

09 June 2022

IDEM – Reverse split of SAIPEM ordinary shares

To the attention of:	Members of Derivatives Sections
Priority:	Medium
Topic:	Reverse split of SAIPEM ordinary shares: impact on Stock Option and Stock Futures Contracts SAIPEM (SPM)

Foreword

On Monday 13 June 2022 a reverse split of SAIPEM (SPM) ordinary shares will be executed with impact on Options contracts and Futures contracts.

In order to maintain the financial equivalence, Euronext Clearing will proceed with the derivatives position rectification at the end of the trading session on Friday 10 June 2022, as indicated in the Borsa Italiana's Notice n°22924, n° 23017 and n° 23016 dated 9 June 2022 and section B.3.1.6 of the Euronext Clearing Rules.

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1. Adjustment of positions

At close of trading day of Friday 10 June 2022 and after the night batch, open positions will be adjusted as indicated below.

1.1 Options positions¹

- 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:

$$\text{Shares Number (SPM1)} = 210 \times \frac{1}{K}$$

$$\text{Shares Number (SPM2)} = 210 \times \frac{1}{K}$$

1.2 Futures Positions

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

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

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

$$\text{Shares Number (SPM1)} = 210 \times \frac{1}{K}$$

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

* * *

¹ Positions exercised and/or assigned up to Thursday 09 June 2022 will not be adjusted. Accordingly, the delivery obligation on these positions is still referred to a quantity of 210 Ordinary Shares *Cum* for the Options SPM and SPM1.

² The coefficient K according to the following formula: $K = \frac{\text{Old Shares Number}}{\text{New Shares Number}} = 10$

2) Classification of Positions with cash and physical delivery

Options and Futures positions will be identified in *Clearing reports* as indicated in the following table:

<i>Up to the last cum trading day</i>			<i>Starting from the first ex trading day</i>				
<i>Description</i>	<i>Number of Underlying Shares</i>	<i>Class Symbol</i>	<i>Description</i>	<i>Number of Underlying Shares</i>	<i>Class Symbol</i>	<i>Class Group</i>	<i>Product Group</i>
SAIPEM Ordinary Shares	210	SPM	SAIPEM Shares Adjusted	210/ K	SPM1	SPM	SPM
SAIPEM Shares 2 ^ Adjusted (only Option)	210	SPM1	SAIPEM Shares 2 ^ Adjusted (only Option)	210/ K	SPM2	SPM	SPM
SAIPEM Ordinary Shares	210	SPM E/A*	SAIPEM Shares Cum	210 cum	SPMA	SPMA	SPM
SAIPEM Ordinary Shares	210	SPM E/A*	SAIPEM Shares Cum	210 cum	SPMB	SPMB	SPM
SAIPEM Stock futures cash	210	2SPM	SAIPEM Stock futures cash Adjusted	210/ K	2SPM1	SPM	SPM
*) Class dedicated only to options exercised or assigned up to 09 June 2022							
Series that will be generated			SAIPEM Ordinary Shares	21 EX	SPM	SPM	SPM
			SAIPEM Stock futures cash	21 EX	2SPM	SPM	SPM

Old ISIN Code IT0005495616

New ISIN code IT0005495657

3) Parameters purposes of margining

<i>Class</i>	<i>Multiplier</i>	<i>Share</i>	<i>Margin Interval</i>	<i>Futures Straddle Margin</i>	<i>Minimum Margin</i>	<i>Short Option Adjustment</i>
SPM	21	EX	34.00 %	150.00	15.00	20 %
SPM1	210/K	RETT	34.00 %	30.00	15.00	20 %
SPM2	210/K	RETT(only options)	34.00 %	-	15.00	20 %
SPMA	210	CUM	34.00 %	150	15.00	20 %
SPMB	210	CUM (only options)	34.00 %	-	15.00	
2SPM	21	EX	34.00 %	150	15.00	20 %
2SPM1	210/K	RETT	34.00 %	30.00	15.00	20 %

5) Deposit of shares to cover positions on "short" call Options and Futures

Each new deposit must be accompanied by an indication of the relative Class symbol in Euronext Securities Milan transfer message.

Euronext Securities Milan will carry out the appropriate adjustment on the share concerned by the adjustment according to its own timescales and procedures.

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The early exercise is suspended on **Friday 10 June 2022**.