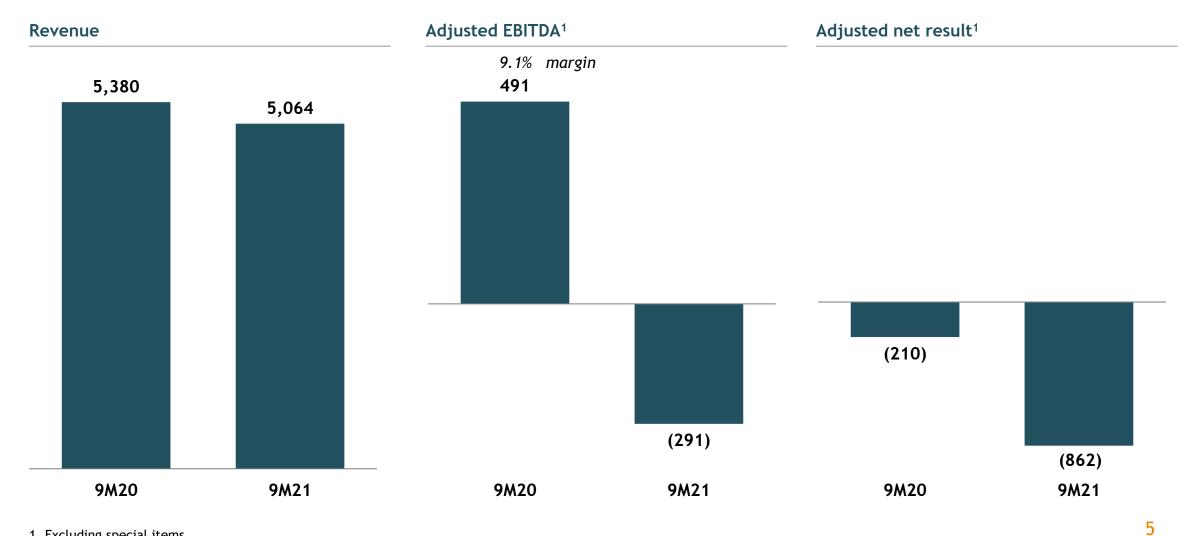
9M 2021 highlights

- 3Q adjusted EBITDA material enhancement vs 2Q (-25 M€ in 3Q vs -354 M€ in 2Q)
- Continuing signs of drilling activity recovery
- For the nine months revenues -6% YoY and adjusted EBITDA at -291 M€
- Business environment still conditioned by pandemic:
 - Delays and cost overruns adding to challenges in offshore wind
 - Longer client investment decisions for new projects
 - Continued impact from covid direct costs
- Mozambique project suspension
- Order intake of 4.9 B€, book-to-bill c.1x in 9M
 - c. 24.5 B€¹ backlog provides support for the mid-term
- Net debt post IFRS-16 c. 1.7 B€, trending as expected in 3Q



9M 2021 results

YoY comparison (M€)



1. Excluding special items



9M 2021 results P&L YoY (M€)

		Adjusted ¹		
M€	9M 20	9M 21	Var.	
Revenue	5,380	5,064	(316)	
Total costs	(4,889)	(5,355)	(466)	
EBITDA	491	(291)	(782)	
margin	9.1%	n.m.		
D&A	(457)	(383)	(74)	Driven by the termination of contract on a leased vessel and asset impairments of 2020
EBIT	34	(674)	(708)	
Financial expenses	(133)	(88)	45	Costs for bond buyback in 2020, lower expenses for FX derivatives and leasing in 2021
Result from equity investments	10	(10)	(20)	Loss from projects in JV
EBT	(89)	(772)	(683)	
Income taxes	(106)	(90)	16	Lower taxable profits
Minorities	(15)	0	15	No contribution from entities with minority partners
Net result	(210)	(862)	(652)	

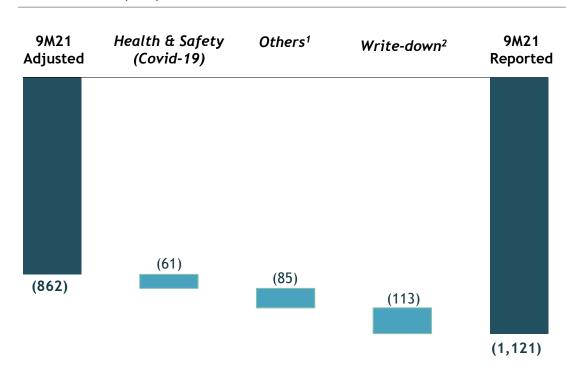
1. Excluding special items



9M 2021 net result

Reconciliation adjusted vs reported

Net Result (M€)



Costs from Covid-19, safety first

Cost mainly related to management of pandemic and safeguarding people's health:

- Cost of personnel on stand-by (e.g. quarantine, extraordinary charter flights)
- Personal protective equipment in excess of the standard quantities
- Sanitising work areas

Asset write-down mainly in E&C offshore and onshore in connection with competitiveness program

^{1.} Others include provisions for redundancy and for litigation on a project already completed

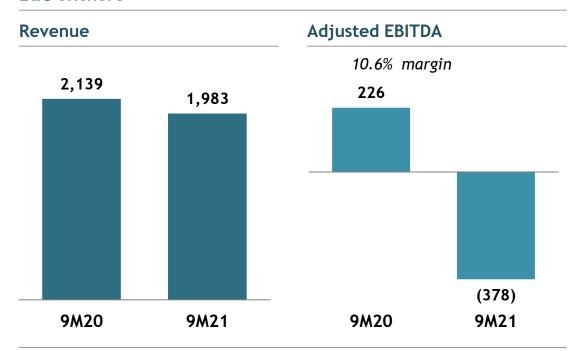
^{2.} Of which 95 M€ of assets (included in D&A) and 18 M€ of inventories (included in operating costs)



9M 2021 results - E&C

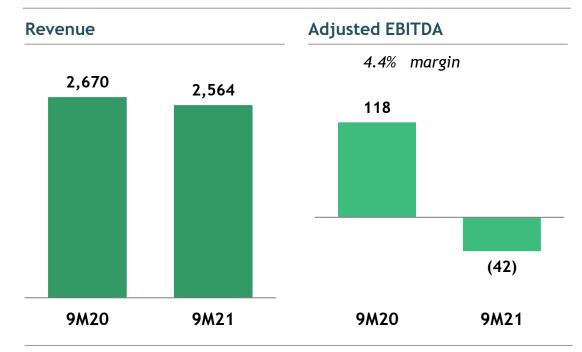
YoY comparison (M€)

