



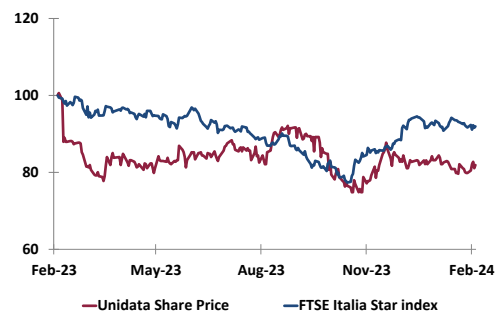
FLASH NOTE

OUTPERFORM

Current Share Price (€): 3.94

Target Price (€): 6.60

Unidata - 1Y Performance



Source: S&P Capital IQ - Note: 16/02/2023=100

Company data

ISIN number	IT0005338840
Bloomberg code	UD IM
Reuters code	UD.IM
Industry	Telecommunication
Stock market	Euronext Star Milan
Share Price (€)	3.94
Date of Price	16/02/2024
Shares Outstanding (m)	30.9
Market Cap (€m)	121.7
Market Float (%)	38.8%
Daily Volume	11,710
Avg Daily Volume YTD	12,151
Target Price (€)	6.60
Upside (%)	68%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
Unidata - Absolute (%)	-2%	3%	-4%	-19%
FTSE Italia Star (%)	0%	7%	6%	-8%
FTSE Italia SmallCap (%)	0%	6%	3%	-9%
1Y Range H/L (€)			4.84	3.60
YTD Change (€) / %			0.0	0%

Source: S&P Capital IQ

Analysts

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Unidata FY23 targets met, profitability up in H2

Pre-closing 2023 key figures support the more diversified business mix

Sales were €92.7m, +80% YoY, better than our estimates. Net debt after TWT acquisition down at €47.9m vs €51.7m as of Q3 2023. Adjusted EBITDA at €24.4m, +96% YoY, for €2.0m one-off expenses, with a margin consistent with our expectation of 26.3%, better than 22.5% in H1 2023. The margin lower than past years has been programmed as inherent in the different business line mix after TWT acquisition, with more recurring revenues.

Business update: fourth IoT project, building an enduring backlog

Unidata announced a new IoT achievement with the award for smart water metering system implementation in Molise, project worth over €3m backlog for 24 months. Along 2023 capex and financial investments totalled €26m, including €2.8m in intangibles, €14.3m in fixed assets and €9.3m of equity investments in Unifiber and Unitirreno.

Stock performance

Unidata's share price in the last six months declined 4%, with a low of €3.6 in the end of October, then recovered after the announcement of the 9M performance and the updated financial targets, with a peak at €4.22; since then the price floated in the range €3.83 - €4.10. In the same period the Italia Star index gained 6%.

Target Price €6.60 per share and OUTPERFORM rating confirmed

Based on pre-closing figures we carry forward our latest estimates, and confirm the OUTPERFORM rating with our last target price. According to the stock split in December (1:10), we recalculate our TP to €6.60 per share, implying a potential upside over 50% on current market prices.

KEY FINANCIALS AND ESTIMATES (€m)	2020	2021	2022	2023E	2024E	2025E	2026E
Revenues	23.4	37.0	51.3	90.8	115.3	127.3	134.0
EBITDA	8.6	14.1	16.2	23.9	30.4	34.6	37.9
Margin	36.8%	38.1%	31.6%	26.3%	26.4%	27.2%	28.3%
Net (Debt) Cash	2.5	(2.2)	(9.6)	(46.4)	(41.0)	(31.3)	(23.2)
Equity	21.4	29.0	36.9	66.9	77.2	89.8	105.2
MULTIPLIES	2020	2021	2022	2023E	2024E	2025E	2026E
EV/EBITDA	5.4x	10.1x	8.3x	6.9x	5.8x	4.9x	3.3x
EV/EBIT	9.7x	15.7x	12.9x	10.1x	8.5x	7.2x	5.1x
P/E	13.9x	17.4x	17.4x	12.5x	10.1x	8.1x	8.1x

Source: Company data 2020-22A, EnVent Research 2023-25E

Unidata, listed on Euronext Star Milan since June 2023, translisting after Euronext Growth Milan 2020 IPO, is an Italian developer and provider of retail and wholesale ultra-broadband connectivity, ICT services and special projects to corporate and residential customers and public administrations. The infrastructure investment plan includes: further FTTH coverage with the key anchor customer Open Fiber; general contractor and co-investor of minority stakes in Unifiber (FTTH) and Unitirreno (submarine fiber optic); Tier IV green data center in Rome through Unicenter. By the H1 2023 TWT acquisition, Unidata is more than doubling its revenues with a nationwide coverage. Integrated communication and cloud computing services are provided through proprietary data centers. Service offer includes connectivity, VoIP, cloud, co-location hosting services, IoT services, 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.

Equity ratings and valuations are issued in absolute terms, not relative to market performance.

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.

Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.

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

Date and time of Production: 16/02/2024 h. 7.00pm

Date and time of Distribution: 19/02/2024 h. 6.40pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
29/04/2020	OUTPERFORM	2.00	1.65
20/10/2020	OUTPERFORM	2.27	1.77
13/05/2021	OUTPERFORM	4.70	3.59
12/10/2021	OUTPERFORM	5.27	4.26
06/12/2021	OUTPERFORM	6.13	4.96
20/04/2022	OUTPERFORM	6.34	4.80
01/08/2022	OUTPERFORM	7.00	4.95
25/10/2022	OUTPERFORM	7.00	4.87
06/12/2022	OUTPERFORM	7.00	5.28
04/04/2023	OUTPERFORM	6.58	3.94
27/09/2023	OUTPERFORM	6.60	4.24
05/12/2023	OUTPERFORM	6.60	4.02
19/02/2024	OUTPERFORM	6.60	3.94

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Number of companies covered:	23	OUTPERFORM	NEUTRAL	UNDERPERFORM	SUSPENDED	UNDER REVIEW	NOT RATED
Total Equity Research Coverage %		91%	9%	0%	0%	0%	0%
of which EnVent clients % *		76%	50%	na	na	na	na

* Note: Companies to which corporate and capital markets services were supplied in the last 12 months.

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