



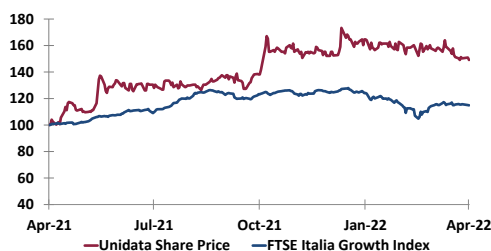
## FY2021 EBITDA and Net Debt figures better than last Company forecasts. 2022-24E targets confirmed

### OUTPERFORM

Current Share Price (€): 48.00

Target Price (€): 63.42

#### Unidata - 1Y Performance



Source: S&P Capital IQ - Note: 20/04/2022=100

#### Company data

ISIN number	IT0005338840
Bloomberg code	UD IM
Reuters code	UD.IM
Industry	Telecommunication
Stock market	Euronext Growth Milan
Share Price (€)	48.00
Date of Price	20/04/2022
Shares Outstanding (m)	2.5
Market Cap (€m)	118.3
Market Float (%)	23.7%
Daily Volume	1,390
Avg Daily Volume YTD	820
Target Price (€)	63.42
Upside (%)	32%
Recommendation	OUTPERFORM

#### Overperformance: stock, fiber infrastructure and customers growth

Unidata stock gained 49% LTM, with a peak at €55.80 per share, outperforming the Italia Growth index. Fiber infrastructure network and number of customers continue to grow. The Company unveiled higher FY2021 EBITDA and lower net debt than those announced in November along with 2022-24E strategic plan guidelines and targets, which have been recently confirmed.

#### FY21: Sales upside jump, outstanding operating profitability

Total revenues were €37m, up 58%, with almost half of them deriving from Fiber infrastructure and another 30% ca. from Fiber&Networking (supply of access and advanced services). EBITDA reached €14.1m, a sound 38% margin. Net income at €7.8m, more than doubling FY2020. TWC significantly reduced at 13% of revenues, vs. ca. 27% in the previous year. Net Equity at €29.0m (€21.4m in December 2020). Year-end net debt at €2.2m, from €1.4m net cash in June 2021, also thanks to €13.9m capex (€9.9m along 2020). The BoD will propose €0.1 dividend per share (€0.2m cash out) at the next shareholders meeting.

#### Outlook: consolidating fiber operativity, growth in other value-added sectors

The 2022-24 strategic guidelines announced in November 2021 confirm growth road map based on Fiber (infrastructure and supply of access and advanced services), Cloud & Datacenter, IoT & Smart Solutions and the new Cyber Security business lines. Unidata business model, based on the development of proprietary fiber optic infrastructure, confirms to be driven by recurring revenues and availability of know-how and resources to meet growth opportunities.

#### Target Price €63.42 per share (from €61.32), OUTPERFORM rating confirmed

Our updated valuation yields an upgrade in target price, from €61.32 to €63.42 per share, a 32% upside potential on current share price. Unidata trades at 2.8x 2022E EV/Revenues vs 1.8x Peers Median. We confirm the OUTPERFORM rating on the stock.

#### Share price performance

	1M	3M	1Y
Unidata - Absolute (%)	-5%	-9%	49%
FTSE Italia Growth (%)	0%	-8%	15%
1Y Range H/L (€)		55.80	32.20
YTD Change (€) / %		-7.80	-14%

Source: S&P Capital IQ

#### Key financials and estimates

KEY FINANCIALS AND ESTIMATES	ITA GAAP		IAS		IAS		IAS		IAS	
	2017	2018	2019	2020	2021	2022E	2023E	2024E	2023E	2024E
€m										
<b>Total Revenues</b>	<b>10.6</b>	<b>11.5</b>	<b>13.2</b>	<b>23.4</b>	<b>37.0</b>	<b>47.0</b>	<b>59.5</b>	<b>72.9</b>		
YoY %	-	8.5%	14.4%	77.4%	57.9%	26.9%	26.7%	22.6%		
<b>EBITDA</b>	<b>3.1</b>	<b>3.8</b>	<b>5.2</b>	<b>8.6</b>	<b>14.1</b>	<b>13.8</b>	<b>17.6</b>	<b>21.5</b>		
Margin	29.4%	33.2%	39.0%	36.8%	38.1%	29.4%	29.6%	29.5%		
<b>EBIT</b>	<b>1.8</b>	<b>2.3</b>	<b>2.1</b>	<b>4.9</b>	<b>9.1</b>	<b>7.0</b>	<b>11.0</b>	<b>15.2</b>		
Margin	16.7%	20.0%	15.8%	20.9%	24.6%	14.9%	18.6%	20.9%		
<b>Net Income (Loss)</b>	<b>1.2</b>	<b>1.6</b>	<b>1.4</b>	<b>3.4</b>	<b>7.8</b>	<b>4.8</b>	<b>7.7</b>	<b>10.8</b>		
<b>Net Debt (Cash)</b>	<b>0.2</b>	<b>1.1</b>	<b>4.5</b>	<b>(2.5)</b>	<b>2.2</b>	<b>0.8</b>	<b>(0.5)</b>	<b>(3.1)</b>		
<b>Equity</b>	<b>4.1</b>	<b>5.7</b>	<b>12.3</b>	<b>21.4</b>	<b>29.0</b>	<b>33.6</b>	<b>41.3</b>	<b>52.1</b>		
<b>KEY RATIOS</b>										
TWC/Total Revenues	12%	16%	67%	27%	13%	9%	6%	5%		
Cash flow from P&L operations / EBITDA	na	na	na	86%	93%	92%	87%	85%		
ROE	29%	28%	11%	16%	27%	14%	19%	21%		
Earnings per Share, basic (€)	na	na	na	1.38	3.18	1.94	3.13	4.37		

