Intermonte

Milan, 25 September 2026

Italian Equity Research - 2Q26 Results

INTRED

Sector: Telecoms

BUY (unchanged)

Target: €16.0 (unchanged)

New Plan Outlines Solid Growth Profile, Despite Temporary DC Exclusion

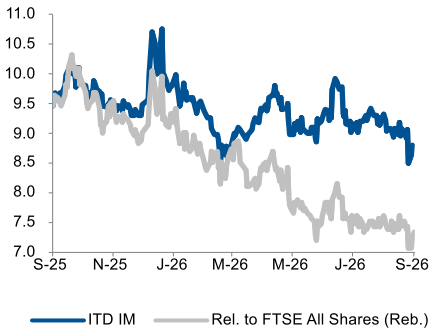
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Change (%)	2026E	2027E	2028E
Eps Adj.	0.8%	4.0%	7.4%

Key Data	September 24, 2026
Price (€)	8.80
Upside/(Downside)	81.8%
Sector	Telecoms
Reuters Code	INTD.MI
Bloomberg Code	ITD IM

Performance (%)	1M	3M	12M
Absolute	-5.6%	-4.3%	-7.0%
Relative	-3.8%	-4.0%	-22.6%
12M (H/L)			10.75/8.50
3M Average Volume (th):			5.81



Shareholder data	
Total no. of Shares (mn):	16
Mkt Cap (€ mn):	140
Mkt Float (€ mn):	42
Mkt Float (in %):	30.3%
Main Shareholder:	
DM Holding S.r.l.	60.3%

Balance Sheet Data	
Book Value (€ mn)	74
BVPS (€)	4.64
P/BV	1.9
Net Financial Position (€ mn)	-38
Enterprise Value (€ mn)	177

Intred delivered solid 1H26 results and unveiled a new FY26-29 plan that provides greater visibility on earnings growth, cash generation and deleveraging. The strategy is centred on organic expansion, deeper monetisation of the proprietary fibre network and further efficiency gains, while the temporary exclusion of the Data Centre project due to permitting delays materially reduces capital intensity and accelerates balance-sheet deleveraging. Management nevertheless reiterated its commitment to proceed with the project once the required authorisations have been obtained. We see the plan as further validation of the scalability and resilience of Intred's infrastructure-led business model, with recurring revenues, operating leverage and disciplined execution supporting a more predictable growth profile. The proposed uplisting to the Euronext STAR segment adds a further catalyst through improved visibility, governance standards and access to a broader institutional investor base. We confirm our BUY rating and €16 TP.

- **1H26 results.** Revenues (€29.3mn, +5.6% YoY) had already been disclosed at the end of July. Profitability came in above our expectations, with adj. EBITDA at €13.5mn (+6.3% YoY, +2% vs. our estimate), a 46.2% margin (+0.3pp YoY), excluding c.€0.2mn of uplisting-related costs. Cost inflation remained under control, with service costs (+5% YoY) broadly in line with revenue growth, while personnel costs increased (+12% YoY). EBIT was stable at €6.4mn, while net profit declined modestly to €4.0mn (-1.8% YoY, +3% vs. our exp.) due to higher D&A. CFFO was pretty strong at €7.9mn (vs. our €6.6mn estimate), implying c.59% cash conversion of adj. EBITDA, while net debt rose modestly to €44.1mn (vs. €42.1mn at FY25) following €7.6mn in CapEx. Operating KPIs remained solid, with recurring revenues accounting for 92% of sales, churn at 4.6%, more than 59k data-line customers and the proprietary fibre network expanding to 15.2k km.
- **FY26-29 strategic plan.** The new FY26-29 BP focuses on organic growth, cash generation and cost optimisation, leveraging Intred's proprietary fibre network, deeper penetration in Lombardy, expansion in the Wholesale and PA segments, and greater use of AI-driven efficiencies. FY26 targets are broadly in line with our estimates at midpoint. Looking further ahead, management guidance points to FY29 revenues of €72-78mn and EBITDA of €36-39mn, implying high single-digit growth and EBITDA margin expansion above 49%. The plan also assumes c.€45mn of cumulative 2026-29 CapEx (vs. our prior €73mn estimate) and net debt below €4mn by FY29 (vs. our €22mn), largely reflecting the exclusion of the DC project.
- **Change in estimates.** We are updating our forecasts to reflect the new business plan, making only marginal revisions to FY26 estimates. For FY29, we remain below the low end of management guidance, forecasting revenues of €71mn and adj. EBITDA of €35mn, implying a 49% margin.
- **BUY confirmed; target still €16.** The DC project is no longer included in our explicit forecasts, with the previously-assumed c.€27mn of associated 2026-28 CapEx now treated separately in our DCF valuation. However, we continue to reflect the project's long-term strategic value through our terminal growth assumptions, consistent with management's commitment to proceed once permitting has been completed. As a result, we confirm our €16/share TP.

Key Figures & Ratios	2025A	2026E	2027E	2028E	2029E
Sales (€ mn)	56	60	64	68	70
EBITDA Adj (€ mn)	26	28	30	33	35
Net Profit Adj (€ mn)	8	9	10	12	13
EPS New Adj (€)	0.523	0.548	0.643	0.729	0.814
EPS Old Adj (€)	0.523	0.544	0.618	0.679	
DPS (€)	0.120	0.135	0.161	0.182	0.203
EV/EBITDA Adj	7.9	6.4	5.6	4.9	4.3
EV/EBIT Adj	16.2	12.4	10.5	8.9	7.6
P/E Adj	19.2	16.0	13.7	12.1	10.8
Div. Yield	1.4%	1.5%	1.8%	2.1%	2.3%
Net Debt/EBITDA Adj	1.6	1.4	1.0	0.6	0.2

