

Analysar

21 November 2023

Buy

Recommendation unchanged

Share price: EUR 39.20

closing price as of 20/11/2023

Target price: EUR 60.00

Target Price unchanged

Upside/Downside Potential 53.1%

Reuters/Bloomberg

UD.MI/UD.IM

Market capitalisation (EURm) 121

Current N° of shares (m) 3

Free float 33%

Daily avg. no. trad. sh. 12 mth (k) 2

Daily avg. trad. vol. 12 mth (k) 37.90

Price high/low 12 months 52.80 / 36.00

Abs Perfs 1/3/12 mths (%) 3.43/-4.39/-10.91

Key financials (EUR) 12/22 12/23e 12/24e

Sales (m) 51 93 116

EBITDA (m) 16 24 30

EBITDA margin 31.6% 25.9% 25.8%

EBIT (m) 11 17 22

EBIT margin 20.9% 18.5% 18.7%

Net Profit (adj.)(m) 8 10 13

ROCE 15.2% 18.1% 19.7%

Net debt/(cash) (m) 10 56 65

Net Debt/Equity 0.3 0.9 0.9

Debt/EBITDA 0.6 2.3 2.2

Int. cover(EBITDA/Fin. int) 239.0 8.4 10.3

EV/Sales 2.5 1.9 1.6

EV/EBITDA 8.0 7.4 6.3

EV/EBITDA (adj.) 8.0 7.4 6.3

EV/EBIT 12.0 10.3 8.7

P/E (adj.) 15.5 10.8 9.2

P/BV 3.2 2.0 1.6

OpFCF yield -0.7% -6.2% 2.8%

Dividend yield 0.3% 0.3% 0.3%

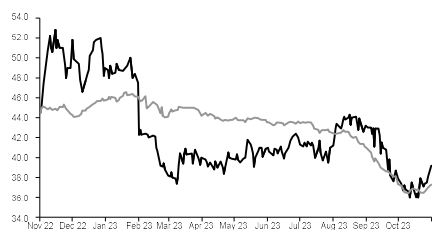
EPS (adj.) 3.01 3.62 4.27

BVPS 14.55 20.09 24.26

DPS 0.10 0.10 0.10

Shareholders

Uninvest 55%; Michela Colli 6%; Others 6%;



Source: FactSet

UNIDATA FTSE AIM Italia (Rebased)

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New 2026e Bp targets well above Akros forecasts

The facts: The company released yesterday an update on its rolling 3y BP which now covers 2024e – 2026e.

Unidata: Akros forecasts vs Unidata BP (EURm)

Akros	2022a	2024e	2025e	2022a*	2024e	2025e	2022a	2023e	2024e	2025e	2026e
	SA	SA	SA	TWT	TWT	TWT	AGG	AGG	AGG	AGG	AGG
Sales	51.3	67.4	73.5	42.5	48.3	56.0	94	93	116	130	114
cagr			13%			10%				11%	5%
EBITDA	14.1	21.6	23.5	6.9	8.3	10.0	21	24	29.9	33.6	28.8
% Sales	27%	32%	32%	16%	17%	18%	22%	26%	26%	26%	25%
cagr			19%			13%				17%	8%

Unidata BP	2022a	2024e	2025e	2022a*	2024e	2025e	2022a	2023e	2024e	2025e	2026e
	SA	SA	SA	TWT	TWT	TWT	AGG	AGG	AGG	AGG	AGG
Sales	51.3	56-70	72-75	42.5	na	56-59	94	94	na	128-134	130-140
cagr			12%/13			na				11%-13%	8%-10%
EBITDA	14.1	19-23	23-26	6.9	na	10-11	21	24	na	34-36	37-41
% Sales	27%	29%/30%	32%/33%	16%	na	18%-19%	22%	26%	na	26%-27%	28%-29%
cagr			12%-16%			na				15%-18%	15%-18%

Source: Company Data, Banca Akros forecasts; *Cleaned of nil margin voice business

Our analysis: The company on the back of the 9M23 results disclosed 2023e sales and EBITDA targets bang in line with our forecasts and a 203e year end net debt target of EUR 46m below our estimate of EUR 56m. Now the company disclosed its 2026e targets which are largely above our forecasts which assumed a decline in the wholesale fiber unit business. Moreover, the company disclosed EUR 56m of capex over the period and a 2026e net debt of EUR 23m. The capex is much higher than our assumptions while the net debt is lower entailing, together with the higher profitability, likely a more benign NWC profile. Growth should be driven by the usual three areas of networks, cloud and IoT, to which now adds: i) *Connectivity & Convergence*; ii) *Smart Cities*, iii) *Advanced Water Solutions*, iv) *Smart Infrastructure*, v) *Edge Computing*, e vi) (XaaS) *Everything-as-a-Service*.