Source: Company data 2017-21, EnVent Research 2022-24E

#### Analysts

Franco Gaudenti - Head of Research  
fgaudenti@enventcapitalmarkets.co.uk  
Luigi Tardella - Co-Head of Research  
ltardella@enventcapitalmarkets.co.uk

#### EnVent Capital Markets Limited

42, Berkeley Square - London W1J 5AW (UK)  
Phone +44 (0) 20 35198451

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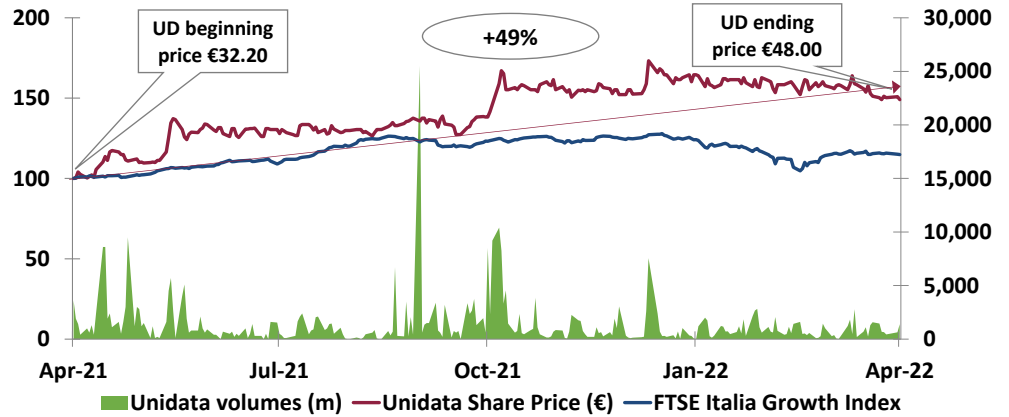
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## Market update: outperformance

Outperforming Italia Growth Index (+49% vs +15%)

LTM Unidata trading price range €32.20-55.80

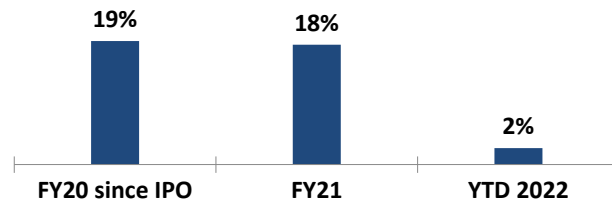
### Unidata - 1Y share price performance and trading volumes



Source: EnVent Research on S&P Capital IQ - Note: 20/04/2021=100

### Unidata - Liquidity analysis and velocity turnover

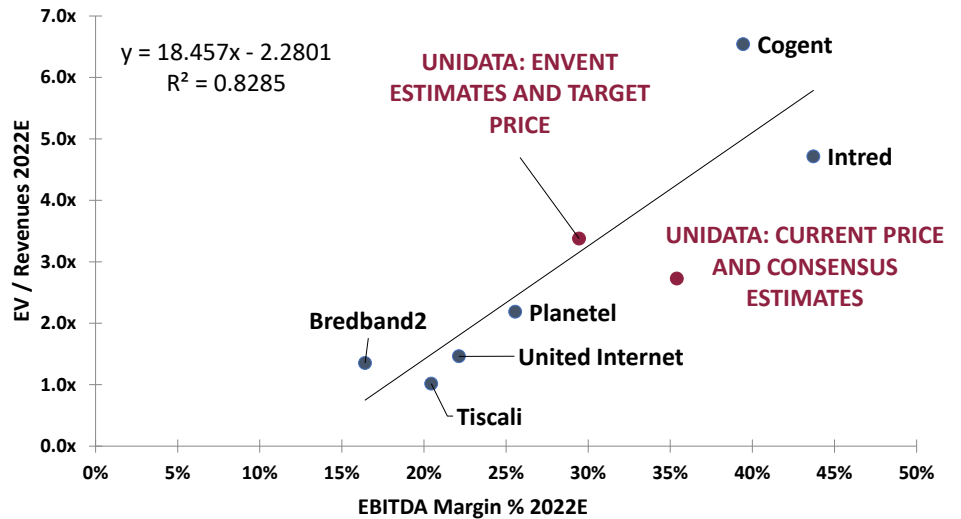
Poor velocity turnover in 2022 so far vs 2020 (after IPO) and 2021



Source: EnVent Research on S&P Capital IQ - Note: Velocity turnover on total shares: ratio of total traded shares to total ordinary shares in a given period