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INTRED - Key Figures						
Profit & Loss (€ mn)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
Sales	55	56	60	64	68	70
EBITDA	24	26	28	30	33	35
EBIT	12	12	14	16	18	19
Financial Income (charges)	-2	-2	-2	-2	-2	-1
Associates & Others	0	0	0	0	0	0
Pre-tax Profit	10	11	12	14	16	18
Taxes	-3	-3	-3	-4	-5	-5
Tax rate	32.1%	23.3%	29.0%	29.0%	29.0%	29.0%
Minorities & Discontinued Operations	0	0	0	0	0	0
Net Profit	7	8	9	10	12	13
EBITDA Adj	24	26	28	30	33	35
EBIT Adj	12	12	14	16	18	19
Net Profit Adj	7	8	9	10	12	13
Per Share Data (€)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
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	0.434	0.523	0.538	0.643	0.729	0.814
EPS Adj f.d	0.434	0.523	0.548	0.643	0.729	0.814
BVPS f.d	3.760	4.275	4.637	5.145	5.714	6.345
Dividend per Share ORD	0.100	0.120	0.135	0.161	0.182	0.203
Dividend per Share SAV	0.000	0.000	0.000	0.000	0.000	0.000
Dividend Payout Ratio (%)	23.1%	23.0%	25.0%	25.0%	25.0%	25.0%
Cash Flow (€ mn)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
Gross Cash Flow	19	21	22	24	26	28
Change in NWC	3	-4	-1	-2	-2	-2
Capital Expenditure	-32	-22	-14	-12	-12	-11
Other Cash Items	0	0	0	0	0	0
Free Cash Flow (FCF)	-10	-5	7	10	12	16
Acquisitions, Divestments & Other Items	0	0	0	0	0	0
Dividends	-2	-2	-2	-2	-3	-3
Equity Financing/Buy-back	0	0	0	0	0	0
Change in Net Financial Position	-12	-9	5	8	9	13
Balance Sheet (€ mn)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
Total Fixed Assets	133	146	146	144	141	137
Net Working Capital	-38	-17	-16	-14	-12	-10
Long term Liabilities	-2	-19	-19	-19	-19	-19
Net Capital Employed	93	110	111	111	111	108
Net Cash (Debt)	-33	-42	-38	-30	-20	-8
Group Equity	60	68	74	82	91	101
Minorities	0	0	0	0	0	0
Net Equity	60	68	74	82	91	101
Enterprice Value (€ mn)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
Average Mkt Cap	169	160	140	140	140	140
Adjustments (Associate & Minorities)	0	0	0	0	0	0
Net Cash (Debt)	-33	-42	-38	-30	-20	-8
Enterprise Value	202	202	177	169	160	147
Ratios (%)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
EBITDA Adj Margin	43.5%	45.8%	46.0%	47.5%	48.2%	49.0%
EBIT Adj Margin	21.3%	22.3%	23.7%	25.3%	26.5%	27.5%
Gearing - Debt/Equity	55.0%	62.0%	51.0%	36.4%	22.4%	7.5%
Interest Cover on EBIT	7.3	7.0	7.1	9.0	11.2	17.0
Net Debt/EBITDA Adj	1.4	1.6	1.4	1.0	0.6	0.2
ROACE*	14.0%	12.3%	12.9%	14.5%	16.1%	17.6%
ROE*	12.0%	13.0%	12.3%	13.1%	13.4%	13.5%
EV/CE	2.4	2.0	1.6	1.5	1.4	1.3
EV/Sales	3.7	3.6	2.9	2.6	2.4	2.1
EV/EBITDA Adj	8.4	7.9	6.4	5.6	4.9	4.3
EV/EBIT Adj	17.2	16.2	12.4	10.5	8.9	7.6
Free Cash Flow Yield	-7.2%	-3.4%	5.2%	7.1%	8.6%	11.2%
Growth Rates (%)	**2024A**	**2025A**	**2026E**	**2027E**	**2028E**	**2029E**
Sales	10.3%	1.1%	8.1%	6.0%	5.6%	4.3%
EBITDA Adj	6.7%	6.3%	8.7%	9.5%	7.2%	6.0%
EBIT Adj	-7.2%	5.8%	14.8%	13.3%	10.6%	8.0%
Net Profit Adj	-15.9%	20.5%	4.9%	17.3%	13.4%	11.6%
EPS Adj	-15.9%	20.5%	4.9%	17.3%	13.4%	11.6%
DPS	0.0%	20.0%	12.2%	19.5%	13.4%	11.6%

*Excluding extraordinary items Source: Intermonte SIM Estimates

1H26 Results

INTRED – 1H26 Results

P&L (Eu mn)	1H25A	2H25A	FY25A	1H26A	2H26E	FY26E	1H26E	A/E
Net revenues	**27.8**	**28.0**	**55.8**	**29.3**	**31.1**	**60.4**	**29.3**	**0.0%**
YoY growth	7.2%	1.1%	1.1%	5.6%	10.8%	8.1%	5.5%	
EBITDA	**12.7**	**12.8**	**25.5**	**13.3**	**14.5**	**27.8**	**13.2**	**0.3%**
YoY growth	11.1%	1.9%	4.1%	4.3%	13.1%	8.7%	5.8%	
as % of net sales	45.9%	45.7%	45.8%	45.3%	46.6%	46.0%	45.2%	
Adj. EBITDA	**12.7**	**12.8**	**25.5**	**13.5**	**14.4**	**28.0**	**13.2**	**2.2%**
YoY growth	11.1%	1.9%	4.1%	6.3%	12.8%	9.6%	5.8%	
as % of net sales	45.9%	45.7%	45.8%	46.2%	46.5%	46.4%	45.2%	
D&A	(6.3)	(6.8)	(13.1)	(6.9)	(6.8)	(13.7)	(6.7)	
as % of net sales	22.7%	24.2%	23.5%	23.5%	21.9%	22.7%	22.9%	
EBIT	**6.4**	**6.0**	**12.4**	**6.4**	**7.7**	**14.1**	**6.5**	**-2.1%**
YoY growth	9.9%	1.7%	-1.4%	-0.4%	27.4%	13.1%	8.5%	
as % of net sales	23.1%	21.5%	22.3%	21.8%	24.7%	23.3%	22.3%	
Adj. EBIT	**6.4**	**6.0**	**12.4**	**6.7**	**7.6**	**14.3**	**6.5**	**1.8%**
YoY growth	9.9%	1.7%	-1.4%	3.6%	26.8%	14.8%	8.5%	
as % of net sales	23.1%	21.5%	22.3%	22.7%	24.6%	23.7%	22.3%	
Net Financial Expenses	(0.8)	(0.9)	(1.8)	(0.8)	(1.2)	(2.0)	(1.0)	
PBT	**5.6**	**5.2**	**10.8**	**5.6**	**6.5**	**12.0**	**5.5**	**0.8%**
taxes	(1.5)	(1.0)	(2.5)	(1.5)	(1.9)	(3.5)	(1.6)	
tax rate	27%	20%	23%	28%	30%	29%	29%	
Net profit/(loss)	**4.1**	**4.2**	**8.3**	**4.0**	**4.5**	**8.6**	**3.9**	**2.7%**
YoY growth	15.8%	25.5%	4.3%	-1.8%	7.7%	3.0%	9.0%	
as % of net sales	14.8%	15.0%	14.9%	13.7%	14.6%	14.2%	13.4%	
Adj. Net profit	**4.1**	**4.2**	**8.3**	**4.2**	**4.5**	**8.7**	**3.9**	**7.5%**
YoY growth	15.8%	25.5%	4.3%	2.7%	7.0%	4.9%	9.0%	
as % of net sales	14.8%	15.0%	14.9%	14.4%	14.5%	14.4%	13.4%	

