

EQUITY RESEARCH

UNIDATA S.P.A
RESULTS REVIEW

BUY

TP 6.0€

Up/Downside: 106%

FY24: results in line, JVs need to mature and positive outlook confirmed

FY24 results (after Feb-25 KPIs) in line with expectations: Sales € 101.3mn (+9% YoY), EBITDA Adj. € 27.4mn (EBITDA Margin 27.1%, +10 bps vs. exp), EBIT € 15.9mn (c. € 2mn below due to D&A), Net Income € 8.6mn (+28% YoY), below expectations due to higher D&A and JV result (-€ 0.5mn). DN (non-ESMA) € 41.4mn (Jan-2025), better than exp. During the call, management mentioned the expected growth in the IoT pipeline and the continued investment of partners in Unifiber (FY24A vs. 18% revenues). Business plan targets confirmed.

Unidata reported yesterday (while markets open) the FY24 results, broadly in line with expectations (D&A higher than our forecasts and a still slightly negative JV result penalized the bottom line, which still rose by +28% YoY). Good momentum in the DN (non-ESMA) which is improving more than expected, adding visibility to the plan's objectives. Here are the main figures and a commentary from the call with the management.

- Sales € 101.3mn (+9% YoY);
- Adj. EBITDA € 27.4mn (+12% YoY, adj. margin 27.1%, +100bps) ;
- EBIT € 15.9mn (+29% YoY, c. -€ 2mn vs. TPICAP exp. for higher D&A);
- DN € 43.8mn (non-ESMA € 41.4mn) vs. € 47.9mn in 2023A.

During the call, the management talked about the outlook, highlighting: (1) the **strengthening of the investments of the financial partners in Unitirreno**, with an **exp. target of around € 60-80mn (Unitirreno c. 18% revenues FY24A)**; (2) the **positive momentum of IoT**, with a backlog of around € 17mn expected to grow during the FY25E (e.g. IoT revenues FY25E € 10mn, 8% of total, vs. € 3mn in 2024); (3) Azimut's interest in the deployment of the Unicenter project (data-center "colocation"), exp. Capex 25-27 Unicenter € 5.7mn from UD; (4) a **recovery of the Infrastructure segment in FY25E (-20% YoY, offset by reseller growth +22%) after the end of a major contract.**

Following these results, broadly in line with expectations, characterized by growth trends, with no structurally negative surprises, (1) with a slight increase in profitability, (2) a single-digit growth at the top-line level, (3) a double-digit growth at bottom line, (4) a good outlook for JVs and pipeline in the IoT segment, we proceed confirming the BUY recommendation and the OC at €6.0.

The visibility of the plan's objectives to 2027 has improved.

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	1.3	1.1	1.0
Current Op Inc (m €)	12.3	18.3	22.1	23.7	EV/EBITDA	4.8	4.0	3.4
Current op. Margin (%)	13.2	18.1	18.8	18.9	EV/EBIT	7.2	5.9	5.2
EPS (€)	0.22	0.28	0.48	0.55	PE	10.2	6.0	5.3
DPS (€)	0.01	0.01	0.01	0.01	Source: TPICAP Midcap			
Yield (%)	0.4	0.3	0.3	0.4				
FCF (m €)	1.4	9.0	1.6	8.5				

Key data

Price (€)	2.9
Industry	Telecommunications
Ticker	UD-IT
Shares Out (m)	30.887
Market Cap (m €)	89.9
Average trading volumes (k shares / day)	8.830
Next event	FY 2024 - tbc

Source: FactSet

Ownership (%)

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

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	0.28	0.48	0.55
Change vs previous estimates (%)	-26.21	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	2.1	5.8	-2.3
Rel FTSE Italy	1.7	2.2	-16.2



Source: FactSet

Consensus FactSet - Analysts:5	12/24e	12/25e	12/26e
Sales	101.6	113.9	122.2
EBIT	17.7	21.1	23.4
Net income	10.8	13.1	15.4

