

## UNIDATA

Sector: Tech

### 1H margins diluted by M&A, focus on upcoming BP update

*1H23 top-line grew by >20% yoy organically in all business divisions, although came in slightly lower than our FY estimate (+21.7% vs. our +23.2% yoy). 1H23 adj. EBITDA margin on sales dropped to 22.6% from 25.9% in 1H22 (vs. our 27% for the FY23E), mainly due to the dilutive impact from TWT integration. We expect the group to gradually digest the acquisition in the coming months, with gradual improvements in profitability going forward. We mainly trim our FY23-24 adj. EBITDA margin by -220bps on average, as we expect synergies to materialize at a lower pace. All in all, revenues should reach Eu101mn in 23E, (+21.2% yoy organic) with adj. EBITDA of Eu24.6mn (24.4% margin). FY25E figures were broadly confirmed. Unidata is currently trading at a 24E EV/EBIT of 10.3x at >20% discount vs Intred. We confirm our BUY rating. Our mark-to-market DCF model and SOP delivers a Target Price of Eu60 from Eu66/share (ca. 40% upside). The upcoming BP update, expected by next November, should unveil full synergies potential from the TWT merger and could represent an upside risk to our numbers.*

- **1H23 revenues reached Eu41.7mn (+93% yoy) with an organic growth of +22% yoy.** 1H23 revenues (including TWT business from March 23) reached Eu41.7mn (+93% yoy). Considering Unidata stand-alone business, top-line grew by +21.7% yoy to Eu26.3mn from Eu14.5mn in 1H22. Looking by stand-alone business, the group advanced organically in both Fiber & Networking and Infrastructure Development. Within the former, consumer grew by +24% yoy to Eu2mn, while business was up 16% yoy to Eu5mn. Moving to the Infrastructure division, Unidata sales grew by +22%, mainly thanks to a strong increase in Unifiber sales, more than doubled yoy, reaching Eu9.6mn from 4.3mn in 1H22. Sales from IRU were stable (-4% yoy to Eu4.4mn). Km of fiber expanded by over 450km, reaching more than 5,900km.
- **Adj. EBITDA margin dropped to 22.6% due to TWT integration dilutive impact.** Adj. EBITDA (excluding Eu0.9mn extraordinary costs linked to TWT acquisition and MTA translisting) reached Eu9.4mn with margin decreasing from 25.9% in 1H22 to 22.6%. Unidata stand-alone EBITDA margin landed in the region of 25%. The drop is mainly attributable to a dilutive impact from TWT merger. As a % of sales, raw materials incidence grew substantially (24% on sales in 1H22 vs. current 33%). Adj. EBIT and net profit stood at Eu5.7mn/13.7% margin (from 14.1% margin in 1H22) and Eu3.3mn/7.8% margin (from 9.7% in 1H22), respectively. NFP grew to Eu49.6mn from Eu8.5mn at YE22, mainly linked to TWT acquisition and ca. Eu14mn of capex, o/w ca. 50% linked to network expansion.
- **Focus on TWT synergies exploitation and BP update.** In the coming months, Unidata should start to extrapolate synergies from the TWT merger as well as continuing to grow organically. During the CCall, the group stated that the updated BP should be unveiled by November 23. IoT business should also gaining traction, with the group expecting to bear fruits from several tenders, on the back of the recent awarded projects in smart metering (Eu15.7mn of projects awarded YTD). The BoD proposed a stock option plan 2023-25 for the top management and key figures.
- **We mainly trim our FY23-24E EBITDA margin.** We fine-tuned downwards our FY23E top-line (-3.8%) to reflect 10 months TWT consolidation period (from previous full-year). We also trim our FY23-24E adj. EBITDA margin by -220bps on average (now pointing to 24.4/25.6% on sales FY23/24), as we expect synergies to materialize at a lower pace. All in all, revenues should reach Eu101mn in 2023E, (+21.2% yoy organic) with adj. EBITDA of Eu24.6mn (24.4% margin) and net debt of Eu46.7mn. FY25E figures were broadly confirmed. The upcoming BP update could represent upside potentials to our numbers.
- **BUY reiterated, TP to 60/share (from 66).** We confirm our BUY rating. Our mark-to-market DCF model and SOP (based on 2024 figures) deliver a Target Price of Eu60 from Eu66/share (ca. 40% upside). Unidata is currently trading at a 24E EV/EBIT of 10.3x at discount >20% vs Intred.