FCF (Eu mn)	1H25A	2H25A	FY25A	1H26A	2H26E	FY26E	1H26E	A-E
Net income	4.1	4.2	8.3	4.0	4.5	8.6	3.9	0.1
D&A	6.3	6.8	13.1	6.9	6.8	13.7	6.7	0.2
NWC & Other	(0.3)	(3.7)	(4.1)	(3.0)	2.2	(0.7)	(4.0)	1.0
FCFO	**10.1**	**7.3**	**17.3**	**7.9**	**13.6**	**21.5**	**6.6**	**1.3**
Capex (net of disposals)	(12.6)	(9.4)	(22.1)	(7.7)	(6.5)	(14.2)	(7.8)	0.1
EFCF	**(2.6)**	**(2.2)**	**(4.8)**	**0.2**	**7.1**	**7.3**	**(1.2)**	**1.4**
Rights issue /IPO	-	-	-	-	-	-	-	-
Dividend cashed-in	-	-	-	-	-	-	-	-
Dividends paid	(1.6)	-	(1.6)	(1.0)	(1.0)	(1.9)	(1.0)	0.0
M&A	-	-	-	-	-	-	-	-
Buyback	(0.1)	(0.2)	(0.3)	(0.3)	(0.6)	(0.9)	(0.3)	0.0
Other (inc. IFRS16)	-	(2.6)	(2.6)	-	-	-	-	-
Net Debt change (- incr/+ decr)	**(4.2)**	**(5.0)**	**(9.2)**	**(2.0)**	**6.5**	**4.5**	**(2.5)**	**0.5**
Opening Net Debt /(Cash)	32.9	37.1	32.9	42.1	44.1	42.1	42.1	-
Change	4.2	5.0	9.2	2.0	(6.5)	(4.5)	2.5	(0.5)
Closing Net Debt /(Cash)	**37.1**	**42.1**	**42.1**	**44.1**	**37.6**	**37.6**	**44.6**	**(0.5)**
IFRS16			2.6	2.3	2.6	2.6	2.6	(0.3)
Closing Net Debt /(Cash) ex IFRS16			**39.5**	**41.7**	**34.9**	**34.9**	**41.9**	**(0.2)**

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

FY26-29 Targets

- **Market assumptions:** the plan assumes moderate growth in the Italian telecoms market through 2029, with fixed services at a 1.7% CAGR and mobile at 0.5%. FTTH remains the main structural driver, supported by demand for high-speed connectivity and NRRP investments, with pure-fibre lines expected to grow at a 25.3% CAGR while FTTC declines by 7.1%.
- **Strategic assumptions:** growth will remain organic and focused on the core Lombardy footprint, leveraging the proprietary fibre network, stronger penetration in underserved provinces, expansion in Wholesale and Public Administration, higher-value-added services and AI-enabled cost efficiencies.
- **Data Centre:** the project is temporary excluded from the plan following permitting and administrative delays, materially reducing near-term capital intensity. Management nevertheless reiterated its intention to proceed once the required authorisation has been obtained.
- **FY26 targets:** management guidance points to revenues of €58-61mn, EBITDA of €26-29mn and an EBITDA margin above 46%. The company intends to continue expanding its proprietary network and developing higher-value-added services during the first year of the plan.
- **FY29 targets:** revenues €72-78mn, EBITDA €36-39mn, implying a high single-digit 2025-29 CAGR for both metrics and an EBITDA margin above 49%, supported by network monetisation and operating leverage.
- **Investments:** cumulative 2026-29 CapEx is expected at c.€45mn, below the previous investment profile, and will be mainly directed to fibre-network expansion, technological equipment, IT systems, automation, resilience and security.
- **Dividends:** the FY29 net-debt target assumes dividend distributions broadly consistent with recent years.
- **Funding:** the plan envisages no new financing or debt instruments, with existing borrowing declining according to the contractual amortisation schedule.
- **Deleveraging:** stronger cash generation and lower capital intensity are expected to reduce net debt from €42.1mn at FY25 to below €4mn by FY29, implying almost complete balance-sheet deleveraging over the plan period.
- **EGM uplisting:** the company has called a shareholders' meeting for 12 October 2026 to approve the move from Euronext Growth Milan to Euronext Milan and, subject to meeting the relevant requirements, the STAR segment. The agenda also includes the appointment of a new Board, amended bylaws and governance arrangements aligned with regulated-market standards.

INTRED – FY26-29 Targets

	'25A	'26E	2026 tgt		'27E	'28E	'29E	2029 tgt		CAGR'26-29		
Eu mn			min	max				min	max	min	max	Est.
Revenues	**55.8**	**60.4**	**58**	**61**	**64.0**	**67.6**	**70.5**	**72**	**78**	**7%**	**9%**	**5.3%**
EBITDA	**25.5**	**28.0**	**26**	**29**	**30.4**	**32.6**	**34.5**	**36**	**39**	**11%**	**10%**	**7.3%**
margin	45.8%	46.4%	>46%	>46%	47.5%	48.2%	49.0%	>49%	>49%			
Capex	**22.1**	**14.2**			**12.2**	**11.8**	**10.6**	**4Y cum.**	**45**			**48.7**
as % of sales	39.6%	23.5%			19.0%	17.5%	15.0%					
Net debt	**42.1**	**37.6**			**29.7**	**20.3**	**7.5**		**<4**			
leverage (x)	1.6x	1.3x			1.0x	0.6x	0.2x					

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

Change in Estimates

We are updating our forecasts to reflect the new business plan, making only marginal revisions to FY26 estimates. For FY29, we remain below the low end of management guidance, forecasting revenues of €71mn and adj. EBITDA of €35mn, implying a 49% margin.

