INTRED

BUY

Sector: Telecoms

Price: Eu9.10 - **Target: Eu16.00**

Record FY25 Margins; Business Plan Update After Summer

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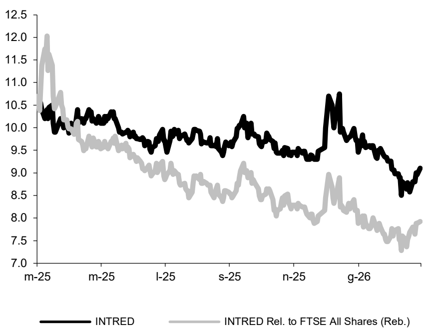
Stock Rating

Rating:			Unchanged
Target Price (Eu):			Unchanged
	2026E	**2027E**	**2028E**
Chg in Adj EPS	-0.3%	-0.4%	0.3%

Next Event
1Q26 Results: 5 May 2026

INTRED - 12M Performance



Stock Data

Reuters code:			INTD.MI
Bloomberg code:			ITD IM
Performance	**1M**	**3M**	**12M**
Absolute	-1.7%	-9.0%	-18.4%
Relative	5.9%	-5.7%	-30.8%
12M (H/L)			10.75/8.50
3M Average Volume (th):			7.03

Shareholder Data

No. of Ord shares (mn):	16
Total no. of shares (mn):	16
Mkt Cap Ord (Eu mn):	145
Total Mkt Cap (Eu mn):	145
Mkt Float - Ord (Eu mn):	44
Mkt Float (in %):	30.2%
Main Shareholder:	
DM Holding S.r.l.	60.4%

Balance Sheet Data

Book Value (Eu mn):	74
BVPS (Eu):	4.64
P/BV:	2.0
Net Financial Position (Eu mn):	-39
Enterprise Value (Eu mn):	184

FY25 final results, the first reported under IAS/IFRS, were broadly in line with our expectations, reaching record profitability of almost 46%, and reflecting the increasing contribution of recurring, higher-quality revenues and the scalability of the business model. The main catalyst for the equity story is the business plan update, expected after the summer following the go-live of the new data centre in Brescia, alongside the transfer of the listing to the STAR segment. We keep our BUY rating and €16 TP.

- **FY25 results:** revenues reached €55.8mn (+1.1% YoY, published on 12 Feb), reflecting the phasing-out of non-recurring school tenders and a stronger focus on recurring revenues, which account for over 95.6% of the total. Organic revenues grew by +8.4%, while recurring revenues reached €51.7mn (+7.2% YoY). EBITDA rose to €25.5mn (+4.1% YoY, in line with our exp.) with the margin expanding to 45.8% (from 44.4%), driven by operating leverage and a higher-quality revenue mix. Operating costs decreased by 2.0% YoY, reflecting ongoing efficiency measures and optimization of the operating perimeter following the integration of Connecting Italia. EBIT slightly declined to €12.4mn (-1.4% YoY, our exp. €12.3mn) while net income increased to €8.3mn (+4.2% YoY), better than our exp. (€7.5mn) thanks to lower taxes. The company continued to invest heavily in infrastructure, with CapEx of €21.2mn (€190mn invested since 2016, mainly in FTTH development) and resulting in net debt increasing to €42.1mn (vs €35.7mn as at YE24). Excluding IFRS 16, net debt stood at €39.5mn.
- **Confident tone from the call.** In FY25, solid high single-digit organic growth was driven by the strong momentum of core services, with an increasing share of recurring B2B and public sector revenues. For FY26, the company expects to offset one-off revenues from school tenders and return to FCF generation. The transition to IAS/IFRS had a limited overall impact, with a c. +1pp margin improvement broadly offset by higher D&A. The ongoing shift to owned infrastructure is reducing leasing costs and improving efficiency. From a competitive standpoint, management expects to keep a strong position in the local B2B segment, with Poste/TIM integration likely to be gradual and take 1–2 years after closing.
- **Change in estimates.** We have tweaked our estimates, leading to negligible changes to EPS.
- **BUY confirmed; target still €16.0.** FY25 results confirmed good visibility on the business trajectory and profitability pattern. We also expect Data Centre revenues (now >3% of the total) to accelerate further, supported by strong demand for dedicated infrastructure solutions. In addition, management's ambition to move to the STAR segment by year-end provides a clear corporate catalyst. Meanwhile, the company is well placed to pursue differentiation opportunities in adjacent segments, with further upside potential from M&A. The proprietary network and loyal customer base remain valuable strategic assets, enhancing INTRED's positioning in a potential market-consolidation phase. The stock is currently trading at c.7x EV/EBITDA'26 (Unidata c.4x, TLC Sector c.6x).

Key Figures & Ratios	2024A	2025A	2026E	2027E	2028E
Sales (Eu mn)	55	56	60	64	67
EBITDA Adj (Eu mn)	24	26	28	30	31
Net Profit Adj (Eu mn)	7	8	9	10	11
EPS New Adj (Eu)	0.434	0.523	0.544	0.610	0.679
EPS Old Adj (Eu)	0.434	0.471	0.546	0.612	0.677
DPS (Eu)	0.100	0.120	0.120	0.122	0.136
EV/EBITDA Adj	8.4	7.9	6.6	6.2	5.5
EV/EBIT Adj	17.2	16.2	13.0	12.0	10.3
P/E Adj	21.0	17.4	16.7	14.9	13.4
Div. Yield	1.1%	1.3%	1.3%	1.3%	1.5%
Net Debt/EBITDA Adj	1.4	1.6	1.4	1.4	0.9

Intermonte

INTRED – Key Figures						
Profit & Loss (Eu mn)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Sales	50	55	56	60	64	67
EBITDA	23	24	26	28	30	31
EBIT	13	12	12	14	16	17
Financial Income (charges)	-1	-2	-2	-2	-2	-2
Associates & Others	0	0	0	0	0	0
Pre-tax Profit	12	10	11	12	14	15
Taxes	-3	-3	-3	-4	-4	-4
Tax rate	28.9%	32.1%	23.3%	29.0%	29.0%	29.0%
Minorities & Discontinued Operations	0	0	0	0	0	0
Net Profit	8	7	8	9	10	11
EBITDA Adj	23	24	26	28	30	31
EBIT Adj	13	12	12	14	16	17
Net Profit Adj	8	7	8	9	10	11
Per Share Data (Eu)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Total Shares Outstanding (mn) - Average	16	16	16	16	16	16
Total Shares Outstanding (mn) - Year End	16	16	16	16	16	16
EPS f.d	0.516	0.434	0.523	0.544	0.610	0.679
EPS Adj f.d	0.516	0.434	0.523	0.544	0.610	0.679
BVPS f.d	3.463	3.760	4.275	4.642	5.132	5.689
Dividend per Share ORD	0.100	0.100	0.120	0.120	0.122	0.136
Dividend per Share SAV	0.000	0.000	0.000	0.000	0.000	0.000
Dividend Payout Ratio (%)	19.4%	23.1%	23.0%	22.0%	20.0%	20.0%
Cash Flow (Eu mn)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Gross Cash Flow	18	19	21	22	24	25
Change in NWC	4	3	-4	2	1	1
Capital Expenditure	-31	-32	-22	-19	-25	-10
Other Cash Items	0	0	0	0	0	0
Free Cash Flow (FCF)	-9	-10	-5	6	-1	16
Acquisitions, Divestments & Other Items	0	0	0	0	0	0
Dividends	-1	-2	-2	-2	-2	-2
Equity Financing/Buy-back	0	0	0	0	0	0
Change in Net Financial Position	-9	-12	-9	4	-3	14
Balance Sheet (Eu mn)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Total Fixed Assets	109	133	146	151	162	157
Net Working Capital	-32	-38	-17	-19	-20	-20
Long term Liabilities	-2	-2	-19	-19	-19	-19
Net Capital Employed	76	93	110	113	123	118
Net Cash (Debt)	-21	-33	-42	-39	-42	-28
Group Equity	55	60	68	74	82	90
Minorities	0	0	0	0	0	0
Net Equity	55	60	68	74	82	90
Enterprise Value (Eu mn)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Average Mkt Cap	190	169	160	145	145	145
Adjustments (Associate & Minorities)	0	0	0	0	0	0
Net Cash (Debt)	-21	-33	-42	-39	-42	-28
Enterprise Value	211	202	202	184	186	172
Ratios (%)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
EBITDA Adj Margin	45.0%	43.5%	45.8%	46.4%	46.7%	46.9%
EBIT Adj Margin	25.3%	21.3%	22.3%	23.5%	24.3%	25.0%
Gearing - Debt/Equity	38.0%	55.0%	62.0%	53.3%	51.3%	30.5%
Interest Cover on EBIT	11.0	7.3	7.0	7.0	8.2	10.5
Net Debt/EBITDA Adj	0.9	1.4	1.6	1.4	1.4	0.9
ROACE*	18.7%	14.0%	12.3%	12.7%	13.1%	13.9%
ROE*	15.9%	12.0%	13.0%	12.2%	12.5%	12.5%
EV/CE	3.1	2.4	2.0	1.6	1.6	1.4
EV/Sales	4.2	3.7	3.6	3.0	2.9	2.6
EV/EBITDA Adj	9.4	8.4	7.9	6.6	6.2	5.5
EV/EBIT Adj	16.6	17.2	16.2	13.0	12.0	10.3
Free Cash Flow Yield	-5.9%	-7.0%	-3.3%	3.9%	-0.4%	11.2%
Growth Rates (%)	**2023A**	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**
Sales	10.0%	10.3%	1.1%	8.1%	5.8%	5.0%
EBITDA Adj	13.5%	6.7%	6.3%	9.6%	6.5%	5.5%
EBIT Adj	4.2%	-7.2%	5.8%	14.0%	9.4%	8.1%
Net Profit Adj	-5.6%	-15.9%	20.5%	4.0%	12.1%	11.3%
EPS Adj	-5.6%	-15.9%	20.5%	4.0%	12.1%	11.3%
DPS	42.9%	0.0%	20.0%	-0.3%	1.9%	11.3%