E&C offshore



- Lower volumes in Middle East, North Africa and Italy partially offset by Europe and Americas
- Results further impacted by challenges in offshore wind projects and fabrication bottlenecks in Far East also due to pandemic
- Projects in traditional O&G business progressing well

E&C onshore1



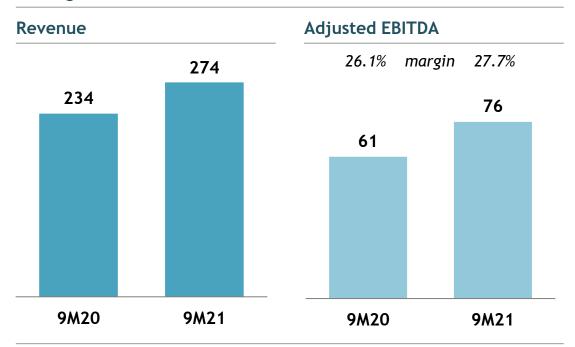
- Revenue decrease in Middle East not entirely offset by increase in Sub-Saharan Africa
- Margin affected by impact of Mozambique project and project extracosts in Middle East
- Mozambique project still suspended with residual backlog at 3.6 B€



9M 2021 results - drilling

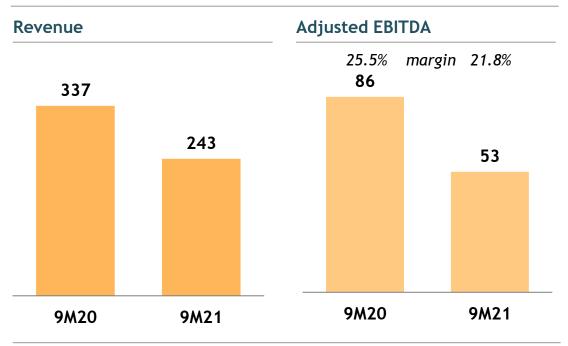
YoY comparison (M€)

Drilling offshore



- Revenue increase mainly driven by Saipem 12000, Saipem 10000 and Scarabeo 8
- Continuing recovery on revenues and margin driven by market recovery and improving utilization

Drilling onshore

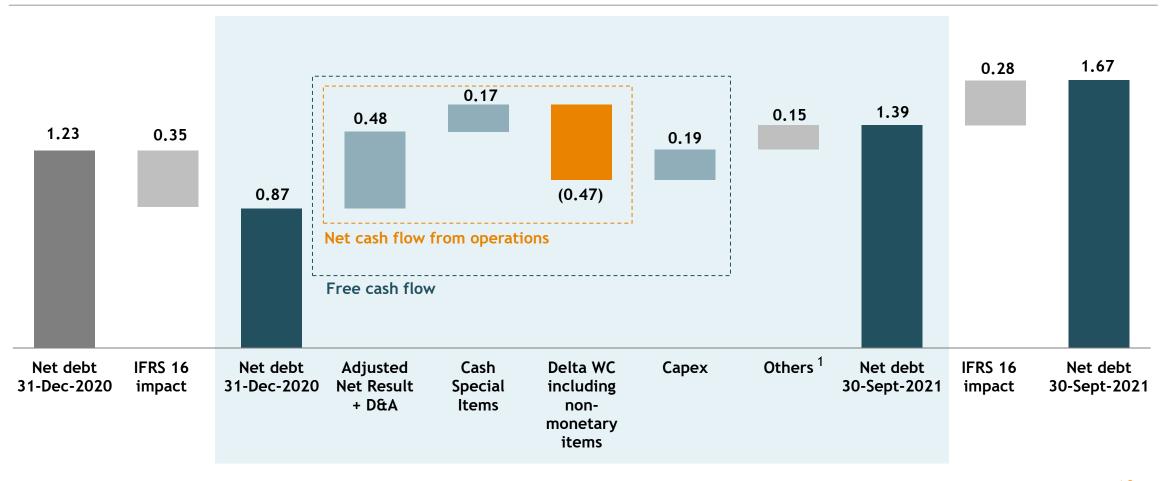


- Lower activity in Middle East resulting from rig suspensions
- EBITDA and EBITDA margin impacted by lower volumes
- Restart of activity in Middle East supporting margin in 3Q



9M 2021 net debt evolution (B€)

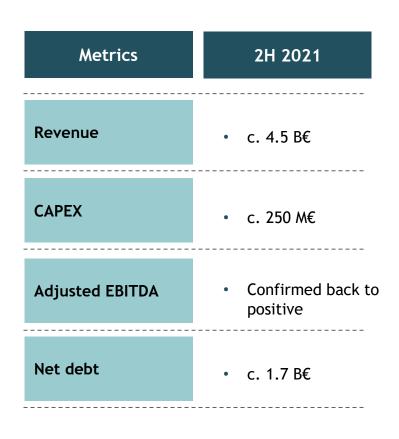
Operating cashflow partly offset by positive working capital dynamic



¹⁰

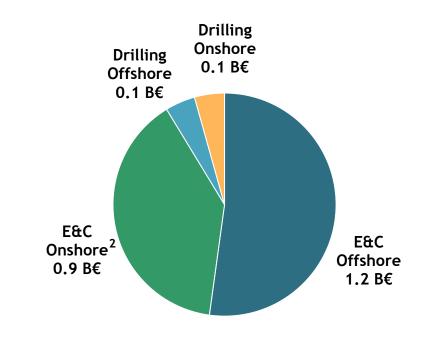


2H 2021 outlook¹



Residual backlog to be executed in 2021





^{1.} Outlook for 2H does not factor further and possible material macro and business deterioration (e.g. from Covid-19) 2. E&C Onshore including floaters business and XSIGHT



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Towards the new Saipem...what to leverage...what to change