INTRED - Changes to FY26-29 Estimates: P&L

	Actuals		New Estimates				Old Estimates				New vs Old (%)			
Eu mn	'24A	'25A	'26E	'27E	'28E	'29E	'26E	'27E	'28E	'29E	'26E	'27E	'28E	'29E
Net Revenues	**55.2**	**55.8**	**60.4**	**64.0**	**67.6**	**70.5**	**60.4**	**63.9**	**67.1**	**69.8**	**0%**	**0%**	**1%**	**1%**
YoY growth		1.1%	8.1%	6.0%	5.6%	4.3%	8.1%	5.8%	5.0%	4.1%				
Adj. EBITDA	**24.5**	**25.5**	**28.0**	**30.4**	**32.6**	**34.5**	**28.0**	**29.8**	**31.5**	**33.0**	**0%**	**2%**	**4%**	**5%**
YoY growth		4.1%	9.6%	8.6%	7.2%	6.0%	9.6%	6.5%	5.5%	4.9%				
as % of net sales	44.4%	45.8%	46.4%	47.5%	48.2%	49.0%	46.4%	46.7%	46.9%	47.3%				
EBITDA	**24.5**	**25.5**	**27.8**	**30.4**	**32.6**	**34.5**	**28.0**	**29.8**	**31.5**	**33.0**	**-1%**	**2%**	**4%**	**5%**
D&A	(11.9)	(13.1)	(13.9)	(14.2)	(14.7)	(15.2)	(13.8)	(14.3)	(14.7)	(15.2)				
EBIT	**12.6**	**12.4**	**14.1**	**16.2**	**17.9**	**19.3**	**14.2**	**15.5**	**16.8**	**17.8**	**-1%**	**4%**	**7%**	**9%**
as % of net sales	22.8%	22.3%	23.3%	25.3%	26.5%	27.5%	23.5%	24.3%	25.0%	25.5%				
net fin.exp.	(1.8)	(1.6)	(2.0)	(1.8)	(1.6)	(1.1)	(2.0)	(1.7)	(1.6)	(2.1)				
PBT	**10.9**	**10.8**	**12.0**	**14.4**	**16.3**	**18.2**	**12.2**	**13.8**	**15.2**	**15.7**	**-1%**	**4%**	**7%**	**16%**
as % of net sales	19.6%	19.4%	20.0%	22.5%	24.1%	25.8%	20.2%	21.7%	22.6%	22.5%				
taxes	(2.9)	(2.5)	(3.5)	(4.2)	(4.7)	(5.3)	(3.5)	(4.0)	(4.4)	(4.6)				
tax rate (%)	26.6%	23.3%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%				
Net income	**8.0**	**8.3**	**8.6**	**10.2**	**11.6**	**12.9**	**8.6**	**9.8**	**10.8**	**11.2**	**-1%**	**4%**	**7%**	**16%**
as % of net sales	14.4%	14.9%	14.2%	16.0%	17.1%	18.3%	14.3%	15.4%	16.1%	16.0%				
Adj. Net income	**8.0**	**8.3**	**8.7**	**10.2**	**11.6**	**12.9**	**8.6**	**9.8**	**10.8**	**11.2**	**1%**	**4%**	**7%**	**16%**
NOSH (mn)	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9	15.9				
Adj. EPS (€)	**€ 0.50**	**€ 0.52**	**€ 0.55**	**€ 0.64**	**€ 0.73**	**€ 0.81**	**€ 0.54**	**€ 0.62**	**€ 0.68**	**€ 0.70**	**1%**	**4%**	**7%**	**16%**
EPS (€)	€ 0.50	€ 0.52	€ 0.54	€ 0.64	€ 0.73	€ 0.81	€ 0.54	€ 0.62	€ 0.68	€ 0.70	-1%	4%	7%	16%
DPS (€)	€ 0.10	€ 0.12	€ 0.13	€ 0.16	€ 0.18	€ 0.20	€ 0.12	€ 0.12	€ 0.14	€ 0.14	12%	30%	34%	45%
payout	20%	23%	25%	25%	25%	25%	22%	20%	20%	20%				
IRU	(6.2)	(3.4)	(2.8)	(2.4)	(2.4)	(2.1)	(2.5)	(2.4)	(2.4)	(1.9)	(0.3)	(0.0)	(0.0)	(0.2)
Proprietary Network	(25.7)	(16.7)	(11.3)	(9.7)	(9.5)	(8.5)	(10.0)	(9.7)	(9.4)	(7.5)	(1.3)	(0.0)	(0.1)	(0.9)
Ordinary Capex	**(31.8)**	**(20.1)**	**(14.2)**	**(12.2)**	**(11.8)**	**(10.6)**	**(12.6)**	**(12.1)**	**(11.8)**	**(9.4)**	**(1.6)**	**(0.0)**	**(0.1)**	**(1.1)**
as % of net sales	58%	36%	24%	19%	18%	15%	21%	19%	18%	14%				
Datacenter /extraordinary	-	(2.0)	-	-	-	-	(2.0)	(20.0)	(5.0)	-	2.0	20.0	5.0	-
Total Capex (Eu mn)	**(31.8)**	**(22.1)**	**(14.2)**	**(12.2)**	**(11.8)**	**(10.6)**	**(14.6)**	**(32.1)**	**(16.8)**	**(9.4)**	**0.4**	**20.0**	**4.9**	**(1.1)**
as % of net sales	58%	40%	24%	19%	18%	15%	24%	50%	25%	14%				
Net Debt/(cash)	**35.7**	**42.1**	**37.6**	**29.7**	**20.3**	**7.5**	**35.3**	**44.6**	**37.3**	**22.1**	**2.3**	**(14.9)**	**(16.9)**	**(14.6)**
ND/EBITDA	1.5x	1.6x	1.3x	1.0x	0.6x	0.2x	1.3x	1.5x	1.2x	0.7x				
IFRS16 impact		6.4	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6				
Net Debt/(cash) ex IFRS16	**35.7**	**35.7**	**34.9**	**27.1**	**17.7**	**4.9**	**32.6**	**41.9**	**34.6**	**19.5**	**2.3**	**(14.9)**	**(16.9)**	**(14.6)**

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

INTRED - Changes to FY26-29 Estimates: FCF and Net debt

	Actuals		New Estimate				Old Estimates				New vs Old (Abs)			
Eu mn	'24A	'25A	'26E	'27E	'28E	'29E	'26E	'27E	'28E	'29E	'26E	'27E	'28E	'29E
Net income	**8.0**	**8.3**	**8.6**	**10.2**	**11.6**	**12.9**	**8.6**	**9.8**	**10.8**	**11.2**	**(0.1)**	**0.4**	**0.8**	**1.8**
D&A	11.9	13.1	13.7	14.2	14.7	15.2	13.8	14.3	14.7	15.2	(0.1)	(0.1)	(0.0)	0.0
NWC & Other	1.8	(4.1)	(0.7)	(2.3)	(2.5)	(1.9)	1.7	0.6	0.6	0.4	(2.5)	(2.9)	(3.0)	(2.2)
FCFO	**21.7**	**17.3**	**21.5**	**22.1**	**23.8**	**26.3**	**24.2**	**24.7**	**26.0**	**26.7**	**(2.7)**	**(2.6)**	**(2.2)**	**(0.5)**
Capex (net of disposals)	(31.8)	(22.1)	(14.2)	(12.2)	(11.8)	(10.6)	(14.6)	(32.1)	(16.8)	(9.4)	0.4	20.0	4.9	(1.1)
EFCF	**(10.1)**	**(4.8)**	**7.3**	**10.0**	**12.0**	**15.7**	**9.6**	**(7.4)**	**9.3**	**17.3**	**(2.3)**	**17.4**	**2.7**	**(1.6)**
Rights issue /IPO		-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend cashed-in		-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	(1.6)	(1.6)	(1.9)	(2.1)	(2.6)	(2.9)	(1.9)	(1.9)	(2.0)	(2.2)	-	(0.2)	(0.6)	(0.7)
M&A		-	-	-	-	-	-	-	-	-	-	-	-	-
Buyback	(0.2)	(0.3)	(0.9)	-	-	-	(0.9)	-	-	-	-	-	-	-
Other (inc. IFRS16)	(2.9)	(2.6)	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	**(14.8)**	**(9.2)**	**4.5**	**7.8**	**9.4**	**12.8**	**6.8**	**(9.3)**	**7.3**	**15.1**	**(2.3)**	**17.2**	**2.1**	**(2.4)**
Opening ND /(Cash)	20.9	32.9	42.1	37.6	29.7	20.3	42.1	35.3	44.6	37.3	-	2.3	(14.9)	(16.9)
Change	14.8	9.2	(4.5)	(7.8)	(9.4)	(12.8)	(6.8)	9.3	(7.3)	(15.1)	2.3	(17.2)	(2.1)	2.4
Closing Net Debt /(Cash)	**35.7**	**42.1**	**37.6**	**29.7**	**20.3**	**7.5**	**35.3**	**44.6**	**37.3**	**22.1**	**2.3**	**(14.9)**	**(16.9)**	**(14.6)**

