



Saipem: preliminary results for the fourth quarter and the year 2022, and update of the Strategic Plan

**The improvement in the Group's performance continues with the acquisition of new contracts, and a significant growth in revenues and margins
Results are fully in line with forecasts disclosed to the market**

The update to the Strategic Plan confirms the favourable market momentum and the prospects for improvement in the operational, economic and financial performance of the Group

As a result of the sale of the Onshore Drilling business, the results of the segment being divested were recognised as discontinued operations in accordance with the provisions of IFRS 5. The comparative periods have been restated in accordance with this accounting treatment in all parts of this release.

This press release provides the information required on a quarterly basis by Consob on 10 May 2022, pursuant to Article 114, subparagraph 5 of the Consolidated Law on Finance.

With regards to the year 2022, the Saipem Group achieved:

- Revenues: €9,980 million, +53% compared to 2021
- Adjusted EBITDA: €595 million, compared to a negative figure of €1,274 million in 2021
- Order intake: about €14 billion¹. Over 70% of new contracts was in offshore business (E&C and Drilling)
- Pre-IFRS 16 net financial position as of December 31, 2022 positive net cash of €56 million (post-IFRS 16 net debt of €264 million)
- Onshore Drilling disposal: first closing completed at the end of October 2022, with a cash consideration of approximately €500 million and the acquisition of 10% shares in KCA Deutag

In the fourth quarter of 2022, the Group's results were as follows:

- Revenues: €2,937 million
- Adjusted EBITDA: €150 million
- Order Intake: about €6 billion, almost entirely (95% of the total) in offshore business

Saipem updated the strategic guidelines presented in March 2022, confirming the positive market momentum and the progressive improvement in the performance of the Group. Consequently, the economic and financial targets have been revised, with the aim to also reflect the effects of the sale of the onshore drilling on the projections.

Specifically, with reference to the year 2023, the Company expects:

- Revenues over €11 billion
- Adjusted EBITDA around €850 million
- Capex around €450 million, also due to capital expenditure needed for the preparation of new leased vessels in order to satisfy with the growing demand by clients
- Free Cash Flow at breakeven
- Pre-IFRS 16 net financial position at the end of the year: positive net cash (post-IFRS 16 net debt around €500 million)

With reference to 2026, the last year of the 2023-26 Strategic Plan, the Company expects:

- Revenues over €12 billion
- Adjusted EBITDA over €1.2 billion

¹ Before backlog reduction in Onshore E&C in Q1 (€968 million)

- Free Cash Flow over €600 million
- Positive net cash (post-IFRS 16) over €700 million at year-end

With reference to the entire course of the 2023-2026 Plan, the Company expects:

- Acquisitions of new E&C contracts for about €46 billion, of which about 25% in low/zero carbon segments, and Offshore Drilling for about €3 billion
- Cumulative capex of about €1.2 billion

While commenting the results, Alessandro Puliti, CEO, and general manager of Saipem, stated:

“Besides the obvious satisfaction for the economic and financial results of 2022, I believe it is essential to highlight that reaching these results was possible thanks to the efforts of over 30,000 colleagues in 70 countries all over the world. Their contribution shows the wealth of skills, abilities and focus on the result that represents Saipem’s culture. To them goes my first and personal thanks.

In addition, I must thank our shareholders, the Financial Institutions and the entire Board of Directors who have enabled a successful implementation of the strategic and organisational changes already underway, and the financial strengthening that have made Saipem’s relaunch possible”.

Milan, February 27, 2023 - The Board of Directors of Saipem SpA chaired by Silvia Merlo examined today the Group’s consolidated preliminary results as of December 31, 2022², prepared in accordance with international accounting standards (International Financial Reporting Standard - IFRS endorsed by the EU).

For comparative purposes, the main figures are shown below with reference to the new scope including contributions from discontinued operations exclusively within net result following the first closing in October 2022. Results in *discontinued operations* for Saipem’s relevant periods are stated in the comment to results.

Results for the fourth quarter and 2022:

- **Revenues:** €9,980 million (€6,528 million in 2021), of which €2,937 million in the fourth quarter.
- **Adjusted EBITDA:** €595 million, equal to 6% of revenues (loss of €1,274 million in 2021), of which €150 million in the fourth quarter.
- **Net result:** loss of €209 million (loss of €2,467 million in 2021), of which €71 million in the fourth quarter.
- **Capital expenditure:** €523 million compared to €246 million in 2021.
- **Post-IFRS 16 net financial position:** net debt of €264 million (net debt of €1,541 million as of December 31, 2021).
- **Pre-IFRS 16 net financial position:** positive net cash of €56 million (net debt of €1,223 million as of December 31, 2021).
- **Order intake:** €12,941 million (€6,952 million in 2021).
- **Backlog:** €24,017 million (€21,236 million as of December 31, 2021), which increases to €24,376 million including the backlog of non-consolidated companies (€23,185 million as of December 31, 2021).

² Unaudited

Highlights

fourth quarter 2021	third quarter 2022	fourth quarter 2022	4Q 2022 vs 4Q 2021 (%)	Continuing Operations	year 2021	year 2022	year 2022 vs year 2021 (%)
1,707	2,856	2,937	72.1	Revenues	6,528	9,980	52.9
(1,222)	168	131	ns	EBITDA continuing operations	(1,724)	543	ns
(930)	182	150	ns	Continuing operations adjusted EBITDA	(1,274)	595	ns
(1,328)	54	17	ns	Continuing operations operating result (EBIT)	(2,219)	98	ns
(1,036)	68	36	ns	Continuing operations operating result (EBIT) adjusted	(1,674)	150	ns
(1,337)	(34)	(158)	(88.2)	Continuing operations net result	(2,406)	(315)	(86.9)
(1,045)	(20)	(139)	(86.7)	Continuing operations adjusted net result	(1,861)	(263)	(85.9)
(1,346)	(8)	(71)	(94.7)	Net Result	(2,467)	(209)	(91.5)
(1,052)	7	(38)	(96.4)	Adjusted Net Result	(1,914)	(139)	(92.7)
183	(158)	249	36.1	Free cash flows	(193)	(524)	ns
1,223	88	(56)	ns	Pre-IFRS 16 net debt	1,223	(56)	ns
1,541	426	264	(82.9)	Post-IFRS 16 net debt	1,541	264	(82.9)
74	98	339	ns	Capital expenditure	246	523	ns
2,332	2,696	6,017	ns	New contracts	6,952	12,941	86.1

* The results of the Onshore Drilling segment being divested, have been recognized as discontinued operations in accordance with the criteria set out in IFRS 5. The comparison periods have been restated for comparative purposes.

