

## Analysier

4 October 2022

### Buy

Recommendation unchanged

Share price: EUR 46.70

closing price as of 03/10/2022

Target price: EUR 65.00

Target Price unchanged

Upside/Downside Potential 39.2%

Reuters/Bloomberg UD.MI/UD.IM

Market capitalisation (EURm) 114

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) 0.56

Price high/low 12 months 55.80 / 41.00

Abs Perfs 1/3/12 mths (%) -5.08/-2.71/8.35

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 2.6 2.0

EV/EBITDA 9.9 7.3 6.0

EV/EBITDA (adj.) 9.9 7.3 6.0

EV/EBIT 15.3 11.5 9.3

P/E (adj.) 16.7 16.5 12.8

P/BV 4.7 3.2 2.6

OpFCF yield -2.1% 2.4% 0.8%

Dividend yield 0.2% 0.2% 0.2%

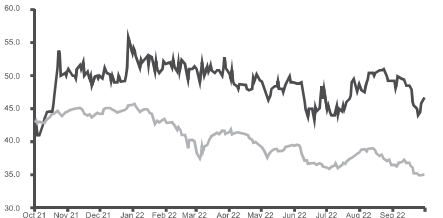
EPS (adj.) 3.33 2.83 3.64

BVPS 11.90 14.63 18.18

DPS 0.10 0.10 0.10

### Shareholders

Uninvest 69%; Others 7%;



Source: FactSet

UNIDATA FTSE AIM Italia (Rebased)

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## New Unidata taking shape: inputs from yesterday's cc

The facts: The company held yesterday a conference call post H122 results.

EURm	H121a	H122a	%Ch.
Fiber&Networking	5.7	6.6	16%
Infrastructure&Wh.	5.0	9.5	91%
Materials	2.5	4.0	64%
Others	0.6	0.7	13%
Other Income	0.5	0.8	
<b>VoP</b>	<b>14.2</b>	<b>21.5</b>	<b>52%</b>
less Materials	(2.5)	(4.0)	64%
<b>VoP adj.</b>	<b>11.8</b>	<b>17.5</b>	<b>49%</b>
<b>GROUP EBITDA</b>	<b>3.6</b>	<b>5.6</b>	<b>54%</b>
EBITDA Margin	25.6%	26.0%	
Materials EBITDA	(0.3)	(0.2)	-20%
<b>EBITDA Core</b>	<b>3.4</b>	<b>5.4</b>	<b>59%</b>
EBITDA Margin	28.9%	30.8%	
D&A, PPA	(2.1)	(2.5)	21%
<b>EBIT</b>	<b>1.5</b>	<b>3.0</b>	<b>99%</b>
EBIT margin	10.8%	14.2%	
Net fin. Inc. (cost)	(0.1)	0.1	
<b>Pre-tax profit</b>	<b>1.5</b>	<b>3.1</b>	<b>113%</b>
Taxes	1.5	(1.0)	
Tax rate	nm	32.7%	
<b>Net profit</b>	<b>3.0</b>	<b>2.1</b>	<b>-30%</b>
<b>Net Debt/(Cash)</b>	<b>(1.4)</b>	<b>4.0</b>	

Source: Company Data, Banca Akros forecasts

**Our analysis:** Unidata published H122 final results last Friday, which were overall in line with expectations and which showed solid top line and EBITDA growth. Other Q222/H122 key indicators 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 related to the fiber network expansion. With the results the company disclosed a new submarine cable project 890KM long between Mazzara and Genova for EUR 70m of capex of which EUR 12.5/18m Unidata potential equity commitment and the doubling of the Unifiber cabling target to app. 200k households from 100k for EUR 18.5m additional capex of which EUR 3.5m from Unidata. The above initiatives add to the new recently announced green Data Center to be built in Rome-Fiumicino for further EUR 57m capex (EUR 5.7m Unidata quota). The above projects and the organic growth will be financed by a EUR 10m bond recently announced and a capital increase of up to EUR 50m to be carried out sometimes by 2023e. Main inputs from yesterday's cc is that the new data center should be operating from late H223 and that the cable should be ready, in light of current slots available for laying down the cable by specialised ships, around mid-2025e. Both investments should have very interesting IRR: Finally, further growth might come from the new office in Bari with potential cabling initiatives and by M&A.

**Conclusion & Action:** The new Unidata is clearly taking shape with interesting projects. We confirmed our Rating and PT. We value the company with a DCF based on existing BP targets (i.e. the above projects are not included given their early stage), WACC at 8.5%. and 1% Itg. Risks are in price pressures and slower than expected network expansion.

## 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 04 October 2022 at 8:30 AM CET.**

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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

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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

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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)

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Cembre-Banca Akros is a specialist or liquidity provider

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Digital Magics-Banca Akros is acting as Nomad

Digital Value- Banca Akros is acting as corporate broker

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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

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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)

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

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

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

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 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  
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 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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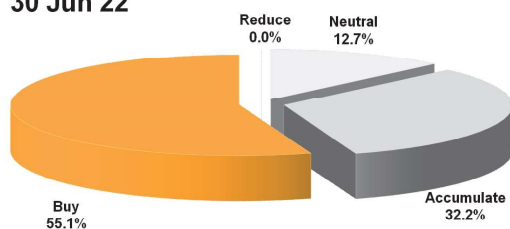
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## Percentage of recommendations by the 30 June 2022

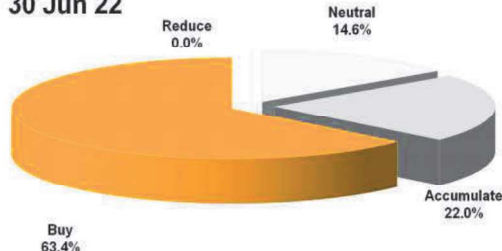
All recommendations

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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### Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months
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