Saipem extraordinary potential is confirmed

People



Heritage



Technologies



Assets



Customers Trust



But, a step change is now required

Risk discipline from commercial to execution

Tailored approach by project type

Simplification and streamlining

One Saipem



Building a growing profitable and cash generating Saipem

Low-carbon energy eco-system

Investment Cycle in the core

Reducing costs and de-risking portfolio

Fostering a green supply chain as an ESG leader

Partnering with clients in their net zero journey

The New

Accelerating Technology & Innovation



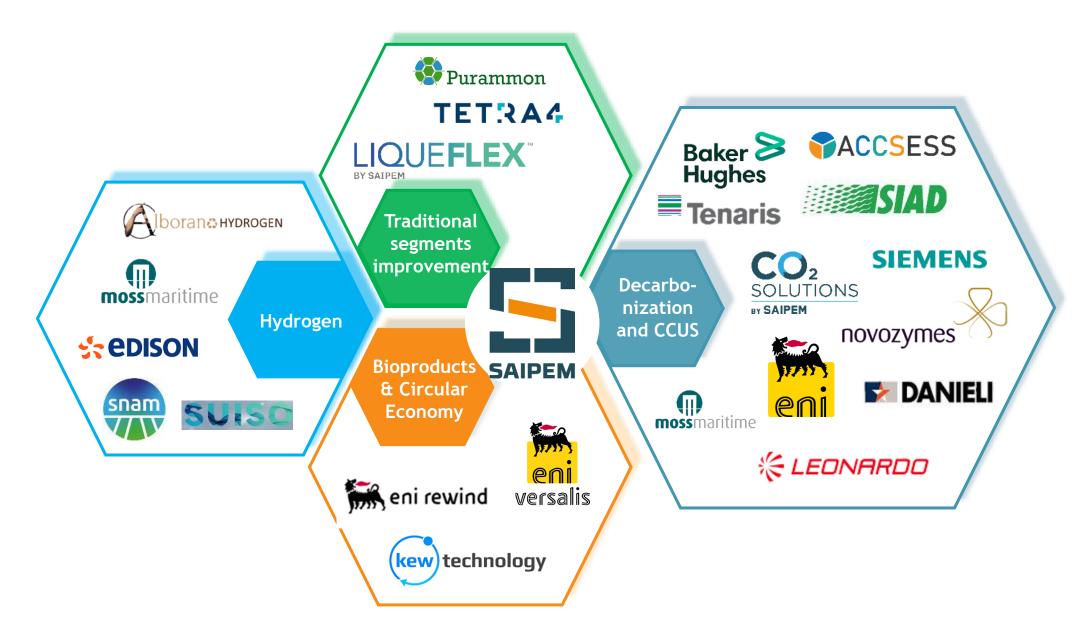
Saipem has always been the «partner of choice» for the most complex technology challenges of energy industry ...

Saipem's cutting-edge solutions have always made the difference





...and is already pioneering technologies for the energy transition





...but a radically new energy eco-system calls for a discontinuity...

From			To	
	Carbon intensive		Low Carbon	
Energy Industry > Trends	Centralised		Distributed	
	Not digitised		Digitised - data driven	
	Hardware based		Service oriented	
Success factors	Vessels - Int'l Logistics		IP - Talents - Software	
	Engineering & construction		Tech monitoring & flexible adoption scale-up	
	Tailored - one/off		Standard - modular	

Need for a new business model



Oil Companies are executing different and polarized strategies

Ensure O&G resilience

Lead energy transition

"Oil Co's strategic emphasis on energy transition"

- Capital efficiency
- De-carbonization
- Managing portfolio

- Investing & managing risk
- Building new capabilities
- Setting the pace









Multiple emerging technologies on new energy carriers to be challenged and engineered into bankable and executable projects



New players and evolving client base



Growing appetite for advanced digital solutions and services aimed at reducing Total Cost of Ownership and Carbon Footprint



Sustainable infrastructure systems acquiring a critical role

Flexible strategy and differentiated go-to-market models



We need to clearly address our core business through a dual strategy...

Saipem dual strategy for the energy transition



Technical Sparring Partner of Energy Co's in complex projects



Provider of modular and scalable solutions and digitally-enabled services





Integrator of sustainable infrastructural systems



... evolving accordingly our business model around four pillars

1



Asset based offer (Drilling, Vessels, Fabrication...)

"The traditional core managed in the new present"

2



Energy carriers

"The Powerhouse for large, complex projects"

Robotics, Digital & Industrialized Solutions

"The offer for the new world"



Sustainable infrastructures

"Growth engine 2.0"

...embedding transition technology in all areas



Asset based offer (1/2)

Capture growth cycle with key accounts in core geos

Optimize mix of own / leased assets and utilization rate

Gradual exit from vertically integrated fabrication model

Strengthen offering through partnerships and/or alliances

Reduce fleet carbon footprint





Long-term drilling contracts



SURF



Transport & Installation



1 Asset based offer (2/2)

Key Figures	
>90%	'22-'25 revenues from top 3 geos
5	Vessels to be scrapped
3	Fabrication yards to be discontinued
↓ 85%	'25 vs. '20 Drilling Idleness costs
↓ 50%	'25 vs. '20 Vessels Idleness costs
	Comm. agreement announced today w/ Technip FMC



1



Asset based offer (Drilling, Vessels, Fabrication...)

"The traditional core managed in the new present"

2)



Energy carriers

"The Powerhouse for large, complex projects" 3



Robotics, Digital & Industrialized Solutions

"The offer for the new world"

Sustainable infrastructures

"Growth engine 2.0"



2 Energy carriers (1/2)

Key Figures	
300+	Refining, Pet-Chem & Fertilizer plants built by Saipem
~€100B	Addressable market (LNG, Regasification, Fertilizers)
50+	Pre-FEED / FEED/ concept studies already in pipeline to tackle addressable market

Energy carriers (2/2)

Focus on backlog execution with increased discipline on cost and risk

Shift Order Intake from volume to value

Accelerating new paradigm

Proactive marketing

Tech innovation ... Venture Capital ... own patents

Digitalization of processes ... and plants

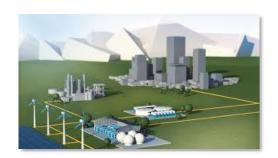




LNG & Regasification



Biorefinery & Biochem



Green fertilizer



1



Asset based offer (Drilling, Vessels, Fabrication...)

"The traditional core managed in the new present"

2)



Energy carriers

"The Powerhouse for large, complex projects"

Robotics, Digital & Industrialized Solutions

"The offer for the new world"



Sustainable infrastructures

"Growth engine 2.0"



3 Robotics, Digital and Industrialized solutions (1/4)

A new kind of demand

Floating Wind /
Solar Modular
Solutions

Concentrated Solar Power Systems

Green Hydrogen
Plant Packages
(Electrolizer +
Renewables)

Small-scale CCS units for hard-to-abate applications

Plastic Recycling Industrialized Solutions











30 ÷ 450 MW

50 ÷ 200 MW

10 ÷ 100 MW*

200 ÷ 400 CO2 Mtpa 50 ÷ 100 Ktpa

250 M€ ÷ 1.5 B€

300 M€ ÷ 1 B€

30 ÷ 800 M€

50 ÷ 150 M€

70 ÷ 250 M€



Robotics, Digital and Industrialized solutions (2/4)

Develop modular, scalable, industrialized technological solutions

Exploit digitally-enabled service platforms (e.g. subsea robots)...

