



MEDIOBANCA

In a press release, SIT Technologies (main shareholder of SIT) announced launches voluntary offer on SIT Warrants without the aim of delisting.

SIT Technologies, the controlling vehicle held by Federico de Stefani holding c.74,5% stake in SIT, has announced its decision to promote a voluntary public purchase offer on all outstanding 4,269,319 Warrants issued by SIT. The offer is not aimed at delisting. The offer price is equal to €0.4 per warrant, which is equal to 107,6% premium on the official price of €0.1927. We remind that SIT Technologies S.p.A. already holds 955.414 warrants.

The main rationale supporting the transaction should be to provide an exit option for Warrant holders in view of the current SIT share performance and the fact that, as of today, since the start of the Warrant negotiation on the MTA segment, the condition to exercise the Warrants has not yet been triggered. The Warrant regulation in fact sets the achievement of a monthly average SIT share price in excess of the "strike price" at €9.30/sh to trigger the option to convert the Warrants into SIT shares.

Mediobanca view - The current offer represents a supportive message on the share price. As the strike price for the warrant exercise is set at €9.30/sh (vs current price of €6.6/sh), we calculated the current offer assumes a valuation of the company's share above >€9.7/sh.

As a reminder our TP of €8.0/sh does not factor in any potential dilution from the warrant exercise.

Outperform

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