Revenues and associated profit levels are not consistent over time, as they are influenced not only by market performance but also by climatic conditions and individual project schedules in the Engineering and Construction sector, and by contract expiry and renegotiation timing in the Drilling sector.

Continuing and discontinued operations and non-current assets held for sale

The Onshore Drilling (DRON) business was recognised as discontinued operations given that, as of October 28, 2022, the first closing of the sale transaction of Saipem's business to KCA Deutag was completed, following the agreement presented on June 1, 2022. Specifically, the activities in Saudi Arabia, the Congo, the United Arab Emirates, and Morocco were sold. Activities in Kuwait were transferred in January 2023, while the remaining activities in the Americas, Kazakhstan, and Romania will be transferred within the first half of 2023.

Reorganisation: impact on reporting

To complete the new organisation, in February 2023 the Company established a new business line, Offshore Wind, adding to the four business lines established in January 2022; the current organisational structure is as follows: Asset Based Services, Energy Carriers, Robotics and Industrialized Solutions, and Sustainable Infrastructures.

In order to facilitate the financial market's understanding of the evolution of the economic/financial performance during 2022, the Company maintained, in continuity with previous years, the reporting structure based on the four divisions Offshore Engineering & Construction, Onshore Engineering & Construction, Offshore Drilling and Onshore Drilling (discontinued operations), this choice derives also from the fact that the Company was completing the implementation of the management control system in line with the new organizational structure.

The 2023-2026 Strategic Plan was developed in accordance with the new organisational structure.

The information to the market, starting from the first quarter of 2023, in accordance with the provisions of IFRS 8 will be prepared following the reporting segments below:

- Asset Based Services, which will include the Offshore Engineering & Construction and Offshore Wind activities,
- Offshore Drilling, and
- Energy Carriers, which will include the Onshore Engineering & Construction, Sustainable Infrastructures, and Robotics and Industrialized Solutions activities.

Management update 2022

In 2022, **revenues** amounted to €9,980 million (€6,528 million in 2021), and the **adjusted EBITDA** amounts to €595 million (a loss of €1,274 million in 2021). The improvement is recorded in all the activities, mainly driven by Offshore Engineering & Construction and drilling sectors, as commented below in the subparagraph “Analysis by business sector”.

The **adjusted net result** from continuing operations amounted to a loss of €263 million (a loss of €1,861 million in 2021). The positive change recorded in adjusted operating result (€1,824 million) is reduced by the deterioration in the balance of tax and financial operations totalling €226 million.

The **net result** from continuing operations shows a loss of €315 million (loss of €2,406 million in 2021) and compared to the adjusted net result includes costs for COVID-19 healthcare emergency of about €28 million and reorganisation expenses of €24 million.

The **net result**, including the net result from discontinued operations of €106 million, records a loss of €209 million (loss of €2,467 million in 2021).

Adjusted EBIT reconciliation - reported EBIT

	Offshore E&C	Onshore E&C	Offshore Drilling	Total
Adjusted EBIT	105	(57)	102	150
Costs for COVID-19 healthcare emergency	23	4	1	28
Reorganization expenses	(7)	29	2	24
Total special items	(16)	(33)	(3)	(52)
Reported EBIT	89	(90)	99	98

In the corresponding period of 2021, net result recorded a loss of €2,467 million and compared to the adjusted net result included the following special items:

- partial impairment of three vessels and three logistic bases, and of the related working capital, for €124 million;
- contingent liabilities of €293 million, deriving from the resolution of legal disputes;
- costs deriving from the healthcare emergency for €72 million;
- reorganization expenses of €56 million.

The impairment test as of December 31, 2022 did not result in the recording of impairment loss.

The **capital expenditure** in 2022, including the purchase of the seventh-generation drillship Santorini, amounted to €523 million (€246 million in 2021), and was as follows:

- €146 million in Offshore Engineering & Construction;
- €27 million in Onshore Engineering & Construction;
- €350 million in Offshore Drilling.

Pre-IFRS 16 net financial position as of December 31, 2022 amounted to a net cash of €56 million. Net debt, including IFRS 16 lease liability of €320 million, amounted to €264 million.

Pre-IFRS 16 gross debt as of December 31, 2022, amounted to €2,630 million, liquidity to €2,686 million of which available cash for €1,362 million.

Financing package

The subscription of the capital increase was completed on 15 July 2022 for a total amount of €2 billion fully paid and on 18 July 2022 the Company repaid the "SACE Facility" for the entire amount equal to €852 million. Saipem has also further strengthened its financial structure and liquidity by signing two new credit lines for a total of €860 million with a pool of leading national and international banks, as reported in the press release on February 13, 2023.

Backlog

In 2022, Saipem was awarded new contracts amounting to a total of €12,941 million (€6,952 million in 2021). The backlog as of December 31, 2022, amounted to €24,017 million (€10,756 million in Offshore Engineering & Construction, €11,767 million in Onshore Engineering & Construction, €1,494 million in Offshore Drilling), of which €10,009 million to be executed in 2023.

The backlog including non-consolidated companies as of December 31, 2022, amounted to €24,376 million (€10,804 million in Offshore Engineering & Construction, €12,078 million in Onshore Engineering & Construction and €1,494 million in Offshore Drilling), of which €10,340 million to be executed in 2023.

This press release should be read in conjunction with the Interim Consolidated Financial Statements as of June 30, 2022 and the Consolidated Financial Statements as of December 31, 2021 of Saipem SpA, which are already available on the Company's website (www.saipem.com), under the section "Investor Relations /Financial information".

Paolo Calcagnini, Chief Financial Officer declares pursuant to Article 154 bis, subparagraph 2 of the Consolidated Law on Finance that the accounting information corresponds to the documentary results, books, and accounting records.

By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent upon circumstances which should or are considered likely to occur in the future and are outside of the Group's control. These include, but are not limited to: exchange and interest rate fluctuations, commodity price volatility, credit and liquidity risks, HSE risks, the levels of capital expenditure in the oil 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 COVID-19 pandemic (including its impacts on our business, our ongoing projects worldwide and our procurement chain), in addition to changes in stakeholders' expectations and other changes affecting business conditions. Actual results could therefore differ materially from the forward-looking statements. The financial reports contain in-depth analyses of some of the aforementioned risks. Forward-looking statements and data are to be considered in the context of the date of their release.