...to grow recurring monitoring and maintenance services

Build the execution model for the new world

Examples



Industrialized solutions



Digital & advanced services



Robotics



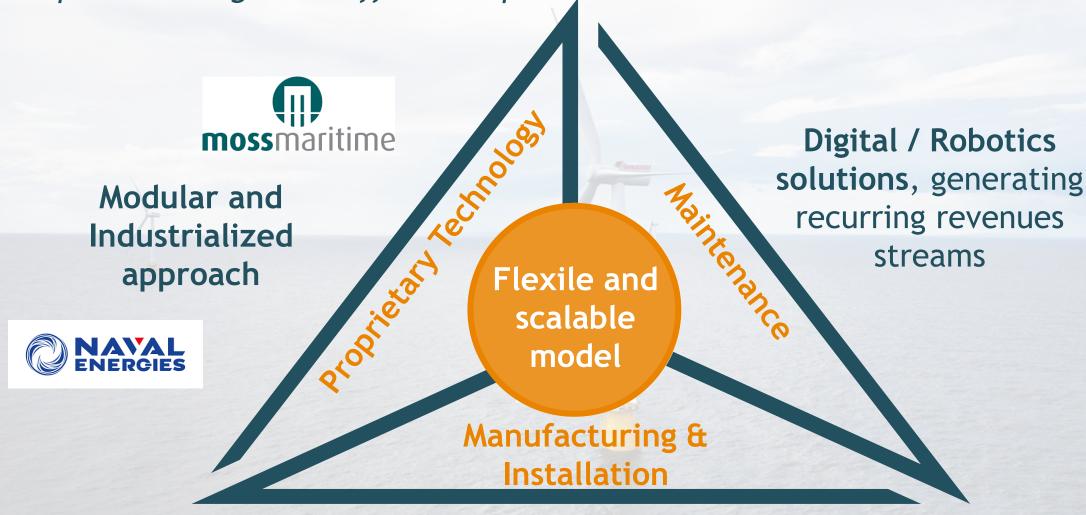
3 Robotics, Digital and Industrialized solutions (3/4)

Key Figures	
70+	CO ₂ removal plants designed and built worldwide
150+	engineers already engaged in new solutions offering
€200M+	total annual existing service revenues
30+	years of experience in subsea ROV; world's first provider of subsea drone services
€100M+	robotics service recurring revenues opportunities in today's pipeline



Robotics, Digital and Industrialized solutions (4/4)

Saipem Floating Wind Offer example



Tactical Make or Buy Mix





Asset based offer (Drilling, Vessels, Fabrication...)

"The traditional core managed in the new present"



Energy carriers

"The Powerhouse for large, complex projects"



Robotics, Digital & Industrialized **Solutions**

"The offer for the new world"

Sustainable infrastructures

"Growth engine 2.0"

Sustainable Infrastructures (1/2)

Strategic actions

Exploit PNRR as a launch pad to create a solid backlog

Focus on digitalized, interconnected and sustainable infrastructures

Diversify from energy industry cycles

Examples



High Speed/High Capacity Rail *Infrastructures*



Integrated, Digitized, Interconnected, Smart, Safe mobility solutions



Infrastructures Technological upgrade



4 Sustainable Infrastructures (2/2)

Key Figures	
€20B	Addressable PNRR Transportation Infrastructure
€6B	Addressable PNRR Energy Transition
€3B	'22-'25 Expected Order Intake
4	Partnerships under discussion



New Saipem strategy will capture ST cash generating growth, while creating value in the LT addressing the energy transition opportunities

Evolutionary trajectory

Asset based

• Cycle driven cash generation

Active portfolio management

(7

S/MT Growth driven by cycle

Energy carriers

'S

• Value over volume & de-risking

Stable with significant re-mix

Robotics, Digital & Industrialized Solutions

Growth and superior resilience



Growth, fast evolving

Sustainable infrastructure

Modular solutions

CAPEX discipline

High-end recurring service revenues

Hybridization and new energy carriers

Italy PNRR launch pad

Tech-based proposition

• Long-term diversification driver

Focus on integrated systems



Growth

Towards a more resilient portfolio with an higher value revenue mix



Evolutionary path toward the new Saipem: how we get there

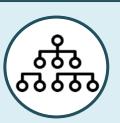
Evolutionary path toward the new Saipem



Competitive cost structure



Active business portfolio strategy



New Operating Model



Future-ready culture (D&I)





Saipem strategy on one page

1



Asset based offer

- Short-term value generation
- Active portfolio management
- CAPEX diligence
- Green fleet

2)



Energy carriers

- Value over volume & de-risking
- Backlog execution
- Shift to new energy carriers
- Tech-based proposition

3



Robotics, Digital and Industrial Solutions

- Growth and resilience
- Modular solutions & high-end services
- Robotics full potential

4



Sustainable infrastructures

- Long-term growth
- Differentiation driver
- Integrated systems
- Italy PNRR launch pad



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From a challenging present to a resilient future

Solid revenue growth

Cash costs reduction

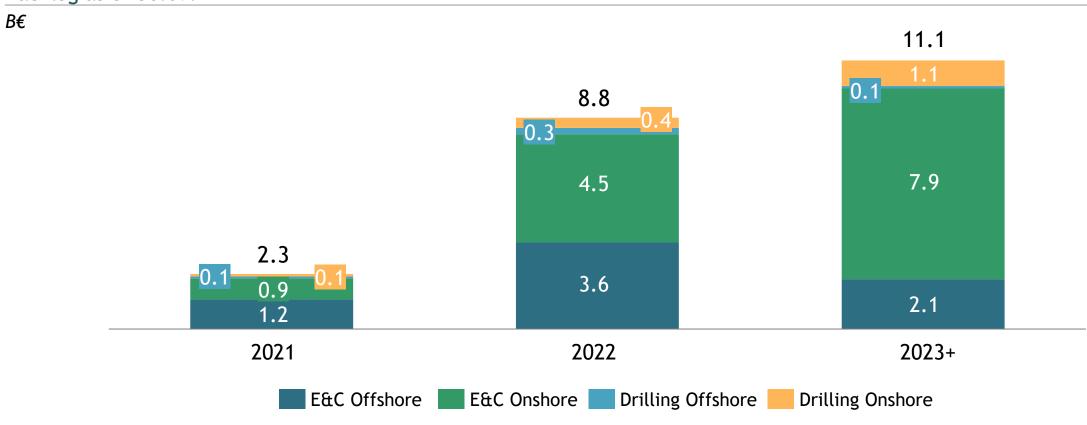
Recouping pre-pandemic profitability

• CAPEX plan sustained by cash generation after 2022



Current backlog provides high future revenue coverage...



