

Analysier

29 September 2022

Buy

Recommendation unchanged

Share price: EUR 44.00

closing price as of 28/09/2022

Target price: EUR 65.00

Target Price unchanged

Upside/Downside Potential 47.7%

Reuters/Bloomberg

UD.MI/UD.IM

Market capitalisation (EURm) 107

Current N° of shares (m) 2

Free float 24%

Daily avg. no. trad. sh. 12 mth (k) 1

Daily avg. trad. vol. 12 mth (k) 291.50

Price high/low 12 months 55.80 / 41.00

Abs Perfs 1/3/12 mths (%) -13.73/-6.38/3.53

Key financials (EUR) 12/21 12/22e 12/23e

Sales (m) 37 45 57

EBITDA (m) 14 16 19

EBITDA margin 38.0% 35.4% 33.6%

EBIT (m) 9 10 12

EBIT margin 24.6% 22.4% 21.8%

Net Profit (adj.) (m) 8 7 9

ROCE 19.5% 15.5% 16.5%

Net debt/(cash) (m) 2 (0) (0)

Net Debt/Equity 0.1 0.0 0.0

Debt/EBITDA 0.2 0.0 0.0

Int. cover(EBITDA/Fin. int) high 55.8 high

EV/Sales 3.8 2.4 1.9

EV/EBITDA 9.9 6.9 5.7

EV/EBITDA (adj.) 9.9 6.9 5.7

EV/EBIT 15.3 10.9 8.8

P/E (adj.) 16.7 15.5 12.1

P/BV 4.7 3.0 2.4

OpFCF yield -2.1% 2.5% 0.9%

Dividend yield 0.2% 0.2% 0.2%

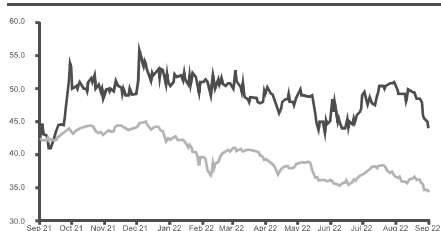
EPS (adj.) 3.33 2.83 3.64

BVPS 11.90 14.63 18.18

DPS 0.10 0.10 0.10

Shareholders

Uninvest 69%; Others 7%;



Source: FactSet

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H122: we expect solid profitability numbers

The facts: Unidata is due to report today final H221 numbers with cc scheduled for Monday October 3rd at 15hCET.

EURm	H121a	H122e	%Ch.
Fiber&Networking	7.8	9.0	15%
Infrastructure&Wh.	2.9	7.5	163%
Materials	2.4	3.5	44%
Others	0.6	0.6	3%
TOT Sales	13.7	20.6	50%
Other Income	0.5	0.5	
VoP	14.2	21.1	48%
GROUP EBITDA	3.6	5.3	45%
EBITDA Margin	25.6%	25.0%	
D&A, PPA	(2.1)	(2.5)	18%
Provisions	0.0	0.0	
EBIT	1.5	2.8	81%
EBIT margin	10.8%	13.1%	
Net fin. Inc. (cost)	(0.1)	(0.1)	
Extraordinary items	0.0	0.0	
Pre-tax profit	1.5	2.7	84%
Taxes	1.5	(0.8)	
Tax rate	nm	28.0%	
Minorities	0.0	0.0	
Net profit	3.0	1.9	-35%
Net Debt/(Cash)	(1.4)	4.0	

Source: Company Data, Banca Akros forecasts

Our analysis: The company already reported Q122 and Q222 gross sales, a sales indicator before ifrs16 application, for combined EUR 27.5m or +71% yoy, largely thanks to infrastructure and wholesale. The indicator is not equivalent to our and company's value of production (published only with the six- and twelve-month results) but it is in our opinion a good proxy. Above, we have tried to convert those aggregate into post ifrs 16 numbers. We highlight that H121 figures benefited for some Eur 1.8m positive deferred taxes, making for a difficult comparison at net profit level.

Other Q222/H122 key indicators already published were the number of clients to 14300 and new fiber laid down of 330Km to a total of 4920Km both about in line with our projection of 15000 and 300KM respectively. Finally, net debt was EUR 4m vs. EUR 2.2m as of year-end 2021 and EUR 2.9m as of Q122 driven by higher capex mostly, we believe, in the Unifiber JV.