## BUY

Unchanged

## TP 60.0

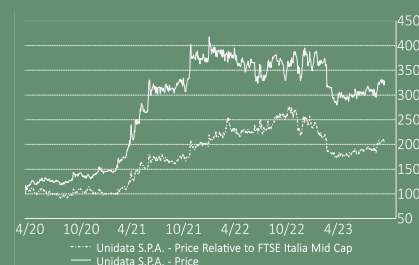
From 66.0

Target price upside 37%

Change in EPS est.	FY23E	FY24E
	-23%	-12%

Ticker (BBG, Reut)	UD IM	UD MI
Share price Ord. (Eu)		43.9
N. of Ord. shares (mn)		3.1
Total N. of shares (mn)		3.1
Market cap (Eu mn)		136
Total Market Cap (Eu mn)		136
Free Float Ord. (%)		39%
Free Float Ord. (Eu mn)		53
Daily AVG liquidity Ord. (Eu k)		79

	1M	3M	12M
Absolute Perf.	7.8%	4.4%	-13.4%
Rel.to FTSEMIDCap	9.8%	10.9%	-21.9%
52 weeks range		37.4	52.8



	FY22A	FY23E	FY24E
Sales	51	101	117
EBITDA	16.2	24.6	30.0
Net profit	7.5	11.2	13.8
EPS adj.	3.000	3.974	4.484
DPS - Ord.	0.100	0.100	0.100
EV/EBITDA	7.9x	7.5x	7.4x
P/E adj.	16.6x	12.1x	11.5x
Dividend yield	0.2%	0.2%	0.2%
FCF yield	nm	4.0%	5.0%
Net debt/(Net cash)	8.5	46.7	48.7
Net debt/EBITDA	0.5x	1.9x	1.6x

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# ALANTRA

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## Key Data (IFRS)

P&L account (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Total Revenues	37.0	51.3	100.9	117.4	131.4
Gross margin	na	na	na	na	na
EBITDA reported	14.1	16.2	23.7	30.0	35.1
D&A	(5.0)	(5.5)	(7.0)	(8.6)	(8.9)
EBIT reported	9.1	10.7	16.7	21.4	26.2
Net financial charges	(0.3)	(0.1)	(2.1)	(2.2)	(0.6)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	8.8	10.7	15.5	19.2	25.6
Taxes	(1.0)	(3.1)	(4.3)	(5.4)	(7.2)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	7.8	7.5	10.3	13.8	18.4
<b>EBITDA adjusted</b>	<b>14.1</b>	<b>16.2</b>	<b>24.6</b>	<b>30.0</b>	<b>35.1</b>
<b>EBIT adjusted</b>	<b>9.1</b>	<b>10.7</b>	<b>17.6</b>	<b>21.4</b>	<b>26.2</b>
<b>Net profit adjusted</b>	<b>6.0</b>	<b>7.5</b>	<b>11.2</b>	<b>13.8</b>	<b>18.4</b>

Margins (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Gross margin	nm	nm	nm	nm	nm
EBITDA margin (adj)	38.1%	31.6%	24.4%	25.6%	26.7%
EBIT margin (adj)	24.6%	20.9%	17.5%	18.2%	19.9%
Pre-tax margin	23.8%	20.7%	15.4%	16.4%	19.5%
Net profit margin (adj)	16.3%	14.6%	11.1%	11.8%	14.0%

Growth rates (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	57.9%	38.8%	96.4%	16.4%	11.8%
EBITDA	63.4%	15.2%	46.2%	26.6%	16.8%
EBITDA adjusted	63.4%	15.2%	51.7%	21.9%	16.8%
EBIT	86.1%	17.8%	56.2%	27.8%	22.2%
EBIT adjusted	86.1%	17.8%	64.6%	21.3%	22.2%
Pre-tax	84.4%	20.8%	45.7%	23.9%	33.0%
Net profit	131.2%	-4.3%	37.0%	34.7%	33.0%
Net profit adjusted	78.2%	24.2%	49.0%	23.9%	33.0%

Per share data	FY21A	FY22A	FY23E	FY24E	FY25E
Shares	2.465	2.538	3.088	3.088	3.088
N. of shares AVG	2.465	2.501	2.813	3.088	3.088
N. of shares diluted AVG	2.465	2.501	2.813	3.088	3.088
<b>EPS</b>	<b>3.182</b>	<b>3.000</b>	<b>3.654</b>	<b>4.484</b>	<b>5.966</b>
<b>EPS adjusted</b>	<b>2.452</b>	<b>3.000</b>	<b>3.974</b>	<b>4.484</b>	<b>5.966</b>
<b>DPS - Ord.</b>	<b>0.100</b>	<b>0.100</b>	<b>0.100</b>	<b>0.100</b>	<b>0.100</b>
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	11.780	14.760	24.907	27.073	32.939

