

Strengthening the business with growing recurring revenues

ADD | Fair Value: €4.36 (€3.99) | Current Price: €2.23 | Upside: 95%

€ Million	FY17PF	FY18PF	FY19A	FY20A	FY21E	FY22E	FY23E
Total Revenue:	14.5	16.6	17.0	17.9	23.5	27.7	33.0
EBITDA	2.1	3.6	3.8	3.4	5.7	7.0	8.5
margin	14.3%	22.0%	22.2%	19.0%	24.4%	25.3%	25.8%
Net Profit	0.9	2.0	2.0	1.0	2.1	2.8	3.5
margin	6.5%	12.2%	11.6%	5.7%	9.0%	10.0%	10.7%
EPS	n.m.	n.m.	0.22	0.11	0.22	0.29	0.37

Source: Company data, KT&Partners' elaboration

A strong year for healthcare business. In 2020 Maps has been active on many fronts with its Healthcare division. In the last quarter of the year, the company closed the acquisition of SCS Computers (€1.6mn 2019 revenues), integrating and strengthening its healthcare offer and potential customer base. Maps also signed a €5.5mn three-year agreement with Emilia-Romagna and started offering its patient journey solutions to the Italian Auxologic Institute. Last but not least, the group anticipated the acquisition of a 20% stake in Maps Healthcare, reaching 90% share (increased to 92% after capital increase related to SCS acquisition), saving on the price paid.

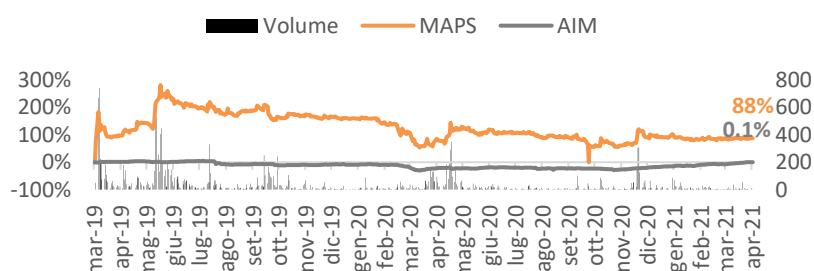
Keep growing on recurring fees. 2020 revenues reached €17.9mn (vs €18.9mn of our estimates), growing by 5% YoY (2% excluding SCS Computers' three-month contribution). Thanks to its scalable solutions – especially related to Healthcare and Gzoom divisions, but also solutions launched by Large enterprise division – the weight of subscription fees increased from 22% to 27%, reaching €4.8mn. EBITDA margin was 3pp lower YoY due to commercial and people investments and thanks to a stable gross margin (44%). NFP reached €7.0mn, of which €0.3mn related to its net bank position and the remaining portion related to its vendor loan, IFRS 16 and Call option debt.

Estimates review. We slightly adjusted our estimates, lowering by ca. 1% 2021 and 2022 revenues, while keeping unchanged EBITDA margin, thanks to the higher contribution of subscription fees. Our forecasts are backed by the first cross-selling proposition related to Maps–SCS integrated offer, accelerating digital transformation of Healthcare and PA and the first signal of recovery of the Large Enterprise division.

Strengthened capital structure. In October 2020 Maps issued ca. 440k new shares – at a price of €2ps – related to the exercise of ca. 440k warrants (still ca. 3mn outstanding), reaching a total of 9.6mn of shares. Furthermore, Eiffel investments increased its position, reaching an 9.8% stake in Maps.

Fair value. Based on our economic and financial assumptions we obtained a fair value – coming from our DCF and Multiple Valuation – of €42mn or €4.36ps (against our previous fair value of €36.7mn or €3.99ps), resulting in an upside of ca. 95% on the current market price of €2.23ps.