### Peer group - Regression analysis and Unidata target positioning

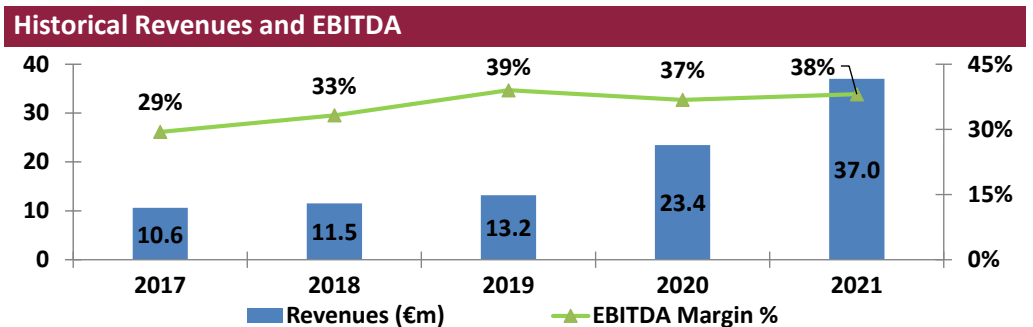
Unidata position with updated target price and estimates, consistent with market EV/revenues vs EBITDA Margin correlation



Source: EnVent Research on S&P Capital IQ, 20/04/2022

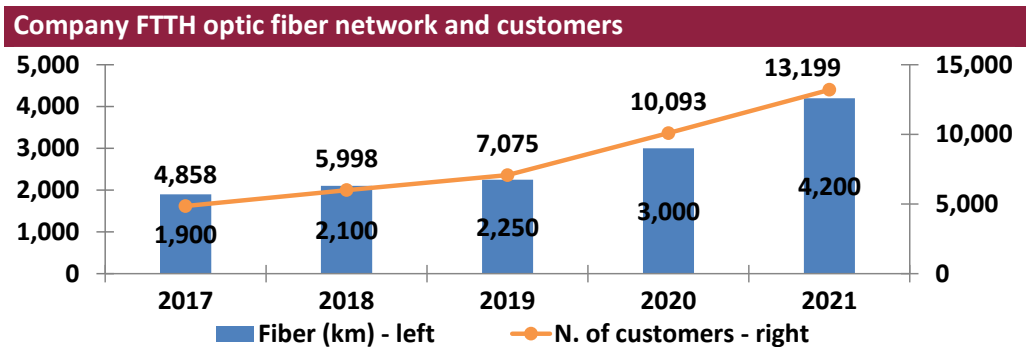
## Investment case

Unidata, listed on Euronext Growth Milan, is an Italian local provider of ultra-broadband connectivity services to corporate and residential customers, with over 4,000 km of FTTH optic fiber network covering Rome and province and over 13,000 customers. More than 75% of the infrastructure is owned by the Company, while the rest is available indirectly through Indefeasible Right of Use (IRU) agreements, a type of telco lease contract where other operators purchase the infrastructure right of use. Unidata has an ongoing partnership with a domestic infrastructure developer for the further optic fiber coverage of the Rome and surrounding urban area through two IRU long-term agreements (up to 15 years) to reach up to additional 200,000 real estate units (RM-Fiber). The Company also offers integrated communication and cloud computing services through a proprietary data center which offers IaaS and SaaS cloud, co-location, and hosting services and is now expanding also into Cyber Security.



Source: Company data

Note: 2017-18 ITA GAAP, 2019-21 IAS compliant financials



Source: Company data

## Industry and Company drivers

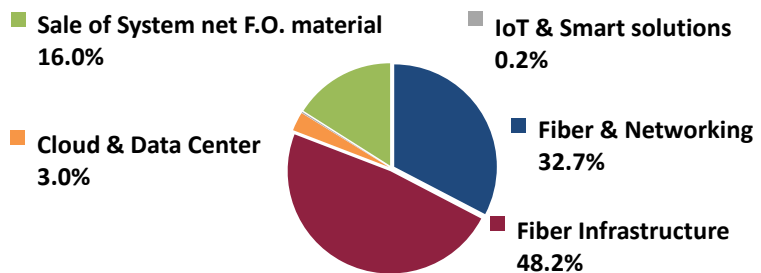
- Connectivity and convergence of new technologies (broadband, cloud, IoT and AI)
- Continuous investment pushed by Next Generation Access technologies
- Uniform broadband technology equipping Italy by 2022
- 5G's expected rapid rollout
- Company's own scalable and repeatable business model
- Infrastructure investment track record, supporting market share increase

- Short payback period (estimated 2 years as to the initial investment for the roll-out of the infrastructure network)
- Capex funding almost entirely represented by the operating cash flow
- Fiber infrastructure as a competitive advantage and a barrier to entry
- Customers (SMEs, Public Administration, Wholesale and Retail) continuous increase and service portfolio (communication and cloud services) diversification
- Proprietary 800sqm data center used to offer public, private and hybrid cloud, co-location for disaster recovery and hosting services
- Industry partnerships

### Challenges

- Competition and consequent pressure on prices by a small number of large national along with many small local/regional players
- Possible changes of churn rate and its consequences on the continuous growth of number of customers experienced so far

### 2021 Sales breakdown



Source: Company data

### Industry outlook

Along September 2020-September 2021, fixed lines based on Fiber to The Home (FTTH) technology in Italy increased by +51.2% YoY by number of accesses (2.44m in September 2021), the highest growth rate among the different kinds of Italian broadband and ultrabroad band fixed lines (source: Communication Markets Monitoring System - Italian Telecommunication Supervisory Authority).

Along with this confirmed positive trend, consistent with national and EU targets, there is also evidence that the largest opportunities for Italian market are concentrated in the Company catchment area, Rome and province. Indeed, recent available data regarding Italian largest cities show that Rome has the lowest FTTH coverage rate: 71.4% of residentials considering both TIM and Open Fiber infrastructure vs 93.6% of Naples, 94.7% of Turin and 97.9% of Milan (La Repubblica - April 3<sup>rd</sup>, 2022).