Enterprise value (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Share price Ord. (Eu)	37.5	49.1	43.9	43.9	43.9
Market cap	92.5	124.6	135.6	158.7	158.7
Net debt/(Net cash)	2.2	8.5	46.7	48.7	40.6
Adjustments	(10.8)	(4.6)	3.6	13.7	19.3
Enterprise value	83.9	128.4	185.9	221.0	218.6

Cash flow (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
EBITDA adjusted	14.1	16.2	24.6	30.0	35.1
Net financial charges	(0.3)	(0.1)	(2.1)	(2.2)	(0.6)
Cash taxes	(1.0)	(0.1)	(4.3)	(5.4)	(7.2)
Ch. in Working Capital	(4.7)	(6.3)	3.8	(1.0)	0.2
Other operating items	0.5	(3.0)	(0.7)	(0.6)	0.3
<b>Operating cash flow</b>	<b>8.6</b>	<b>6.8</b>	<b>21.4</b>	<b>20.9</b>	<b>27.9</b>
Capex	(13.9)	(11.2)	(16.0)	(13.0)	(13.5)
<b>FCF</b>	<b>(5.3)</b>	<b>(4.4)</b>	<b>5.4</b>	<b>7.9</b>	<b>14.4</b>
Disposals/Acquisitions	0.0	0.0	(58.0)	0.0	0.0
Changes in Equity	0.0	0.4	23.1	0.0	0.0
Others	(0.2)	(2.1)	(8.5)	(9.5)	(6.0)
Dividends	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)
<b>Ch. in NFP</b>	<b>(5.7)</b>	<b>(6.3)</b>	<b>(38.2)</b>	<b>(1.9)</b>	<b>8.1</b>

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
<b>Capex/Sales</b>	<b>37.6%</b>	<b>21.7%</b>	<b>15.9%</b>	<b>11.1%</b>	<b>10.3%</b>
Capex/D&A	2.8x	2.0x	2.3x	1.5x	1.5x
FCF/EBITDA	-37.5%	-26.9%	21.8%	26.2%	41.0%
FCF/Net profit	-67.3%	nm	52.2%	56.8%	78.1%
<b>Dividend pay-out</b>	<b>3.1%</b>	<b>3.3%</b>	<b>3.0%</b>	<b>2.2%</b>	<b>1.7%</b>

Balance sheet (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital	(1.3)	1.1	(2.7)	(1.7)	(1.9)
Fixed assets	44.6	55.7	131.2	145.0	155.6
Provisions & others	(12.0)	(11.4)	(11.6)	(11.1)	(11.4)
<b>Net capital employed</b>	<b>31.3</b>	<b>45.4</b>	<b>116.8</b>	<b>132.3</b>	<b>142.3</b>
<b>Net debt/(Net cash)</b>	<b>2.2</b>	<b>8.5</b>	<b>46.7</b>	<b>48.7</b>	<b>40.6</b>
Equity	29.0	36.9	70.1	83.6	101.7
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
<b>Working capital/Sales</b>	<b>-3.6%</b>	<b>2.2%</b>	<b>-2.7%</b>	<b>-1.5%</b>	<b>-1.4%</b>
<b>Net debt/Equity</b>	<b>7.7%</b>	<b>23.0%</b>	<b>66.7%</b>	<b>58.2%</b>	<b>39.9%</b>
<b>Net debt/EBITDA</b>	<b>0.2x</b>	<b>0.5x</b>	<b>1.9x</b>	<b>1.6x</b>	<b>1.2x</b>

Valuation	FY21A	FY22A	FY23E	FY24E	FY25E
<b>EV/CE</b>	<b>1.9x</b>	<b>2.3x</b>	<b>1.4x</b>	<b>1.5x</b>	<b>1.4x</b>
P/BV	3.2x	3.4x	1.9x	1.9x	1.6x
EV/Sales	2.3x	2.5x	1.8x	1.9x	1.7x
EV/EBITDA	6.0x	7.9x	7.8x	7.4x	6.2x
<b>EV/EBITDA adjusted</b>	<b>6.0x</b>	<b>7.9x</b>	<b>7.5x</b>	<b>7.4x</b>	<b>6.2x</b>
EV/EBIT	9.2x	12.0x	11.1x	10.3x	8.4x
<b>EV/EBIT adjusted</b>	<b>9.2x</b>	<b>12.0x</b>	<b>10.5x</b>	<b>10.3x</b>	<b>8.4x</b>
P/E	11.8x	16.6x	13.2x	11.5x	8.6x
<b>P/E adjusted</b>	<b>15.3x</b>	<b>16.6x</b>	<b>12.1x</b>	<b>11.5x</b>	<b>8.6x</b>
ROCE pre-tax	23.4%	21.4%	19.1%	15.8%	17.6%
<b>ROE</b>	<b>20.8%</b>	<b>20.3%</b>	<b>16.0%</b>	<b>16.6%</b>	<b>18.1%</b>
EV/FCF	nm	nm	34.7x	28.1x	15.2x
<b>FCF yield</b>	<b>nm</b>	<b>nm</b>	<b>4.0%</b>	<b>5.0%</b>	<b>9.1%</b>
<b>Dividend yield</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>