Conference call and webcast

The results contained in this press release will be presented tomorrow at 10:30 AM Italian time during a conference call and webcast by CEO Alessandro Puliti and CFO Paolo Calcagnini. The conference call can be joined by webcast, via the Company's website www.saipem.com, by clicking on the banner 'Saipem full year 2022 results and strategy update' on the home page, or following the URL <https://edge.media-server.com/mmc/p/kycsmtb7> .

During the conference call and webcast, a presentation will be given that can be downloaded around 30 minutes before the estimated start time, from the webcast window or from the "Investor Relations/Quarterly results and documentation/Archive" section of the website www.saipem.com. The presentation will also be available on the authorised storage mechanism "eMarketSTORAGE" (www.emarketstorage.com) and on the website of Borsa Italiana SpA (www.borsaitaliana.it).

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Analysis by sector of activity - Adjusted results

Offshore Engineering & Construction

							(€ million)		
fourth quarter 2021	third quarter 2022	fourth quarter 2022	4Q 2022 vs 4Q 2021 (%)		year 2021	year 2022	year 2022 vs year 2021 (%)		
865	1,592	1,463	69.1	Revenues	2,848	5,127	80.0		
(1,441)	(1,460)	(1,341)	(6.9)	Costs	(3,802)	(4,707)	23.8		
(576)	132	122	ns	Adjusted EBITDA	(954)	420	ns		
(70)	(85)	(80)	14.3	Amortisation	(261)	(315)	20.7		
(646)	47	42	ns	Adjusted operating result	(1,215)	105	ns		
(66.6)	8.3	8.3		Adjusted EBITDA %	(33.5)	8.2			
(74.7)	3.0	2.9		Adjusted EBIT %	(42.7)	2.0			
1,411	1,131	4,953		New contracts	4,000	8,446			

Backlog as of December 31, 2022: €10,756 million, of which €4,757 million to be executed in 2023.

- Revenues of 2022 amounted to €5,127 million, nearly doubled compared to the corresponding period of 2021, mainly attributable to higher volumes in the Middle East, Sub-Saharan Africa, Central and South America, and the rest of Europe.
- The adjusted EBITDA of 2022 is positive for €420 million, equal to 8.2% of revenues compared to the negative figure of €954 million in the corresponding period of 2021. The 2021 result was mainly impacted by the operational issues regarding a wind project in the North Sea and by the missed contribution of new contracts in substitution of projects completed in 2020.
- The most significant new contracts during the fourth quarter related to:
 - for Qatargas, the North Field Production Sustainability Offshore Compression Complexes - EPC 2 project offshore the North-East coast of Qatar, which includes the engineering, procurement, fabrication, and installation of two offshore natural gas compressor stations to support the production in the North Field, including two of the largest compression platforms on steel jackets ever built, interconnection bridges, accommodation modules, and interface modules;
 - for ExxonMobil Guyana, subject to government authorization, the project for the development of the UARU oil field in the Stabroek block, offshore Guyana, at a depth of around 2,000 metres. The subject of the contract includes the design, fabrication, and installation of submarine structures, risers, flowlines and umbilicals for a large submarine production plant;
 - for Petrobel, a contract for the transportation, installation, and pre-commissioning of 170 km of umbilicals for the Zohr field, to be transported and installed between the central control platform (70-metre depth) and the submarine field (1,500-metre depth), by connecting to existing production systems.

Onshore Engineering & Construction

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022	4Q 2022 vs 4Q 2021 (%)		year 2021	year 2022	year 2022 vs year 2021 (%)
722	1,136	1,326	83.7	Revenues	3,286	4,288	30.5
(1,116)	(1,133)	(1,339)	20.0	Costs	(3,722)	(4,287)	15.2
(394)	3	(13)	(96.7)	Adjusted EBITDA	(436)	1	ns
(18)	(14)	(15)	(16.7)	Amortisation	(70)	(58)	(17.1)
(412)	(11)	(28)	(93.2)	Adjusted operating result	(506)	(57)	(88.7)
(54.6)	0.3	(1.0)		Adjusted EBITDA %	(13.3)	0.0	
(57.1)	(1.0)	(2.1)		Adjusted EBIT %	(15.4)	(1.3)	
881	1,525	219		New contracts	2,716	2,796	

Backlog as of December 31, 2022: €11,767 million, of which €4,641 million to be executed in 2023.

- Revenues of 2022 amount to €4,288 million, an increase of 30.5% compared to the corresponding period of 2021 due to the effect of higher volumes achieved in the Middle East, South America, and Italy, partly offset by the lower volumes in Russia.
- Adjusted EBITDA in 2022 is positive for €1 million, equal to the negative figure of €436 million of the corresponding period of 2021, whose margins were affected by the suspension of the LNG contract in Mozambique and by the extra costs following the backlog review.

Offshore Drilling

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022	4Q 2022 vs 4Q 2021 (%)		year 2021	year 2022	year 2022 vs year 2021 (%)
120	128	148	23.3	Revenues	394	565	43.4
(80)	(81)	(107)	33.8	Costs	(278)	(391)	40.6
40	47	41	2.5	Adjusted EBITDA	116	174	50.0
(18)	(15)	(19)	5.6	Amortisation	(69)	(72)	4.3
22	32	22	-	Adjusted operating result	47	102	ns
33.3	36.7	27.7		Adjusted EBITDA %	29.4	30.8	
18.3	25.0	14.9		Adjusted EBIT %	11.9	18.1	
40	40	845		New contracts	236	1,699	

Backlog as of December 31, 2022: €1,494 million, of which €492 million to be executed in 2023.

- Revenues in 2022 amounted to €565 million, an increase of 43.4% compared to the corresponding period of 2021, mainly as an effect of the increased contribution of the semi-submersible platform Scarabeo 9, idle for around six months in 2021, of the jack-up Perro Negro 7 and the drillship Saipem 12000, idle due to cyclical maintenance and inactive, respectively, at the end of 2021, as well as the contributions of the drillship Santorini, leased during the fourth quarter of 2021. The improvement is partly offset by the lower contribution of the semi-submersible platform Scarabeo 8 and jack-up Perro Negro 8, idle due to cyclical maintenance during the last quarter of 2022.
- Adjusted EBITDA in 2022 amounted to €174 million, equal to 30.8% of revenues, compared to €116 million of the corresponding period of 2021, equal to 29.4%, as an effect of the full operation of the fleet.
- The most significant new contracts during the fourth quarter related to:
 - for Azule Energy, the acquisition of a contract for the construction of twelve wells in Angola using the drillship Saipem 12000;
 - for Saudi Aramco, in Saudi Arabia:
 - a 5-year contract plus an option of two years for the execution of works using the jack-up Perro Negro 13;
 - a 3-year contract plus an option of one year for the execution of works using the jack-up Perro Negro 12;
 - the extension of additional 5 years on the contract relating to the lease of the jack-up Sea Lion 7 initially scheduled to expire at the beginning of 2023;
 - for Eni, a 6-month firm contract with two options of five months each for activities in Côte d'Ivoire using the drillship Saipem 12000;
 - for Eni, the extension through the exercise of various contractual options for activities in Egypt using the drillship Saipem 10000.

