



SIT spa

PRESS RELEASE

SHAREHOLDERS' MEETING

- separate financial statements at December 31, 2018 and distribution of a dividend of Euro 0.28 per share approved;
- two directors appointed to supplement the Board in accordance with Article 2386 of the Civil Code;
- proposal to acquire and utilise treasury shares approved; and
- Board of Statutory Auditor's remuneration re-established.

BOARD OF DIRECTORS

- launch of a treasury share buyback plan approved
- independence of directors Campedelli and Campo Dall'Orto verified

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Padua, April 24, 2019

SHAREHOLDERS' MEETING

I – SEPARATE FINANCIAL STATEMENTS AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2018 APPROVED – DISTRIBUTION OF DIVIDEND OF EURO 0.28 PER SHARE

The Shareholders' Meeting of SIT S.p.A. ("SIT" or the "Company"), in a meeting today chaired by the Chairman and Chief Executive Officer Federico de Stefani, approved the 2018 separate financial statements, reporting revenues of Euro 251.9 million, with organic growth of 7.3% over the previous year, and a net profit of Euro 17.6 million, up 157.4% on 2017.

The Shareholders' Meeting in addition approved the distribution of a dividend of Euro 0.28 for each share in circulation, excluding the company's treasury shares, utilising the residual profits (after the allocation to the legal reserve and other reserves) for Euro 4,766,919 and for the remainder the paid-in capital reserve amounting at 31.12.2018 to Euro 18,817,999, which shall be payable from May 15, 2019, with dividend coupon of May 13, 2019 and record date of May 14, 2019.

At today's Shareholders' Meeting, the 2018 Consolidated Financial Statements of the SIT Group were also presented. Consolidated revenues amounted to Euro 359.7 million, with organic growth of



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11.0% over the previous year. Adjusted EBITDA was Euro 50.6 million, up 9.1% over the previous year.

The Shareholders' Meeting also noted the Consolidated non-financial report for 2018, prepared as per Legislative Decree 254 of December 30, 2016.

II – TWO DIRECTORS APPOINTED TO SUPPLEMENT THE BOARD OF DIRECTORS AS PER ARTICLE 2386 OF THE CIVIL CODE

The Shareholders' Meeting appointed by statutory majority without applying the slate voting mechanism (as concerning simply the supplementation of the Board of Directors as per Article 2386, first paragraph of the Civil Code and Article 15.20 of the By-Laws) Ms. Bettina Campedelli and Mr. Antonio Campo Dall'Orto to the Board of the company, establishing that their mandate shall conclude with the other directors currently in office and therefore at the Shareholders' Meeting called to approve the financial statements at December 31, 2019.

Ms. Bettina Campedelli and Mr. Antonio Campo Dall'Orto declared compliance with the independence and good standing requirements of the applicable regulation and the Self-Governance Code for listed companies and, on the basis of these declarations, the documentation produced and the information available to the company, the Board of Directors declared the independence of these directors.

On the basis of the information available to the company, Ms. Campedelli and Mr. Campo Dall'Orto currently do not hold shares in the company.

The curriculum vitae of the two directors are available on the company website (www.sitgroup.it).

III – AUTHORISATION TO PURCHASE AND UTILISE TREASURY SHARES

The Shareholders' Meeting, following revocation of the prior authorisation granted by Shareholders' Meeting motion of April 26, 2018, also approved the Board of Directors proposal to authorise the purchase and utilisation of treasury shares – in accordance with the combined provisions of Articles 2357 and 2357 *ter* of the Civil Code, for the purposes presented in the Board of Directors' relative report.

The acquisition of treasury shares (excluding other categories of shares) may be undertaken on one or more occasions until reaching 10% of the *pro-tempore* share capital. The authorisation to acquire treasury shares is valid for 18 months from today.

The acquisition of treasury shares, to be executed in any case in accordance with the applicable regulations upon companies with listed shares on regulated markets, with particular regards to the equal treatment of Shareholders, shall not be made at a unitary purchase price of (i) less than the minimum and (ii) more than 10% lower than, or greater than, the share price registered on the day preceding each purchase, and however where the purchases are made on the regulated market, at a price which may not exceed the highest price between the price for the last independent transaction and the highest independent offer price on the same market, in accordance with Article 3 of Delegated Regulation EU No. 2016/1052.