Relative Performance Chart – Since IPO



Source: FactSet, KT&Partners' elaboration

Research Update

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Market Data:

Main Shareholders	
Marco Ciscato	19.7%
Maurizio Pontremoli	16.3%
Domenico Miglietta	12.3%
Mkt Cap (€ mn)	21.9
EV (€ mn)	28.9
Shares out.	9.6
Free Float	22.8%

Market multiples	2020	2021	2022
EV/EBITDA			
MAPS	6.3x	3.7x	3.1x
Comps median	12.7x	11.5x	10.9x
MAPS vs Median	-50%	-67%	-72%
P/E			
MAPS	21.2x	10.1x	7.7x
Comps median	27.1x	19.5x	17.2x
MAPS vs Median	-22%	-48%	-55%

Stock Data:

52 Wk High (€)	3.00
52 Wk Low (€)	1.83
Avg. Daily Trading 90d	11,413
Price Change 1w (%)	0.00
Price Change 1m (%)	-0.45
Price Change YTD (%)	-1.76

Key Figures – Maps S.p.A.

	Current price (€) Fair Value (€)		Sector					Free Float (%)
	2.23	4.36	Information Technologies					22.8
Per Share Data	2017A	2018A	2019A	2020A	2021E	2022E	2023E	
Total shares outstanding (mn)	n.m.	n.m.	9.13	9.64	9.64	9.64	9.64	
EPS	n.m.	n.m.	0.22	0.11	0.22	0.29	0.37	
Dividend per share (ord)	n.a.	n.a.	-	-	-	-	-	
Dividend pay out ratio (%)	n.a.	n.a.	0%	0%	0%	0%	0%	
Profit and Loss (EUR thousand)								
Revenues	14.5	16.6	17.0	17.9	23.5	27.7	33.0	
EBITDA	2.1	3.6	3.8	3.4	5.7	7.0	8.5	
EBIT	1.5	3.2	2.0	1.1	3.2	4.0	5.0	
EBT	1.3	2.8	2.5	1.2	2.9	3.8	4.8	
Taxes	(0.3)	(0.8)	(0.5)	(0.2)	(0.8)	(1.0)	(1.3)	
Tax rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Net Income	0.9	2.0	2.0	1.0	2.1	2.8	3.5	
Balance Sheet (EUR thousand)								
Total fixed assets	6.7	7.2	10.3	15.9	15.8	15.2	14.1	
Net Working Capital (NWC)	3.4	3.2	7.0	7.0	7.9	9.7	11.8	
Provisions	(2.5)	(2.9)	(3.5)	(4.6)	(4.9)	(5.2)	(5.5)	
Total Net capital employed	7.6	7.6	13.8	18.2	18.8	19.6	20.4	
Net financial position/(Cash)	4.5	3.0	4.4	7.0	5.5	3.6	0.7	
Total Shareholder's Equity	3.2	4.6	9.4	11.2	13.3	16.1	19.6	
Cash Flow (EUR thousand)								
Operating Cash Flow	-	3.1	(0.5)	3.3	4.0	4.3	5.0	
Change in NWC	-	0.2	(3.7)	0.0	(0.9)	(1.7)	(2.2)	
Capital expenditure	-	(1.1)	(2.7)	(6.2)	(2.5)	(2.4)	(2.3)	
Other cash items/Uses of funds	-	0.6	0.6	1.2	0.3	0.3	0.3	
Free cash flow	-	2.5	(2.6)	(1.8)	1.8	2.2	3.0	
Enterprise Value (EUR thousand)								
Market Cap	n.a.	n.a.	28.6	21.9	21.5	21.5	21.5	
Minorities	-	-	-	-	-	-	-	
Net financial position/(Cash)	4.5	3.0	4.4	7.0	5.5	3.6	0.7	
Enterprise value	n.a.	n.a.	33.0	28.9	27.0	25.0	22.2	
Ratios (%)								
EBITDA margin	14.3%	22.0%	22.2%	19.0%	24.4%	25.3%	25.8%	
EBIT margin	10.4%	19.2%	12.0%	6.3%	13.7%	14.4%	15.3%	
Gearing - Debt/equity	142.5%	65.1%	47.4%	62.6%	41.3%	22.1%	3.8%	
Interest cover on EBIT	4.1%	2.1%	-27.1%	-29.1%	9.9%	5.1%	4.1%	
NFP/EBITDA	216.8%	82.1%	117.3%	205.8%	95.7%	50.6%	8.8%	
ROCE	19.7%	42.0%	14.8%	6.2%	17.1%	20.4%	24.7%	
ROE	30.1%	44.1%	21.0%	9.1%	15.9%	17.2%	18.0%	
EV/Sales	n.m.	n.m.	1.26	1.20	0.91	0.78	0.65	
EV/EBITDA	n.m.	n.m.	5.68	6.31	3.74	3.06	2.53	
P/E	n.m.	n.m.	10.91	21.19	10.13	7.75	6.09	
Free cash flow yield	n.m.	n.m.	-12%	-8%	8%	10%	14%	
Growth Rates (%)								
Sales	17.9%	14.2%	2.8%	5.3%	31.3%	17.8%	18.8%	
EBITDA	11.8%	75.6%	4.1%	-10.1%	68.8%	22.1%	21.1%	
EBIT	-4.8%	111.5%	-35.8%	-44.6%	184.9%	24.3%	25.7%	
Net Income	-3.6%	113.4%	-2.7%	-48.5%	109.1%	30.8%	27.1%	