The main vessel utilisation in 2022 was as follows:

<i>Vessel</i>	<i>year 2022</i>	
	<i>sold</i>	<i>idle</i>
	<i>(No. of days)</i>	
Semi-submersible platform Scarabeo 5	365	-
Semi-submersible platform Scarabeo 8	248	117 (a+b)
Semi-submersible platform Scarabeo 9	292	73 (a)
Drillship Saipem 10000	365	-
Drillship Saipem 12000	365	-
Drillship Santorini	365	-
Jack-up Perro Negro 4	365	-
Jack-up Perro Negro 7	365	-
Jack-up Perro Negro 8	238	127 (a)
Jack-up Pioneer Jindal*	365	-
Jack-up Sea Lion 7*	365	-
Jack-up Perro Negro 9*	365	-
Tender Assisted Drilling Barge	-	210 (c)

(a) = Days on which the vessel underwent class reinstatement/preparation works

(b) = Days on which the vessel was idle and not under contract

(c) = Rig sold in the third quarter according to current legislation (green recycling)

* Leased vessels

Discontinued operations - Onshore Drilling:

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022	4Q 2022 vs 4Q 2021 (%)		year 2021	year 2022	year 2022 vs year 2021 (%)
104	150	78	(25.0)	Revenues	347	476	37.2
(75)	(117)	(82)	9.3	Costs	(265)	(389)	46.8
29	33	(4)	ns	Adjusted EBITDA	82	87	6.1
(32)	(2)	(4)	(87.5)	Amortisation	(121)	(57)	(52.9)
(3)	31	(8)	ns	Adjusted operating result	(39)	30	ns
27.9	22.0	(5.1)		Adjusted EBITDA %	23.6	18.3	
(2.9)	20.7	(10.3)		Adjusted EBIT %	(11.2)	6.3	
9	33	28		New contracts	256	699	

- Revenues in 2022 amounted to €476 million and the adjusted EBITDA in 2022 amounted to €87 million. The EBITDA in 2022 amounted to €69 million but does not include charges from the health emergency of €1 million and reorganisation charges of €17 million. Starting from June 1, in accordance with IFRS 5, the detection of depreciation and amortisation was interrupted, and investments made during the reference period were recognised in the income statement. The transferred assets contribute to the result up to the date of transfer.
- The operating result in 2022 amounted to €12 million; financial expenses for €7 million, taxes for €18 million, and the capital gain for €119 million bring the net result from discontinued operations to a profit of €106 million.

Attached are:

the consolidated Balance Sheet, reclassified Income Statement (the Income Statement is reclassified according to the nature and destination of operating costs) and the Cash Flow Statement

RECLASSIFIED CONSOLIDATED BALANCE SHEET

	(€ million)	
	December 31, 2021	December 31, 2022
Net tangible assets	3,113	2,879
Right-of-use of leased activities	261	258
Net intangible assets	<u>699</u>	<u>691</u>
	4,073	3,828
Equity investments	127	128
Non-current assets	4,200	3,956
Net current assets	(2,070)	(1,589)
Employee benefits	(238)	(183)
Assets held for sale	-	166
NET CAPITAL EMPLOYED	1,892	2,350
Equity	326	2,068
Non-controlling interests	25	18
Pre-IFRS 16 net debt (cash)	1,223	(56)
Lease liabilities	318	320
Net debt	1,541	264
FUNDING	1,892	2,350
Leverage (net debt/equity + non-controlling interests)	4.39	0.13
NUMBER OF SHARES ISSUED AND OUTSTANDING	1,010,977,439	1,995,558,791

CONSOLIDATED INCOME STATEMENT RECLASSIFIED BY NATURE

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022		year	
				2021	2022
1,707	2,856	2,937	Core business revenues	6,528	9,980
1	-	4	Other income and revenues	5	9
(2,508)	(2,277)	(2,434)	Purchases, services, and other costs	(6,662)	(7,822)
7	1	83	Net reversals of impairment loss (impairment loss) on trade receivables and other assets	(42)	32
(429)	(412)	(459)	Personnel and related expenses	(1,553)	(1,656)
(1,222)	168	131	GROSS OPERATING MARGIN	(1,724)	543
(106)	(114)	(114)	Depreciation, amortisation, and impairment loss	(495)	(445)
(1,328)	54	17	OPERATING RESULT	(2,219)	98
(51)	(57)	(79)	Financial expense	(137)	(195)
19	-	(41)	Gains (loss) on equity investments	9	(65)
(1,360)	(3)	(103)	RESULT BEFORE TAXES	(2,347)	(162)
23	(31)	(55)	Income taxes	(59)	(153)
(1,337)	(34)	(158)	RESULT BEFORE NON-CONTROLLING INTERESTS	(2,406)	(315)
-	-	-	Result attributable to non-controlling interests	-	-
(1,337)	(34)	(158)	NET RESULT - Continuing Operations	(2,406)	(315)
(9)	26	87	NET RESULT - Discontinued Operations	(61)	106
(1,346)	(8)	(71)	NET RESULT	(2,467)	(209)

RECLASSIFIED CONSOLIDATED INCOME STATEMENT BY DESTINATION

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022		year	
				2021	2022
1,707	2,856	2,937	Core business revenues	6,528	9,980
(2,905)	(2,720)	(2,811)	Production costs	(8,233)	(9,469)
(44)	(12)	(20)	Idle costs	(196)	(108)
(28)	(27)	(31)	Trade receivables	(133)	(115)
(13)	(7)	(12)	Costs for studies, research, and development	(35)	(31)
(12)	6	1	Other operating income (expenses)	(6)	4
(1,295)	96	64	ACTIVITY MARGIN	(2,075)	261
(33)	(42)	(47)	General expenses	(144)	(163)
(1,328)	54	17	OPERATING RESULT	(2,219)	98
(51)	(57)	(79)	Financial expense	(137)	(195)
19	-	(41)	Gains (loss) on equity investments	9	(65)
(1,360)	(3)	(103)	RESULT BEFORE TAXES	(2,347)	(162)
23	(31)	(55)	Income taxes	(59)	(153)
(1,337)	(34)	(158)	RESULT BEFORE NON-CONTROLLING INTERESTS	(2,406)	(315)
-	-	-	Result attributable to non-controlling interests	-	-
(1,337)	(34)	(158)	NET RESULT - Continuing Operations	(2,406)	(315)
(9)	26	87	NET RESULT - Discontinued Operations	(61)	106
(1,346)	(8)	(71)	NET RESULT	(2,467)	(209)