*Excluding extraordinary items Source: Intermonte SIM estimates

FY25 Results

INTRED – FY25 Results

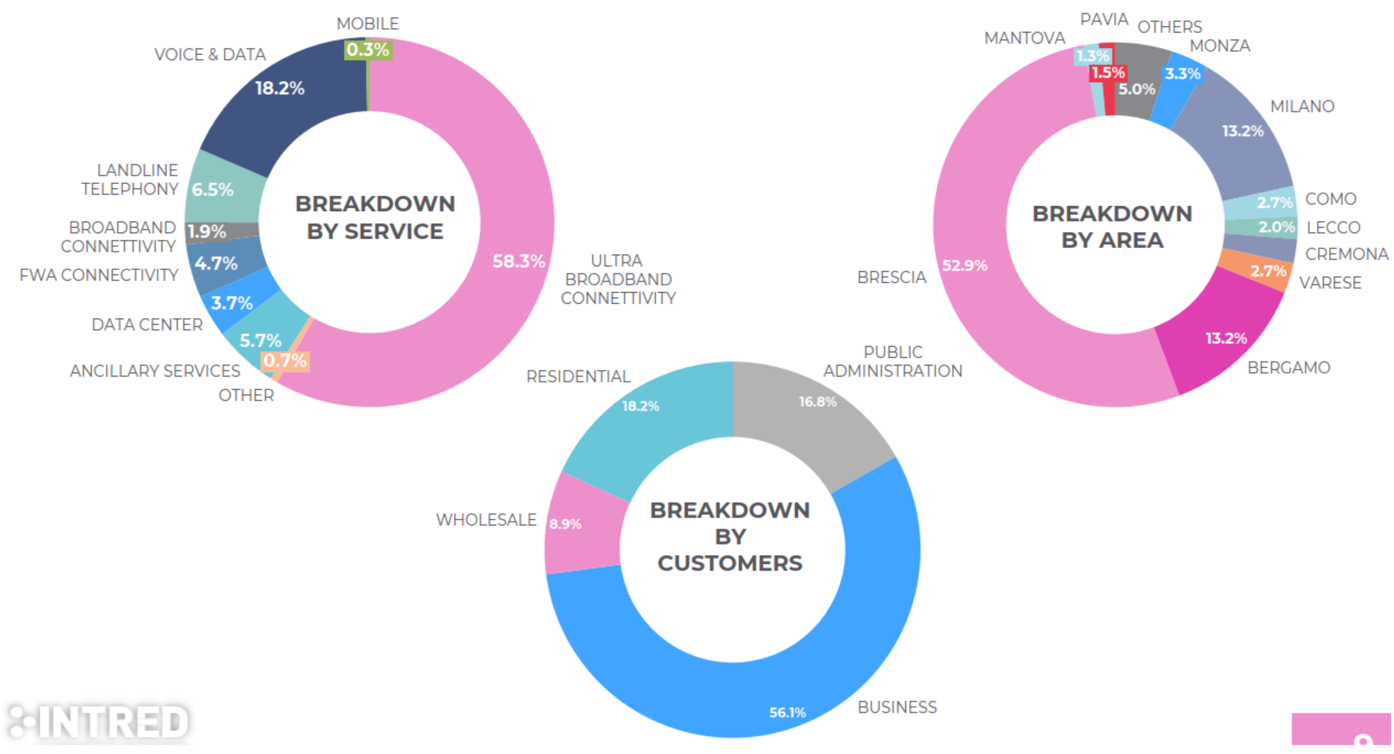
P&L (Eu mn)	1H23A	2H23A	FY23A	1H24A	2H24A	FY24A	FY24A	FY25A	FY25E	A/E
accounting view	ITA GAAP	ITA GAAP	ITA GAAP	ITA GAAP	ITA GAAP	ITA GAAP	IAS/IFRS	IAS/IFRS	IAS/IFRS	IAS/IFRS
Net revenues	**24.5**	**25.5**	**50.1**	**25.9**	**27.7**	**55.2**	**55.2**	**55.8**	**55.8**	**0%**
YoY growth	6.9%	13.2%	10.0%	5.6%	8.5%	10.3%		1.1%	1.1%	
Other income	0.2	0.3	0.4	0.4	0.3	0.7	0.7	0.5	0.5	
EBITDA	**10.7**	**11.8**	**22.5**	**11.5**	**12.6**	**24.0**	**24.5**	**25.5**	**25.5**	**0%**
YoY growth	12.1%	14.8%	13.5%	6.7%	6.7%	6.7%		4.1%	4.0%	
as % of net sales	43.8%	46.1%	45.0%	44.3%	45.3%	43.5%	44.4%	45.8%	45.7%	
Adj. EBITDA	**10.7**	**11.8**	**22.5**	**11.5**	**12.6**	**24.0**	**24.5**	**25.5**	**25.5**	**0%**
YoY growth	12.1%	14.8%	13.5%	6.7%	6.7%	6.7%		4.1%	4.0%	
as % of VoP	43.8%	46.1%	45.0%	44.3%	45.3%	43.5%	44.4%	45.8%	45.7%	
D&A	(4.8)	(5.1)	(9.9)	(5.6)	(6.7)	(12.3)	(11.9)	(13.1)	(13.2)	
as % of net sales	19.6%	19.8%	19.7%	21.7%	24.0%	22.2%	21.6%	23.5%	23.7%	
EBIT	**6.0**	**6.7**	**12.7**	**5.8**	**5.9**	**11.8**	**12.6**	**12.4**	**12.3**	**1%**
YoY growth	-1.4%	9.6%	4.2%	-1.8%	-11.9%	-7.2%		-1.4%	-2.5%	
as % of net sales	24.3%	26.3%	25.3%	22.6%	21.3%	21.3%	22.8%	22.3%	22.0%	
Adj. EBIT	**6.0**	**6.7**	**12.7**	**5.8**	**5.9**	**11.8**	**12.6**	**12.4**	**12.3**	**1%**
YoY growth	-1.4%	9.6%	4.2%	-1.8%	-11.9%	-7.2%		-1.4%	-2.5%	
as % of net sales	24.3%	26.3%	25.3%	22.6%	21.3%	21.3%	22.8%	22.3%	22.0%	
Net Financial Expenses	(0.4)	(0.7)	(1.2)	(0.7)	(0.9)	(1.6)	(1.8)	(1.8)	(1.8)	
PBT	**5.5**	**6.0**	**11.5**	**5.1**	**5.0**	**10.1**	**10.9**	**10.8**	**10.5**	**3%**
taxes	(1.6)	(1.7)	(3.3)	(1.6)	(1.7)	(3.3)	(2.9)	(2.5)	(3.1)	
tax rate	29%	29%	29%	31%	33%	32%	27%	23%	29%	
Net profit/(loss)	**3.9**	**4.3**	**8.2**	**3.5**	**3.3**	**6.9**	**8.0**	**8.3**	**7.5**	**11%**
YoY growth	-8.6%	-2.6%	-5.6%	-9.2%	-22.0%	-15.9%		4.3%	-6.1%	
as % of net sales	15.9%	16.8%	16.4%	13.7%	12.1%	12.5%	14.4%	14.9%	13.4%	
Adj. Net profit	**3.9**	**4.3**	**8.2**	**3.5**	**3.3**	**6.9**	**8.0**	**8.3**	**7.5**	**11%**
YoY growth	-8.6%	-2.6%	-5.6%	-9.2%	-22.0%	-15.9%		4.3%	-6.1%	
as % of net sales	15.9%	16.8%	16.4%	13.7%	12.1%	12.5%	14.4%	14.9%	13.4%	
CapEx (Eu mn)	1H23A	2H23A	FY23A	1H24A	2H24A	FY24A		FY25A	FY25E	
Total Capex (Eu mn)	**16.4**	**14.7**	**31.1**	**18.7**	**13.1**	**31.8**		**22.1**	**22.1**	**0%**
as % of net sales	66.8%	57.5%	62.1%	72.4%	47.2%	57.6%		39.6%	39.6%	
FCF (Eu mn)	1H23A	2H23A	FY23A	1H24A	2H24A	FY24A		FY25A	FY25E	A-E
Net income	3.9	4.3	8.2	3.5	3.3	6.9		8.3	7.5	0.8
D&A	4.8	5.1	9.9	5.6	6.7	12.3		13.1	13.2	(0.1)
NWC & Other	0.9	3.6	4.4	8.3	(5.8)	2.5		(4.1)	(3.5)	(0.5)
FCFO	**9.6**	**12.9**	**22.5**	**17.5**	**4.2**	**21.7**		**17.3**	**17.1**	**0.2**
Capex (net of disposals)	(16.4)	(14.7)	(31.1)	(18.7)	(13.1)	(31.8)		(22.1)	(22.1)	0.0
EFCF	**(6.8)**	**(1.8)**	**(8.6)**	**(1.3)**	**(8.9)**	**(10.1)**		**(4.8)**	**(5.0)**	**0.2**
Rights issue /IPO	-	-	-	-	-	-		-	-	-
Dividend cashed-in	-	-	-	-	-	-		-	-	-
Dividends paid	(1.1)	-	(1.1)	(1.6)	-	(1.6)		(1.6)	(1.6)	-
M&A	-	-	-	-	-	-		-	-	-
Buyback	(0.0)	-	(0.0)	-	(0.2)	(0.2)		(0.3)	(0.3)	-
Other (inc. IFRS16)	0.2	0.2	0.4	(3.6)	3.6	(0.0)		(2.6)	-	(2.6)
Net Debt change (- incr/+ decr)	**(7.8)**	**(1.6)**	**(9.4)**	**(6.5)**	**(5.5)**	**(12.0)**		**(9.2)**	**(6.8)**	**(2.4)**
Opening Net Debt /(Cash)	11.5	19.3	11.5	20.9	27.4	20.9		32.9	32.9	-
Change	7.8	1.6	9.4	6.5	5.5	12.0		9.2	6.8	2.4
Closing Net Debt /(Cash)	**19.3**	**20.9**	**20.9**	**27.4**	**32.9**	**32.9**		**42.1**	**39.7**	**2.4**
IFRS16								2.6	-	2.6
Closing Net Debt /(Cash) ex IFRS16								**39.5**	**39.7**	**(0.2)**