Source: Company data, KT&Partners' elaboration

Company Overview

Maps is one of the main Italian digital transformation enablers focused on big data software solutions, offering its services and products to **large enterprises**, the **healthcare sector** and **public administration**.

The company is characterized by strong client retention: clients with a 5+ years relationship generated more than 85% of revenues in 2020.

Maps' business model is based on: a) proprietary solutions, which guarantee recurring revenues, and b) customized services.

FY20 Financial Results

2020 has been an intensive year for Maps, despite the pandemic breakout. The company's Healthcare business line obtained brilliant results, reaching €7.4mn of revenues (+28% YoY), thanks to both organic and external growth. Looking at the M&As, the company closed the acquisition of SCS Computers (€1.6mn 2019 revenues) for €4mn in the last quarter of the year, contributing ca. €300k to Maps' revenues. Furthermore, the group anticipated the acquisition of a 20% stake in Maps Healthcare, reaching a share of 90%, (subsequently grown at 92% after capital increase related to SCS acquisition), saving on the acquisition costs. Looking at the organic side, Maps signed new contracts such as the three-year project with Emilia-Romagna for a total of ca. €5.5mn and the new patient journey project with the Italian Auxologic Institution.

Gzoom business line achieved great results too, reaching €1mn (+27% YoY). 2020 has been a year of construction for the company, which structured Gzoom team, to exploit future digital transformation PA opportunities. Furthermore, we note the new three-year agreement with Provincia di Bolzano, for a total of ca. €400k.

Large Enterprise has been the only line which suffered pandemic effects, due to the postponement of investments by Maps' current and potential clients. It reached €9.5mn in 2020 (-9% YoY). Despite that, during 2020 the company signed a partnership with Circle to enter the logistic market and extended its activities with Philipp Morris with ca. €200k of new orders, confirming the trust received by the group from top multinational companies.

Looking at the overall picture, the group has been able to keep growing in 2020, thanks to its business model diversification, offsetting Large Enterprise slowdown with the growth of the other lines. 2020 revenues reached €17.9mn, growing by ca. 5% YoY (2% excluding extraordinary tax credit revenues), ca. €1mn lower than our estimates. Subscription fees revenues increased their weight within total revenues from 22% of 2019 to 27% of 2020.

2020 EBITDA reached €3.4mn (19% margin) – €0.4mn lower than our FY20E – influenced by a stable gross margin (ca. 44%) and relevant commercial and people investments carried out by the group through the year.

Looking at the bottom line, the group reached €1.0mn (from €1.9mn in 2019), due to: i) high D&A associated with both investments and IFRS 16 (€0.6mn); ii) non-recurring costs of €300k associated with M&As; iii) positive net financial income/expenses, mainly thanks to the anticipation of Maps Healthcare's 20% acquisition, which led to a lower price paid and a consequent positive effect of revaluation of call option debt; and iv) low level of taxes, associated with high non-taxable income registered by the company during the year.

The company closed 2020 with a sound net financial position of €7.0mn (compared to €8mn of our projections), also thanks to great operating cash flow. Despite the increase of the NFP, when compared to FY19 results, the company maintained a sound liquidity position, also thanks to new debt financing. We note that liquidity fully balanced the bank debts. Indeed, the company's bank net debt is equal to ca. €300k. The bulk of NFP is composed by: i) IFRS 16 debt (€3.6mn); ii) the M&A vendor loan (€2.5mn); and iii) Call Option debt on the remaining 8% of Maps Healthcare (€1.3mn).