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

2026-29 Estimates

INTRED - 2026-29 Estimates: Revenue Split by Client, and P&L

Revenue split by Client (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E
Business	**23.3**	**24.4**	**25.1**	**26.4**	**27.9**	**31.2**	**33.9**	**35.7**	**37.1**	**38.3**
YoY growth	0.0%	4.8%	3.0%	5.0%	5.0%	2.0%	8.4%	5.4%	4.0%	3.0%
as % of sales	65.8%	60.3%	55.2%	52.7%	50.5%	56.0%	56.1%	55.8%	55.0%	54.3%
Wholesale	**3.1**	**3.6**	**3.8**	**3.9**	**4.2**	**5.0**	**5.4**	**5.9**	**6.3**	**6.7**
YoY growth	0.0%	13.4%	7.4%	2.2%	8.5%	17.7%	9.0%	8.0%	7.0%	6.0%
as % of sales	8.8%	8.8%	8.4%	7.8%	7.7%	8.9%	9.0%	9.2%	9.3%	9.4%
Residential	**7.6**	**8.8**	**9.1**	**9.2**	**9.6**	**10.1**	**10.9**	**11.4**	**11.9**	**12.3**
YoY growth	0.0%	16.6%	2.7%	1.7%	4.4%	5.5%	7.0%	5.0%	4.5%	3.0%
as % of sales	21.3%	21.8%	19.9%	18.4%	17.4%	18.2%	18.0%	17.8%	17.6%	17.4%
PA (incl. School tenders)	**1.5**	**3.7**	**7.5**	**10.6**	**10.7**	**9.4**	**10.1**	**10.9**	**11.8**	**12.3**
YoY growth	0.0%	152.4%	104.0%	41.3%	1.2%	-12.9%	8.0%	8.0%	8.0%	4.0%
as % of sales	4.1%	9.1%	16.5%	21.2%	19.4%	16.8%	16.7%	17.1%	17.4%	17.4%
Connecting Italia					**2.8**	-	-	-	-	-
Net revenues	**35.4**	**40.5**	**45.5**	**50.1**	**55.2**	**55.8**	**60.4**	**64.0**	**67.6**	**70.5**
YoY growth	70.2%	14.1%	12.5%	10.0%	10.3%	1.1%	8.1%	6.0%	5.6%	4.3%

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	FY29E IAS/IFRS
Net revenues	**35.4**	**40.5**	**45.5**	**50.1**	**55.2**	**55.8**	**60.4**	**64.0**	**67.6**	**70.5**
YoY growth	70.2%	14.1%	12.5%	10.0%	10.3%	1.1%	8.1%	6.0%	5.6%	4.3%
EBITDA	**14.0**	**17.6**	**19.9**	**22.5**	**24.0**	**25.5**	**27.8**	**30.4**	**32.6**	**34.5**
YoY growth	60.6%	26.1%	12.6%	13.5%	6.7%	6.3%	8.7%	9.5%	7.2%	6.0%
as % of net sales	39.5%	43.6%	43.1%	44.6%	43.0%	45.8%	46.0%	47.5%	48.2%	49.0%
Adj. EBITDA	**14.0**	**17.6**	**19.9**	**22.5**	**24.0**	**25.5**	**28.0**	**30.4**	**32.6**	**34.5**
YoY growth	60.6%	26.1%	12.6%	13.5%	6.7%	6.3%	9.6%	8.6%	7.2%	6.0%
as % of net sales	38.4%	43.6%	43.6%	45.0%	43.5%	45.8%	46.4%	47.2%	47.9%	48.7%
D&A	(5.9)	(5.8)	(7.7)	(9.9)	(12.3)	(13.1)	(13.7)	(14.2)	(14.7)	(15.2)
as % of net sales	16.5%	14.5%	16.9%	19.7%	22.2%	23.5%	22.7%	22.2%	21.7%	21.6%
EBIT	**8.1**	**11.8**	**12.2**	**12.7**	**11.8**	**12.4**	**14.1**	**16.2**	**17.9**	**19.3**
YoY growth	41.1%	45.1%	3.1%	4.2%	-7.2%	5.8%	13.1%	15.1%	10.6%	8.0%
as % of net sales	22.9%	29.1%	26.7%	25.3%	21.3%	22.3%	23.3%	25.3%	26.5%	27.5%
Adj. EBIT	**8.1**	**11.8**	**12.2**	**12.7**	**11.8**	**12.4**	**14.3**	**16.2**	**17.9**	**19.3**
YoY growth	41.1%	45.1%	3.1%	4.2%	-7.2%	5.8%	14.8%	13.3%	10.6%	8.0%
as % of net sales	22.3%	28.6%	26.4%	25.1%	21.0%	22.3%	23.7%	25.3%	26.5%	27.5%
Net Financial Expenses	0.1	0.2	0.0	(1.2)	(1.6)	(1.8)	(2.0)	(1.8)	(1.6)	(1.1)
PBT	**8.2**	**11.9**	**12.2**	**11.5**	**10.1**	**10.8**	**12.0**	**14.4**	**16.3**	**18.2**
Current/deferred tax/assets	(2.1)	(3.3)	(3.5)	(3.3)	(3.3)	(2.5)	(3.5)	(4.2)	(4.7)	(5.3)
tax rate	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3
Net profit/(loss)	**6.1**	**8.6**	**8.7**	**8.2**	**6.9**	**8.3**	**8.6**	**10.2**	**11.6**	**12.9**
YoY growth	41.3%	41.1%	0.6%	-5.6%	-15.9%	20.5%	3.0%	19.5%	13.4%	11.6%
as % of net sales	16.8%	20.9%	18.8%	16.2%	12.3%	14.9%	14.2%	16.0%	17.1%	18.3%
Adj. Net profit	**6.1**	**8.6**	**8.7**	**8.2**	**6.9**	**8.3**	**8.7**	**10.2**	**11.6**	**12.9**
YoY growth	41.3%	41.1%	0.6%	-5.6%	-15.9%	20.5%	4.9%	17.3%	13.4%	11.6%
as % of net sales	16.8%	20.9%	18.8%	16.2%	12.3%	14.9%	14.4%	16.0%	17.1%	18.3%