Source: Intermonte SIM (E), Company data (A)

Feedback from the call

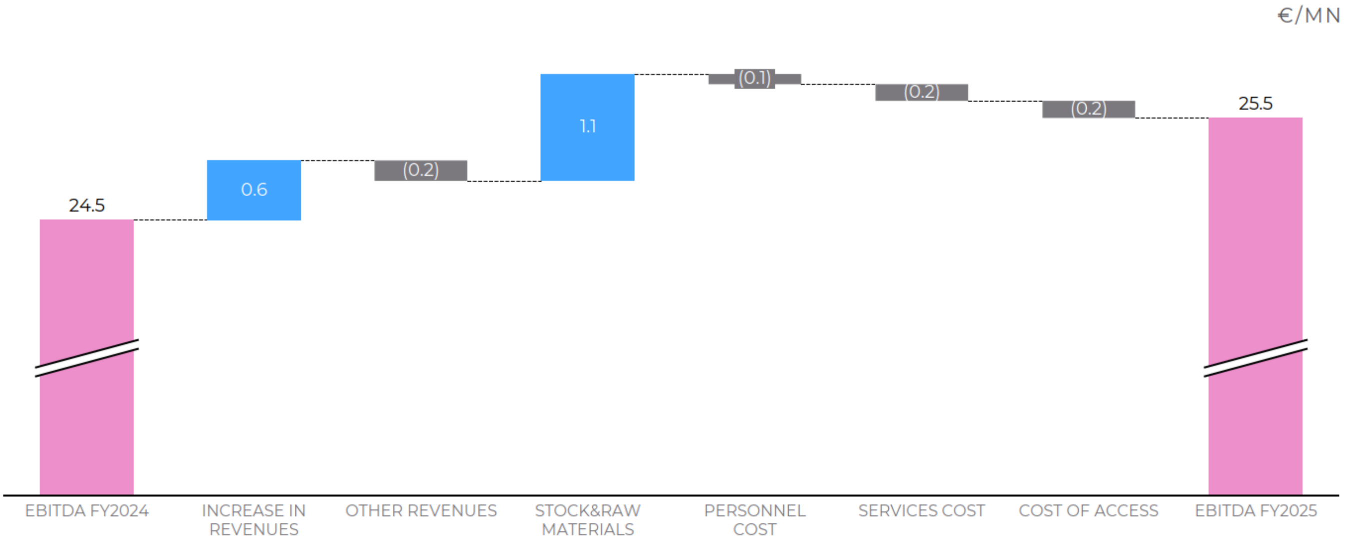
- **Mid-term targets**: business plan update expected after the summer following the go-live of the new data centre in Brescia, alongside the transfer of the listing to the STAR segment.
- **Organic top-line growth** c. 8% in FY25. In FY26, c. €16m one-off revenues to be replaced by recurring revenues from B2B and the Public Administration, offsetting the impact of the school tenders. Voice and data: increasing sales volumes, with strong growth expected from next year. FCF: FY26 expected to generate FCF post-CapEx (our exp. is c. €19m CapEx, incl. €8m for the data centre).
- **Transition to IAS/IFRS**: a c. +1pp margin improvement (FY24: 43.5% pre-IFRS vs. 44.4% post-IFRS). No material P&L impact overall: EBITDA benefit from lease accounting (c. €0.4–0.6m/year) partly offset by IFRS 2 costs (c. €0.3m/year), while higher intangible amortisation (c. €1m) is largely offset by the removal of goodwill amortization (replaced by annual impairment testing). Increasing share of right-of-use assets (car rentals). No one-off adjustments in FY25. Costs for move to STAR will be booked on the P&L but likely offset by efficiencies and Connecting migrations.
- **CapEx**: €21.2m in FY25, ~80% tangible, including right-of-use depreciation.
- **Data centre**: 3.4% of FY25 sales. Excluding this, absolute FY26 top-line growth could be c. €2.5–3mn.
- **Network**: 40% via IRU, 60% proprietary. Ongoing shift to owned infrastructure, reducing leasing costs and improving efficiency, especially in local PA. Projects include Bergamo and Brescia universities; expansion in Milan and Monza provinces in early 2026.
- **Poste/TIM integration** to be gradual: INTRED retains a strong advantage in B2B mid-cap as Poste remains B2C-focused and will enter B2B with TIM. ~1–2 year window of competitive advantage.
- **Marketing campaign**: contract for Andrea Pirlo extended through 2026 (30th anniversary year of INTRED) with the marketing campaign focused on B2B