### Share price performance

Strong performance from IPO (>+200%)...



Source: Factset

### Valuation

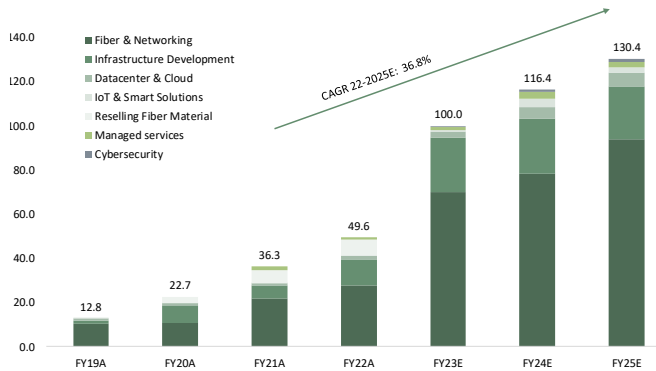
...with EV/EBITDA multiple close to all-time lows



## Key Charts

### Revenue trend (FY19-FY25E)

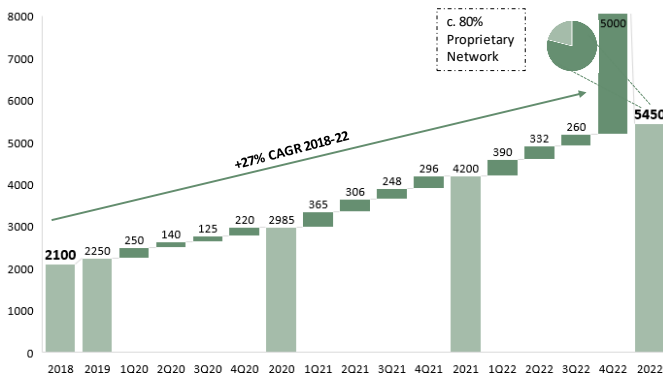
Strong revenues CAGR 2022-25E (+36.8%; +13% organic)



Source: Company data

### Evolution of fiber network (FY18-FY22A)

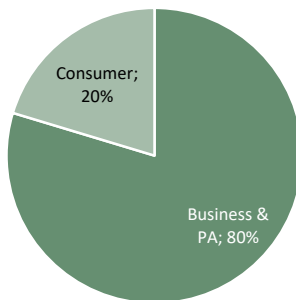
Fiber network extension advanced at fast pace (+27% CAGR 18-22)



Source: Company data

### ARPU breakdown by type of client (% , FY22A)

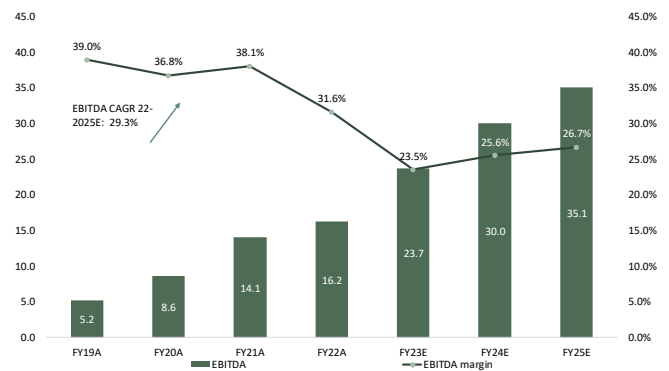
Business & PA represent the largest share of Unidata clients as value (ARPU\*# clients)



