

## EQUITY RESEARCH

UNIDATA S.P.A  
RESULTS REVIEW

BUY

TP 6.0€

Up/Downside: 132%

## FY24, preliminary results: net debt below expectations and higher marginality

Unidata has published preliminary data for the FY24: revenue in line with our expectations at € 101.3mn, net debt lower than expectations (€ 43.9mn vs. TPICAP € 44.5mn). Sustained pace of investments (c. € 13.8mn) in line with the objectives of the plan for 2027

Yesterday, Unidata released its preliminary results for the FY24 (while markets open). Here are the figures, expectations and the main drivers:

- **Total revenues: € 101.3mn (+1% YoY), in line with our exp. (€ 101.6mn);**
- **EBITDA adj: € 27.4mn (+5% YoY), in line with our exp. (€ 27.5mn);**
- **Net financial debt: € 43.9mn (vs. € 47.9mn in FY23), € 0.6mn better than our exp. (€ 44.5mn);**
- **EBITDA adj. Margin: 27.0% (+113bps YoY), in line with our exp. (27.1%);**
- Investments of € 13.8 mn, in line with the objectives for 2027 (expected annual investments c. € 14mn on average over the period FY24-FY27).

The main drivers: **(1) TWT effect on operating leverage:** after the sale of TWT's Voice Trading division (annual sales c. € 20mn), which had a lower profitability than other segments, UD increased its EBITDA margin (+113bps YoY) by focusing on the most profitable activities; **(2) Better-than-expected debt management:** Net debt as defined by ESMA (negatively impacted by a € 2.4mn difference linked to a blocked account) decreased significantly compared to FY23 (lowered by €4mn, from € 47.9mn to € 43.9mn), improving the visibility of the debt reduction targets by 2027. We are therefore reducing our estimate of net financial debt for FY27E to € 11.3mn (2027 company plan at. € 10mn); **(c)** To achieve the growth targets in 2025, we identify two main drivers, (i) recurring services revenue growth and (ii) expansion in the IoT segment.

The stock reacted positively to the publication (+4% yesterday after a negative opening). UD trades at **3.6/3.0x** EV/EBITDA 25E/26E and **5.3/4.5x** EV/EBIT 25E/26E. Performance **1Y/6M/YTD -30/-22/-11%**. After these results, which strengthen the visibility on the plan's objectives, we maintain our **recommendation of BUY** and confirm our **TP at € 6.0 ps**.

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m €)	93.3	101.3	117.8	125.3	EV/Sales	1.2	1.0	0.8
Current Op Inc (m €)	12.3	18.3	22.1	23.7	EV/EBITDA	4.5	3.6	3.0
Current op. Margin (%)	13.2	18.1	18.8	18.9	EV/EBIT	6.8	5.3	4.5
EPS (€)	0.22	0.39	0.48	0.55	PE	6.7	5.4	4.7
DPS (€)	0.01	0.01	0.01	0.01	Source: TPICAP Midcap			
Yield (%)	0.5	0.3	0.4	0.4				
FCF (m €)	1.4	7.2	7.7	11.0				

## Key data

Price (€)	2.6
Industry	Telecommunications
Ticker	UD-IT
Shares Out (m)	30.887
Market Cap (m €)	80.0
Average trading volumes (k shares / day)	0.240
Next event	FY 2024 - tbc

Source: FactSet

## Ownership (%)

Uninvest S.r.l.	55.0
Upperhand S.r.l.	6.2
Free float	38.8

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	0.39	0.48	0.55
Change vs previous estimates (%)	-1.44	-0.46	-0.46

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.8	-12.5	-13.1
Rel FTSE Italy	-1.6	-18.8	-21.4



Source: FactSet

Consensus FactSet - Analysts:5	12/24e	12/25e	12/26e
Sales	111.8	123.4	133.8
EBIT	17.8	21.7	25.4
Net income	10.6	13.6	16.6