INTRED – FY25 Revenue Breakdown



Source: Company presentation

INTRED – FY25 EBITDA Bridge vs FY24



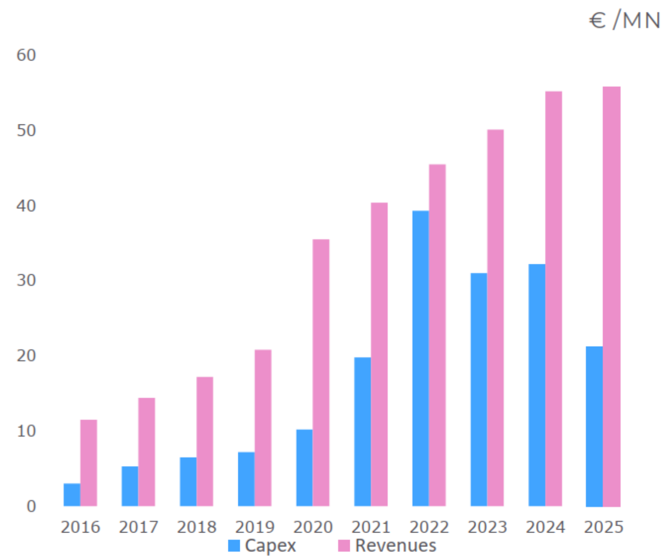
Source: Company presentation

INTRED – CapEx Evolution 2016-2025

>€ 190 MN SINCE 2016

CAPEX TO BUILD, DEVELOP AND STRENGTH THE NETWORK

- **FY2025 investments at € 21.2 MN** focused on FTTH network development in Lombardia area
- Development of **Ultra Wideband connectivity**, disinvesting from broadband connectivity by using the proprietary network
- Development of the fiber network through **IRU contracts with major TLC operators**



Source: Company presentation

Intermonte

Change in Estimates

We have tweaked our estimates, leading to negligible changes to EPS

INTRED - Changes to FY26-28 Estimates: P&L

	Actuals					New Estimates			Old Estimates			New vs Old (%)		
accounting view	ITA GAAP			IAS/IFRS		IAS/IFRS			IAS/IFRS			IAS/IFRS		
Eu mn	'22A	'23A	'24A	'24A	'25A	'26E	'27E	'28E	'26E	'27E	'28E	'26E	'27E	'28E
Net Revenues	**45.5**	**50.1**	**55.2**	**55.2**	**55.8**	**60.4**	**63.9**	**67.1**	**60.4**	**63.9**	**67.1**	**0.0%**	**0.0%**	**0.0%**
YoY growth	12.5%	10.0%	10.3%		1.1%	8.1%	5.8%	5.0%	8.1%	5.8%	5.0%			
Adj. EBITDA	**19.9**	**22.5**	**24.0**	**24.5**	**25.5**	**28.0**	**29.8**	**31.5**	**28.0**	**29.8**	**31.5**	**0.0%**	**0.0%**	**0.0%**
YoY growth	12.6%	13.5%	6.7%		4.1%	9.6%	6.5%	5.5%	9.6%	6.5%	5.5%			
as % of net sales	43.6%	45.0%	43.5%	44.4%	45.8%	46.4%	46.7%	46.9%	46.4%	46.7%	46.9%			
EBITDA	**19.9**	**22.5**	**24.0**	**24.5**	**25.5**	**28.0**	**29.8**	**31.5**	**28.0**	**29.8**	**31.5**	**0.0%**	**0.0%**	**0.0%**
D&A	(7.7)	(9.9)	(12.3)	(11.9)	(13.1)	(13.8)	(14.3)	(14.7)	(13.8)	(14.3)	(14.7)			
EBIT	**12.2**	**12.7**	**11.8**	**12.6**	**12.4**	**14.2**	**15.5**	**16.8**	**14.2**	**15.5**	**16.8**	**0.0%**	**0.0%**	**0.0%**
as % of net sales	26.7%	25.3%	21.3%	22.8%	22.3%	23.5%	24.3%	25.0%	23.5%	24.3%	25.0%			
net fin.exp.	0.0	(1.2)	(1.6)	(1.8)	(1.6)	(2.0)	(1.9)	(1.6)	(2.0)	(1.9)	(1.6)			
PBT	**12.2**	**11.5**	**10.1**	**10.9**	**10.8**	**12.2**	**13.6**	**15.2**	**12.2**	**13.6**	**15.1**	**0.0%**	**0.0%**	**0.5%**
as % of net sales	26.8%	23.0%	18.4%	19.6%	19.4%	20.2%	21.4%	22.6%	20.2%	21.4%	22.4%			
taxes	(3.5)	(3.3)	(3.3)	(2.9)	(2.5)	(3.5)	(4.0)	(4.4)	(3.5)	(4.0)	(4.4)			
tax rate (%)	28.8%	28.9%	32.1%	26.6%	23.3%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%			
Net income	**8.7**	**8.2**	**6.9**	**8.0**	**8.3**	**8.6**	**9.7**	**10.8**	**8.7**	**9.7**	**10.7**	**-0.3%**	**-0.4%**	**0.3%**
as % of net sales	19.1%	16.4%	12.5%	14.4%	14.9%	14.3%	15.2%	16.1%	14.3%	15.2%	15.9%			
Adj. Net income	**8.7**	**8.2**	**6.9**	**8.0**	**8.3**	**8.6**	**9.7**	**10.8**	**8.7**	**9.7**	**10.7**	**-0.3%**	**-0.4%**	**0.3%**
NOSH (mn)	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9			
Adj. EPS (€)	**€ 0.55**	**€ 0.52**	**€ 0.43**	**€ 0.50**	**€ 0.52**	**€ 0.54**	**€ 0.61**	**€ 0.68**	**€ 0.54**	**€ 0.61**	**€ 0.67**	**0.0%**	**0.0%**	**1.0%**
EPS (€)	€ 0.55	€ 0.52	€ 0.43	€ 0.50	€ 0.52	€ 0.54	€ 0.61	€ 0.68	€ 0.54	€ 0.61	€ 0.67	0.0%	0.0%	1.0%
DPS (€)	€ 0.07	€ 0.10	€ 0.10	€ 0.10	€ 0.12	€ 0.12	€ 0.12	€ 0.14	€ 0.12	€ 0.12	€ 0.13	0.0%	0.0%	1.0%
payout	13%	19%	23%	20%	23%	22%	20%	20%	22%	20%	20%			
IRU	(11.3)	(3.5)	(6.2)	(6.2)	(3.4)	(2.1)	(2.0)	(2.0)	(2.1)	(2.0)	(2.0)	-	-	-
Proprietary Network	(28.0)	(27.5)	(25.7)	(25.7)	(16.7)	(8.6)	(8.2)	(7.9)	(8.6)	(8.2)	(7.9)	-	-	-
Ordinary Capex	**(39.3)**	**(31.1)**	**(31.8)**	**(31.8)**	**(20.1)**	**(10.7)**	**(10.2)**	**(9.9)**	**(10.7)**	**(10.2)**	**(9.9)**	**-**	**-**	**-**
as % of net sales	86%	62%	58%	58%	36%	18%	16%	15%	18%	16%	15%			
Datacenter /extraordinary	-	-	-	-	(2.0)	(8.0)	(15.0)	-	(8.0)	(15.0)	-	-	-	-
Total Capex (Eu mn)	**(39.3)**	**(31.1)**	**(31.8)**	**(31.8)**	**(22.1)**	**(18.7)**	**(25.2)**	**(9.9)**	**(18.7)**	**(25.2)**	**(9.9)**	**-**	**-**	**-**
as % of net sales	86%	62%	58%	58%	40%	31%	39%	15%	31%	39%	15%			
Net Debt/(cash)	**11.5**	**20.9**	**32.9**	**35.7**	**42.1**	**39.3**	**41.8**	**27.6**	**36.6**	**39.1**	**25.0**	**2.7**	**2.7**	**2.6**
ND/EBITDA	0.6x	0.9x	1.4x	1.5x	1.6x	1.4x	1.4x	0.9x	1.4x	1.4x	0.9x			
IFRS16 impact					6.4	2.6	2.6	2.6						
Net Debt/(cash) ex IFRS16	**11.5**	**20.9**	**32.9**	**35.7**	**35.7**	**36.7**	**39.2**	**24.9**	**36.6**	**39.1**	**25.0**	**0.1**	**0.1**	**(0.0)**

Source: Intermonte SIM (E), Company Data (A)