RECLASSIFIED CASH FLOW STATEMENT

(€ million)

fourth quarter 2021	third quarter 2022	fourth quarter 2022		year	
				2021	2022
(1,337)	(34)	(158)	Group's result for the period - Continuing Operations	(2,406)	(315)
(9)	26	87	Group's result for the period - Discontinued Operations	(61)	106
-	-	-	Result of non-controlling interest	-	-
			<i>Adjustments:</i>		
964	149	116	Depreciation, amortisation, and other non-monetary items - Continuing Operations	1,523	242
32	9	(121)	Depreciation, amortisation, and other non-monetary items - Discontinued Operations	121	(62)
612	(195)	124	Changes in working capital related to operations - Continuing Operations	886	(450)
15	(19)	43	Changes in working capital related to operations - Discontinued Operations	27	2
239	(80)	82	Net cash flows from activities in the period - continuing operations	3	(523)
38	16	9	Net cash flows from activities in the period - discontinued operations	87	46
(74)	(98)	(339)	Continuing operations capital expenditure	(246)	(523)
(29)	(1)	-	Discontinued operations capital expenditure	(52)	(27)
-	-	-	Investments in equity, consolidated subsidiaries, and business units	-	-
9	5	497	Divestments	15	503
183	(158)	249	Free cash flows	(193)	(524)
-	-	-	Repurchase of treasury shares	(15)	-
-	-	-	Share capital increase net of charges	-	-
-	1,461	(1)	Cash flow from capital and reserves	(26)	1,918
(19)	(40)	(31)	Repayments of lease liabilities	(126)	(128)
7	44	(73)	Exchange differences on net debt and other changes	9	13
171	1,307	144	Change in net debt pre-lease liabilities	(351)	1,279
(39)	(30)	18	Change in lease liabilities	36	(2)
132	1,277	162	Change in net debt	(315)	1,277
1,673	1,703	426	Net debt at the start of the period	1,226	1,541
1,541	426	264	Net debt at the end of the period	1,541	264

**Information required by Consob pursuant to Article
114, subparagraph 5 of Legislative Decree 58/98 (“TUF”)**

* * *

At the request of CONSOB received on May 10, 2022 and motivated by the market’s need to be constantly informed given the “uncertainties around the Company’s (and the Saipem Group’s) ability to continue its activity as a going concern”, resulting from the audit of the Company’s financial statements and of the consolidated balance sheet as of December 31, 2021, the information requested by the supervisory authorities and herein presented.

It should also be noted that on July 15, 2022, the Group performed the Saipem capital increase approved by the extraordinary Shareholders’ Meeting of May 17, 2022.

The prospect of the occurrence of such circumstances, as presented in the reports to the above-mentioned financial statements, was a prerequisite of the Company’s going concern, which is by now achieved.

The following information is given as of December 31, 2022 regarding Saipem Spa and the Group of which the Company is the parent:

a) Net Financial Position of Saipem Spa and of the Saipem Group as of December 31, 2022, highlighting the short-term components shown separately from medium/long-term components.

Following is the statement of net debt of Saipem Spa and the Saipem Group as of December 31, 2022, prepared according to the provisions of Consob document 5/21 of April 29, 2021 which implements the ESMA guidelines, compared to that of December 31, 2021.

Net Financial Position of Saipem Spa

(€ million)	31/12/2021			31/12/2022		
	Current	Non-current	Total	Current	Non-current	Total
A. Cash and cash equivalents	889	-	889	1,032	-	1,032
B. Cash and cash equivalents	-	-	-	-	-	-
C. Other current financial assets:						
- Financial assets measured at fair value through OCI	-	-	-	-	-	-
- Loan assets	267	-	267	353	-	353
D. Liquidity (A+B+C)	1,156	-	1,156	1,385	-	1,385
E. Current debt:	1,448	-	1,448	1,300	-	1,300
- Current financial liabilities with banks	226	-	226	82	-	82
- Current financial liabilities with related parties	1,182	-	1,182	1,182	-	1,182
- Other current financial liabilities	-	-	-	-	-	-
- Lease liabilities	39	-	39	36	-	36
F. Current portion of the non-current debt:	63	-	63	112	-	112
- Non-current financial liabilities with banks	63	-	63	112	-	112
- Ordinary bonds	-	-	-	-	-	-
G. Current debt (E+F)	1,511	-	1,511	1,412	-	1,412
H. Net current debt (G-D)	355	-	355	27	-	27
I. Non-current debt:	-	157	157	-	99	99
- Non-current financial liabilities with banks	-	113	113	-	-	-
- Non-current financial liabilities with related parties	-	-	-	-	-	-
- Lease liabilities	-	45	45	-	99	99
J. Debt instruments:	-	-	-	-	-	-
- Ordinary bonds	-	-	-	-	-	-
K. Trade payables and other non-current debts	-	-	-	-	-	-
L. Non-current debt (I+J+K)	-	157	157	-	99	99
M. Total debt as set out in Consob document No. 5/21, April 29, 2021 (H+L)	355	157	512	27	99	126

Net debt of Saipem Spa does not include the fair value of derivatives for a positive value of €18 million (negative value of €51 million as of December 31, 2021).

Reconciliation of net debt

(€ thousand)	31/12/2021			31/12/2022		
	Current	Non-current	Total	Current	Non-current	Total
M. Total debt as set out in Consob document						
No. 5/21, April 29, 2021 (H+L)	355	157	512	27	99	126
N. Non-current loan assets	-	-	-	-	-	-
O. Lease assets	-	-	-	-	-	-
P. Net debt (M-N-O)	355	157	512	27	99	126

As of December 31, 2022, Saipem Spa recorded a positive net debt before net lease liabilities of €9 million (negative for €428 million as of December 31, 2021) and a positive net debt including lease liabilities of €126 million (negative for €512 million as of December 31, 2021).

