



A leader in document management solutions

Sector: Technology Services

1H22 sales at Euro 14.2 m and continuous investment in the technological development of the Group. During the period, the Group recorded revenues of Euro 14.2 m, which is substantially in line with the figure as of 1H 2021 (Euro 14.1 m). When including in the calculation of revenues the change in contract work in progress, referring to work in progress and not yet completed, there was a growth of +4.2% compared to the first half of 2021.

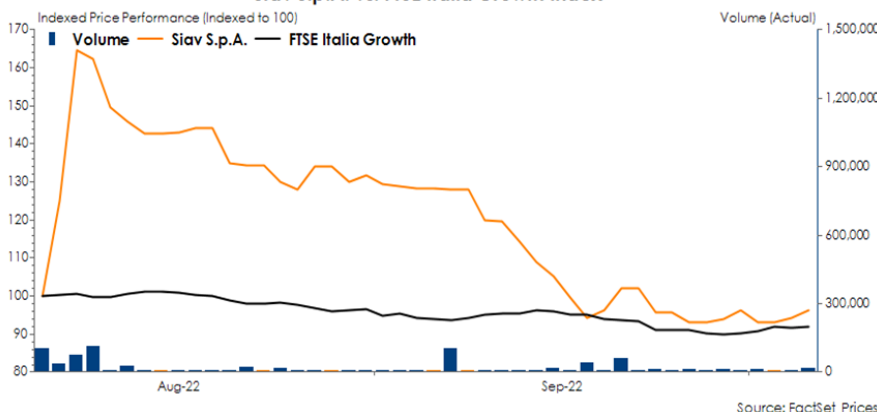
VoP, in the first half of 2022, amounted to Euro 19.5 m, up 8.8% compared to the previous year (Euro 17.9 m); making up this item, in addition to sales revenues, are the increases in fixed assets for internal developments, which rose from Euro 2.9 m as of 1H 2021 to Euro 3.7 m as of 1H 2022 (+27.1%), mainly as a result of the completion of the new Silloge cloud-based ECM platform by the parent company SIAV S.p.A. during the reporting period. In addition to the completion of the Silloge platform, developments continued on the Archiflow platform, with the release of version 10.2, the Cafflow platform, and the Quality & Audit Management Checker and Revo platforms. The most significant costs for the Company are services costs for services and personnel; in particular, costs for services increased in 2022 compared to 2021 by approx. 8.2% (from Euro 6.3 m in 1H 2021 to Euro 6.8 m in 1H 2022), mainly as a result of increased costs incurred by SIAV S. p.A. for body rental activities in software development and delivery, while personnel costs increased by approx. 14.1% (from Euro 8.8 m as of June 30th 2021 to Euro 10.0 m as of June 30th 2022), as a result of the entry of new units to strengthen the delivery and software development area of SIAV S.p.A. and Mitric S.r.l.

Margins are substantially stable, both in absolute and relative terms, with EBITDA stood at approximately Euro 1.4 m in 1H 2022 (Euro 1.4 m as of 1H 2021) and the EBITDA margin of 9.9% (10.0% on the same period of last year).

Positive outlook confirmed, also thanks to the awarding of major contracts for PA digital transformation and NRRP program. Net financial debt amounted to 8.2 m euros, up slightly from 7.8 m euros as of FY21, mainly due to investments in R&D activities aimed at the technological development of the Group. The Group's shareholders' equity amounted to Euro 9.0 m. The Company announced that it had signed the contract, as part of the tender called by Consip for the awarding of services on the information systems of I.N.A.I.L. (National Institute for Insurance against Accidents at Work). The total contract amount is Euro 26.3 m over 36 months, of which approximately Euro 1 million is dedicated to supply services by the Siav Group. In addition, SIAV was awarded in R.T.I. with Cap Gemini Italia S.p.A., Sirfin P.A. Srl, Expleo Italia S.p.A., Dedalus Italia S.p.A., Teleconsys S.p.A. and Vodafone Italia S.p.A., the tender called by Consip for the procurement of cloud application services and demand and PMO (Project Management Office) services for Public Administrations central. The total award amount is about 144 million euros, of which about 20.2 million euros due to the Siav Group, over 48 months starting in 2023.

Estimate revision and valuation. Based on our updated estimates and peers' multiple re-rating since our last update in September 2022, we set a new target price of Euro 6.36 p.s. (6.47 pr.) providing for an upside on current stock price of 111%. Our valuation was obtained by weighting equally the DCF and the multiple comparison analysis. At our target price the stock would be trading at FY22E/23E EV/EBITDA multiples of 11.4x and 9.4x.

Siav S.p.A. vs. FTSE Italia Growth Index



Target Price **6.36 (6.47 pr.)**

Price (€ m) **3.01**

Market Cap (€ m) **27.60**

EV (€ m) **33.99**

As of 10th October 2022

Share Data

Market	Euronext Growth Milan
Reuters/Bloomberg	SIAV.MI/SIAV:IM
ISIN	IT0005504128
N. of Shares	9,170,000
Free Float	18.21%
CEO	Nicola Voltan

Financials

	2021PF	2022E	2023E	2024E
Sales	32.2	34.0	38.1	43.0
YoY %	n.m.	+6%	+8.9%	+12.9%
EBITDA	4.1	5.5	6.4	8.8
EBITDA %	10%	13%	15%	19%
EBIT	1.4	2.4	2.9	5.0
EBIT %	3%	6%	7%	11%
Net Income	0.95	2.1	2.6	4.4
Net Debt	6.4	5.5	2.7	(2.7)

Performance

	1M	3M	6M
Absolute %	-19.5	n.m	n.m
Relative (FTSE Italia Growth)	-15.7	n.m.	n.m.
52-week High/Low (Eu)	5.7	/	2.6

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