## Analyst

Michele Mombelli  
michele.mombelli@tpicap.com  
+ 33 1 73 09 17 69

**FINANCIAL DATA**

<b>Income Statement</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24e</b>	<b>12/25e</b>	<b>12/26e</b>
Sales	37.0	51.3	93.3	101.3	117.8	125.3
Changes (%)	57.9	38.8	81.6	8.6	16.3	6.4
Gross profit	17.5	20.3	32.7	36.1	42.6	46.2
% of Sales	47.2	39.5	35.0	35.6	36.2	36.9
<b>EBITDA</b>	<b>14.1</b>	<b>16.2</b>	<b>22.4</b>	<b>27.4</b>	<b>32.7</b>	<b>35.6</b>
% of Sales	38.1	31.6	24.0	27.0	27.8	28.5
<b>Current operating profit</b>	<b>9.1</b>	<b>10.7</b>	<b>12.3</b>	<b>18.3</b>	<b>22.1</b>	<b>23.7</b>
% of Sales	24.6	20.9	13.2	18.1	18.8	18.9
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.1	10.7	12.3	18.3	22.1	23.7
Net financial result	-0.3	-0.1	-3.0	-2.3	-2.5	-1.9
Income Tax	-1.0	-3.1	-2.5	-4.4	-5.4	-6.0
<b>Net profit, group share</b>	<b>7.8</b>	<b>7.5</b>	<b>6.7</b>	<b>11.6</b>	<b>14.2</b>	<b>15.8</b>
EPS	3.20	2.96	0.22	0.39	0.48	0.55
<b>Financial Statement</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24e</b>	<b>12/25e</b>	<b>12/26e</b>
Goodwill	0.0	0.0	37.5	37.5	37.5	37.5
Tangible and intangible assets	33.7	39.4	77.2	83.2	87.9	92.2
Right of Use	9.3	9.3	9.8	8.6	7.4	6.2
Financial assets	1.1	3.5	9.4	9.4	9.4	9.4
Working capital	-1.3	1.1	-8.9	-6.0	-3.1	-1.3
Other Assets	0.4	3.6	5.1	5.1	5.1	5.1
<b>Assets</b>	<b>43.2</b>	<b>56.9</b>	<b>130.1</b>	<b>137.7</b>	<b>144.2</b>	<b>149.1</b>
Shareholders equity group	29.0	36.9	64.6	75.8	89.9	105.5
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	0.0	0.0	0.0	0.0	0.0	0.0
Net debt	2.2	8.6	47.2	43.8	36.5	26.1
Other liabilities	12.0	11.4	18.3	18.3	18.3	18.3
<b>Liabilities</b>	<b>43.2</b>	<b>56.9</b>	<b>130.1</b>	<b>137.9</b>	<b>144.7</b>	<b>149.8</b>
Net debt excl. IFRS 16	-3.1	3.8	42.4	42.5	35.2	24.7
Gearing net	0.1	0.2	0.7	0.6	0.4	0.2
Leverage	0.2	0.5	2.1	1.6	1.1	0.7
<b>Cash flow statement</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24e</b>	<b>12/25e</b>	<b>12/26e</b>
CF after elimination of net borrowing costs and taxes	13.3	13.1	18.2	20.7	24.8	27.8
$\Delta$ WCR	-4.7	-6.3	0.7	-2.9	-2.9	-1.7
Operating cash flow	8.6	6.8	18.9	17.8	21.9	26.0
Net capex	-13.9	-11.2	-17.5	-10.6	-14.1	-15.0
FCF	-5.3	-4.4	1.4	7.2	7.7	11.0
Acquisitions/Disposals of subsidiaries	0.0	0.0	-46.7	0.0	0.0	0.0
Other investments	0.0	-2.1	-5.2	-3.2	0.0	0.0
Change in borrowings	1.1	11.1	36.9	-3.5	0.0	0.0
Dividends paid	0.0	-0.2	-0.3	-0.4	-0.2	-0.3
Repayment of leasing debt	1.6	-0.6	-0.2	0.0	0.0	0.0
Equity Transaction	0.0	0.0	0.0	0.0	0.0	0.0
Others	-0.3	0.4	14.5	0.0	0.0	0.0
Change in net cash over the year	-2.9	4.2	0.4	0.1	7.5	10.7
ROA (%)	10.0%	7.4%	3.6%	5.9%	6.8%	7.0%
ROE (%)	27.0%	20.3%	10.4%	15.4%	15.9%	15.1%
ROCE (%)	25.6%	23.7%	10.0%	14.4%	12.2%	12.5%

## DISCLAIMER

### Analyst certifications

This research report (the "Report") has been approved by Midcap, a business division of TP ICAP (Europe) SA ("Midcap"), an Investment Services Provider authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"). By issuing this Report, each Midcap analyst and associate whose name appears within this Report hereby certifies that (i) the recommendations and opinions expressed in the Report accurately reflect the research analyst's and associate's personal views about any and all of the subject securities or issuers discussed herein and (ii) no part of the research analyst's or associate's compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst or associate in the Report.