FY20 Income Statement						
€ thousand	FY18PF	FY19A	FY20A	YoY	FY20E	A vs E
Subscription Fee	3.3	3.8	4.8	15%	5.5	-12%
Services Fee	12.1	11.7	10.7	-3%	11.5	-7%
Other Revenues	1.2	1.5	2.4	32%	2.0	19%
Sales	16.6	17.0	17.9		19.0	-5%
<i>Growth %</i>	14.2%	2.8%	5.3%		11.3%	
Other revenues	-	-	-		-	
Total Revenues	16.6	17.0	17.9	3%	19.0	-5%
<i>Growth %</i>	14.2%	2.8%	5.3%		11.3%	
Direct Labour Costs	(6.7)	(7.0)	(7.0)		(7.6)	
Direct Services Costs	(2.7)	(2.6)	(3.0)		(3.1)	
Gross Profit	7.2	7.4	7.9	3%	8.3	-4%
<i>Gross Margin</i>	43.4%	43.7%	44.3%		43.7%	
Commercial Costs	(1.3)	(1.5)	(2.0)		(2.1)	
General and Administrative Costs	(2.2)	(2.1)	(2.6)		(2.4)	
EBITDA	3.6	3.8	3.4	4%	3.8	-11%
<i>EBITDA margin</i>	22.0%	22.2%	19.0%		20.2%	
<i>Growth %</i>	75.6%	4.1%	-10.1%		1.3%	
D&A and Provisions	(0.5)	(1.7)	(2.3)		(2.3)	
EBIT	3.2	2.0	1.1	-36%	1.5	-24%
<i>EBIT margin</i>	19.2%	12.0%	6.3%		7.9%	
<i>Growth %</i>	111.5%	-35.8%	-44.6%		-27.0%	
Financial Income and Expenses	(0.1)	0.6	0.3		0.1	
Extraordinary items	(0.3)	(0.1)	(0.3)		-	
EBT	2.8	2.5	1.2	-11%	1.6	-28%
Taxes	(0.8)	(0.5)	(0.2)		(0.4)	
<i>Tax Rate</i>	27.7%	21.3%	13.0%		27.0%	
Net Income	2.0	2.0	1.0	-3%	1.2	-14%
<i>Net margin</i>	12.2%	11.6%	5.7%		6.3%	
<i>Growth %</i>	113.4%	-2.7%	-48.5%		-39.8%	
NFP	3.0	4.4	7.0		8.0	-13%

Source: Company data

Change in Estimates

After the commercial and people strengthening carried out by the group in the last year, Maps is on track to exploit the digital transformation wave accelerated by the pandemic. Maps is ready, with each business line, thanks to its solutions, especially for Gzoom and Healthcare, to scale up the market, increasing both its revenues and profitability.

Looking at the Healthcare division, following the SCS Computers acquisition, in the last few months the company has started cross-selling initiatives, offering integrated solutions to both SCS' and Maps' clients, with the first relevant impacts expected by the company in 2022. Furthermore, the integrated offer will allow Maps to reach new small laboratories not easily approachable with only the patient journey solutions. Last but not least, SCS' acquisition will grant higher recurring revenues, since ca. 80% of its offer is based on subscription fees. Finally, in 2020 the company closed several agreements with Emilia Romagna, including: i) two projects related to COVID-19 initiatives, financed by Emilia-Romagna, expected to produce their economic results in 2021; ii) a €2mn three-year agreement related to a platform for managing litigation against healthcare structures.

Gzoom division is also expected to increase its revenues, with a backlog at the end of 2020 higher than 2020 revenues, thanks to the acceleration of PA digitalization, which led the group to sign new agreements, including contracts with the Piemonte region and Provincia di Bolzano. The growth of Gzoom is also expected to sustain EBITDA growth.

Large Enterprise, after a slowdown due to the pandemic, started to recover in the last few months.

Finally, we note that Micuro – the start-up launched by Maps in 2020 to enter the insurtech market – moved to the next phase of the Vittoria Hub, confirming the quality of the project. The management expect the first revenues in 2021 and greater results in 2022.