Net Financial Position of the Saipem Group

(€ million)	31/12/2021			31/12/2022		
	Current	Non-current	Total	Current	Non-current	Total
A. Cash and cash equivalents	1,632	-	1,632	2,052	-	2,052
B. Cash and cash equivalents	-	-	-	-	-	-
C. Other current financial assets:	625	-	625	569	-	569
- Financial assets measured at fair value through OCI	59	-	59	75	-	75
- Loan assets	566	-	566	494	-	494
D. Liquidity (A+B+C)	2,257	-	2,257	2,621	-	2,621
E. Current debt:	559	-	559	298	-	298
- Current financial liabilities with banks	367	-	367	82	-	82
- Current financial liabilities with related parties	18	-	18	1	-	1
- Other current financial liabilities	27	-	27	76	-	76
- Lease liabilities	147	-	147	139	-	139
F. Current portion of the non-current debt:	697	-	697	742	-	742
- Non-current financial liabilities with banks	151	-	151	206	-	206
- Ordinary bonds	546	-	546	536	-	536
G. Current debt (E+F)	1,256	-	1,256	1,040	-	1,040
H. Net current debt (G-D)	(1,001)	-	(1,001)	(1,581)	-	(1,581)
I. Non-current debt:	-	686	686	-	498	498
- Non-current financial liabilities with banks	-	439	439	-	234	234
- Non-current financial liabilities with related parties	-	-	-	-	-	-
- Lease liabilities	-	247	247	-	264	264
J. Debt instruments:	-	1,993	1,993	-	1,495	1,495
- Ordinary bonds	-	1,993	1,993	-	1,495	1,495
K. Trade payables and other non-current debts	-	-	-	-	-	-
L. Non-current debt (I+J+K)	-	2,679	2,679	-	1,993	1,993
M. Total debt as set out in Consob document						
No. 5/21, April 29, 2021 (H+L)	(1,001)	2,679	1,678	(1,581)	1,993	412

Reconciliation of net debt

(€ million)	31/12/2021			31/12/2022		
	Current	Non-current	Total	Current	Non-current	Total
M. Total debt as set out in Consob document						
No. 5/21, April 29, 2021 (H+L)	(1,001)	2,679	1,678	(1,581)	1,993	412
N. Non-current loan assets	-	61	61	-	65	65
O. Lease assets	30	46	76	26	57	83
P. Net debt (M-N-O)	(1,031)	2,572	1,541	(1,607)	1,871	264

Pre-IFRS 16 net financial position as of December 31, 2022 amounted to a net cash of €56 million. Net debt, including IFRS 16 lease liability of €320 million, amounted to €264 million.

Pre-IFRS 16 gross debt as of December 31, 2022, amounted to €2,630 million, liquidity to €2,686 million of which available cash for €1,362 million.

- b) Expired debt positions of Saipem Spa and of the Saipem Group as of December 31, 2022, by nature (financial, commercial, tax, social security and towards employees) and any related creditor reaction initiatives (reminders, injunctions, suspension of supplies, etc.)**

Expired debt positions of Saipem Spa

The expired debt positions of Saipem Spa as of December 31, 2022 are as follows:

€ million	Total as of 31/12/2022
Trade payables	124
- of which expired less than three months	91

The level of expired debt is within what can be considered a normal level given the nature and complexity of business. It should also be noted that the advances to suppliers at the same date amounted to €46 million. There are no expired debt positions relating to financial, tax, social security, and employee debts.

Expired debt positions of the Saipem Group

The expired debt positions of the Saipem Group as of December 31, 2022 are as follows:

€ million	Total as of 31/12/2022
Trade payables	382
- of which expired less than three months	310

The level of expired debt, equal to €382 million and about 4% of revenues of 2022, is within what can be considered normal level given the nature and complexity of business. It should also be noted that the advances to suppliers at the same date amounted to €162 million.

There are no expired debt positions relating to financial, tax, social security, and employee debts.

c) Main changes in transactions with related parties of Saipem Spa and the Saipem Group, compared to the last annual financial report approved pursuant to Article 154-ter of the Consolidated Law on Finance.

Transactions carried out by Saipem SpA and the companies included in the scope of consolidation with related parties mainly consist of the supply of services and the exchange of goods with joint ventures, associates and subsidiaries that are not fully consolidated, with subsidiaries, joint ventures and associates mainly of Eni SpA and CDP SpA taking into account control of CDP Spa on CDP Equity Spa, with companies controlled by the Ministry of Economy and Finance (MEF). These transactions form part of ordinary operations and are settled at market conditions, i.e., at the conditions that would have applied between two independent parties. All operations carried out were completed in the interest of the companies of Saipem Spa.

Trade and other transactions

Trade and other transactions consisted of the following:

(€ million)

Name	31/12/2021			31/12/2021			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Costs		Revenues	
				Goods	Services ⁽¹⁾	Goods and services	Other
Continuing Operations							
Unconsolidated subsidiaries							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total unconsolidated subsidiaries	5	4	-	-	-	-	-
Joint ventures and associates							
ASG Scarl ⁽²⁾	1	3	-	-	-	-	-
CCS JV Scarl ⁽²⁾	208	479	-	-	672	798	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due ⁽²⁾	100	327	639	-	185	178	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno ⁽²⁾	-	-	59	-	-	-	-
Gydan Lng Sarl	1	-	-	-	-	11	-
Gydan Yard Management Services (Shanghai) Co Ltd	1	-	-	-	-	2	-
Gygaz Snc	1	-	-	-	(4)	1	-
KWANDA Suporte Logistico Lda	1	6	-	-	2	4	-
Novarctic Sarl	1	-	-	-	-	3	-
Petromar Lda	6	1	5	-	(1)	8	-
PSS Netherlands BV	31	18	-	-	-	12	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	16	12	74	-	-	-	-
Saipon Snc	1	-	-	-	-	-	-
SAME Netherlands BV	20	-	-	-	-	44	-
Saren BV	61	1	-	-	-	89	-
SCD JV Scarl ⁽²⁾	14	203	-	8	78	112	-
TSGI Mühendislik Insaat Ltd Sirketi	3	-	-	-	-	(5)	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	466	1,050	777	8	932	1,257	-
Eni Group							
Eni SpA ⁽³⁾	16	2	16	-	2	37	-
Eni Angola SpA	30	1	57	-	(5)	181	-
Eni Congo SA	18	7	-	(1)	-	21	-
Eni East Sepinggan Ltd	-	-	7	-	-	42	-
Eni México, S. de R.L. de C.V.	12	-	-	-	-	43	-
Mozambique Rovuma Venture SpA	7	-	-	-	-	89	-
Naoc - Nigerian Agip Oil Co Ltd	-	120	-	-	-	5	-

(1) The item 'Services' includes costs for services, costs for the use of third-party assets and other costs, as well as net reversals of impairment loss (impairment loss) on trade receivables and other assets.