### Methodology

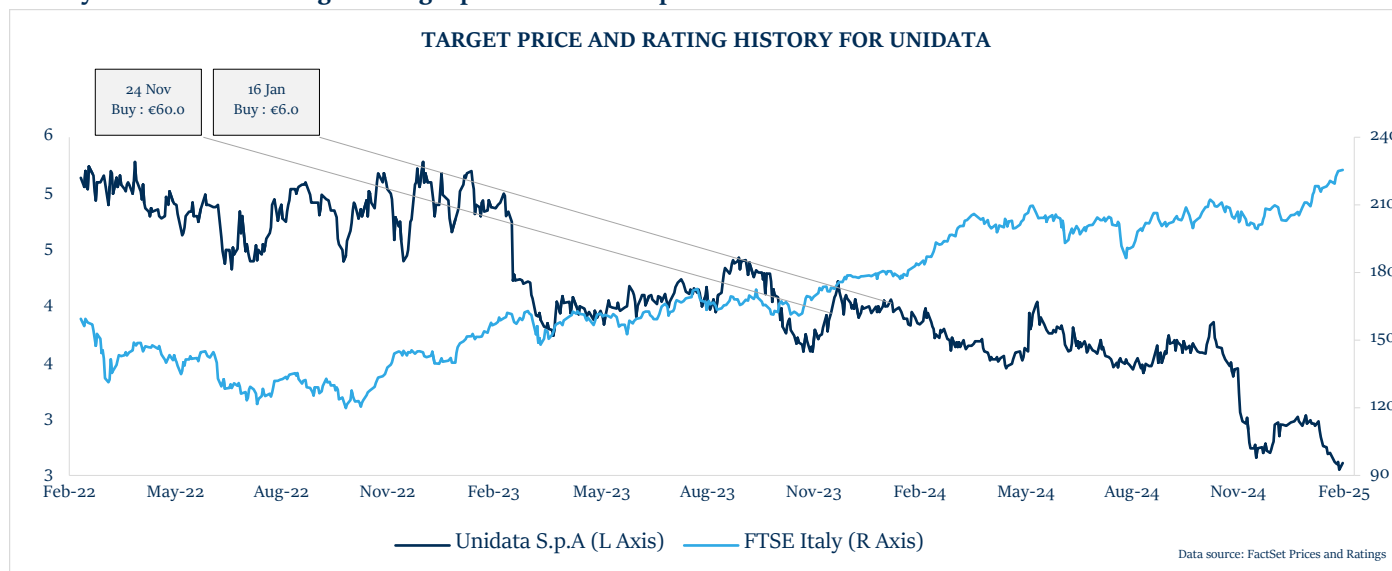
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

### Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Unidata S.p.A

### History of investment rating and target price - Unidata S.p.A



### Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
11 Feb 25 - 08:40:40	Michele Mombelli	€ 6.00	€ 6.00	€ 2.61		

**Distribution of Investment Ratings**

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	80%	63%
Hold	15%	72%
Sell	3%	20%
Under review	2%	100%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

## General Disclaimer

This Report is confidential and is for the benefit and internal use of the selected recipients only. No part of it may be reproduced, distributed, or transmitted without the prior written consent of Midcap

This Report is published for information purposes only and does not constitute a solicitation or an offer to buy or sell any of the securities mentioned herein. The information contained in this Report has been obtained from sources believed to be reliable and public, Midcap makes no representation as to its accuracy or completeness. The reference prices used in this Report are closing prices of the day before the publication unless otherwise stated. All opinions expressed in this Report reflect our judgement at the date of the documents and are subject to change without notice. The securities discussed in this Report may not be suitable for all investors and are not intended to recommend specific securities, financial instruments, or strategies to particular clients. Investors should make their own investment decisions based on their financial situation and investment objectives. The value of the income from your investment may vary due to changes in interest rates, changes in the financial and operating conditions of companies and other factors. Investors should be aware that the market price of the securities discussed in this Report may be volatile. Due to the risk and volatility of the industry, the company, and the market in general, at the current price of the securities, our investment rating may not correspond to the stated price target. Additional information regarding the securities mentioned in this Report is available on request.

This Report is not intended for distribution or use by any entity who is a citizen or resident of, or an entity located in any locality, territory, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to or limited by law or regulation. Entity or entities in possession of this Report must inform themselves about and comply with any such restrictions, including MIFID II. This Report is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of MIFID II regulation. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. The Report is subject to restricted circulation. The research was conducted in accordance with the provisions of the Charter of good practices for sponsored research. Midcap has adopted effective administrative and organizational arrangements, including "information barriers", to prevent and avoid conflicts of interest regarding investment recommendations. The remuneration of financial analysts who participate in the preparation of the recommendation is not linked to the corporate finance activity.