Source: Company data

### EBITDA and EBITDA margin (FY19A-FY25E)

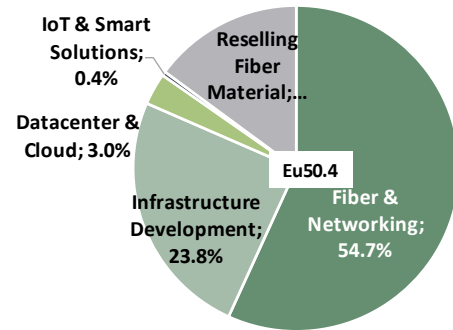
Our FY25E EBITDA points to Eu35.4mn/26.9% margin



Source: Company data

### Revenue breakdown by business (FY22A)

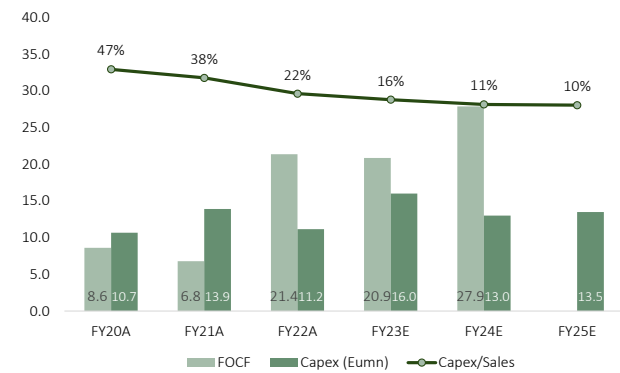
Connectivity weighs the majority on FY22 sales



Source: Company data

### Capex plan (FY20A-FY25E)

Average Capex/sales >10% and fully financed due to sound FOCF generation



Source: Company data

## Profile

<b>Background</b>	Established in 1985 as hardware provider, Unidata has built its roots in the ICT sector, becoming one of the first movers in the optic fiber (FTTH) and radio (FWA) connectivity in Rome. The company exploits its growing network of proprietary fiber with wholesale, corporates, PA (>70% of FY21 connectivity sales) and residential clients. Unidata is also managing a proprietary datacenter of 800sqm (3% of FY21 sales). The group has delivered a strong growth of its fiber network (>5,400km; CAGR 18-22 27%; c. 80% owned), also thanks to strategic partnerships (with OF and CEBF) in infrastructure development business (48% of FY21 sales). Two new ventures/partnerships have been announced: Unicenter (minority stake; a green datacenter TIER IV of 20,000sqm in Fiumicino) and Unitirreno (majority stake; a submarine fiber cable system of 890km, connecting Sicily to Genoa through Fiumicino).
<b>Positioning</b>	Unidata has a wide proprietary network of fiber (we estimate a coverage of c. 50% of buildings in the entire province of Rome). Unidata enjoys a differentiated positioning among Italian listed local fiber operators, thanks to a combination of: 1) Stronger focus on corporate clients; 2) Diversification of the proprietary infrastructure (fiber, datacenter and forthcoming submarine cable); 3) Partnerships with the newcomers in infrastructure development (turning threats into opportunities). Unidata has size, margins and ROCE comparable to those of Intred and above Planetel and Convergenze.
<b>Growth</b>	Unidata has experienced a remarkable revenue growth (67% CAGR 19-21), chiefly propelled by the infrastructure development business (>200% CAGR 19-21). As such, the group has delivered a strong growth of its fiber network (34% CAGR 19-22) and of its loyal and recurrent client base (29% CAGR 19-22). EBITDA margin has been historically above 35% on sales. The infrastructure development business is expected to grow due to renewal of Unifiber project (doubling investments to reach 200k buildings and 8k corporates). Unidata should experience a net sales expansion mainly thanks to the fiber & networking division through exploitation of the infrastructure and growth in value-added services (Cloud and IoT). The company has also proved to grow inorganically through its first acquisition of an Italian ICT/TLC player (TWT) announced in Nov 2022. The merger is transformational in terms of size (EU38.7mn revenues of B2B segment in FY21) and strategic relevance, as it would add new regions (chiefly North Italy), new clients (+33k clients), new infrastructure and a nationwide commercial network.
<b>Strategy</b>	Unidata should extend and exploit its proprietary infrastructure, also with the addition of value-added services. While the proprietary fiber network should continue to grow (also through the partnerships with Open Fiber and CEBF) with potential to reach new regions (Puglia), the group should add consumer and Soho clients to its traditional focus on business, PA and wholesale clients. In addition, value added services should be added to the offer. Upselling of value-added services to fiber connectivity clients (poorly exploited so far) should be a competitive hedge. In addition, M&A could play an important role to accelerate the process. The company intends to further diversify its infrastructure through JV the submarine cable system and a large green datacenter. To support these transformational projects and add further M&A firepower, Unidata has increased its market float (now at 31.34%) with the intention to move to the STAR segment of Euronext Milan in 2023.