(2) Revenues from limited liability consortium companies refer to the retrocession of fees that these companies' invoice to the client and that on the basis of the consortium nature of the investee company are attributed to the consortium partner.

(3) The item 'Eni SpA' also includes transactions with Eni SpA Divisione Exploration & Production, Eni SpA Divisione Gas & Power, Eni SpA Divisione Refining & Marketing.

Trade and other transactions consisted of the following:

(€ million)

Name	31/12/2021			31/12/2021			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Costs		Revenues	
				Goods	Services ⁽¹⁾	Goods and services	Other
Petrobel Belayim Petroleum Co	18	28	103	-	-	99	-
Var Energy AS	1	-	-	-	-	68	-
Other Eni Group companies (for transactions not exceeding €21 million)	9	2	9	1	14	56	-
Total Eni Group	111	160	192	-	11	641	-
CDP Group							
Italgas	-	-	44	-	-	-	-
Snam Rete Gas SpA	12	19	1	-	-	21	-
Other CDP Group companies (for transactions not exceeding €21 million)	1	-	-	-	-	2	-
Total CDP Group	13	19	45	-	-	23	-
Companies controlled or owned by the State	11	6	2	-	4	6	-
Total related party transactions - Continuing operations	606	1,239	1,016	8	947	1,927	-
Incidence (%)	26.92	23.97	12.71	0.44	24.67	29.52	-
Overall total - Continuing operations	2,251	5,168	7,995	1,825	3,838	6,528	5
Discontinued operations							
Eni Group							
Eni Congo SA	-	-	-	-	-	7	-
Total Eni Group	-	-	-	-	-	7	-
Total related party transactions - Discontinued operations	-	-	-	-	-	7	-
Overall total - Discontinued operations	-	-	-	25	124	347	-
Total related party transactions	606	1,239	1,016	8	947	1,934	-
Overall total	2,251	5,168	7,995	1,850	3,962	6,875	5
Incidence (%)	26.92	23.97	12.71	0.43	23.90	28.13	-

(1) The item 'Services' includes costs for services, costs for the use of third-party assets and other costs, as well as net reversals of impairment loss (impairment loss) on trade receivables and other assets.

Trade and other transactions as of December 31, 2022, consisted of the following:

(€ million)

Name	31/12/2022			31/12/2022			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Costs		Revenues	
				Goods	Services ⁽¹⁾	Goods and services	Other
Continuing Operations							
Unconsolidated subsidiaries							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total unconsolidated subsidiaries	5	4	-	-	-	-	-
Joint ventures and associates							
ASG Scarl ⁽²⁾	1	2	-	-	(1)	-	-
CCS JV Scarl ⁽²⁾	44	405	-	-	105	161	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due ⁽²⁾	131	263	503	-	274	269	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno ⁽²⁾	-	-	34	-	1	-	-
Gydan Lng Sarl	1	-	-	-	-	5	-
Gygaz Snc	-	-	-	-	-	1	-
KWANDA Suporte Logistico Lda	1	5	-	-	2	5	-
Novarctic Sarl	-	-	-	-	-	8	-
Petromar Lda	6	1	3	-	(1)	16	-
PSS Netherlands BV	-	3	-	-	-	30	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	13	10	36	-	4	-	-
Saipon Snc	1	-	-	-	-	-	-
SAME Netherlands BV	-	-	-	-	-	82	-
Saren BV	76	1	-	-	-	41	-
SCD JV Scarl ⁽²⁾	32	161	-	-	142	191	-
TSGI Mühendislik Insaat Ltd Sirketi	2	-	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	308	851	576	-	526	809	-

(1) The item 'Services' includes costs for services, costs for the use of third-party assets and other costs, as well as net reversals of impairment loss (impairment loss) on trade receivables and other assets.

(2) Revenues from limited liability consortium companies refer to the retrocession of fees that these companies' invoice to the client and that on the basis of the consortium nature of the investee company are attributed to the consortium partner.

Trade and other transactions consisted of the following:

(€ million)

Name	31/12/2022			31/12/2022			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Costs		Revenues	
				Goods	Services ⁽¹⁾	Goods and services	Other
Eni Group							
Eni Angola Exploration	15	7	-	-	-	34	-
Eni Angola SpA	96	1	34	-	-	319	-
Eni Cote d'Ivoire Ltd	77	4	-	-	-	351	-
Eni Mediterranea Idrocarburi SpA	2	-	29	-	-	11	-
Eni México, S. de R.L. de C.V.	5	-	-	-	-	49	-
Eni US Operating Co Inc	21	19	-	-	-	99	-
Naoc - Nigerian Agip Oil Co Ltd	-	-	-	-	-	184	-
Petrobel Belayim Petroleum Co	38	17	107	-	-	198	-
Solenova Ltd	16	-	-	-	-	33	-
Other Eni Group companies (for transactions not exceeding €21 million)	26	15	23	-	9	89	-
Total Eni Group	296	63	193	-	9	1,367	-
CDP Group							
Snam Rete Gas SpA	23	23	1	-	-	29	-
Other CDP Group companies (for transactions not exceeding €21 million)	-	1	4	-	-	2	-
Total CDP Group	23	24	5	-	-	31	-
Companies controlled or owned by the State	37	15	1	-	12	12	-
Total related party transactions - Continuing operations	669	957	775	-	547	2,219	-
Incidence (%)	30.66	17.34	10.57	-	9.99	22.23	-
Overall total - Continuing operations	2,182	5,520	7,333	2,704	5,474	9,980	11
Discontinued operations							
Eni Group							
Eni Congo SA	4	-	-	-	-	6	-
Total Eni Group	4	-	-	-	-	6	-
Total related party transactions - Discontinued operations	4	-	-	-	-	6	-
Overall total - Discontinued operations	54	43	60	75	187	476	1
Total related party transactions	673	957	775	-	547	2,225	-
Overall total	2,236	5,563	7,393	2,779	5,661	10,456	12
Incidence (%)	30.10	17.20	10.48	-	9.66	21.28	-

(1) The item 'Services' includes costs for services, costs for the use of third-party assets and other costs, as well as net reversals of impairment loss (impairment loss) on trade receivables and other assets.

Saipem Group provides services to the companies of the Eni Group in all sectors in which it operates, both in Italy and abroad.

Relations with companies controlled or owned by the State are mainly with the Snam Group.