INTRED - Changes to FY26-28 Estimates: P&L

	Actuals					New Estimate			Old Estimates			New vs Old (Abs)		
accounting view	ITA GAAP			IAS/IFRS		IAS/IFRS			IAS/IFRS			IAS/IFRS		
Eu mn	'22A	'23A	'24A	'24A	'25A	'26E	'27E	'28E	'26E	'27E	'28E	'26E	'27E	'28E
Net income	**8.7**	**8.2**	**6.9**	**8.0**	**8.3**	**8.6**	**9.7**	**10.8**	**8.6**	**9.7**	**10.8**	**-**	**-**	**(0.0)**
D&A	7.7	9.9	12.3	11.9	13.1	13.8	14.3	14.7	13.8	14.3	14.7	-	-	-
NWC & Other	6.5	4.4	2.5	1.8	(4.1)	1.9	0.6	0.6	2.0	0.6	0.6	(0.1)	-	-
FCFO	**22.9**	**22.5**	**21.7**	**21.7**	**17.3**	**24.4**	**24.6**	**26.0**	**24.5**	**24.6**	**26.1**	**(0.1)**	**-**	**(0.0)**
Capex (net of disposals)	(39.3)	(31.1)	(31.8)	(31.8)	(22.1)	(18.7)	(25.2)	(9.9)	(18.7)	(25.2)	(9.9)	-	-	-
EFCF	**(16.4)**	**(8.6)**	**(10.1)**	**(10.1)**	**(4.8)**	**5.6**	**(0.6)**	**16.2**	**5.7**	**(0.6)**	**16.2**	**(0.1)**	**-**	**(0.0)**
Rights issue /IPO	-	-	-		-	-	-	-	-	-	-	-	-	-
Dividend cashed-in	-	-	-		-	-	-	-	-	-	-	-	-	-
Dividends paid	(1.0)	(1.1)	(1.6)	(1.6)	(1.6)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(2.0)	(0.1)	-	0.1
M&A	-	-	-		-	-	-	-	-	-	-	-	-	-
Buyback	-	(0.0)	(0.2)	(0.2)	(0.3)	(0.9)	-	-	(0.8)	-	-	(0.2)	-	-
Other (inc. IFRS16)	11.3	0.4	(0.0)	(2.9)	(2.6)	-	-	-	-	-	-	-	-	-
Net Cash Flow	**(6.1)**	**(9.4)**	**(12.0)**	**(14.8)**	**(9.2)**	**2.8**	**(2.5)**	**14.2**	**3.1**	**(2.5)**	**14.2**	**(0.3)**	**-**	**0.0**
Opening ND /(Cash)	5.4	11.5	20.9	20.9	32.9	42.1	39.3	41.8	39.7	36.6	39.1	2.4	2.7	2.7
Change	6.1	9.4	12.0	14.8	9.2	(2.8)	2.5	(14.2)	(3.1)	2.5	(14.2)	0.3	-	(0.0)
Closing Net Debt /(Cash)	**11.5**	**20.9**	**32.9**	**35.7**	**42.1**	**39.3**	**41.8**	**27.6**	**36.6**	**39.1**	**24.9**	**2.7**	**2.7**	**2.7**

Source: Intermonte SIM (E), Company Data (A)

Intermonte

2026-28 Estimates

INTRED - 2026-28 Estimates: Revenue Split by Client, and P&L

Revenue split by Client (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Business	**23.3**	**24.4**	**25.1**	**26.4**	**27.9**	**31.2**	**33.9**	**35.7**	**37.1**
YoY growth	0.0%	4.8%	3.0%	5.0%	5.0%	2.0%	8.4%	5.4%	4.0%
as % of sales	65.8%	60.3%	55.2%	52.7%	50.5%	56.0%	56.1%	55.9%	55.4%
Wholesale	**3.1**	**3.6**	**3.8**	**3.9**	**4.2**	**5.0**	**5.4**	**5.8**	**6.2**
YoY growth	0.0%	13.4%	7.4%	2.2%	8.5%	17.7%	9.0%	7.5%	6.5%
as % of sales	8.8%	8.8%	8.4%	7.8%	7.7%	8.9%	9.0%	9.2%	9.3%
Residential	**7.6**	**8.8**	**9.1**	**9.2**	**9.6**	**10.1**	**10.9**	**11.4**	**11.9**
YoY growth	0.0%	16.6%	2.7%	1.7%	4.4%	5.5%	7.0%	5.0%	4.5%
as % of sales	21.3%	21.8%	19.9%	18.4%	17.4%	18.2%	18.0%	17.8%	17.8%
PA	**1.5**	**3.7**	**7.5**	**10.6**	**10.7**	**9.4**	**10.1**	**10.8**	**11.4**
YoY growth	0.0%	152.4%	104.0%	41.3%	1.2%	-12.9%	8.0%	7.0%	5.0%
as % of sales	4.1%	9.1%	16.5%	21.2%	19.4%	16.8%	16.7%	16.9%	16.9%
Connecting Italia					**2.8**	**-**	**-**	**-**	**-**
Net revenues	**35.4**	**40.5**	**45.5**	**50.1**	**55.2**	**55.8**	**60.4**	**63.9**	**67.1**
YoY growth	70.2%	14.1%	12.5%	10.0%	10.3%	1.1%	8.1%	5.8%	5.0%

P&L (Eu mn)	FY20A ITA GAAP	FY21A ITA GAAP	FY22A ITA GAAP	FY23A ITA GAAP	FY24A ITA GAAP	FY25A IAS/IFRS	FY26E IAS/IFRS	FY27E IAS/IFRS	FY28E IAS/IFRS
Net revenues	**35.4**	**40.5**	**45.5**	**50.1**	**55.2**	**55.8**	**60.4**	**63.9**	**67.1**
YoY growth	70.2%	14.1%	12.5%	10.0%	10.3%	1.1%	8.1%	5.8%	5.0%
EBITDA	**14.0**	**17.6**	**19.9**	**22.5**	**24.0**	**25.5**	**28.0**	**29.8**	**31.5**
YoY growth	60.6%	26.1%	12.6%	13.5%	6.7%	6.3%	9.6%	6.5%	5.5%
as % of VoP	39.5%	43.6%	43.1%	44.6%	43.0%	45.8%	46.0%	46.3%	46.5%
Adj. EBITDA	**14.0**	**17.6**	**19.9**	**22.5**	**24.0**	**25.5**	**28.0**	**29.8**	**31.5**
YoY growth	60.6%	26.1%	12.6%	13.5%	6.7%	6.3%	9.6%	6.5%	5.5%
as % of VoP	38.4%	42.8%	43.1%	44.6%	43.0%	45.4%	46.0%	46.3%	46.5%
D&A	(5.9)	(5.8)	(7.7)	(9.9)	(12.3)	(13.1)	(13.8)	(14.3)	(14.7)
as % of VoP	16.1%	14.2%	16.7%	19.5%	22.0%	23.3%	22.7%	22.2%	21.7%
EBIT	**8.1**	**11.8**	**12.2**	**12.7**	**11.8**	**12.4**	**14.2**	**15.5**	**16.8**
YoY growth	41.1%	45.1%	3.1%	4.2%	-7.2%	5.8%	14.0%	9.4%	8.1%
as % of VoP	22.3%	28.6%	26.4%	25.1%	21.0%	22.1%	23.3%	24.1%	24.8%
Adj. EBIT	**8.1**	**11.8**	**12.2**	**12.7**	**11.8**	**12.4**	**14.2**	**15.5**	**16.8**
YoY growth	41.1%	45.1%	3.1%	4.2%	-7.2%	5.8%	14.0%	9.4%	8.1%
as % of VoP	22.3%	28.6%	26.4%	25.1%	21.0%	22.1%	23.3%	24.1%	24.8%
Net Financial Expenses	0.1	0.2	0.0	(1.2)	(1.6)	(1.8)	(2.0)	(1.9)	(1.6)
PBT	**8.2**	**11.9**	**12.2**	**11.5**	**10.1**	**10.8**	**12.2**	**13.6**	**15.2**
Current/deferred tax/assets	(2.1)	(3.3)	(3.5)	(3.3)	(3.3)	(2.5)	(3.5)	(4.0)	(4.4)
tax rate	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3
Net profit/(loss)	**6.1**	**8.6**	**8.7**	**8.2**	**6.9**	**8.3**	**8.6**	**9.7**	**10.8**
YoY growth	41.3%	41.1%	0.6%	-5.6%	-15.9%	20.5%	4.0%	12.1%	11.3%
as % of VoP	16.8%	20.9%	18.8%	16.2%	12.3%	14.7%	14.2%	15.0%	15.9%
Adj. Net profit	**6.1**	**8.6**	**8.7**	**8.2**	**6.9**	**8.3**	**8.6**	**9.7**	**10.8**
YoY growth	41.3%	41.1%	0.6%	-5.6%	-15.9%	20.5%	4.0%	12.1%	11.3%
as % of VoP	16.8%	20.9%	18.8%	16.2%	12.3%	14.7%	14.2%	15.0%	15.9%