Conclusion & Action: We need to improve our 2023e net debt forecasts as well as our 2026e assumptions. More after tomorrow's virtual BP presentation which will be held at 10 am CET.

Disclaimer

This research has been prepared by Enrico Esposti; Gabriele Gambarova; Matteo Cuconato; Andrea Belloli; Paola Saglietti; Luigi Tramontana; Francesco Sala; Andrea Bonfà; Carmen Novel; 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 21 November 2023 at 9:08 AM CET.

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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

Atlantia-Banca Akros acted as intermediary for the public exchange offer organized in October and November 2022

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, January 2022 and November 2022

- as Joint Lead Manager of the bond issuance organized in July 2021 and January 2023

- 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), June 2023

Be Shaping the Future - Banca Akros was acting as intermediary for the public exchange offer organized in November and December 2022

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

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Digital Bros-Banca Akros is a specialist or liquidity provider

Digital Magics- Banca Akros is acting as corporate broker

Digital Magics-Banca Akros is acting as Nomad

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Eni-Banca Akros is acting as guarantor and placement agent of the bond issuance (sustainability-linked 2023/2028) organized in January 2023

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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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Gas Plus-Banca Akros is a specialist or liquidity provider

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Generalfinance-Banca Akros supported Generalfinance in the placement of Class A3 Senior Notes in December 2022.

GPI-Banca Akros is a specialist or liquidity provider

Hera-Banca Akros acted as Other Bookrunner of the bond issuance organized in April 2023

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

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

IMD Banca Akros acted as Euronext Growth Advisor, Sole Global Coordinator, Sole Bookrunner and Specialist of the pertinent IPO organized in June and July 2023

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Intesa Sanpaolo-Banca Akros acted as Co-Manager of the bond issuance organized in March 2022, September 2022, February 2023 and March 2023

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

Landi Renzo - Banca Akros is acting as corporate broker

Lottomatica Group-Banca Akros acted as Joint Bookrunner of the pertinent IPO organized in April and May 2023

Magis-Banca Akros is acting as corporate broker

Maire Tecnimont Banca Akros acted as di Joint Bookrunner of the Sustainability-Linked Unsecured bond organized in September 2023

Orsero-Banca Akros is acting as corporate broker

Osai-Banca Akros is acting as corporate broker

Piaggio-Banca Akros acted as Joint Bookrunner of the bond issuance organized in September 2023

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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-Banca Akros acted as a Joint Bookrunner of the senior unsecured guaranteed equity-linked bonds issuance organized in August and September 2023

Saipem-Banco BPM is among the lenders for the "Financial and Capital Strengthening Plan" announced in March 2022

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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)

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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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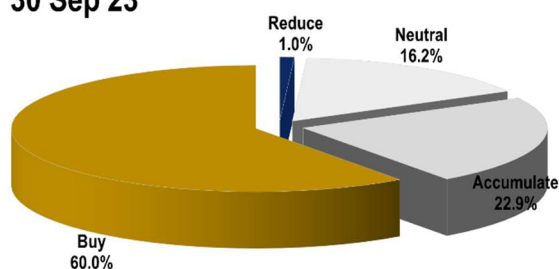
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Percentage of recommendations by the 30 September 2023

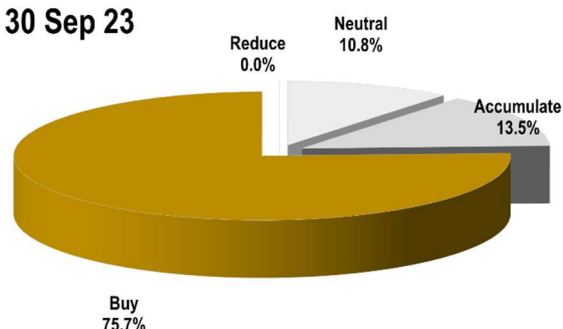
All recommendations

Recommendations on stocks under conflict of interest (*)

30 Sep 23



30 Sep 23



(*) Please note that the rate of issuers who are in potential conflict of interests with Banca Akros is equivalent to 35.24% of all issuers covered

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