

SIT (BUY)**ESG Commitment Extended to MeterSIT Gas Meter Line**

Market Mover (SIT-IT)	Positive	Neutral	Negative
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What's up? In a press release, SIT communicated that it is renewing the commitment to tracking and managing its CO2 emissions by extending the "Product Carbon Footprint Measurement System Certification" (CFP Systematic Approach) to an additional product category: the MeterSIT-branded gas meters. It will be therefore able to calculate the carbon footprint of each product throughout its life-cycle. Bureau Veritas (a world leader in inspection, conformity verification and certification services) is in charge of releasing the certification and had already certified SIT's systematic approach to product life cycle analysis in 2022 (inspecting product lines of the Heating&Ventilation business unit, such as mechanical controls, fans, electronic controls, sensors and flue gas exhaust kits).

SIT is also working on the Organization CFP to measure the company's CO2 emissions, both direct and indirect (Scope 1 and 2) and indirect emissions generated by the company's supply chain (Scope 3), which will be verified by an independent third party.

What we think: We deem this news flow positive. **Rating BUY and TP EUR 5.7/sh.**

SIT - Key Data

06/07/2023	Engineering		
Target Price (EUR)	5.7		
Rating	BUY		
Mkt price (EUR)	3.55		
Mkt cap (EUR M)	89		
Main Metrics (€ M)	2023E	2024E	2025E
Revenues	355.9	379.3	404.9
EBITDA	39.15	47.41	53.45
EPS (EUR)	0.32	0.57	0.75
Net debt/-cash	115.4	90.26	72.71
Ratios (x)	2023E	2024E	2025E
Adj. P/E	11.2	6.2	4.7
EV/EBITDA	5.2	3.8	3.0
EV/EBIT	14.5	8.0	5.8
Debt/EBITDA	2.9	1.9	1.4
Div yield (%)	0	0	12.7
Performance (%)	1M	3M	12M
Absolute	-14.3	-27.8	-49.3
Rel. to FTSE IT All Sh	-18.0	-30.7	-62.0

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Corporate Broker to SIT

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