## Business update

As outlined in our last update in December 2021, Unidata 2022-24E business plan guidelines (November 2021) describe a M/L term growth strategy focused on:

- Fiber new infrastructure (for the Company itself and for Unifiber, whose minority stake is owned by Unidata) and related supply of access and advanced services
- Cloud&Datacenter opportunities such as the project to develop - jointly with a finance partner - a wholesale-only green Tier IV datacenter to support Cloud Providers, OTTs and operators with colocation services
- IoT & Smart Solutions initiatives, like an agreement with Enel-x (part of ENEL Group and active in the promotion of energy transition) and ZTE (telco international player, with headquarters in China) to launch the Smart Home, a solution of integrated connectivity to the smart home
- new Cyber Security business unit

In its FY2021 Sustainability Report, the Company identified some ESG objectives to achieve, consistently with the 17 United Nations Sustainable Development Goals.

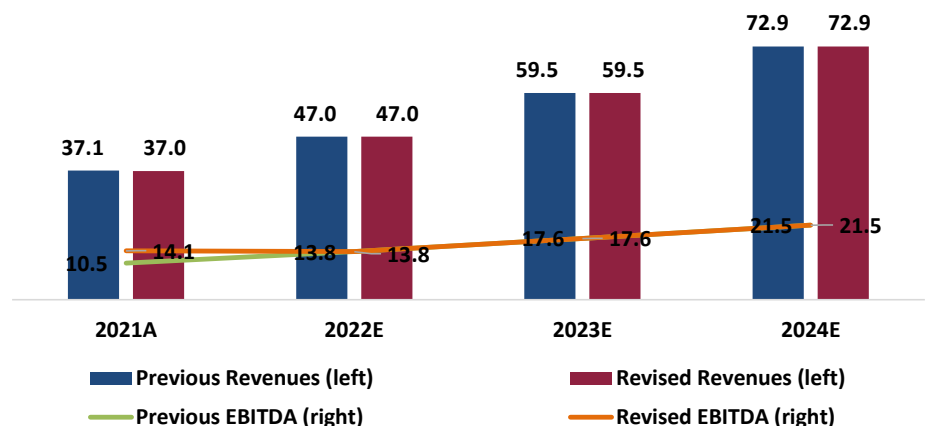
## Estimates revision

While FY2021 total revenues are in line with the 2021E figures announced in November by the Company along with 2022-24E new plan guidelines, FY2021 actual EBITDA is higher and net debt is lower than the last Company forecasts. The Company has recently confirmed its 2024E total revenues and EBITDA targets, as well as the cumulated capex along 2022-24E.

Considering all of this, we introduced just the effect of FY 2021 financials for the update of our last estimates.

## Change in estimates

Previous vs. Revised Revenues and EBITDA estimates (€m)



Source: EnVent Research

€m	Revised				Previous				Change %			
	2021A	2022E	2023E	2024E	2021E	2022E	2023E	2024E	2021A	2022E	2023E	2024E
<b>Revenues</b>	37.0	47.0	59.5	72.9	37.1	47.0	59.5	72.9	0%	0%	0%	0%
<b>EBITDA</b>	14.1	13.8	17.6	21.5	10.5	13.8	17.6	21.5	34%	0%	0%	0%
<i>Margin</i>	38%	29%	30%	29%	28%	29%	30%	29%				
<b>EBIT</b>	9.1	7.0	11.0	15.2	5.1	7.1	11.2	15.5	80%	-1%	-1%	-2%
<i>Margin</i>	25%	15%	19%	21%	14%	15%	19%	21%				
<b>Net Income</b>	7.8	4.8	7.7	10.8	6.4	4.9	7.9	11.0	22%	-3%	-2%	-2%
<b>Net (Debt) Cash</b>	(2.2)	(0.8)	0.5	3.1	(3.2)	(2.6)	0.8	3.5				
<i>Net Debt / EBITDA</i>	0.2x	0.1x	cash	cash	cash	cash	cash	n.a.				

