

5 July 2022

# **IDEM – Capital Increase SAIPEM ordinary shares**

To the attention of:	<b>Members of Derivatives Sections</b>
Priority:	<b>High</b>
Topic:	<b>Capital Increase of SAIPEM ordinary shares: impact on Stock Option and Stock Futures Contracts SAIPEM (SPM)</b>

## **Foreword**

As per Borsa Italiana Notices n.24649, n.24650, n.21651 dated June 22, 2022, and Notice of euronex Clearing dated June 23, 2022, and Article B.3.1.7. of CC&G's Rules and Regulations, the following will describe the intervention related to the II step of the SAIPEM Capital Increase with an effective date of July 6, 2022.

The effective dates are given below:

## **II step: Coefficient method**

For the second adjustment the basket composed of SAIPEM shares and the related pre-emptive rights is replaced by SAIPEM shares only (while the exercise price, the daily closing price and the lot) are adjusted by applying a K coefficient.

In order to maintain compliance with the condition of indifference in the management, by Euronext Clearing, it will be necessary to adjust the outstanding derivative positions at the end of the session on Tuesday, July 5, 2022 in accordance with the terms of the above-mentioned Notices.

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## 1. Adjustment of positions

At close of trading day of Tuesday 5 July 2022 and after the night batch, open positions will be adjusted as indicated below.

### 1.1 Options positions<sup>1</sup>

- a) The strike prices will be multiplied by the  $K^2$  coefficient diffused by Borsa Italiana, and then rounded to the fourth decimal:

$$\text{Strike Price Ex} = \text{Strike Price Cum} \times K;$$

- b) the number of underlying shares will be divided by the same K coefficient rounded to the unit:

$$\text{Shares Number} = 21 \times \frac{1}{K}$$

### 1.2 Futures Positions

- a) The daily settlement prices of series will be multiplied by the K coefficient  
b) diffused by Borsa Italiana and then will be rounded to the fourth decimal:

$$\text{Price Ex} = \text{Price Cum} \times K.$$

- c) The number of underlying shares will be divided by the same K coefficient and then will be rounded to the unit:

$$\text{Shares Number} = 21 \times \frac{1}{K}$$

The operations connected with the adjustment that must be made to back Office system of Members which replicate margins of CC&G are described in detail below.

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<sup>1</sup> Positions exercised and/or assigned up to Monday 4 July 2022 will not be adjusted. Accordingly, the delivery obligation on these positions is still referred to a quantity of Ordinary Shares SPM1, SPM2, SPM3 Cum (SPMA, SPMB, SPMC)

<sup>2</sup> The coefficient K according to the following formula:  $K = \frac{\text{BasketPrice} - D_{last}}{\text{BasketPrice}}$

- $\text{BasketPrice} = P_{last} + D_{last}$
- $P_{last}$  = Price of the last trade on SAIPEM ordinary shares on 5 July 2022
- $D_{last}$  = Price of the last trade on SAIPEM pre-emptive rights on 5 July 2022

## 2) Classification of positions with physical delivery and cash.

Options and Futures positions will be identified in Clearing reports as shown in the table below:

<b>Up to the last cum trading day (included)</b>			<b>Starting from the first ex trading day (included)</b>				
<b>Description</b>	<b>Number of Underlying Shares</b>	<b>Class Symbol</b>	<b>Description</b>	<b>Number of Underlying Shares</b>	<b>Class Symbol</b>	<b>Class Group</b>	<b>Product Group</b>
SAIPEM Shares Adjusted	1 SAIPEM share + 1 SAIPEM pre-emptive right	SPM1	SAIPEM Shares 2^Adjusted	21/K shares SAIPEM	SPM2	SPM	SPM
SAIPEM Shares 2 ^ Adjusted (only Option)	1 SAIPEM share + 1 SAIPEM pre-emptive right	SPM2	SAIPEM Shares 3 ^ Adjusted (only Option)	21/K shares SAIPEM	SPM3	SPM	SPM
SAIPEM Shares 3 ^ Adjusted (only Option)	1 SAIPEM share + 1 SAIPEM pre-emptive right	SPM3	SAIPEM Shares 4 ^ Adjusted (only Option)	21/K shares SAIPEM	SPM4	SPM	SPM
SAIPEM Stock futures cash Adjusted	1 SAIPEM share + 1 SAIPEM pre-emptive right	2SPM1	SAIPEM Stock futures cash Adjusted	21/K shares SAIPEM	2SPM2	SPM	SPM

Please note that **from June 27, 2022 to July 14, 2022**, the generation of new series was inhibited.

## 3) Parameters required for the purpose of margining.

Parameters will be communicated by subsequent Notice.

## 5) Deposit of equities against short call and futures positions.

For each new deposit of equities against short positions, the symbol of the class to be hedged should be indicated in the message from Monte Titoli.

Monte Titoli will, according to its own timing and methods, make the appropriate interventions on securities subject to adjustment.

## **6) Differentials**

The calculation of differentials resulting from the adjustment interventions on options will be indicated in the RP-MC10 printout dated July 5, p.v. and available on July 6, p.v.

The total amount will be settled as part of the daily settlement on Thursday, July 7 p.v. and indicated on the same day under "Cash/Buy-in Transfer" on printouts RP-MS11 and RP-MS12.

\* \* \* \*

Early exercise is suspended on **Tuesday, July 5, 2022**.