Analyst

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FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
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
EBITDA	14.1	16.2	22.4	27.4	32.7	35.6
% of Sales	38.1	31.6	24.0	27.0	27.8	28.5
Current operating profit	9.1	10.7	12.3	18.3	22.1	23.7
% of Sales	24.6	20.9	13.2	18.1	18.8	18.9
Non-recurring items	0.0	0.0	0.0	-2.4	0.0	0.0
EBIT	9.1	10.7	12.3	15.9	22.1	23.7
Net financial result	-0.3	-0.1	-3.0	-3.5	-2.5	-1.9
Income Tax	-1.0	-3.1	-2.5	-3.8	-5.4	-6.0
Net profit, group share	7.8	7.5	6.7	8.6	14.2	15.8
EPS	3.20	2.96	0.22	0.28	0.48	0.55
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
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	9.7	12.8	16.5
Working capital	-1.3	1.1	-8.9	-10.9	-1.8	2.4
Other Assets	0.4	3.6	5.1	5.1	5.1	5.1
Assets	43.2	56.9	130.1	133.2	148.9	160.0
Shareholders equity group	29.0	36.9	64.6	72.5	89.9	109.2
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	42.3	41.1	33.1
Other liabilities	12.0	11.4	18.3	18.3	18.3	18.3
Liabilities	43.2	56.9	130.1	133.0	149.3	160.6
Net debt excl. IFRS 16	-3.1	3.8	42.4	40.9	39.8	31.8
Gearing net	0.1	0.2	0.7	0.6	0.5	0.3
Leverage	0.2	0.5	2.1	1.5	1.3	0.9
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	13.3	13.1	18.2	17.6	24.8	27.8
Δ WCR	-4.7	-6.3	0.7	2.0	-9.1	-4.2
Operating cash flow	8.6	6.8	18.9	19.6	15.7	23.6
Net capex	-13.9	-11.2	-17.5	-10.6	-14.1	-15.0
FCF	-5.3	-4.4	1.4	9.0	1.6	8.5
Acquisitions/Disposals of subsidiaries	0.0	0.0	-46.7	-0.3	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	-0.3	-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	1.6	1.3	8.2
ROA (%)	10.0%	7.4%	3.6%	4.5%	6.9%	7.0%
ROE (%)	27.0%	20.3%	10.4%	11.9%	15.9%	14.6%
ROCE (%)	25.6%	23.7%	10.0%	12.9%	11.2%	11.6%

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Methodology

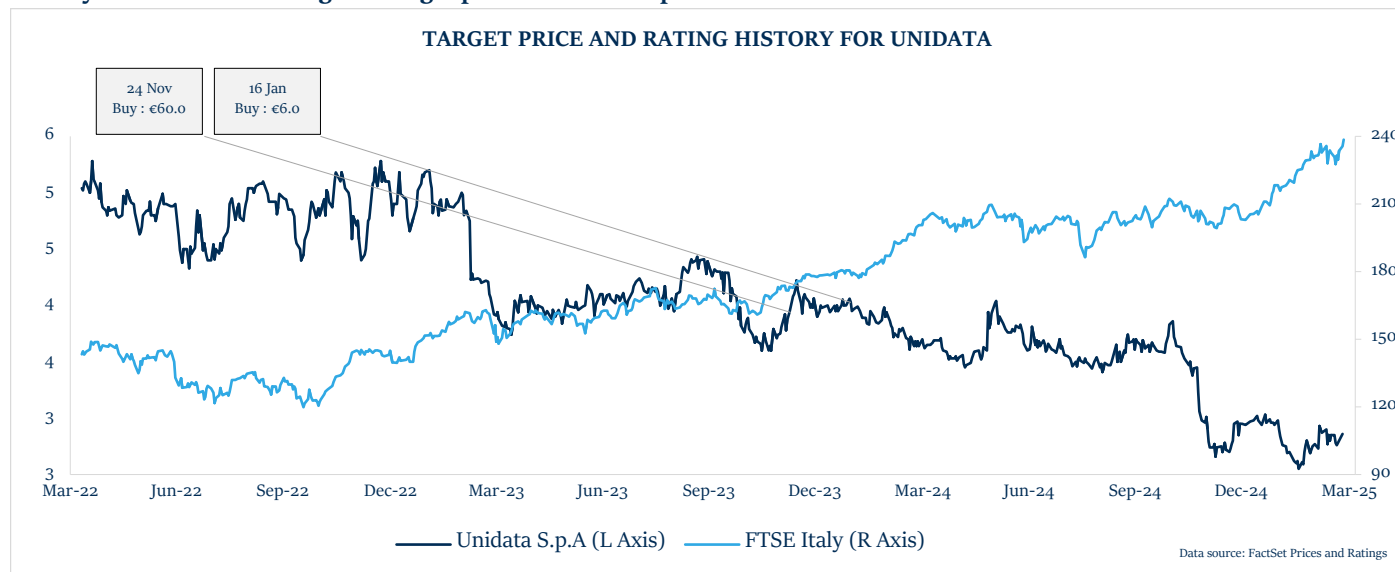
This Report may mention evaluation methods defined as follows:

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 Mar 25 - 08:28:47	Michele Mombelli	€ 6.00	€ 6.00	€ 2.85	Achat	Buy
12 Feb 25 - 19:07:34	Michele Mombelli	€ 6.00	€ 6.00	€ 2.59	Achat	Buy
11 Feb 25 - 08:40:40	Michele Mombelli	€ 6.00	€ 6.00	€ 2.61	Achat	Buy
18 Dec 24 - 08:06:17	Davide Longo	€ 6.00	€ 6.00	€ 2.85	Achat	Buy
13 Nov 24 - 07:46:03	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.23	Achat	Buy
12 Sep 24 - 07:46:41	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.70	Achat	Buy
11 Sep 24 - 07:51:06	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.58	Achat	Buy
24 May 24 - 15:05:09	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.84	Achat	Buy
14 May 24 - 08:29:43	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.60	Achat	Buy
02 Apr 24 - 07:58:38	Filippo Migliorisi	€ 6.00	€ 6.00	€ 3.69	Achat	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	80%	61%
Hold	15%	69%
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.

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