Source: EnVent Research

Source: EnVent Research

## Financial projections

### Profit and Loss

€m	ITA GAAP		ITA GAAP		IAS		IAS		IAS		IAS	
	2017A	2018A	2019A	2020A	2021A	2022E	2023E	2024E	2017A	2018A	2019A	2020A
Sales	10.2	11.3	12.8	19.9	30.5	40.1	51.7	64.4				
Sale of System net F.O. material			0.0	2.8	5.8	6.9	7.8	8.5				
Other income	0.4	0.3	0.4	0.7	0.7	0.0	0.0	0.0				
<b>Total Revenues</b>	<b>10.6</b>	<b>11.5</b>	<b>13.2</b>	<b>23.4</b>	<b>37.0</b>	<b>47.0</b>	<b>59.5</b>	<b>72.9</b>				
<i>YoY %</i>	-	8.5%	14.4%	77.4%	57.9%	26.9%	26.7%	22.6%				
Direct cost of sales	(1.8)	(1.5)	(1.2)	(4.1)	(7.6)	(11.6)	(14.2)	(17.1)				
Personnel	(1.9)	(2.0)	(2.1)	(2.9)	(3.4)	(5.9)	(8.2)	(11.2)				
Services	(3.0)	(3.1)	(4.5)	(6.5)	(11.0)	(13.3)	(16.2)	(19.4)				
Other operating costs	(0.9)	(1.1)	(0.3)	(1.3)	(0.9)	(2.3)	(3.3)	(3.6)				
<b>Operating charges</b>	<b>(7.5)</b>	<b>(7.7)</b>	<b>(8.1)</b>	<b>(14.8)</b>	<b>(22.9)</b>	<b>(33.1)</b>	<b>(41.8)</b>	<b>(51.4)</b>				
<b>EBITDA</b>	<b>3.1</b>	<b>3.8</b>	<b>5.2</b>	<b>8.6</b>	<b>14.1</b>	<b>13.8</b>	<b>17.6</b>	<b>21.5</b>				
<i>Margin</i>	29.4%	33.2%	39.0%	36.8%	38.1%	29.4%	29.6%	29.5%				
D&A	(1.4)	(1.5)	(3.1)	(3.7)	(5.0)	(6.8)	(6.6)	(6.2)				
<b>EBIT</b>	<b>1.8</b>	<b>2.3</b>	<b>2.1</b>	<b>4.9</b>	<b>9.1</b>	<b>7.0</b>	<b>11.0</b>	<b>15.2</b>				
<i>Margin</i>	16.7%	20.0%	15.8%	20.9%	24.6%	14.9%	18.6%	20.9%				
Interest	(0.0)	(0.0)	(0.1)	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)				
<b>EBT</b>	<b>1.8</b>	<b>2.3</b>	<b>2.0</b>	<b>4.8</b>	<b>8.8</b>	<b>6.6</b>	<b>10.7</b>	<b>15.0</b>				
<i>Margin</i>	16.5%	19.7%	14.9%	20.4%	23.8%	14.2%	18.0%	20.5%				
Income taxes	(0.5)	(0.7)	(0.6)	(1.4)	(1.0)	(1.9)	(3.0)	(4.2)				
<b>Net Income</b>	<b>1.2</b>	<b>1.6</b>	<b>1.4</b>	<b>3.4</b>	<b>7.8</b>	<b>4.8</b>	<b>7.7</b>	<b>10.8</b>				
<i>Net Income Margin</i>	11.4%	13.9%	10.6%	14.5%	21.2%	10.2%	13.0%	14.8%				

**2021E Income taxes after a one-off €1.8m decrease of deferred taxes**

Source: Company data 2017-21A, EnVent Research 2022-24E

### Balance Sheet

€m	ITA GAAP		ITA GAAP		IAS		IAS		IAS		IAS	
	2017A	2018A	2019A	2020A	2021A	2022E	2023E	2024E	2017A	2018A	2019A	2020A
Inventory	0.6	1.3	1.4	1.0	2.1	2.2	2.3	2.4				
Trade receivables	3.8	4.5	11.1	14.0	18.4	19.5	21.8	24.1				
Trade payables	(3.1)	(4.0)	(3.7)	(8.6)	(15.5)	(17.3)	(20.5)	(22.9)				
Trade Working Capital	1.3	1.8	8.9	6.4	4.9	4.3	3.6	3.6				
Deferred income by IRU & others	(4.2)	(4.9)	(14.8)	(17.0)	(11.3)	(9.3)	(7.3)	(5.3)				
Other assets (liabilities)	(0.5)	(0.7)	(4.1)	(4.9)	(5.6)	(7.7)	(9.0)	(10.6)				
<b>Net Working Capital</b>	<b>(3.4)</b>	<b>(3.8)</b>	<b>(10.0)</b>	<b>(15.5)</b>	<b>(12.0)</b>	<b>(12.6)</b>	<b>(12.7)</b>	<b>(12.2)</b>				
Intangible assets	4.3	4.3	7.6	8.1	9.9	8.7	7.8	8.7				
Property, plant and equipment	4.0	6.8	19.6	26.0	33.1	38.6	46.6	54.0				
Investments and financial assets	0.1	0.1	0.5	1.4	1.3	1.5	1.8	2.0				
<b>Non-current assets</b>	<b>8.4</b>	<b>11.2</b>	<b>27.7</b>	<b>35.5</b>	<b>44.3</b>	<b>48.9</b>	<b>56.2</b>	<b>64.8</b>				
Provisions	(0.6)	(0.6)	(0.9)	(1.1)	(1.1)	(1.9)	(2.6)	(3.6)				
<b>Net Invested Capital</b>	<b>4.4</b>	<b>6.8</b>	<b>16.8</b>	<b>19.0</b>	<b>31.275</b>	<b>34.4</b>	<b>40.8</b>	<b>49.0</b>				
<b>Net Debt (Cash)</b>	<b>0.2</b>	<b>1.1</b>	<b>4.5</b>	<b>(2.5)</b>	<b>2.2</b>	<b>0.8</b>	<b>(0.5)</b>	<b>(3.1)</b>				
<b>Equity</b>	<b>4.1</b>	<b>5.7</b>	<b>12.3</b>	<b>21.4</b>	<b>29.0</b>	<b>33.6</b>	<b>41.3</b>	<b>52.1</b>				
<b>Sources</b>	<b>4.4</b>	<b>6.8</b>	<b>16.8</b>	<b>19.0</b>	<b>31.275</b>	<b>34.4</b>	<b>40.8</b>	<b>49.0</b>				