CapEx (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E
IRU (intangible, 20%)	2.9	4.9	11.3	3.5	6.2	3.4	2.8	2.4	2.4	2.1
Proprietary Network (tangible)	7.3	14.9	28.0	27.5	25.7	16.7	11.3	9.7	9.5	8.5
Ordinary Capex	**10.2**	**19.8**	**39.3**	**31.1**	**31.8**	**20.1**	**14.2**	**12.2**	**11.8**	**10.6**
as % of net sales	28.8%	48.9%	86.3%	62.1%	57.6%	36.0%	23.5%	19.0%	17.5%	15.0%
Datacenter /extraordinary	-	-	-	-	-	2.0	-	-	-	-
Total Capex (Eu mn)	10.2	19.8	39.3	31.1	31.8	22.1	14.2	12.2	11.8	10.6
Total Capex (Eu mn)	**10.2**	**19.8**	**39.3**	**31.1**	**31.8**	**22.1**	**14.2**	**12.2**	**11.8**	**10.6**
as % of net sales	28.8%	48.9%	86.3%	62.1%	57.6%	39.6%	23.5%	19.0%	17.5%	15.0%

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

INTRED - 2026-29 Estimates: CapEx, FCF and Balance Sheet

FCF (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E
Net income	6.1	8.6	8.7	8.2	6.9	8.3	8.6	10.2	11.6	12.9
D&A	5.9	5.8	7.7	9.9	12.3	13.1	13.7	14.2	14.7	15.2
NWC & Other	3.0	11.6	6.5	4.4	2.5	(4.1)	(0.7)	(2.3)	(2.5)	(1.9)
FCFO	**15.0**	**26.1**	**22.9**	**22.5**	**21.7**	**17.3**	**21.5**	**22.1**	**23.8**	**26.3**
Capex (net of disposals)	(10.2)	(19.8)	(39.3)	(31.1)	(31.8)	(22.1)	(14.2)	(12.2)	(11.8)	(10.6)
EFCF	**4.8**	**6.3**	**(16.4)**	**(8.6)**	**(10.1)**	**(4.8)**	**7.3**	**10.0**	**12.0**	**15.7**
Rights issue /IPO	-	-	-	-	-	-	-	-	-	-
Dividend cashed-in	-	-	-	-	-	-	-	-	-	-
Dividends paid	(0.5)	(0.6)	(1.0)	(1.1)	(1.6)	(1.6)	(1.9)	(2.1)	(2.6)	(2.9)
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)**	**4.5**	**7.8**	**9.4**	**12.8**
Opening Net Debt /(Cash)	(8.1)	(0.4)	5.4	11.5	20.9	32.9	42.1	37.6	29.7	20.3
Change	7.7	5.8	6.1	9.4	12.0	9.2	(4.5)	(7.8)	(9.4)	(12.8)
Closing Net Debt /(Cash)	**(0.4)**	**5.4**	**11.5**	**20.9**	**32.9**	**42.1**	**37.6**	**29.7**	**20.3**	**7.5**

Balance Sheet (Eu mn)	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E
CURRENT ASSETS	7.9	11.5	17.3	15.7	13.0	11.0	15.2	16.9	19.6	21.3
CURRENT LIABILITIES	(17.2)	(32.5)	(44.6)	(47.4)	(51.3)	(28.2)	(31.7)	(31.1)	(31.4)	(31.2)
NET WORKING CAPITAL	**(9.3)**	**(21.0)**	**(27.2)**	**(31.7)**	**(38.2)**	**(17.2)**	**(16.5)**	**(14.2)**	**(11.8)**	**(9.9)**
Intangible fixed assets	17.9	21.6	30.1	30.8	37.2	41.6	41.7	41.3	40.8	39.8
- goodwill	9.2	8.5	7.9	7.9	7.9	10.5	10.5	10.5	10.5	10.5
- other intangible assets	8.7	13.0	22.2	22.9	29.3	28.6	31.2	30.8	30.2	29.3
Property, plant and equipment	24.7	35.7	58.4	78.7	95.9	104.3	104.6	103.0	100.7	97.0
Financial fixed assets	0.1	0.2	0.0	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**	**146.4**	**144.3**	**141.5**	**136.9**
Post-employment benefits	(1.6)	(1.6)	(1.8)	(1.5)	(1.6)	(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)	(17.1)
NET CAPITAL EMPLOYED	**31.9**	**34.9**	**59.5**	**75.9**	**92.6**	**110.0**	**111.2**	**111.4**	**111.1**	**108.3**
Share capital	10.0	10.0	10.0	10.0	10.0	10.1	10.1	10.1	10.1	10.1
Reserves	16.2	21.7	29.3	36.9	43.1	50.2	56.6	63.0	70.7	79.3
Profit (loss) for the year	6.1	8.6	8.7	8.2	6.9	8.3	8.6	10.2	11.6	12.9
Negative reserve for shares in portfolio	-	-	(0.0)	(0.1)	(0.3)	(0.6)	(1.5)	(1.5)	(1.5)	(1.5)
EQUITY	**32.3**	**40.3**	**48.0**	**55.0**	**59.7**	**67.9**	**73.6**	**81.7**	**90.7**	**100.8**
NET DEBT	**(0.4)**	**(5.4)**	**11.5**	**20.9**	**32.9**	**42.1**	**37.6**	**29.7**	**20.3**	**7.5**
TOTAL SOURCES	**31.9**	**34.9**	**59.5**	**75.9**	**92.6**	**110.0**	**111.2**	**111.4**	**111.1**	**108.3**

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

DCF Valuation

The Data Centre project is no longer included in our explicit forecasts, with the previously-assumed c.€27mn of associated 2026-28 CapEx now treated separately in our valuation. However, we continue to reflect the project's long-term strategic value through our terminal growth assumptions, consistent with management's commitment to proceed once permitting has been completed. As a result, we confirm our target price of €16/share. The stock is currently trading at c.6x EV/EBITDA'27, broadly in line with the European TLC sector.