CapEx (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
IRU (intangible, 20%)	2.9	4.9	11.3	3.5	6.2	3.4	2.1	2.0	2.0
Proprietary Network (tangible)	7.3	14.9	28.0	27.5	25.7	16.7	8.6	8.2	7.9
Ordinary Capex	**10.2**	**19.8**	**39.3**	**31.1**	**31.8**	**20.1**	**10.7**	**10.2**	**9.9**
as % of net sales	28.8%	48.9%	86.3%	62.1%	57.6%	36.0%	17.8%	16.0%	14.7%
Datacenter /extraordinary	-	-	-	-	-	2.0	8.0	15.0	-
Total Capex (Eu mn)	10.2	19.8	39.3	31.1	31.8	22.1	18.7	25.2	9.9
Total Capex (Eu mn)	**10.2**	**19.8**	**39.3**	**31.1**	**31.8**	**22.1**	**18.7**	**25.2**	**9.9**
as % of net sales	28.8%	48.9%	86.3%	62.1%	57.6%	39.6%	31.1%	39.5%	14.7%

Source: Intermonte SIM (E), Company actual (A)

INTRED - 2026-28 Estimates: CapEx, FCF and Balance Sheet

FCF (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
Net income	6.1	8.6	8.7	8.2	6.9	8.3	8.6	9.7	10.8
D&A	5.9	5.8	7.7	9.9	12.3	13.1	13.8	14.3	14.7
NWC & Other	3.0	11.6	6.5	4.4	2.5	(4.1)	1.9	0.6	0.6
FCFO	**15.0**	**26.1**	**22.9**	**22.5**	**21.7**	**17.3**	**24.4**	**24.6**	**26.0**
Capex (net of disposals)	(10.2)	(19.8)	(39.3)	(31.1)	(31.8)	(22.1)	(18.7)	(25.2)	(9.9)
EFCF	**4.8**	**6.3**	**(16.4)**	**(8.6)**	**(10.1)**	**(4.8)**	**5.6**	**(0.6)**	**16.2**
Rights issue /IPO	-	-	-	-	-	-	-	-	-
Dividend cashed-in	-	-	-	-	-	-	-	-	-
Dividends paid	(0.5)	(0.6)	(1.0)	(1.1)	(1.6)	(1.6)	(1.9)	(1.9)	(1.9)
M&A	(10.2)	-	-	-	-	-	-	-	-
Buyback	-	-	-	(0.0)	(0.2)	(0.3)	(0.9)	-	-
Other (inc. IFRS16)	(1.8)	(11.5)	11.3	0.4	(0.0)	(2.6)	-	-	-
Net Debt change (- incr/+ decr)	**(7.7)**	**(5.8)**	**(6.1)**	**(9.4)**	**(12.0)**	**(9.2)**	**2.8**	**(2.5)**	**14.2**
Opening Net Debt /(Cash)	(8.1)	(0.4)	5.4	11.5	20.9	32.9	42.1	39.3	41.8
Change	7.7	5.8	6.1	9.4	12.0	9.2	(2.8)	2.5	(14.2)
Closing Net Debt /(Cash)	**(0.4)**	**5.4**	**11.5**	**20.9**	**32.9**	**42.1**	**39.3**	**41.8**	**27.6**

Balance Sheet (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E
CURRENT ASSETS	7.9	11.5	17.3	15.7	13.0	11.0	12.7	13.3	13.9
CURRENT LIABILITIES	(17.2)	(32.5)	(44.6)	(47.4)	(51.3)	(28.2)	(31.8)	(33.0)	(34.2)
NET WORKING CAPITAL	**(9.3)**	**(21.0)**	**(27.2)**	**(31.7)**	**(38.2)**	**(17.2)**	**(19.1)**	**(19.7)**	**(20.3)**
Intangible fixed assets	17.9	21.6	30.1	30.8	37.2	41.6	41.0	40.2	39.2
- goodwill	9.2	8.5	7.9	7.9	7.9	10.5	10.5	10.5	10.5
- other intangible assets	8.7	13.0	22.2	22.9	29.3	28.6	30.5	29.7	28.7
Property, plant and equipment	24.7	35.7	58.4	78.7	95.9	104.3	109.8	121.5	117.7
Financial fixed assets	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL FIXED ASSETS	**42.8**	**57.4**	**88.6**	**109.5**	**133.1**	**145.9**	**150.8**	**161.7**	**156.9**
Post-employment benefits	(1.6)	(1.6)	(1.8)	(1.5)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Provisions for risks and charges	(0.0)	(0.0)	(0.0)	(0.3)	(0.7)	(17.1)	(17.1)	(17.1)	(17.1)
NET CAPITAL EMPLOYED	**31.9**	**34.9**	**59.5**	**75.9**	**92.6**	**110.0**	**113.0**	**123.3**	**117.9**
Share capital	10.0	10.0	10.0	10.0	10.0	10.1	10.1	10.1	10.1
Reserves	16.2	21.7	29.3	36.9	43.1	50.2	56.6	63.3	71.1
Profit (loss) for the year	6.1	8.6	8.7	8.2	6.9	8.3	8.6	9.7	10.8
Negative reserve for shares in portfolio	-	-	(0.0)	(0.1)	(0.3)	(0.6)	(1.5)	(1.5)	(1.5)
EQUITY	**32.3**	**40.3**	**48.0**	**55.0**	**59.7**	**67.9**	**73.7**	**81.5**	**90.4**
NET DEBT	**(0.4)**	**(5.4)**	**11.5**	**20.9**	**32.9**	**42.1**	**39.3**	**41.8**	**27.6**
TOTAL SOURCES	**31.9**	**34.9**	**59.5**	**75.9**	**92.6**	**110.0**	**113.0**	**123.3**	**117.9**

Source: Intermonte SIM (E), Company actual (A)

DCF Valuation

Based on our new estimates, we confirm our TP at €16.0 (c. 80% upside). The stock is currently trading at c.7x EV/EBITDA'26 (Unidata c.4x, EU Telco Sector c.6x).

INTRED – DCF Model (WACC still 8.5%, g 1.0%)

(Eu mn)	'26E	'27E	'28E	'29E	'30E	'31E	'32E	'33E	'34E	'35E	'36E	TV
VoP	**60.9**	**64.4**	**67.7**	**70.4**	**72.7**	**74.8**	**76.6**	**78.4**	**80.0**	**81.5**	**82.9**	**83.8**
YoY growth	8.1%	5.8%	5.0%	4.1%	3.2%	2.8%	2.5%	2.3%	2.1%	1.9%	1.7%	1.0%
Adj. EBITDA	**28.0**	**29.8**	**31.5**	**33.0**	**34.5**	**35.8**	**37.2**	**38.4**	**39.7**	**40.9**	**42.0**	**42.3**
as % of VoP	46.0%	46.3%	46.5%	46.9%	47.4%	48.0%	48.5%	49.1%	49.6%	50.2%	50.7%	50.5%
D&A	(13.8)	(14.3)	(14.7)	(15.2)	(15.6)	(15.9)	(16.2)	(16.4)	(16.6)	(16.8)	(17.0)	(6.7)
EBIT	**14.2**	**15.5**	**16.8**	**17.8**	**18.9**	**20.0**	**21.0**	**22.0**	**23.0**	**24.1**	**25.0**	**35.6**
as % of VoP	23.3%	24.1%	24.8%	25.3%	26.0%	26.7%	27.4%	28.1%	28.8%	29.5%	30.2%	42.5%
Taxes	(3.4)	(3.7)	(4.0)	(4.3)	(4.5)	(4.8)	(5.0)	(5.3)	(5.5)	(5.8)	(6.0)	(8.5)
tax rate	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*
Change in WC	1.9	0.6	0.6	0.4	0.1	0.0	(0.0)	(0.0)	(0.1)	(0.1)	(0.2)	-
Capex	(18.7)	(25.2)	(9.9)	(10.5)	(9.2)	(8.5)	(7.8)	(7.0)	(7.1)	(7.3)	(7.4)	(6.7)
as % of VoP	30.8%	39.1%	14.6%	14.9%	12.6%	11.4%	10.2%	8.9%	8.9%	8.9%	8.9%	8.0%
Unlevered FCF	**7.8**	**1.5**	**18.2**	**18.6**	**20.9**	**22.6**	**24.3**	**26.1**	**26.9**	**27.7**	**28.5**	**27.1**
TV												365
year	0.0	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	10
Disc. Factor	1.00	0.92	0.85	0.78	0.72	0.67	0.61	0.57	0.52	0.48	0.44	0.44
Disc. Flows		**1.4**	**15.4**	**14.6**	**15.1**	**15.0**	**14.9**	**14.8**	**14.1**	**13.3**	**12.6**	**162.0**