Source: Company data 2017-21A, EnVent Research 2022-24E

**Efficient TWC management**

**As of 31/12/2021, €0.5m of own shares impacting Equity figure**

## Cash Flow

€m	IAS	IAS	IAS	IAS	IAS
	2020A	2021A	2022E	2023E	2024E
<b>EBIT</b>	<b>4.9</b>	<b>9.1</b>	<b>7.0</b>	<b>11.0</b>	<b>15.2</b>
Current taxes	(1.4)	(1.0)	(1.9)	(3.0)	(4.2)
D&A	3.7	5.0	6.8	6.6	6.2
<b>Cash flow from P&amp;L operations</b>	<b>7.4</b>	<b>13.1</b>	<b>12.7</b>	<b>15.3</b>	<b>18.3</b>
Trade Working Capital	2.5	1.4	0.6	0.8	(0.1)
Deferred income by IRU & others	2.2	(5.7)	(2.0)	(2.0)	(2.0)
Other assets and liabilities	0.8	0.7	2.1	1.3	1.6
Capex	(9.9)	(13.9)	(11.2)	(13.6)	(14.6)
<b>Operating cash flow after working capital and capex</b>	<b>3.0</b>	<b>(4.3)</b>	<b>2.3</b>	<b>1.8</b>	<b>3.2</b>
Interest	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)
Investments and financial assets	(0.9)	0.1	(0.3)	(0.3)	(0.3)
Dividends and other net equity changes	0.0	(0.2)	(0.2)	0.0	0.0
Paid-in capital	0.0	0.0	0.0	0.0	0.0
Capex - IPO cost	(0.8)	0.0	0.0	0.0	0.0
IPO proceeds	5.7	0.0	0.0	0.0	0.0
<b>Net cash flow</b>	<b>6.9</b>	<b>(4.7)</b>	<b>1.4</b>	<b>1.3</b>	<b>2.6</b>
Net Debt (Beginning)	(4.5)	2.5	(2.2)	(0.8)	0.5
Net Debt (End)	2.5	(2.2)	(0.8)	0.5	3.1
<b>Change in Net Debt (Cash)</b>	<b>6.9</b>	<b>(4.7)</b>	<b>1.4</b>	<b>1.3</b>	<b>2.6</b>

**Sustained capex program, in line with past years investments which showed short payback periods and high returns.**

**Current proposal for €0.1 dividend per share.**

Source: Company data 2020-21A, EnVent Research 2022-24E

## Ratio analysis

KPIs	ITA GAAP	ITA GAAP	IAS	IAS	IAS	IAS	IAS	IAS
	2017A	2018A	2019A	2020A	2021A	2022E	2023E	2024E
ROE	29%	28%	11%	16%	27%	14%	19%	21%
ROS (EBIT/Revenues)	17%	20%	16%	21%	25%	15%	19%	21%
ROIC (NOPAT/Invested Capital)	n.a.	0%	0%	19%	27%	15%	19%	22%
DSO	107	86	184	110	102	100	95	90
DPO	165	119	55	118	139	135	130	125
DOI	20	42	39	15	20	17	14	12
TWC/Total Revenues	12%	16%	67%	27%	13%	9%	6%	5%
Capex/Revenues	n.a.	37%	106%	42%	38%	24%	23%	20%
Net Debt / EBITDA	0.1x	0.3x	0.9x	-0.3x	0.2x	0.1x	0.0x	-0.1x
Net Debt / Equity	0.1x	0.2x	0.4x	-0.1x	0.1x	0.0x	0.0x	-0.1x
Cash flow from P&L operations / EBITDA	na	na	na	86%	93%	92%	87%	85%
FCF / EBITDA	na	na	na	35%	-31%	16%	10%	15%
Earnings per Share, basic (€)	na	na	na	1.38	3.18	1.94	3.13	4.37

Source: Company data 2017-21A, EnVent Research 2022-24E

Note: Due to changes from ITA GAAP to IAS, some ratios before 2019 not comparable to 2020A-2024E figures

## Valuation

We have updated our DCF valuation and market multiples.

### Discounted Cash Flows

Updated assumptions:

- Risk free rate: 1.0% (Italian 10-year government bonds interest rate - 3Y average. Source: Bloomberg, April 2022)
- Market return: 12.5% (3Y average. Source: Bloomberg, April 2022)
- Market risk premium: 11.5%
- Beta: 0.8 (rounded mean value of selected comparable companies. Source: Bloomberg 1year, March 2022)
- Cost of equity: 10.2%
- Cost of debt: 3.0%
- Tax rate: 24% IRES
- 30% debt/(debt + equity) as target capital structure

- WACC calculated at 7.9%, according to above data
- Perpetual growth rate at 2.0%
- Terminal Value assumes a 30% EBITDA margin