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At the date of this press release, the company holds 117,109 treasury shares.

IV – CONSULTATION ON FIRST SECTION OF THE REMUNERATION REPORT IN ACCORDANCE WITH ARTICLE 123-TER, PARAGRAPH 6 OF THE CFA

In accordance with Article 123-ter, paragraph 6 of Legislative Decree No. 58 of February 24, 1998, the Shareholders' Meeting favourably considered the first section of the Remuneration Report which outlines the company's policy regarding the remuneration of the corporate boards, the general managers and the senior executives. The remuneration report is available on the company website at www.sitgroup.it.

V – RE-ESTABLISHMENT OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS

The Shareholders' Meeting, following the company's listing on the Italian Stock Exchange on November 28, 2018, re-established the remuneration of the members of the Board of Statutory Auditors, allocating to the Chairperson a gross annual remuneration of Euro 45,000 (compared to the previous Euro 30,000) and allocating to each statutory auditor gross annual remuneration of Euro 30,000 (compared to the previous Euro 20,000).

For a further information in this regard, reference should be made to the illustrative report of the Board of Directors on the matters on the agenda and the relative supplementation, published respectively on March 22, 2019 and April 5, 2019.

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For further information, reference should be made to the minutes to the Shareholders' Meeting which shall be published in accordance with law and as per the means established by the applicable statutory law and regulations.

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BOARD OF DIRECTORS

The Board of Directors, meeting subsequent to the Shareholders' Meeting, today approved the launch of a treasury share buyback plan, whose duration, countervalue and maximum quantities were established by the above authorising Shareholders' Meeting motion.

The Board of Directors approved the implementation of the treasury share acquisition and utilisation plan to service the following objectives:



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- fulfilment of the obligations regarding share option programmes and other assignments of shares to employees (including any categories which, on the basis of applicable legislation, shall have such assigned), or to members of the administration or control boards of the issuer or of an associate in relation to which the company seeks to establish incentivisation or retention tools;
- support the liquidity of the share or efficiently utilise company liquidity.

The purchases shall be carried out, also through subsidiaries, in compliance with Article 132 of Legislative Decree 58/98 (CFA), Article 144-*bis* of the Issuers' Regulation and all other applicable rules, in addition to Consob's permitted market practices.

As per Article 132, paragraph 3 of the CFA, the operational means above do not apply to purchases of treasury shares held by employees of the company or its subsidiaries and assigned or subscribed as per Articles 2349 and 2441, eighth paragraph of the Civil Code or under remuneration plans approved as per Article 114-*bis* of the CFA.

The maximum number of treasury shares which may be purchased daily should not exceed 25% of the average daily number of shares traded on the market in the 20 preceding days, as per the applicable regulation and in compliance with the relative permitted market practices.

Disposals and/or utilisations may be undertaken according to the means considered as best in the interest of the company or in any case in compliance with regulations, also European, and applicable permitted market practices.

The Board of Directors in addition verified the independence as per the applicable regulation and the Self-Governance Code for listed companies of the directors Bettina Campedelli and Antonio Campo Dall'Orto, confirming the previous assessment announced to the market on their co-option and in the 2018 corporate governance and ownership structure report (available on the company website at www.sitgroup.it).

The Board of Directors in addition confirmed Director Campedelli as Chairperson of the Related parties Committee and of the Control, Risks and Sustainability Committee and Director Campo Dall'Orto as Chairperson of the Remuneration Committee. Their curriculum vitae are available on the company website.

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Declaration of the executive officer for financial reporting

The Executive Officer for Financial Reporting, Mr. Paul Fogolin, declares in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

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SIT develops, produces and distributes components and systems for the control and safety of gas-based domestic heating and catering equipment. The Group operates in the Smart Gas Metering sector, producing new generation remote meters with real-time consumption readings and communication.

It comprises 8 production companies located in Italy, Mexico, the Netherlands, Romania and China, in addition to a commercial and distribution structure covering all global markets.

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SIT S.p.A.

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