

SIT (BUY)**Partnership for New Hydrogen Generation and Storage System**

Market Mover (SIT-IT)	Positive	Neutral	Negative
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What's up? SIT has announced in a press release the creation of a joint venture with e-Novia for the development of a new hydrogen generation and storage system for residential use. The joint venture is called Hybitat. The operation forecasts an investment plan of over EUR 13M. The company stated that 100M photovoltaic systems for residential use are expected to be installed globally in 2030, with a penetration rate of storage systems of 29% as early as in 2025.

Hybitat's BoD includes 5 Directors, among which Vincenzo Russi, CEO of e-Novia and Federico de' Stefani. Mario Corsi, who has been director at Enel since May 2023, has been appointed President of Hybitat.

e-Novia covers, through its companies, a broad portfolio of solutions for the markets of light mobility, sustainable vehicles, and mobility analysis with the aim of measuring the impact that the adoption of vehicular technologies and the behaviour of individuals have on the environment and on urban contexts. Active in Milan since 2015, e-Novia is a modern Industrial Group that operates in Deep-Tech with the development of innovative and scalable technologies in the field of vehicular and interactive robotics.

What we think: While we investigate this newsflow further, we deem it positive given the expertise of SIT on the hydrogen field. **Rating BUY and TP EUR 5.7/share.**

SIT - Key Data

10/07/2023	Engineering
Target Price (EUR)	5.7
Rating	BUY
Mkt price (EUR)	3.51
Mkt cap (EUR M)	88

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	11.1	6.1	4.7
EV/EBITDA	5.2	3.8	3.0
EV/EBIT	14.4	8.0	5.8
Debt/EBITDA	2.9	1.9	1.4
Div yield (%)	0	0	12.8
Performance (%)	1M	3M	12M
Absolute	-14.8	-30.1	-49.7
Rel. to FTSE IT All Sh	-16.7	-31.1	-60.2

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Corporate Broker to SIT

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