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

(Eu mn)	'26E	'27E	'28E	'29E	'30E	'31E	'32E	'33E	'34E	'35E	'36E	TV
Net Sales	**60.4**	**64.0**	**67.6**	**70.5**	**73.1**	**75.8**	**78.4**	**80.9**	**83.3**	**85.5**	**87.5**	**88.5**
YoY growth	7.2%	6.0%	5.6%	4.3%	3.8%	3.7%	3.4%	3.2%	2.9%	2.6%	2.4%	1.1%
Adj. EBITDA	**28.0**	**30.4**	**32.6**	**34.5**	**36.1**	**37.6**	**39.1**	**40.5**	**41.9**	**43.3**	**44.5**	**44.7**
as % of net sales	46.4%	47.5%	48.2%	49.0%	49.4%	49.6%	49.9%	50.1%	50.4%	50.6%	50.9%	50.5%
D&A	(13.9)	(14.2)	(14.7)	(15.2)	(15.7)	(16.1)	(16.5)	(17.0)	(17.3)	(17.7)	(17.9)	(7.1)
EBIT	**14.1**	**16.2**	**17.9**	**19.3**	**20.4**	**21.5**	**22.5**	**23.6**	**24.6**	**25.6**	**26.6**	**37.6**
as % of net sales	23.3%	25.3%	26.5%	27.5%	28.0%	28.4%	28.8%	29.2%	29.6%	30.0%	30.4%	
Taxes	(3.4)	(3.9)	(4.3)	(4.6)	(4.9)	(5.2)	(5.4)	(5.7)	(5.9)	(6.1)	(6.4)	(9.0)
tax rate	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*
Change in WC	(0.7)	(2.3)	(2.5)	(1.9)	(1.0)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	-
Capex	(14.2)	(12.2)	(11.8)	(10.6)	(6.2)	(6.1)	(6.3)	(6.5)	(6.7)	(6.8)	(7.0)	(7.1)
as % of net sales	23.5%	19.0%	17.5%	15.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Unlevered FCF	**9.7**	**12.1**	**14.0**	**17.5**	**24.0**	**26.0**	**27.0**	**27.9**	**28.9**	**29.7**	**30.6**	**28.6**
TV												386
year	0	1	2	3	4	5	6	7	8	9	10	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		**11.1**	**11.9**	**13.7**	**17.4**	**17.3**	**16.6**	**15.8**	**15.1**	**14.3**	**13.6**	**171.4**

Sum of FCF'27-36E	146.8
Terminal value	171.4
Total EV	**318.2**
Net Cash (Debt) at YE26	(37.6)
Datacenter Capex	(27.0)
Minorities	0.0
treasury shares	3.7
Equity Value	**257.3**
current NOSH (mn)	15.9
Target Price (Eu)	**16**
current price (Eu)	8.8
upside vs current price	85%

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%	19	19	19	19	19	**20**	20	20	20	21	21
7.7%	18	18	18	18	19	**19**	19	19	19	20	20
7.9%	17	17	18	18	18	**18**	18	19	19	19	19
8.1%	17	17	17	17	17	**17**	18	18	18	18	18
8.3%	16	16	16	16	17	**17**	17	17	17	18	18
8.5%	**15**	**16**	**16**	**16**	**16**	**16**	**16**	**17**	**17**	**17**	**17**
8.7%	15	15	15	15	15	**16**	16	16	16	16	16
8.9%	14	15	15	15	15	**15**	15	15	16	16	16
9.1%	14	14	14	14	14	**15**	15	15	15	15	15
9.3%	14	14	14	14	14	**14**	14	14	14	15	15
9.5%	13	13	13	13	14	**14**	14	14	14	14	14

Source: Intermonte SIM

Peer multiples

We use peer multiples to offer a sanity check to 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.

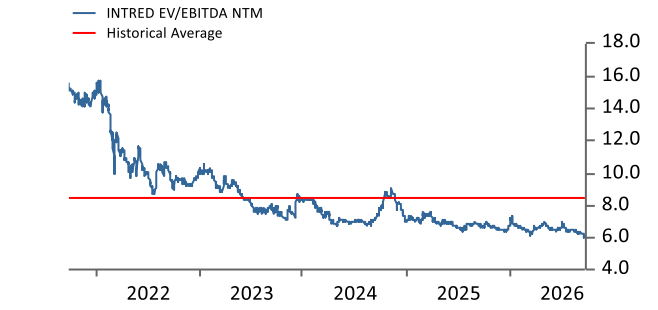
INTRED - Peer Valuation Multiples

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**	**8.80**	**141**	**-4%**	**-5%**	**0%**	**-12%**	**3.0**	**2.7**	**2.4**	**6.4**	**5.6**	**4.9**	**12.5**	**10.5**	**9.0**	**16.1**	**13.8**	**12.1**	**1.5%**	**1.8%**	**2.1%**
Intred SpA (@mkt price, cons.)	**EUR**	**8.80**	**141**	**-4%**	**-5%**	**0%**	**-12%**	**3.0**	**2.9**	**2.7**	**6.5**	**6.2**	**5.7**	**13.0**	**12.3**	**11.1**	**16.2**	**14.5**	**13.3**	**1.4%**	**1.5%**	**1.5%**
Intred SpA (@TP, our est..)	**EUR**	**16.0**	**141**	**-4%**	**-5%**	**0%**	**-12%**	**4.9**	**4.5**	**4.1**	**11.7**	**10.6**	**9.4**	**20.5**	**17.6**	**15.4**	**30.8**	**29.3**	**25.0**	**0.8%**	**1.0%**	**1.1%**
Unidata (@mkt price, our est.)	EUR	3.45	106	11%	20%	15%	18%	1.2	1.1	1.0	4.9	4.6	4.2	8.9	8.0	6.9	10.3	9.2	8.0	0.3%	0.3%	0.3%
Planetel S.p.A.	EUR	3.78	26	-7%	2%	-6%	-10%	0.6	0.5	0.5	2.6	2.3	2.0	9.1	6.4	4.7	28.5	13.5	8.3	3.2%	3.2%	3.2%
Convergenze SpA Societa Benefit	EUR	1.67	13	0%	8%	2%	-3%	0.6	0.5	0.4	3.3	2.6	2.0	6.0	4.4	3.2	8.2	6.5	5.2	0.0%	0.0%	0.0%
Italian Regional FTTH players - Median								**1.2**	**1.1**	**1.0**	**4.9**	**4.6**	**4.2**	**9.1**	**8.0**	**6.9**	**16.2**	**13.5**	**8.3**	**0.8%**	**1.0%**	**1.1%**
United Internet AG	EUR	25.72	4,938	6%	9%	-5%	-6%	1.7	1.3	1.3	7.3	5.5	5.0	14.2	10.0	8.6	13.9	11.7	10.1	2.0%	2.2%	2.4%
Chorus Limited	NZD	8.33	1,799	-11%	-15%	-11%	-10%	6.6	6.5	6.3	9.3	9.1	8.8	23.6	20.4	18.4	97.9	46.8	37.2	7.2%	7.5%	7.8%
Intl. Regional FTTH players - Median								**4.1**	**3.9**	**3.8**	**8.3**	**7.3**	**6.9**	**18.9**	**15.2**	**13.5**	**55.9**	**29.2**	**23.7**	**4.6%**	**4.8%**	**5.1%**
Average Selected Peers								**2.7**	**2.5**	**2.4**	**6.6**	**6.0**	**5.5**	**14.0**	**11.6**	**10.2**	**36.1**	**21.4**	**16.0**	**2.7%**	**2.9%**	**3.1%**