On the back of FY20 results and recent developments, we updated our estimates on Maps' future financials. We slightly revised downwards by 1% 2021 and 2022 revenues, while keeping basically unchanged EBITDA for both 2021 and 2022, factoring in a higher weight of subscription fees, which allows for greater scalability and profitability.

Looking at bottom line, we foresee a level of €2.1mn for 2021 and €2.8mn for 2022 – both €0.1mn higher than previous estimates.

The key points of our estimates are as follows:

- FY21 revenues at €23.5mn reaching €27.7 in 2022 (CAGR 2020–22 of 18%)
- FY21 EBITDA at €5.7mn reaching €7.0 in 2022 (CAGR 2020–22 of 23%)
- FY21 net income at €2.1mn reaching €2.8 in 2022 (CAGR 2020–22 of 12%)
- FY21 NFP at €5.5mn reaching €3.6 in 2022.

Change in Estimates

€ mn	2019A	2020A	YoY	2021E		Change	2022E		Change	CAGR 20-22	
				Old	New		Old	New		Old	New
Revenues	17.0	17.9	5.3%	23.8	23.5	-1.1%	28.1	27.7	-1.2%	18.1%	17.7%
YoY Change (%)	2.8%	5.3%		32.8%	31.3%		17.9%	17.8%			
EBITDA	3.8	3.4	-10.1%	5.7	5.7	0.4%	7.0	7.0	0.7%	22.5%	22.8%
YoY Change (%)	4.1%	-6.4%		68.2%	68.8%		21.7%	22.1%			
EBITDA margin%	22.2%	19.0%		24.0%	24.4%		24.8%	25.3%			
EBIT	2.0	1.1	-44.6%	3.0	3.2	7.8%	3.9	4.0	2.1%	24.3%	25.2%
YoY Change (%)	-35.8%	-64.4%		164.2%	184.9%		31.3%	24.3%			
EBIT margin%	12.0%	6.3%		12.6%	13.7%		14.0%	14.4%			
Net Income	2.0	1.0	-48.5%	2.0	2.1	8.4%	2.7	2.8	1.9%	11.4%	12.1%
YoY Change (%)	-2.7%	-49.9%		92.9%	109.1%		39.1%	30.8%			
Net margin%	11.6%	5.7%		8.2%	9.0%		9.7%	10.0%			
NFP/(Cash)	4.4	7.0	2.6	5.3	5.5	0.2	2.6	3.6	0.9		
YoY Change (€mn)		2.6		(1.7)	(1.5)		(2.9)	(1.9)			

Source: FactSet, KT&Partners' elaboration

Valuation

Following the projections of Maps' future financials, we carried out the valuations of the company by applying two major methods: i) the market multiples analysis based on EV/EBITDA and P/E, and ii) the DCF model.

The average of the three different valuation methods returns an equity value equal to €42mn or €4.36 per share.

Valuation Recap

	Equity Value €mn	Value per share €
EV/EBITDA	46.9	4.87
P/E	36.0	3.74
Average - Multiples	41.5	4.30
DCF	42.6	4.42
Average - btw method	42.0	4.36

Source: FactSet, KT&Partners' elaboration

Market Multiples Valuation

Following the comparables analysis, we proceeded with the definition of market multiples for each peer group, focusing on 2020–22 data.