Sum of FCF'27-36E	131.3
Terminal value	162.0
Total EV	**293.4**
Net Cash (Debt) at YE26	(39.3)
Minorities	0.0
treasury shares	0.7
Equity Value	**254.8**
current NOSH (mn)	15.9
Target Price (Eu)	**16.0**
current price (Eu)	9.1
upside vs current price	76%

Source: Intermonte SIM

INTRED - DCF Sensitivity to WACC (%) and g (%)

WACC \ g	0.5%	0.6%	0.7%	0.8%	0.9%	1.0%	1.1%	1.2%	1.3%	1.4%	1.5%
7.5%	18.2	18.4	18.6	18.8	19.0	**19.2**	19.5	19.7	19.9	20.2	20.4
7.7%	17.6	17.8	18.0	18.1	18.3	**18.5**	18.7	18.9	19.1	19.4	19.6
7.9%	17.0	17.2	17.3	17.5	17.7	**17.9**	18.0	18.2	18.4	18.6	18.8
8.1%	16.4	16.6	16.7	16.9	17.0	**17.2**	17.4	17.6	17.8	17.9	18.1
8.3%	15.9	16.0	16.2	16.3	16.5	**16.6**	16.8	16.9	17.1	17.3	17.5
8.5%	**15.4**	**15.5**	**15.6**	**15.8**	**15.9**	**16.0**	**16.2**	**16.4**	**16.5**	**16.7**	**16.8**
8.7%	14.9	15.0	15.1	15.2	15.4	**15.5**	15.7	15.8	15.9	16.1	16.2
8.9%	14.4	14.5	14.6	14.8	14.9	**15.0**	15.1	15.3	15.4	15.5	15.7
9.1%	14.0	14.1	14.2	14.3	14.4	**14.5**	14.6	14.8	14.9	15.0	15.2
9.3%	13.5	13.6	13.7	13.8	13.9	**14.1**	14.2	14.3	14.4	14.5	14.7
9.5%	13.1	13.2	13.3	13.4	13.5	**13.6**	13.7	13.8	13.9	14.1	14.2

Source: Intermonte SIM

Peer multiples

We use peer multiples to offer a sanity check on our DCF model, purely for information purposes. Indeed, we believe the company is more similar to an emerging firm, considering its high growth potential and ongoing network expansion, whereas the telecom sector is typically characterised by well-established companies operating in a mature business.

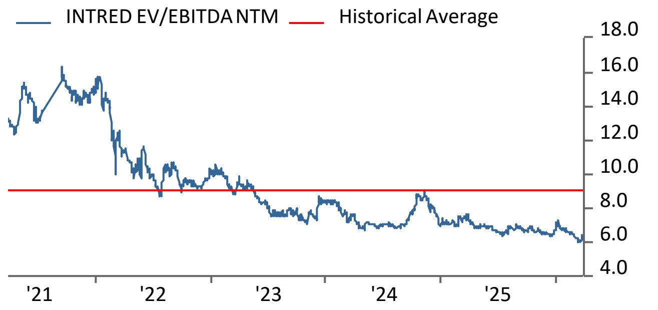
INTRED - Peer Valuation Multiples

Company	Currency	Price	Mkt. Cap (Eu mn)	Abs. Perf. (%)				EV/Sales (x)			EV/EBITDA (x)			EV/EBIT (x)			Adj. PE (x)			Div. Yield (%)		
				1m	3m	6m	Ytd	'26E	'27E	'28E	'26E	'27E	'28E	'26E	'27E	'28E	'26E	'27E	'28E	'26E	'27E	'28E
Intred SpA (@mkt price, our est.)	**EUR**	**9.10**	**145**	**-3%**	**-5%**	**-7%**	**-10%**	**3.0**	**2.9**	**2.6**	**6.6**	**6.3**	**5.5**	**13.0**	**12.0**	**10.3**	**16.8**	**15.0**	**13.5**	**1.3%**	**1.3%**	**1.5%**
Intred SpA (@mkt price, cons.)	**EUR**	**9.10**	**145**	**-3%**	**-5%**	**-7%**	**-10%**	**2.4**	**2.2**	**1.8**	**5.1**	**4.5**	**3.7**	**10.0**	**8.6**	**7.0**	**15.8**	**13.9**	**13.1**	**1.3%**	**1.4%**	**1.5%**
Intred SpA (@TP, our est..)	**EUR**	**16.0**	**145**	**-3%**	**-5%**	**-7%**	**-10%**	**4.8**	**4.6**	**4.2**	**11.6**	**10.5**	**10.0**	**20.7**	**19.1**	**16.8**	**30.7**	**29.5**	**26.3**	**0.7%**	**0.8%**	**0.8%**
Unidata (@mkt price, our est.)	EUR	2.97	92	-12%	1%	9%	0%	1.0	1.0	0.9	4.1	3.9	3.5	7.4	6.7	5.9	9.1	8.2	7.1	0.3%	0.3%	0.3%
Planetel S.p.A.	EUR	3.94	27	0%	6%	3%	0%	0.6	0.5	n.m	2.4	2.1	n.m	6.8	5.1	n.m	14.1	8.9	n.m	0.0%	0.0%	0.0%
Convergenze SpA Societa Benefit	EUR	1.69	13	-8%	-3%	-19%	-3%	0.4	0.4	n.m	2.1	1.9	n.m	3.5	3.1	n.m	6.0	5.1	n.m	0.0%	0.0%	0.0%
Italian Regional FTTH players - Median								**1.0**	**1.0**	**1.8**	**4.1**	**3.9**	**3.7**	**7.4**	**6.7**	**7.0**	**14.1**	**8.9**	**13.1**	**0.3%**	**0.3%**	**0.3%**
United Internet AG	EUR	27.14	5,211	-4%	-1%	1%	-3%	1.6	1.4	1.4	7.1	5.8	5.4	13.8	10.8	9.7	16.3	14.1	10.8	2.4%	2.9%	4.5%
Chorus Limited	NZD	9.37	2,023	-3%	-1%	-1%	-1%	7.1	6.9	6.7	10.0	9.7	9.2	24.7	20.7	18.6	77.9	42.3	33.3	6.4%	6.6%	6.9%
Intl. Regional FTTH players - Median								**4.4**	**4.2**	**4.0**	**8.6**	**7.8**	**7.3**	**19.3**	**15.7**	**14.1**	**47.1**	**28.2**	**22.1**	**4.4%**	**4.8%**	**5.7%**
Average Selected Peers								**2.7**	**2.6**	**2.9**	**6.4**	**5.8**	**5.5**	**13.3**	**11.2**	**10.6**	**30.6**	**18.6**	**17.6**	**2.4%**	**2.5%**	**3.0%**

FTSE Italia Mid Cap	52,794	-12.0%	-9.8%	-5.9%	-10.3%
FTSE Italia Star	42,638	-12.7%	-14.0%	-10.8%	-14.7%
FTSE MIB	43,379	-8.1%	-2.8%	1.7%	-3.5%
FTSE Italia Growth Index	8,316	-4.7%	-2.4%	-3.2%	-3.5%
FTSE Italia All-Share	45,646	-8.5%	-3.5%	0.9%	-4.2%

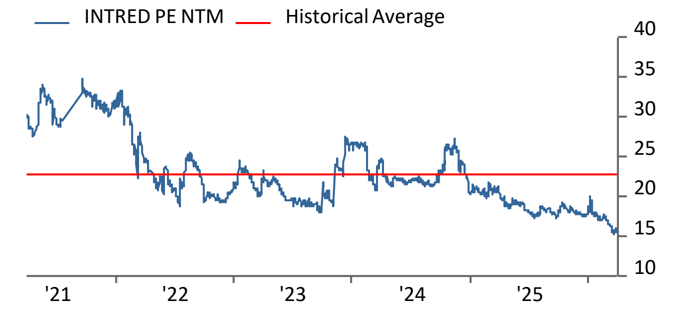
Source: Intermonte SIM for INTRED and Unidata, FactSet Consensus

INTRED - EV/EBITDA NTM Evolution



Source: FactSet Consensus

INTRED – PE NTM Evolution



Source: FactSet Consensus

INTRED in Brief

Company Description

INTRED is a telecommunications and internet operator founded in 1996 by Daniele Peli, offering broadband, ultrabroadband, FWA, voice, and hosting services through its proprietary fibre network. With a strong presence in Lombardy, INTRED serves a highly fragmented customer base and maintains a very low churn rate of less than 5%. More than 90% of its revenues are recurring, ensuring strong visibility. The Group has been listed on the EGM since July 2018 (IPO price €2.27) and currently employs c.180 skilled personnel. INTRED has secured further expansion thanks to the acquisitions of QCOM (Feb'20, €10mn cashout, 4.3k business clients) and Connecting Italia (Jan'24, €4mn cashout, 2k business clients).