### Strengths

- Pioneer in fiber networking in Rome and province
- Proprietary Datacenter
- Infrastructure development capabilities

### Opportunities

- Exploitation of the spare capacity of the existing infrastructure
- Upselling of value-added services to existing and new clients
- Diversification and extension of the proprietary infrastructure

### Weaknesses

- Exposure to a low margin non-recurrent infrastructure development business
- Relatively low revenues per km of the existing fiber network
- Short M&A track record

### Threats

- Negative implications of the potential TIM/OF merger
- Increasing competitive pressure in Rome
- Uncertainty around the IRR generated with the new ventures

### Key shareholders

- Uninvest Srl - 55.04%
- Upperhand Srl - 6.17%
- Market (incl. treasury shares) - 38.79%

### Management

- Renato Brunetti - Chairman & CEO
- Roberto Giacometti - CFO

### Next events

- 3Q23 KPI: 14/11/23

## 1H23 results

### 1H23 results

1H23 revenues reached Eu41.7mn (+93% yoy) with an organic growth of +22% yoy. Adj. EBITDA margin dropped to 22.6% due to TWT dilutive impact.

Eu mn	1H22A	1H23A	YoY%	2H22A	2H23E	YoY%	FY22A	FY23E	YoY%
<b>Total Revenues</b>	21.6	41.7	93%	29.8	59.1	99%	51.3	100.9	96%
<b>EBITDA Adjusted</b>	5.6	9.4	68%	10.6	15.2	43%	16.2	24.6	52%
<i>Ebitda Margin %</i>	25.9%	22.6%		35.8%	25.7%		31.6%	24.4%	
<b>EBIT Adjusted</b>	3.0	5.7	87%	7.7	11.9	56%	10.7	17.6	65%
<i>Ebit Margin %</i>	14.1%	13.7%		25.8%	20.2%		20.9%	17.5%	
<b>Restated Net Profit</b>	2.1	3.3	56%	5.4	7.9	46%	7.5	11.2	49%
<i>Net Profit Margin %</i>	9.7%	7.8%		18.1%	13.4%		14.6%	11.1%	
<b>NFP end of the period</b>	4.0	(49.6)		(8.5)	(46.7)		(8.5)	(46.7)	

Source: Alantra estimates

## Estimates

### Change in estimates

We mainly trim our FY23-24 adj. EBITDA margin by -220bps on average, as we expect synergies to materialize at a lower pace.

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Total Revenues	100.9	117.4	131.4	-3.8%	0.2%	0.0%	104.9	117.2	131.4
EBITDA Adjusted	24.6	30.0	35.1	-13.6%	-5.8%	-2.2%	28.5	31.9	35.9
EBIT Adjusted	17.6	21.4	26.2	-18.2%	-9.0%	-3.7%	21.6	23.5	27.2
Pretax Profit	15.5	19.2	25.6	-23.0%	-11.7%	-3.8%	20.2	21.8	26.6
Net profit	10.3	13.8	18.4	-29.2%	-11.7%	-3.8%	14.5	15.7	19.2
Net profit restated	11.2	13.8	18.4	-23.0%	-11.7%	-3.8%	14.5	15.7	19.2
EPS	3.620	4.484	5.966	-23.0%	-11.7%	-3.8%	4.699	5.076	6.203
Net financial position	(46.7)	(48.7)	(40.6)	-7.3	-9.4	-10.1	(39.4)	(39.2)	(30.5)

