



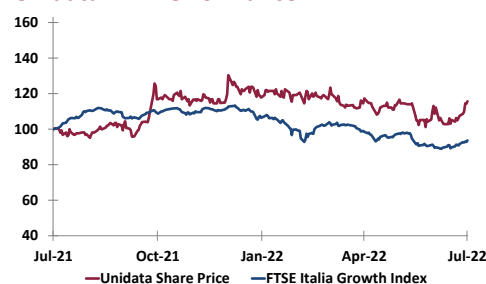
FLASH NOTE

OUTPERFORM

Current Share Price (€): 49.50

Target Price (€): 70.00

Unidata - 1Y Performance



Source: S&P Capital IQ - Note: 29/07/2021=100

Company data

ISIN number	IT0005338840
Bloomberg code	UD IM
Reuters code	UD.IM
Industry	Telecommunication
Stock market	Euronext Growth Milan
Share Price (€)	49.50
Date of Price	29/07/2022
Shares Outstanding (m)	2.5
Market Cap (€m)	122.0
Market Float (%)	23.7%
Daily Volume	280
Avg Daily Volume YTD	632
Target Price (€)	70.00
Upside (%)	41%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	1Y
Unidata - Absolute (%)	2%	-1%	16%
FTSE Italia Growth (%)	3%	-5%	-6%
1Y Range H/L (€)		55.80	40.70
YTD Change (€) / %		-6.30	-11%

Source: S&P Capital IQ

Analysts

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H1 22 sales €27.5m, +70% ca vs H1 21

High performance along Q1 and Q2 22

Unidata unveiled management accounting figures as to KPIs' for Q2 and H1 22

- Q2 sales €16.2m, (+90% ca vs €8.5m Q2 21). H1 22 sales are €27.5m, (+70% ca vs H1 21)
- FTTH optic fiber network 4,920km, +19% ca vs 2021-year end
- Customers 14,298, +21% ca vs 2021-year end
- Net debt €4.0m vs €2.2m as of 2021-year end

Investment in a TIER IV level green data center in Rome in partnership with Azimut

Unidata finalized an agreement with Fondo Infrastrutture per la Crescita-ESG, established and managed by Azimut Libera Impresa SGR S.p.A., for a Tier IV level green data center in Rome, with power of about 16MW and 3,200 rack capacity. The data center will be managed by the NewCo UniCenter S.p.A., 25% owned by Unidata and 75% by the fund. The initial investment expected will be €5.7m from Unidata and €51.3m from the fund, with an option to double the project.

€10m bond issuance

The Company has recently agreed with Intesa SanPaolo bank the issuance of €10m non-convertible bond, with 7 years duration from the date of issuance, a pre-amortization period of 2 years and a fixed rate of 3.74%. The bond will be subject to a subsequent securitization.

Target Price €70.00 per share (from €63.42), OUTPERFORM rating confirmed

Based on our experience of the Company business model we assume the sales step-up trend as continuing during 2022, implying a higher upside potential. As an example, a conservative proxy of €55m revenues at year end would be above our current estimates, and with the same 3.4x Ev/Revenue multiple implied by our last €63.42 TP and our last FY 22E revenues, would result in a TP well over €70. While waiting for H1 22 complete and detailed results, and the following re-evaluation, we currently revise upward our Target Price to round €70.00, from previous €63.42, a 41% upside potential on current share price. We confirm the OUTPERFORM rating on the stock.

Last Update financials and estimates*

€m	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total Revenues	10.6	11.5	13.2	23.4	37.0	47.0	59.5	72.9
YoY %	-	8.5%	14.4%	77.4%	57.9%	26.9%	26.7%	22.6%
EBITDA	3.1	3.8	5.2	8.6	14.1	13.8	17.6	21.5
Margin	29.4%	33.2%	39.0%	36.8%	38.1%	29.4%	29.6%	29.5%
EBIT	1.8	2.3	2.1	4.9	9.1	7.0	11.0	15.2
Margin	16.7%	20.0%	15.8%	20.9%	24.6%	14.9%	18.6%	20.9%
Net Income (Loss)	1.2	1.6	1.4	3.4	7.8	4.8	7.7	10.8
Net Debt (Cash)	0.2	1.1	4.5	(2.5)	2.2	0.8	(0.5)	(3.1)
Equity	4.1	5.7	12.3	21.4	29.0	33.6	41.3	52.1

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

*Note: To be revised after H1 22 full disclosure

Unidata is an Italian local provider of ultra-broadband connectivity services to corporate and residential customers, with over 4,900 km of FTTH optic fiber network covering Rome and province and over 14,000 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. 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.

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The “OUTPERFORM”, “NEUTRAL”, AND “UNDERPERFORM” recommendations are based on the expectations within a 12-month period from the date of rating indicated in the front page of this publication.

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Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks are among the least attractive in a peer group, with the target price 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;

NOT RATED: no rating or target price assigned.

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The stock price indicated in the report is the last closing price on the day of production.

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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
20/04/2022	OUTPERFORM	63.42	48.00
01/08/2022	OUTPERFORM	70.00	49.50

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of which EnVentCM clients % *		100%	0%	0%	100%	0%	0%

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