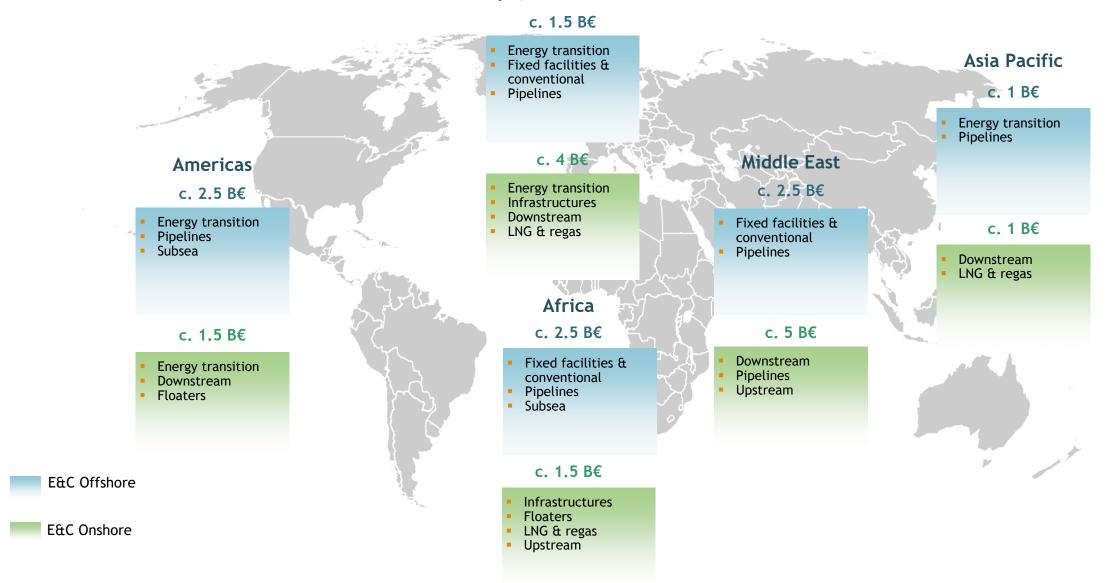


High backlog coverage 2022-onwards



...complemented with 23 B€ of selected commercial opportunities

Europe, CIS & Central Asia





Overview of cost competitiveness program

Net target savings¹ by nature and initiatives examples

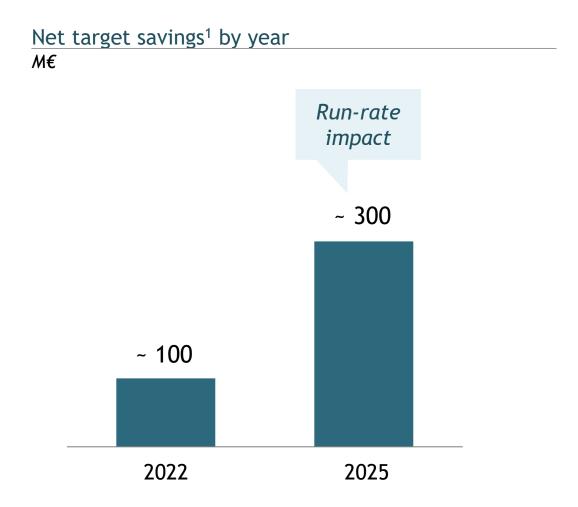
Assets c. 15% of Run-rate impact Vessels planned to be scrapped of which 3 already in 2022

Yards planned to be closed of which 2 already in 2022

Op. model c. 55%

Engineering HUBs to be closed of which 1 already in 2022

G&A c. 30% Office closures² already planned of which 10 already in 2022



^{1.} Savings net of implementation costs

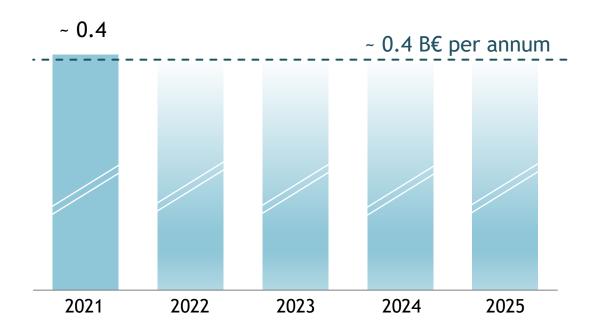
^{2.} Non-strategic international offices



Strategy enabled by new CAPEX plan with expected deleverage towards 2025



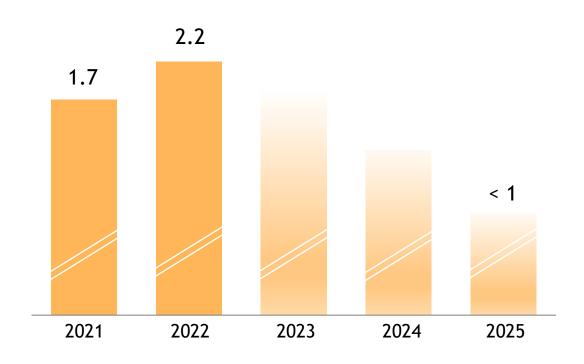
B€, illustrative



Capex mix shifting towards new asset-lighter segments, with c. 1.5 B€ cumulated 2022-25