Conclusion & Action: Rating and PT confirmed.

Disclaimer

This research has been prepared by Giada Cabrino;Andrea Devita;Enrico Esposti;Gabriele Gambarova;Paola Saglietti;Luigi Tramontana;Francesco Sala;Andrea Bonfà;Gian Marco Gadini (members of AIAF);; Marcello Renna (ordinary member of SIAT), who are financial analysts with Banca Akros SpA ("Banca Akros"), which is responsible for the preparation of the research.

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This research has been produced and is being distributed as of 29 September 2022 at 8:41 AM CET.

In compliance with art. 5 and 6 of Delegated Regulation 2016/598, Banca Akros hereby declared that it has a personal interest in some of the companies examined in this research,specifically.

Abitare In-Banca Akros is acting as corporate broker

ABP Nocivelli- Banca Akros is a specialist or liquidity provider

Agos-Banca Akros acted as Joint Lead Manager of the issuance organized in October 2021

Alerion Clean Power-Banca Akros is acting as corporate broker

Alerion Clean Power-Banca Akros may be involved in extraordinary finance initiatives concerning the company

Almawave-The Bank was acting as Global Coordinator and Joint Bookrunner of the pertinent IPO

Almawave-Banca Akros is a specialist or liquidity provider

Anima Holding-Banca Akros acted as Joint Bookrunner of the bond issuance (listed in Dublin) organized in April 2021

Anima Holding-Banca Akros' parent group holds more than 3% or is a member of shareholders pacts

ASTM-Banca Akros acted as Joint Lead Manager of the bond issuance organized in November 2021

Autostrade per l'Italia - Gruppo Atlantia-Banca Akros acted as Other Bookrunner of the bond issuance organized in January 2022 and as a Bookrunner of the bond issuance organized in January 2021

Banca Ifis-Banca Akros is acting as corporate broker

Banca Sistema-Banca Akros is acting as corporate broker

Banco Bpm-Banca Akros acted:

- as Joint Bookrunner of the bond issuance organized in June 2021 and January 2022

- as Joint Lead Manager of the bond issuance organized in July 2021

- as Other Bookrunner of the bond issuance organized in April 2022

- as Joint Bookrunner of the bond issuance organized in February and March 2022 (Issuer's Green, Social and Sustainability Bond Framework: Banco BPM EU750m 5Y Green Covered; ISIN IT0005489932)

Cattolica Assicurazione-Banca Akros acted as intermediary for the public exchange offer organized in October 2021 and for the sell out organized in July 2022

Cembre-Banca Akros is a specialist or liquidity provider

Cerved-Banca Akros was acting as intermediary for the public exchange offer organized in July and August 2021 and for the sell out organized in January-February 2022

Culti Milano-Banca Akros is a specialist or liquidity provider

DEA Capital-Banca Akros is acting as corporate broker

Digital Bros-Banca Akros is a specialist or liquidity provider

Digital Magics-Banca Akros is a specialist or liquidity provider

Digital Magics-Banca Akros is acting as Nomad

Digital Value- Banca Akros is acting as corporate broker

Enel-Banca Akros acted as a Joint Bookrunner of the tender offer on ENEL Finance International N.V.'s notes organized in January 2022

Enervit-Banca Akros is acting as corporate broker

Falck Renewables-Banca Akros is a specialist or liquidity provider

Falck Renewables- Banca Akros is acting as collecting intermediary for the public exchange offer organized in April-May 2022

Fiera Milano-Banca Akros is a specialist or liquidity provider

Fine Foods and Pharmaceuticals-Banca Akros is a specialist or liquidity provider

Fine Foods and Pharmaceuticals-Banca Akros is acting as Nomad

Fine Foods and Pharmaceuticals-The Bank was acting as Sponsor in the MTA/Star transition process (12 luglio 2021)

Gambero Rosso-Banca Akros is acting as Nomad

Gas Plus-Banca Akros is a specialist or liquidity provider

Generalfinance-Banca Akros is acting as corporate broker

GPI-Banca Akros is a specialist or liquidity provider

I Grandi Viaggi-Banca Akros is a specialist or liquidity provider

Il Sole 24 Ore-Banca Akros is acting as corporate broker

IndelB-Banca Akros is acting as corporate broker

Industrial Stars of Italy 4-Banca Akros is a specialist or liquidity provider

Industrial Stars of Italy 4-Banca Akros is acting as Nomad

Intesa Sanpaolo-Banca Akros acted as Co-Manager of the bond issuance organized in February 2021, March 2022 and September 2022