Management

CEO and Chairman: Daniele Peli
GM: Egon Zanagnolo
CFO: Filippo Leone
Network Development: R. Boron

Next BoD renewal: Spring, 2027
Independent directors: 2/7
Female directors: 3/7

Shareholders

DM Holding S.r.l.	60.38%
o/w Daniele Peli	*67%*
o/w Marisa Prati	*33%*
Value First Sicav	9.43%
Treasury Shares	0.49%
Market incl. onw	29.71%

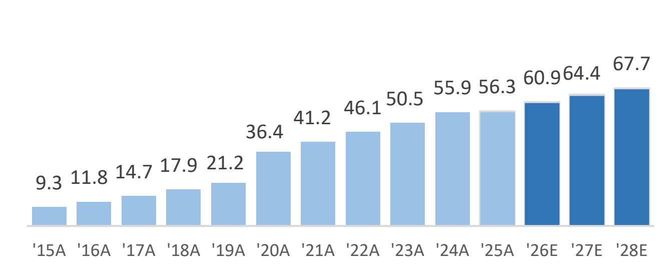
Strengths/Opportunities

- Upside from School Tender renewals and datacentre project
- Proprietary fibre network with a focus on future-proof FTTH technology
- Strategic location in an affluent and thriving area: significant market share in areas of Brescia (>15%) and Bergamo (>7%) and great presence in Lombardy with a large addressable market
- A loyal customer base (churn rate c.4%)
- High profitability (c.46% EBITDA margin in FY25) and high entry barriers (investment, reputation, know-how)
- Short-term catalyst for the equity story from STAR move

Weaknesses/Threats

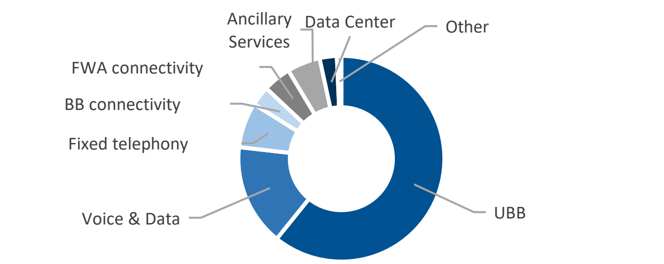
- A medium-sized company contending with telecom giants in a fiercely competitive and dynamic market
- SMEs typically more heavily penalised than large corporates in the event of an economic downturn
- Limited footprint with regional exposure skewed to Lombardy
- Keeping pace with the rate of business growth and innovation may require additional investment
- Failure to efficiently deploy capital or increase commercial take-up on proprietary infrastructure
- Risks associated with dependence on the services and infrastructure of other operators (TIM a major supplier)

INTRED – Net Sales (Eu mn)



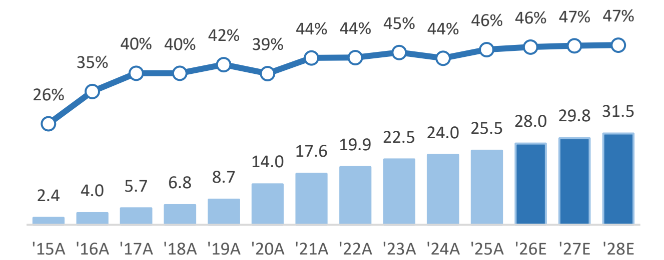
Source: Intermonte SIM (E), Company actual (A)

INTRED – FY25 Revenue Breakdown by Business (%)



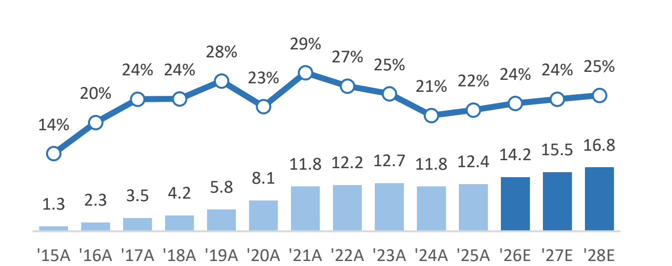
Source: Intermonte SIM (E), Company actual (A)

INTRED – EBITDA (Eu mn) and Margin on Net Sales (%)



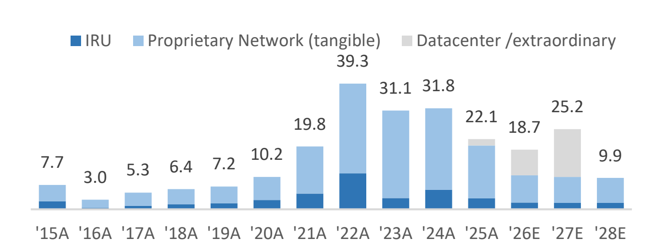
Source: Intermonte SIM (E), Company actual (A)

INTRED – EBIT (Eu mn) and Margin on Sales (%)



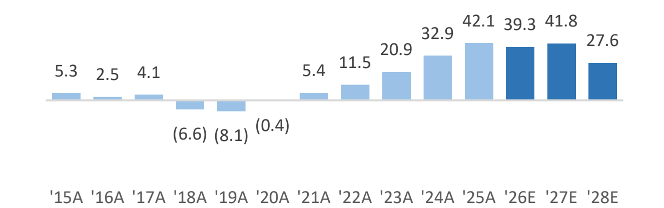
Source: Company Data (A), Intermonte Estimates (E)

INTRED – CapEx Trend (Eu mn)



Source: Intermonte SIM (E), Company actual (A)

INTRED – Net Debt/(Cash) Evolution (Eu mn)



Source: Company Data (A), Intermonte Estimates (E)

DETAILS ON STOCKS RECOMMENDATION			
Stock NAME	**INTRED**		
Current Recomm:	BUY	Previous Recomm:	BUY
Current Target (Eu):	16.00	Previous Target (Eu):	16.00
Current Price (Eu):	9.10	Previous Price (Eu):	8.80
Date of report:	31/03/2026	Date of last report:	16/03/2026

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The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (**DCF**) model or similar methods such as a dividend discount model (**DDM**)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium between 5.5% - 6.0% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 31 March 2026 Intermonte's Research Department covered 132 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	32.58%
OUTPERFORM:	37.12%
NEUTRAL:	30.30%
UNDERPERFORM:	00.00%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (77 in total) is as follows:

BUY:	54.55%
OUTPERFORM:	27.27%
NEUTRAL:	16.88%
UNDERPERFORM:	01.30%
SELL:	00.00%

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In order to disclose its possible conflicts of interest Intermonte SIM states that:

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Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA

Intermonte SIM has acted as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying.

Intermonte SIM is acting as financial advisor to Banca CF+ in the context of the public tender offer promoted on Banca Sistema.

Intermonte SIM is acting as financial advisor to TIM in relation to the company's saving shares conversion.

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for BANCA GENERALI, BANCO BPM, MARE ENGINEERING GROUP, TELECOM ITALIA, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA GENERALI, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD

Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, AQUAFIL, BANCA IFIS, BANCA SISTEMA, COFLE, COM.TEL, DIGITOUCH, ECOSUNTEK, EL.EN., EMAK, ENERGY, GREEN OLEO, INTRED, MATICA FINTEC, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, POWERSOFT, QF ALPHA IMM, REPLY, SESA, SG COMPANY, SOMEC, STAR7, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA **with the obligation to disseminate studies**

Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website https://www.intermonte.it/it/avvertenze-legali/mifid-ii.html

Further information is available.