Net Debt Evolution¹

B€, illustrative

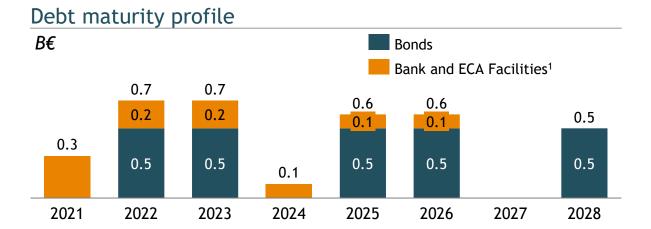


Deleveraging through c. 0.8 B€ cumulative FCF generation 2022-2025

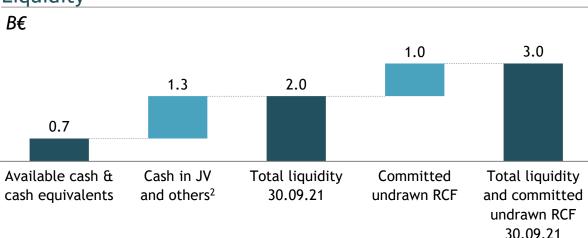
1. Including IFRS 16



Balance sheet and liquidity: strong liquidity and well-balanced debt structure







Well-balanced debt maturity profile

First significant maturity in 2022, covered by existing liquidity

Monitoring debt capital markets

Strategic plan as basis to access sustainability-linked funding pools

^{1.} Including c.0.2 B€ of rolled-over credit lines in local currencies

^{2.} Restricted liquidity mainly related to projects and local currencies



Towards a resilient profitable future

Solid revenue growth

Growth driven by offshore and drilling

c.15% CAGR 21-25

Cash costs reduction

• c.100 M€ net savings in 2022

• c.300 M€ per year by 2025 (run-rate)

Recouping pre-pandemic profitability

Close to pre-pandemic EBITDA¹ from 2023

Double-digit profitability by 2024¹

 CAPEX plan sustained by cash generation after 2022

>

c.1.5 B€ cumulated CAPEX in 2022-25

• Net debt c.2.2 B€ in 2022

Targeting < 1 B€ net debt in 2025

1. Refers to Adjusted EBITDA



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Saipem strategic plan delivered through a new operating model

Growing, Profitable, Cash Generating **Industry** SAIPEM Results New operating model New investment cycle EBITDA Growth in the traditional core Customers long-lasting relationship Strong Cash Flow Technology portfolio generation Structural growth Competitive assets Deleveraging in Energy Transition Engineering capabilities



Appendix



9M 2021 main awards

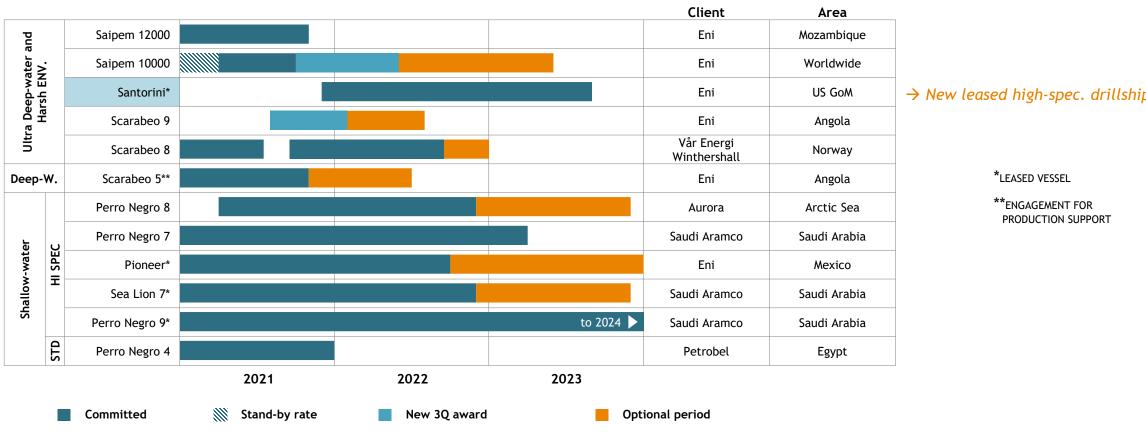
A diversified set of awards, book to bill of c. 1x in 9M 2021

1Q 2Q 3Q Courseulles-sur-Mer NFPS EPCO additional 5 LTA contacts, Saudi Offshore Wind SoW, Qatar, Qatargas Aramco, Saudi Arabia Farm, EODC, France E&C offshore NFPS EPCL, Qatar, Agogo Early Ph.2, Angola, Qatargas E&C **Optimum Shah Gas** FPSO P-79 for Búzios, Expansion & Gas onshore Petrobras, Brazil Gathering, ADNOC, UAE New contracts and 5-Year and 10-Y contracts Scarabeo 8 Saipem 10000 extensions: UAE, Drilling in Saudi Arabia and 4-Y in Colombia, Peru Scarabeo 5 Scarabeo 9 Colombia and Bolivia 4.9 B€ CONTRACT AWARDS IN 9M



Offshore Drilling Fleet

Vessel utilization



→ New leased high-spec. drillship

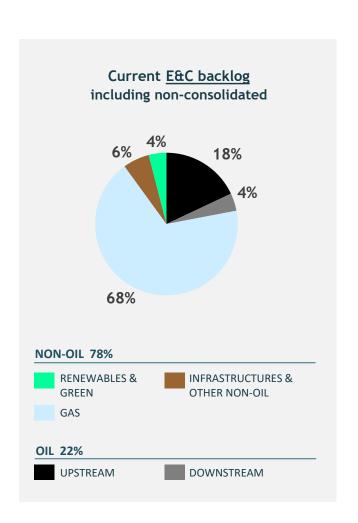
Asset Light strategy to play the expected cyclical recovery