Italian Wine Brands-Banca Akros is a specialist or liquidity provider

Landi Renzo-Banca Akros provided investment banking services to Landi Renzo on the occasion of the July 2022 capital increase

Met.Extra Group (ex Titanmet)-Banca Akros was acting as collecting intermediary for the public exchange offer organized in January 2022

Monnalisa-Banca Akros is acting as corporate broker

Neodecortech-Banca Akros is acting as corporate broker

Net Insurance-Banca Akros is acting as corporate broker

Net Insurance-Banca Akros acted as Sponsor for the listing of the shares and warrants on Euronext STAR Milan in June 2022

Net Insurance-The Bank acted as Sponsor in the EXM/STAR transition process (1 August 2022)

Orsero-Banca Akros is acting as corporate broker

Osai-Banca Akros is acting as corporate broker
 PLC-Banca Akros is a specialist or liquidity provider
 Prima Industrie-Banca Akros is acting as corporate broker
 QF Immobiliare Dinamico-Banca Akros is a specialist or liquidity provider (closed-end funds)
 QF Mediolanum RE A-Banca Akros is a specialist or liquidity provider (closed-end funds)
 QF Mediolanum RE B-Banca Akros is a specialist or liquidity provider (closed-end funds)
 Reno De Medici-Banca Akros acted as intermediary for the public exchange offer organized in November-December 2021
 Saipem-Banca Akros was acting as intermediary for the share buyback programme organized in September 2021
 Saipem-Banca Akros acted as a Joint Bookrunner of the capital increase organized in June 2022
 Saipem-Banco BPM is among the lenders for the "Financial and Capital Strengthening Plan" announced in March 2022
 Salcef-Banca Akros acted as Joint Global Coordinator e Joint Bookrunner of the Accelerated Bookbuilding organized in September and October 2021
 Salcef-Banca Akros is a specialist or liquidity provider
 Sciuker Frames-Banca Akros is acting as corporate broker
 SEIF – Società Editoriale Il Fatto-Banca Akros is a specialist or liquidity provider
 Shedirpharma-Banca Akros is a specialist or liquidity provider
 Spindox-Banca Akros is acting as corporate broker
 Terna-Banca Akros acted as a Joint Bookrunner of the bond issuance organized in February 2022: Inaugural Green Hybrid PerpNC6
 Tiscali-Banca Akros assisted Linkem and Linkem Retail as financial advisor issuing a fairness opinion on the Linkem Retail/Tiscali merger exchange ratio
 Unicredit-Banca Akros acted as Co-Lead Manager of the bond issuance organized in January 2022 (UniCredit EU 1.75b Snr Pref, ISIN XS2433141947)
 Unidata-Banca Akros is acting as corporate broker
 Unidata-Banca Akros was acting as intermediary for the share buyback programme organized in September 2021
 Webuild-Banca Akros acted as a CoManager of the issuance organized in January 2021 and January 2022

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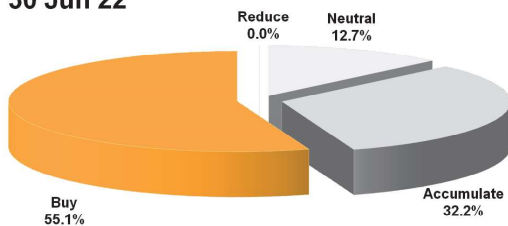
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Percentage of recommendations by the 30 June 2022

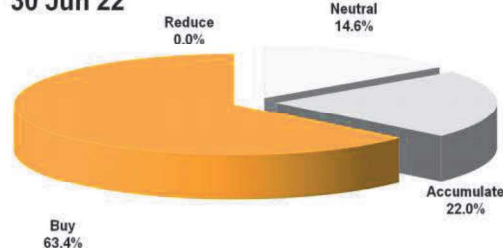
All recommendations

Recommendations on stocks under conflict of interest (*)

30 Jun 22



30 Jun 22



(*) Please note that the rate of issuers who are in potential conflict of interests with Banca Akros is equivalent to 34.75% of all issuers covered

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Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

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- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12-month
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12-month
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- **Sell:** the stock is expected to generate total return **under -15%** during the next 12-month
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