Other transactions consisted of the following:

(€ million)	31/12/2021		31/12/2022	
	Other assets	Other liabilities	Other assets	Other liabilities
CCS JV Scarl	20	-	22	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	-	-	1	-
Other Eni Group companies (for transactions not exceeding €21 million)	5	-	5	-
Total related party transactions - Continuing operations	25	-	28	-
Total related party transactions - Discontinued operations	-	-	-	-
Overall total - Continuing operations	268	216	302	109
Overall total - Discontinued operations	-	-	14	-
Incidence - continuing operations (%)	9.33	-	9.27	-

Transactions with related parties also include provisions for employee benefits for €3 million as of December 31, 2022 (€7 million as of December 31, 2021).

Financial transactions

Financial transactions, excluding net lease liabilities, for 2021 consisted of the following:

(€ million)

Name	31/12/2021			31/12/2021		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income	Derivative financial instruments
CCS JV Scarl	344	-	-	-	-	-
Petromar Lda	-	-	-	-	1	-
Saren BV	-	8	-	-	-	-
Saipon Snc	-	1	-	-	-	-
SCD JV Scarl	208	-	-	-	-	-
Société pour la Réalisation du Port de Tanger Méditerranée	1	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	9	-	-	-	-
Other Eni Group companies (for transactions not exceeding €21 million)	1	-	-	-	-	-
Total related party transactions	554	18	-	-	1	-

Financial transactions, excluding net lease liabilities, for 2022 consisted of the following:

(€ million)

Name	31/12/2022			31/12/2022		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income	Derivative financial instruments
CCS JV Scarl	326	-	-	-	4	-
Petromar Lda	-	-	-	-	1	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	-	-	-	-	(2)	-
Saipon Snc	-	1	-	-	-	-
SCD JV Scarl	161	-	-	-	1	-
Société pour la Réalisation du Port de Tanger Méditerranée	1	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	-	-	1	-	-
Other Eni Group companies (for transactions not exceeding €21 million)	1	-	-	15	1	-
Total related party transactions	489	1	-	16	5	-

The incidence of operations or positions with related parties regarding financial transactions is as follows:

(€ million)	31/12/2021			31/12/2022		
	Total	Related parties	Incidence (%)	Total	Related parties	Incidence (%)
Current financial liabilities	412	18	4.37	159	1	0.63
Non-current financial liabilities (including current portion)	3,129	-	-	2,471	-	-
Total	3,541	18		2,630	1	

(€ million)	31/12/2021			31/12/2022		
	Total	Related parties	Incidence (%)	Total	Related parties	Incidence (%)
Financial income (expense)	(25)	1	n.s.	(67)	(11)	16.42
Derivative financial instruments	(112)	-	-	(128)	-	-
Other operating income (expense)	2	-	-	7	-	-
Total - continuing operations	(135)	1		(188)	(11)	
Total - discontinued operations	(3)	-		(7)	-	

Financial lease transactions

Financial lease transactions for 2021 consisted of the following:

(€ million)	31/12/2021		31/12/2021		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income
Name					
Consorzio F.S.B.	-	1	-	-	-
Total related party transactions	-	1	-	-	-

Financial lease transactions for 2022 consisted of the following:

(€ million)	31/12/2022		31/12/2022		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income
Name					
Consorzio F.S.B.	-	1	-	-	-
Total related party transactions	-	1	-	-	-

The incidence of operations or positions with related parties regarding financial lease transactions is as follows:

(€ million)	31/12/2021			31/12/2022		
	Total	Related parties	Incidence (%)	Total	Related parties	Incidence (%)
Non-current lease liabilities (including current portion)	394	1	0.25	403	1	0.25
Total - continuing operations	394	1		403	1	
Total - discontinued operations	-	-		-	-	

The main cash flows with related parties were as follows:

(€ million)	31/12/2021	31/12/2022
Income and revenues	1,927	2,219
Costs and other expenses	(955)	(547)
Financial income (expenses) and derivatives	1	(11)
Change in trade receivables and payables	382	(345)
Net cash flows from operating activities - Continuing operations	1,355	1,316
Net cash flows from operating activities - Discontinued operations	7	2
Change in loan assets	(220)	65
Net cash flows from investing activities - Continuing operations	(220)	65
Net cash flows from investing activities - Discontinued operations	-	-
Change in loans and borrowings	17	(17)
Net cash flows from financing activities - Continuing operations	17	(17)
Net cash flows from financing activities - Discontinued operations	-	-
Total cash flows with related parties - Continuing operations	1,152	1,364
Total cash flows with related parties - Discontinued operations	7	2

d) Respect of covenants, negative pledges and any other debt clause of Saipem Group which entail restrictions on the utilisation of financial resources, with indication of the degree of compliance with those clauses as of December 31, 2022

As of December 31, 2022, the share of gross indebtedness characterised by clauses that entail restrictions on the utilisation of financial resources, including negative pledge and cross-default clauses, was equal to €2,472 million, of which (i) the share arising from contracts with clauses that require compliance with financial parameters, namely financial covenants, was equal to €441 million and (ii) the share arising from contracts that require compliance with representations and guarantees relating to the non-existence of the circumstance provided for by Article 2446 of the Civil Code was equal to €365 million.

As of December 31, 2022 all the above-mentioned clauses have been respected.

In particular, with reference to the financing contracts that require compliance with representations and guarantees relating to the non-existence of the circumstance provided for by Article 2446 of the Italian Civil Code, Saipem obtained from the banks the release of all waivers to grant final waiver that the Company makes any representations regarding the occurrence of the circumstance provided for by Article 2446 of the Civil Code with reference to the financial statement as of December 31, 2021.

e) State of implementation of any industrial and financial plans, highlighting the discrepancies of the final data from the forecasted data

Results in 2022 confirmed the improvement in the Group's performance, with a positive EBITDA growth in revenues. Results in the third quarter of 2022 allowed to revise the guidance upwards, which provided for revenues over €9 billion (not including Onshore Drilling), an adjusted EBITDA over €550 million (not including Onshore Drilling), and a post-IFRS 16 net debt at the end of the year of about €300 million, including the proceeds from the sale of the Onshore Drilling. The results recorded are in line with the updated forecasts. Regarding performance of the individual business areas, compared to the hypotheses of the 2022-2025 Plan, a slight decrease was recorded in revenues of the Onshore Engineering & Construction business, on projects with zero or very reduced margins, although not enough to cause a decrease in forecasted margins. By contrast, results of Offshore Drilling and Offshore Engineering & Construction improved compared to the hypotheses of the Plan. The good operating performance for the year was also accompanied by an excellent level of new orders, equal to €13 billion, relating largely to the offshore business, in line with the Plan's strategic guidelines.

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