### DCF Valuation

€m	IAS 2021A	IAS 2022E	IAS 2023E	IAS 2024E	Perpetuity
<b>Total revenues</b>	<b>37.0</b>	<b>47.0</b>	<b>59.5</b>	<b>72.9</b>	<b>74.3</b>
<b>EBITDA</b>	<b>14.1</b>	<b>13.8</b>	<b>17.6</b>	<b>21.5</b>	<b>22.3</b>
<i>Margin</i>	<i>38.1%</i>	<i>29.4%</i>	<i>29.6%</i>	<i>29.5%</i>	<i>30.0%</i>
<b>EBIT</b>	<b>9.1</b>	<b>7.0</b>	<b>11.0</b>	<b>15.2</b>	<b>15.3</b>
<i>Margin</i>	<i>24.6%</i>	<i>14.9%</i>	<i>18.6%</i>	<i>20.9%</i>	<i>20.6%</i>
Taxes	(0.7)	(1.9)	(3.1)	(4.3)	(4.3)
<b>NOPAT</b>	<b>8.4</b>	<b>5.0</b>	<b>8.0</b>	<b>11.0</b>	<b>11.0</b>
D&A	5.0	6.8	6.6	6.2	7.0
Provisions	(0.0)	0.8	0.7	1.0	0.0
<b>Cash flow from P&amp;L operations</b>	<b>13.4</b>	<b>12.7</b>	<b>15.3</b>	<b>18.2</b>	<b>18.0</b>
Trade Working Capital	1.4	0.6	0.8	(0.1)	(0.0)
Deferred income by IRU & others	(5.7)	(2.0)	(2.0)	(2.0)	0.0
Other assets and liabilities	0.7	2.1	1.3	1.6	0.0
Capex	(13.9)	(11.2)	(13.6)	(14.6)	(7.0)
Equity investments and financial assets	0.1	(0.3)	(0.3)	(0.3)	0.0
<b>Free Cash Flows to be discounted</b>		<b>1.9</b>	<b>1.5</b>	<b>2.8</b>	<b>11.0</b>
WACC		7.9%			
Long-term growth (G)		2.0%			
<b>Discounted Cash Flows</b>			<b>1.8</b>	<b>1.3</b>	<b>2.3</b>
Sum of Discounted Cash Flows	5.3				
<b>Terminal Value</b>					<b>192.2</b>
Discounted TV	153.2				
<b>Enterprise Value</b>	<b>158.5</b>				
Net Cash (Debt) as of 31/12/21	(2.2)				
<b>Equity Value</b>	<b>156.3</b>				
<b>Equity Value per share (€)</b>	<b>63.42</b>				
<b>DCF - Implied multiples</b>	<b>2021A</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>	
EV/Revenues	4.3x	3.4x	2.7x	2.2x	
EV/EBITDA	11.3x	11.5x	9.0x	7.4x	
EV/EBIT	17.4x	22.7x	14.4x	10.4x	
P/E	19.9x	32.7x	20.2x	14.5x	

Source: EnVent Research

### Market multiples

Our peer panel is split between national and international telco players, chosen among those more comparable to Unidata as to:

- Provision of broadband connectivity services
- End-markets: B2B and B2C

We have applied to our 2022-23 estimates the combined median multiples of the outlined peers, using data from 2Y analyst consensus.



Company	EV/Revenues			EV/EBITDA			EV/EBIT			P/E		
	2021A	2022E	2023E	2021A	2022E	2023E	2021A	2022E	2023E	2021A	2022E	2023E
<b>Italian Telco peers</b>												
Intred	8.1x	4.7x	4.3x	16.7x	10.8x	9.8x	25.0x	16.8x	14.5x	34.8x	n.a.	n.a.
Tiscali	1.3x	1.0x	1.0x	neg	5.0x	4.9x	neg	neg	neg	neg	n.a.	n.a.
Planetel	3.0x	2.2x	n.a.	13.7x	8.6x	n.a.	47.5x	18.4x	n.a.	69.7x	24.0x	n.a.
<b>Average</b>	<b>4.1x</b>	<b>2.6x</b>	<b>2.6x</b>	<b>15.2x</b>	<b>8.1x</b>	<b>7.4x</b>	<b>36.2x</b>	<b>17.6x</b>	<b>14.5x</b>	<b>52.2x</b>	<b>24.0x</b>	<b>n.a.</b>
<b>Median</b>	<b>3.0x</b>	<b>2.2x</b>	<b>2.6x</b>	<b>15.2x</b>	<b>8.6x</b>	<b>7.4x</b>	<b>36.2x</b>	<b>17.6x</b>	<b>14.5x</b>	<b>52.2x</b>	<b>24.0x</b>	<b>n.a.</b>
<b>International Telco peers</b>												
United Internet	1.6x	1.5x	1.4x	8.3x	6.6x	6.3x	11.6x	10.5x	10.3x	15.7x	13.0x	12.5x
Bredband2	1.5x	1.4x	1.3x	15.6x	8.2x	7.7x	24.2x	16.5x	12.8x	25.5x	20.5x	17.6x
Cogent	7.6x	6.5x	6.2x	21.5x	16.6x	15.3x	38.7x	32.1x	28.5x	70.2x	68.2x	50.9x
<b>Average</b>	<b>3.6x</b>	<b>3.1x</b>	<b>3.0x</b>	<b>15.1x</b>	<b>10.5x</b>	<b>9.7x</b>	<b>24.8x</b>	<b>19.7x</b>	<b>17.2x</b>	<b>37.1x</b>	<b>33.9x</b>	<b>27.0x</b>
<b>Median</b>	<b>1.6x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>15.6x</b>	<b>8.2x</b>	<b>7.7x</b>	<b>24.2x</b>	<b>16.5x</b>	<b>12.8x</b>	<b>25.5x</b>	<b>20.5x</b>	<b>17.6x</b>
<b>Full sample</b>												
<b>Average</b>	<b>3.9x</b>	<b>2.9x</b>	<b>2.8x</b>	<b>15.2x</b>	<b>9.3x</b>	<b>8.8x</b>	<b>29.4x</b>	<b>18.9x</b>	<b>16.5x</b>	<b>43.1x</b>	<b>31.4x</b>	<b>27.0x</b>
<b>Median</b>	<b>2.3x</b>	<b>1.8x</b>	<b>1.4x</b>	<b>15.6x</b>	<b>8.4x</b>	<b>7.7x</b>	<b>25.0x</b>	<b>16.8x</b>	<b>13.7x</b>	<b>34.8x</b>	<b>22.3x</b>	<b>17.6x</b>
<b>UNIDATA - Current price and Consensus Estimates</b>	<b>6.1x</b>	<b>2.8x</b>	<b>2.1x</b>	<b>10.4x</b>	<b>7.8x</b>	<b>6.7x</b>	<b>16.6x</b>	<b>12.4x</b>	<b>10.5x</b>	<b>17.4x</b>	<b>17.4x</b>	<b>14.3x</b>