9M 2021 Backlog

Well-diversified and Sizeable Backlog

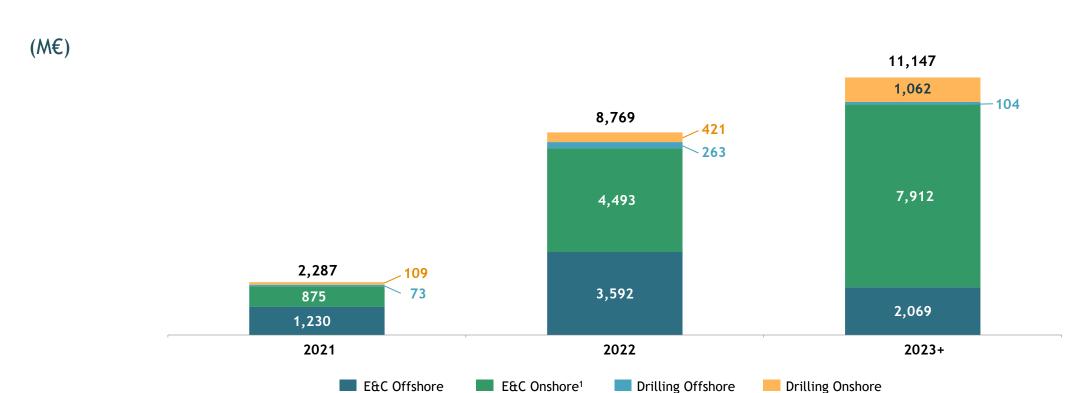






9M 2021 Backlog Distribution by Year

Backlog Provides Solid Support for The Mid-term

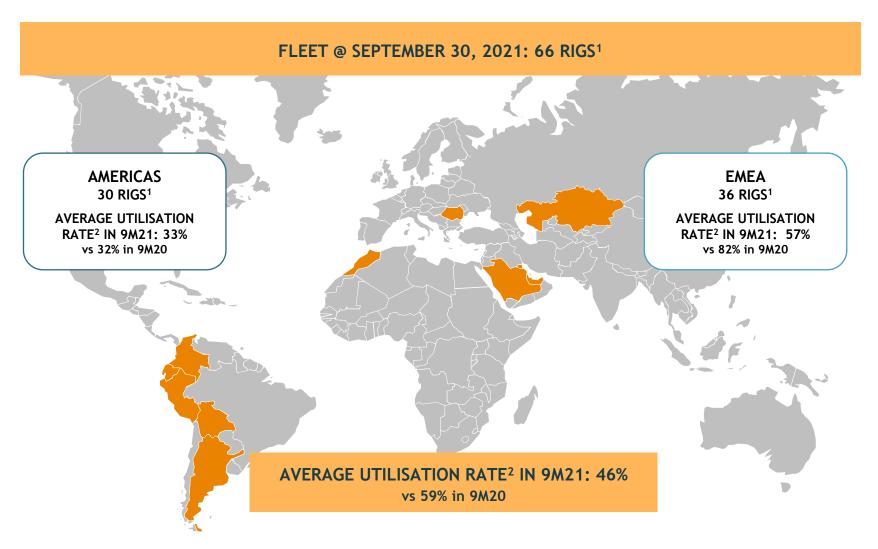


Non-consolidated Backlog By Year Of Execution

2021	2022	2023+	
345	861	1,092	M€



Onshore Drilling Fleet

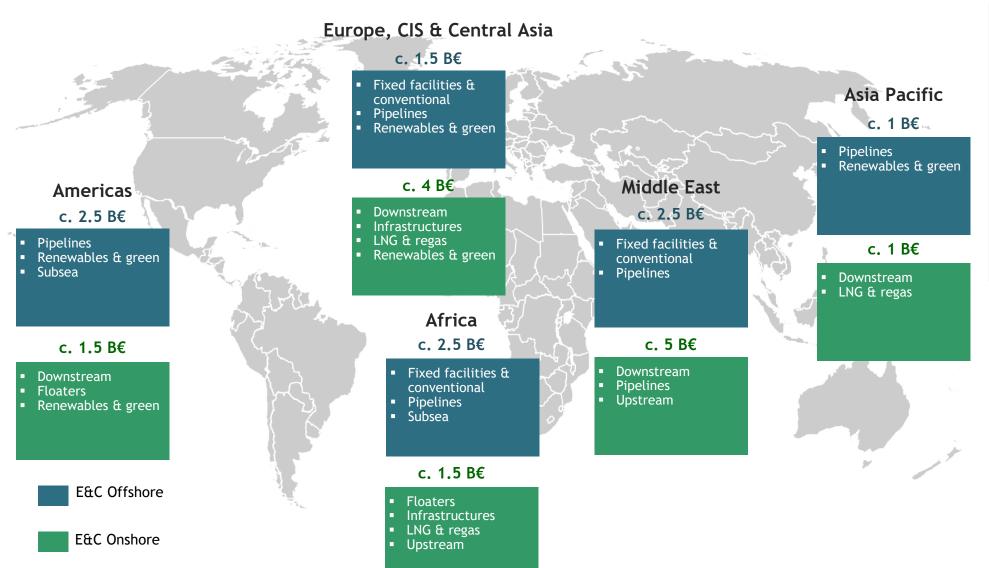


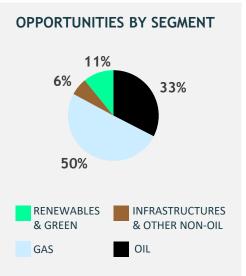
- Excluding 17 rigs stacked in Venezuela and currently not marketable
 Simple average: # days sold / # days available for sale



E&C Opportunities c. 23 B€

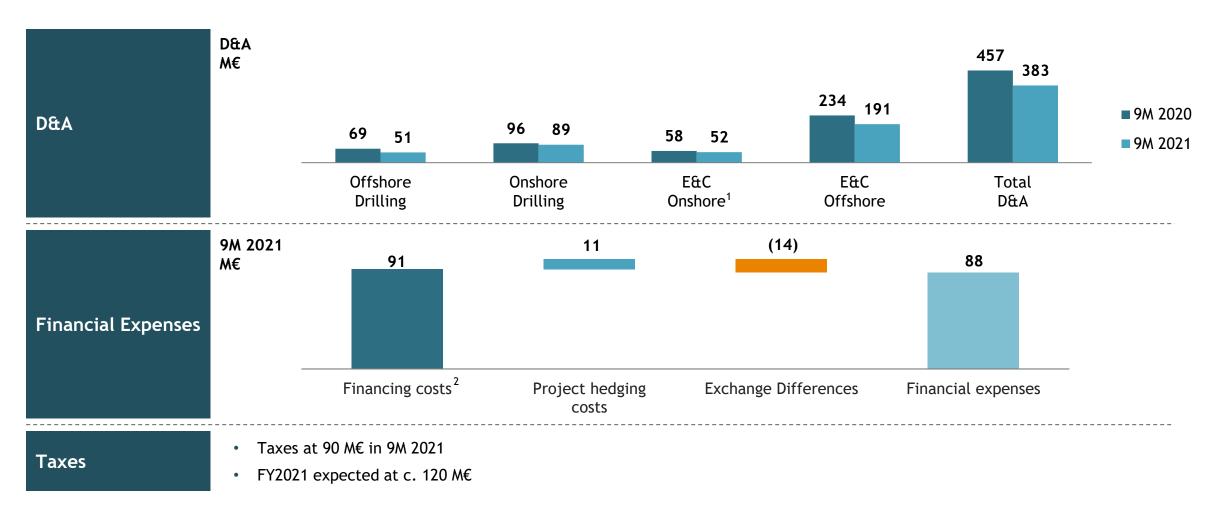
Well-diversified tendering pipeline ahead