FTSE Italia Mid Cap	61,068	-0.7%	-3.0%	17.0%	3.8%
FTSE Italia Star	49,634	-0.5%	2.8%	17.4%	-0.7%
FTSE MIB	51,987	-1.3%	-0.1%	20.4%	15.7%
FTSE Italia Growth Index	9,454	2.4%	2.6%	14.1%	9.7%
FTSE Italia All-Share	54,607	-1.2%	-0.2%	20.2%	14.6%

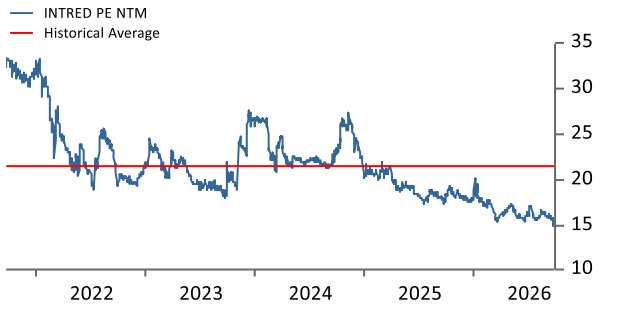
Source: Intermonte SIM for INTRED and Unidata, FactSet Consensus

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, ultrafast broadband, 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
CTO: Alessandro Ballestriero

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

Shareholders

DM Holding S.r.l.	60.3%
o/w Daniele Peli	*67%*
o/w Marisa Prati	*33%*
Value First Sicav	9.4%
Treasury Shares	2.6%
Free float	27.7%

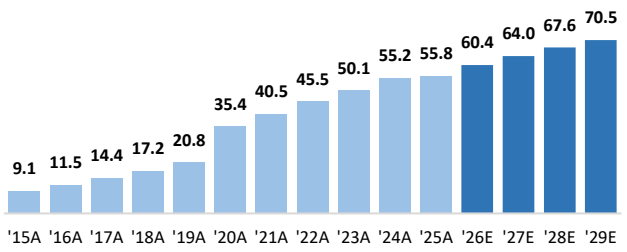
Strengths/Opportunities

- Upside from School Tender renewals and data centre 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

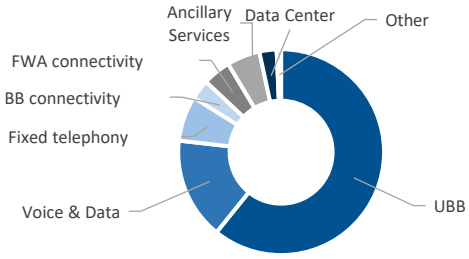
- A medium-sized company contending with telecom giants in a fiercely competitive and dynamic market
- SMEs typically more heavily penalised than large corporates in the event of an economic downturn
- Limited footprint with regional exposure skewed to Lombardy
- Keeping pace with the rate of business 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)



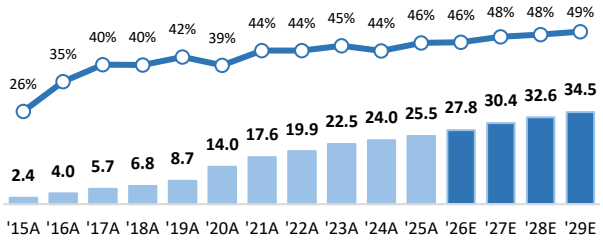
Source: Company Data (A), Intermonte Estimates (E)

INTRED – FY25 Revenue Breakdown by Business (%)



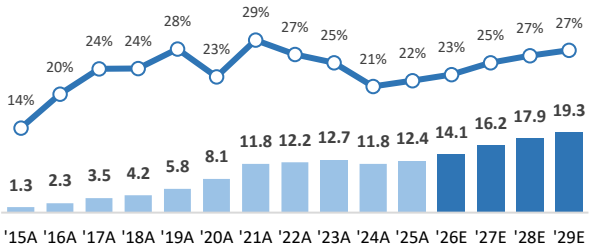
Source: Company Data (A), Intermonte Estimates (E)

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



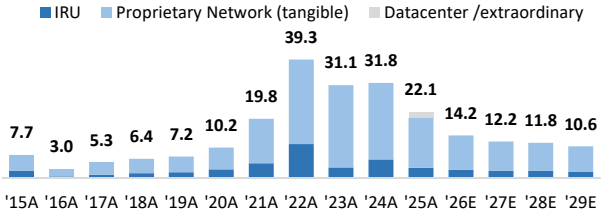
Source: Company Data (A), Intermonte Estimates (E)

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



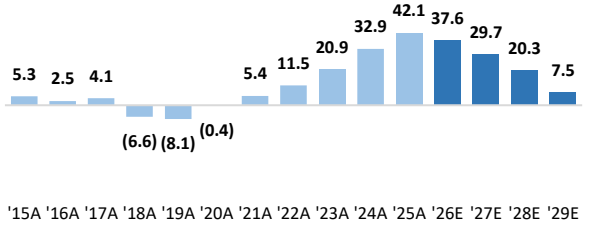
Source: Company Data (A), Intermonte Estimates (E)

INTRED – CapEx Trend (Eu mn)



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

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



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

DETAILS ON STOCK RECOMMENDATION			
Stock NAME	**INTRED**		
Current Recomm:	BUY	Previous Recomm:	BUY
Current Target (€):	16.00	Previous Target (€):	16.00
Current Price (€):	8.80	Previous Price (€):	9.70
Date of report:	25/09/2026	Date of last report:	06/05/2026

Intermonte

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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 25 September 2026 Intermonte's Research Department covered 138 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	28.26%
OUTPERFORM:	42.03%
NEUTRAL:	28.99%
UNDERPERFORM:	00.72%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (81 in total) is as follows:

BUY:	49.38%
OUTPERFORM:	29.63%
NEUTRAL:	18.52%
UNDERPERFORM:	02.47%
SELL:	00.00%

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Intermonte SIM is acting as advisor to Webuild in the voluntary public tender offer promoted on Trevi-Finanziaria Industriale.

Intermonte SIM is acting as advisor to Poste Italiane S.p.A. in the context of the voluntary public purchase and exchange offer promoted on TIM S.p.A. in relation to stock market aspects and institutional investors relationships, as well as intermediary responsible for the coordination of the collection of the offer acceptances.

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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, FNM, GEFRAN, 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, 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.

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