Source: Alantra estimates

# ALANTRA

Italian Equity Research

## Peers

### Trading multiples

The stock is trading at c. 21% discount EV/EBIT FY24 vs Intred

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
UNIDATA	ITALY	132	1.8 x	1.9 x	1.7 x	7.8 x	7.4 x	6.2 x	11.1 x	10.3 x	8.4 x	13.2 x	11.5 x	8.6 x
<b>Premium (discount) to Intred</b>			<b>-52%</b>	<b>-44%</b>	<b>-43%</b>	<b>-14%</b>	<b>-6%</b>	<b>-7%</b>	<b>-28%</b>	<b>-21%</b>	<b>-24%</b>	<b>-30%</b>	<b>-31%</b>	<b>-42%</b>
<b>Premium (discount) to Peers' Median</b>			<b>-27%</b>	<b>-13%</b>	<b>-8%</b>	<b>10%</b>	<b>-4%</b>	<b>6%</b>	<b>-19%</b>	<b>-21%</b>	<b>-24%</b>	<b>-20%</b>	<b>-10%</b>	<b>-19%</b>
Intred SpA	ITALY	180	3.9 x	3.4 x	2.9 x	9.1 x	7.8 x	6.7 x	15.3 x	13.1 x	11.1 x	18.8 x	16.5 x	14.9 x
Planetel S.p.A.	ITALY	37	1.2 x	1.0 x	0.7 x	5.2 x	3.5 x	2.5 x	12.1 x	6.6 x	4.1 x	14.3 x	9.0 x	6.5 x
Convergenze SpA Societa Benefit	ITALY	14	nm	nm	nm	nm	7.6 x	5.9 x	nm	40.0 x	24.5 x	na	na	na
<b>PEERS Italian Connectivity</b>			<b>2.5 x</b>	<b>2.2 x</b>	<b>1.8 x</b>	<b>7.1 x</b>	<b>6.3 x</b>	<b>5.0 x</b>	<b>13.7 x</b>	<b>19.9 x</b>	<b>13.2 x</b>	<b>16.5 x</b>	<b>12.8 x</b>	<b>10.7 x</b>
<b>Median</b>			<b>2.5 x</b>	<b>2.2 x</b>	<b>1.8 x</b>	<b>7.1 x</b>	<b>7.6 x</b>	<b>5.9 x</b>	<b>13.7 x</b>	<b>13.1 x</b>	<b>11.1 x</b>	<b>16.5 x</b>	<b>12.8 x</b>	<b>10.7 x</b>

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
UNIDATA	ITALY	132	1.8 x	1.9 x	1.7 x	7.8 x	7.4 x	6.2 x	11.1 x	10.3 x	8.4 x	13.2 x	11.5 x	8.6 x
<b>Premium (discount) to Peers' Median</b>			<b>-33%</b>	<b>-21%</b>	<b>-26%</b>	<b>8%</b>	<b>7%</b>	<b>-8%</b>	<b>-18%</b>	<b>-6%</b>	<b>-20%</b>	<b>5%</b>	<b>8%</b>	<b>-82%</b>
United Internet AG	GERMANY	3,650	1.0 x	1.0 x	1.0 x	4.9 x	4.7 x	4.4 x	8.3 x	8.0 x	7.2 x	9.9 x	9.6 x	8.5 x
Cogent Communications Holdings Inc	UNITED STATES	3,032	4.5 x	3.7 x	3.5 x	14.0 x	12.1 x	12.3 x	na	na	na	nm	na	179.8 x
Chorus Limited	NEW ZEALAND	1,785	5.8 x	5.7 x	5.8 x	8.5 x	8.3 x	8.2 x	25.1 x	23.4 x	21.9 x	148.5 x	83.9 x	83.4 x
Bahnhof AB Class B	SWEDEN	236	na	na	na	na	na	na	na	na	na	na	na	na
Bredband2 i Skandinavien AB	SWEDEN	112	1.0 x	0.9 x	0.9 x	6.0 x	5.5 x	5.4 x	13.5 x	11.0 x	10.5 x	12.5 x	10.6 x	9.9 x
<b>PEERS International Connectivity</b>			<b>3.1 x</b>	<b>2.8 x</b>	<b>2.8 x</b>	<b>8.4 x</b>	<b>7.6 x</b>	<b>7.6 x</b>	<b>15.7 x</b>	<b>14.2 x</b>	<b>13.2 x</b>	<b>57.0 x</b>	<b>34.7 x</b>	<b>70.4 x</b>
<b>Median</b>			<b>2.8 x</b>	<b>2.4 x</b>	<b>2.2 x</b>	<b>7.2 x</b>	<b>6.9 x</b>	<b>6.8 x</b>	<b>13.5 x</b>	<b>11.0 x</b>	<b>10.5 x</b>	<b>12.5 x</b>	<b>10.6 x</b>	<b>46.6 x</b>