9M 2021 Results - D&A, Financial Expenses and Taxes (M€)



^{1.} Floaters business included in E&C Onshore

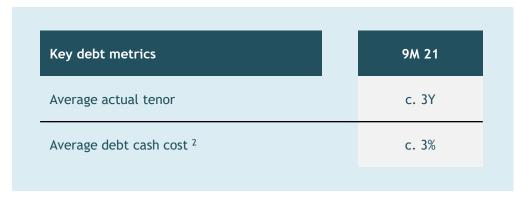
^{2.} Including 8 M€ of IFRS16 impact

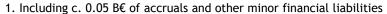


Balance sheet and liquidity

Strong liquidity and well-balanced debt structure

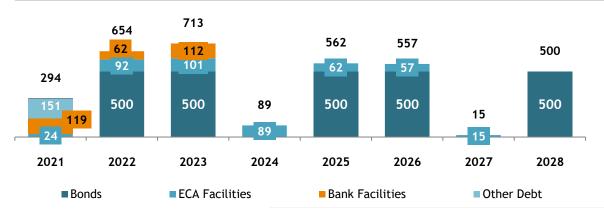
Billion €	9M 21	
Gross Debt ¹	3.4	
(Total liquidity)	(2.0)	
Net Debt (pre IFRS 16)	1.4	
IFRS 16	0.3	
Net Debt (post IFRS 16)	1.7	



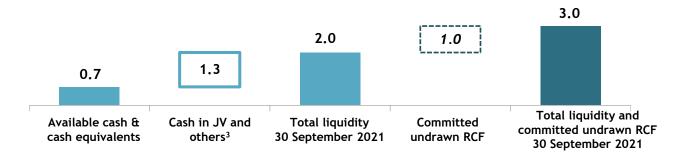


2. Average cost of debt c.4% including treasury hedging

DEBT Maturity Profile (M€)



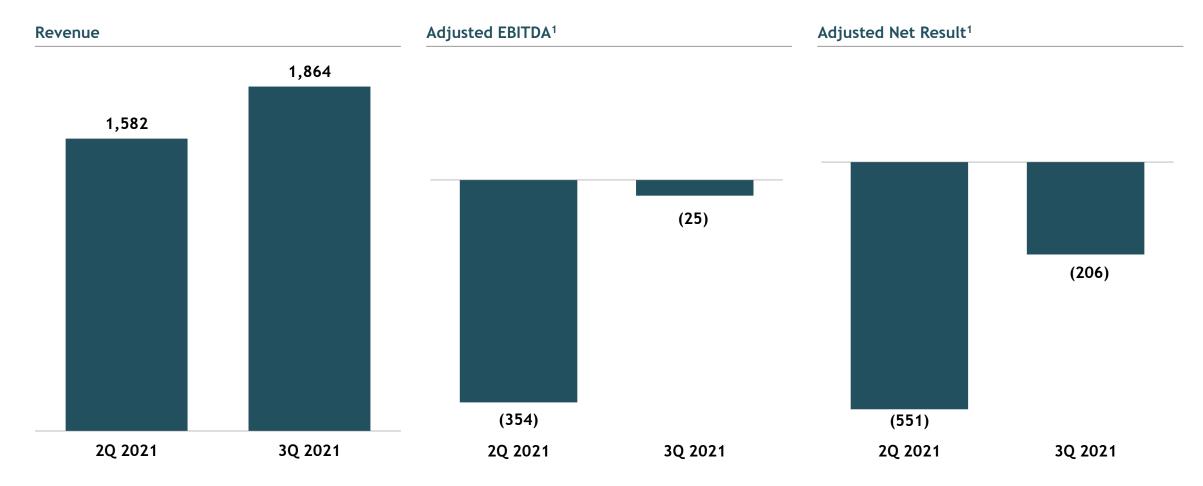
Liquidity (B€)



^{3.} Restricted liquidity mainly related to projects and local currencies



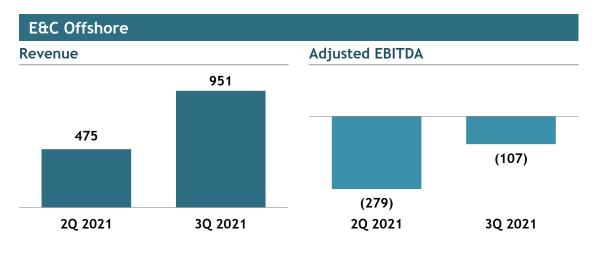
9M 2021 Results QoQ Trend (M€)

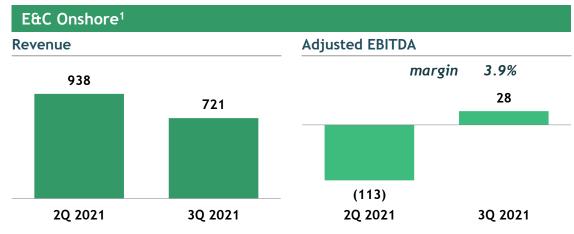


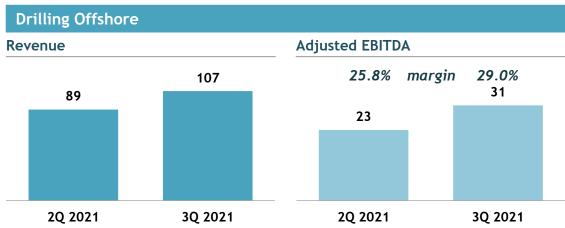
1. Not including special items

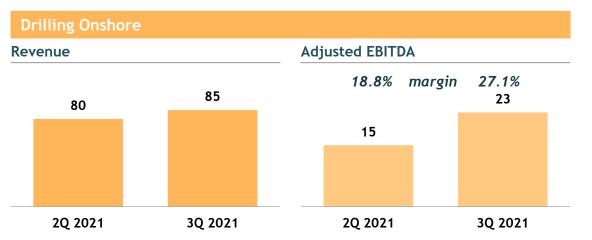


9M 2021 Results - Divisions QoQ Trend (M€)









1. E&C Onshore including floaters business and XSIGHT