Source: EnVent Research on S&P Capital IQ, 20/04/2022

### Multiples application

€m					
Unidata		Peers Median Multiple	EV	Net Cash/(Debt)	Equity Value
2022E Revenues	47.0	1.8x	85.6	(2.2)	83.4
2023E Revenues	59.5	1.4x	84.1	(2.2)	81.9
<i>Mean</i>					82.6
2022E EBITDA	13.8	8.4x	116.0	(2.2)	113.8
2023E EBITDA	17.6	7.7x	135.3	(2.2)	133.0
<i>Mean</i>					123.4
2022E EBIT	7.0	16.8x	117.7	(2.2)	115.5
2023E EBIT	11.0	13.7x	150.8	(2.2)	148.5
<i>Mean</i>					132.0
2022E Net Income	4.8	22.3x			106.4
2023E Net Income	7.7	17.6x			135.7
<i>Mean</i>					121.1
<b>Mean</b>					<b>114.8</b>

Source: EnVent Research

### Target Price

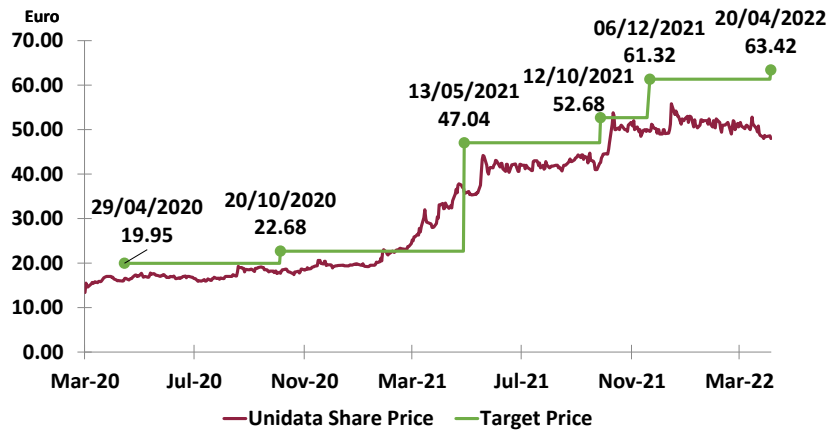
Though we judge the peers selected for multiple application as the most comparable to Unidata, we see still differences with the Company and, for some of them, poor comparability. As a consequence, for our updated valuation we rely on DCF. The resulting target price is €63.42 per share, from €61.32 of our prior note, implying a 32% upside potential on Unidata current stock price. We confirm the OUTPERFORM rating on the stock.

Unidata Price per Share	€
<b>Target Price</b>	63.42
Current Share Price (20/04/2022)	48.00
<b>Premium (Discount)</b>	<b>32%</b>

Source: EnVent Research

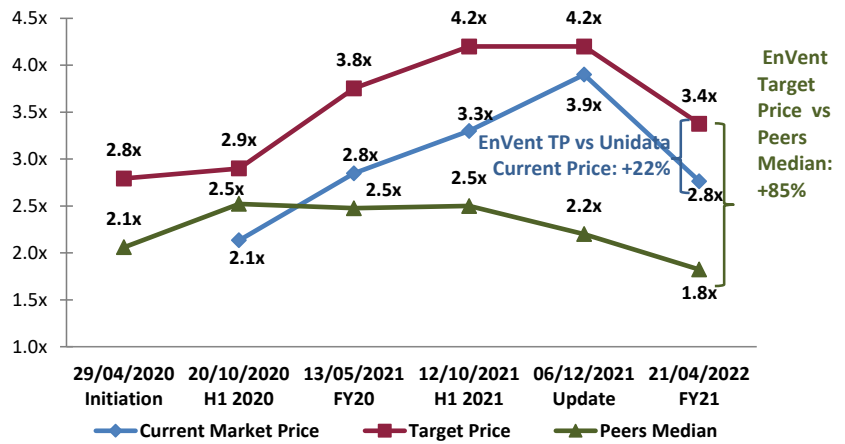
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### Unidata Share Price vs EnVent Target Price



Source: EnVent Research on S&P Capital IQ, 20/04/2022

### Implied EV/Sales vs industry median multiples



Source: EnVent Research on S&P Capital IQ, 20/04/2022

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Date and time of Production: 20/04/2022 h. 6.35pm

Date and time of Distribution: 21/04/2022 h. 6.15pm

#### **DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE**

Date	Recommendation	Target Price (€)	Share Price (€)
29/04/2020	OUTPERFORM	19.95	16.50
20/10/2020	OUTPERFORM	22.68	17.70
13/05/2021	OUTPERFORM	47.04	35.90
12/10/2021	OUTPERFORM	52.68	42.60
06/12/2021	OUTPERFORM	61.32	49.60
21/04/2022	OUTPERFORM	63.42	48.00

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