Source: Alantra estimates and Factset

### Financials

EBIT and net income margins close to peers

Company	Country	Mkt Cap (Eu mn)	FY23E - FY25E average margins					CAGR FY22A - FY25E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
UNIDATA	ITALY	132	25.3%	18.2%	12.0%	12.4%	2.3%	36.8%	29.3%	34.6%	25.8%
<b>PEERS</b>			<b>34.1%</b>	<b>13.7%</b>	<b>12.5%</b>	<b>17.5%</b>	<b>182.3%</b>	<b>9.3%</b>	<b>14.0%</b>	<b>-36.4%</b>	<b>23.1%</b>
<b>Median</b>			<b>30.6%</b>	<b>14.0%</b>	<b>9.6%</b>	<b>10.1%</b>	<b>57.3%</b>	<b>11.5%</b>	<b>11.6%</b>	<b>11.2%</b>	<b>11.6%</b>
Intred SpA	ITALY	180	42.9%	25.7%	18.6%	26.0%	12.8%	11.5%	11.6%	11.2%	11.6%
Planetel S.p.A.	ITALY	37	26.4%	14.0%	9.6%	7.9%	0.0%	13.5%	23.6%	59.4%	64.2%
Convergenze SpA Societa Benefit	ITALY	14	10.9%	2.8%	1.1%	10.0%	na	-4.2%	28.9%	-235.7%	na
<b>PEERS Italian Connectivity</b>			<b>26.7%</b>	<b>14.2%</b>	<b>9.8%</b>	<b>14.6%</b>	<b>6.4%</b>	<b>6.9%</b>	<b>21.3%</b>	<b>-55.1%</b>	<b>37.9%</b>
<b>Median</b>			<b>26.4%</b>	<b>14.0%</b>	<b>9.6%</b>	<b>10.0%</b>	<b>6.4%</b>	<b>11.5%</b>	<b>23.6%</b>	<b>11.2%</b>	<b>37.9%</b>
United Internet AG	GERMANY	3,650	42.9%	25.7%	18.6%	26.0%	0.8%	11.5%	11.6%	11.2%	11.6%
Cogent Communications Holdings Inc	UNITED STATES	3,032	30.6%	-4.7%	30.7%	10.1%	329.0%	26.9%	14.6%	-120.6%	49.8%
Chorus Limited	NEW ZEALAND	1,785	69.3%	24.6%	3.4%	41.6%	649.5%	2.5%	2.6%	3.4%	-6.8%
Bahnhof AB Class B	SWEDEN	236	na	na	na	na	na	na	na	na	na
Bredband2 i Skandinavien AB	SWEDEN	112	16.2%	8.0%	5.9%	1.1%	101.7%	3.7%	4.8%	16.7%	8.4%
<b>PEERS International Connectivity</b>			<b>39.7%</b>	<b>13.4%</b>	<b>14.6%</b>	<b>19.7%</b>	<b>270.3%</b>	<b>11.1%</b>	<b>8.4%</b>	<b>-22.3%</b>	<b>15.8%</b>
<b>Median</b>			<b>36.7%</b>	<b>16.3%</b>	<b>12.2%</b>	<b>18.1%</b>	<b>215.4%</b>	<b>7.6%</b>	<b>8.2%</b>	<b>7.3%</b>	<b>10.0%</b>

Source: Alantra estimates and Factset

## Performance

Unidata share price underperformed vs peers median over the last 12 months

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
UNIDATA	ITALY	132	7.8%	4.4%	9.2%	-13.4%	130.1%	na
PEERS	Average		-1.0%	1.2%	-2.1%	-6.1%	4.4%	82.7%
	Median		-2.0%	-0.9%	-5.6%	-9.8%	11.7%	21.1%
Intred SpA	ITALY	180	2.3%	-1.7%	-10.6%	-20.4%	30.2%	282.2%
Planetel S.p.A.	ITALY	37	2.8%	-5.9%	-6.6%	-16.2%	na	na
Convergenze SpA Societa Benefit	ITALY	14	11.8%	6.1%	-24.6%	-28.6%	na	na
PEERS Italian Connectivity	Average		5.6%	-0.5%	-13.9%	-21.7%	30.2%	na
	Median		2.8%	-1.7%	-10.6%	-20.4%	30.2%	na
United Internet AG	GERMANY	3,650	17.4%	45.9%	6.8%	-15.6%	-53.2%	-54.8%
Cogent Communications Holdings Inc	UNITED STATES	3,032	-4.4%	3.7%	9.1%	25.3%	1.6%	21.1%
Chorus Limited	NEW ZEALAND	1,785	-13.2%	-11.7%	-4.7%	-3.2%	-16.8%	53.0%
Bahnhof AB Class B	SWEDEN	236	-12.3%	-10.9%	-7.4%	2.1%	11.7%	3.7%
Bredband2 i Skandinavien AB	SWEDEN	112	-3.3%	14.4%	5.7%	-5.9%	-13.2%	5.8%
PEERS International Connectivity	Average		-3.1%	8.3%	1.9%	0.5%	-14.0%	5.8%
	Median		-4.4%	3.7%	5.7%	-3.2%	-13.2%	5.8%

Source: Alantra estimates and Factset

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