Peer Comparison – Market Multiples 2020–2022

Company Name	Exchange	Market Cap	EV/SALES 2020	EV/SALES 2021	EV/SALES 2022	EV/EBITDA 2020	EV/EBITDA 2021	EV/EBITDA 2022	EV/EBIT 2020	EV/EBIT 2021	EV/EBIT 2022	P/E 2020	P/E 2021	P/E 2022
Reply S.p.A.	Milan	4,272	3.3x	2.9x	2.6x	19.7x	17.7x	15.9x	24.9x	21.7x	21.7x	34.1x	31.4x	27.6x
Cappgemini SE	Euronext Paris	25,149	2.0x	1.8x	1.7x	12.7x	11.5x	11.1x	17.5x	15.7x	15.7x	26.1x	19.5x	17.2x
adesso SE	XETRA	742	1.6x	1.4x	1.3x	13.5x	11.7x	10.9x	25.0x	18.5x	18.5x	33.9x	24.4x	21.9x
GPI SpA	Milan	158	1.0x	0.9x	0.9x	6.9x	7.7x	6.2x	14.5x	13.3x	13.3x	13.5x	16.3x	13.7x
Expert System SpA	Milan	153	4.7x	4.0x	2.9x	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Atos SE	Euronext Paris	6,292	0.7x	0.7x	0.7x	5.6x	5.2x	4.8x	10.3x	7.4x	7.4x	11.8x	8.3x	7.5x
Software AG	XETRA	2,728	3.0x	3.0x	2.8x	12.9x	15.3x	12.5x	18.1x	19.2x	19.2x	27.6x	25.8x	20.5x
Sopra Steria Group SA	Euronext Paris	3,796	0.9x	0.8x	0.8x	8.4x	7.7x	6.9x	14.5x	11.8x	11.8x	27.1x	13.8x	12.0x
Average peer group		5,411	2.1x	1.9x	1.7x	11.4x	10.9x	9.8x	17.8x	15.4x	15.4x	24.9x	19.9x	17.2x
Median peer group		3,262	1.8x	1.6x	1.5x	12.7x	11.5x	10.9x	17.5x	15.7x	15.7x	27.1x	19.5x	17.2x

Source: FactSet, KT&Partners' elaboration

We included in our relative valuation a size discount of 20%, and our estimates of Maps' EBITDA and net income for 2021 and 2022.

Multiple Valuation – EV/EBITDA and P/E

Multiple Valuation (€mn)	2021E	2022E	Multiple Valuation (€mn)	2021E	2022E
EV/EBITDA Comps	10.9x	9.8x	P/E Comps	19.9x	17.2x
Maps EBITDA	5.7	7.0	Maps Net Income	2.1	2.8
Enterprise value	62.9	68.5	Equity Value	42.3	47.7
Maps 2020 NFP	7.0	7.0	Average Equity Value		45.0
Equity Value	55.9	61.4	Size Discount		20%
Average Equity Value		58.7	Equity Value Post-Discout		36.0
Size Discount		20%	Number of shares (mn)		9.6
Equity Value Post-Discout		46.9	Value per Share €		3.74
Number of shares (mn)		9.6			
Value per Share €		4.87			

Source: FactSet, KT&Partners' elaboration

DCF Valuation

We have also conducted our valuation using a four-year DCF model, based on 9.4% cost of equity, 5.0% cost of debt and a target capital structure with 15% of debt. The cost of equity is a function of the risk-free rate of 0.70% (Italian 10y BTP), 5.4% mature market expected return and a premium for size and liquidity of 4.0%. **We, therefore, obtained 8.6% WACC.**

We discounted 2021E–24E annual cash flows and considered a terminal growth rate of 1.5%, then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

DCF Valuation				
€ million	2021E	2022E	2023E	2024E
EBIT	3.2	4.0	5.0	6.9
Taxes	(0.8)	(1.0)	(1.3)	(1.8)
D&A	2.5	3.0	3.5	3.5
Change in Net Working Capital	(0.9)	(1.7)	(2.2)	(2.7)
Change in Funds	0.3	0.3	0.3	0.3
Net Operating Cash Flow	4.3	4.6	5.3	6.1
Capex	(2.5)	(2.4)	(2.3)	(2.2)
FCFO	1.8	2.2	3.0	3.9
g	1.5%			
Wacc	8.6%			
FCFO (discounted)	1.7	1.9	2.4	2.9
Discounted Cumulated FCFO	8.9			
TV	55.5			
TV (discounted)	40.8			
Enterprise Value	49.6			
NFP FY20	7.0			
Equity Value	42.6			
# shares (mn)	9.6			
Value per share (€)	4.42			

Source: Company data, KT&Partners' elaboration

Sensitivity Analysis (€mn)						
		WACC				
		9.1%	8.9%	8.6%	8.4%	8.1%
Terminal growth Rate	1.0%	36.8	38.2	39.8	41.4	43.2
	1.2%	37.9	39.5	41.1	42.9	44.8
	1.5%	39.2	40.9	42.6	44.5	46.5
	1.7%	40.6	42.3	44.2	46.2	48.4
	2.0%	42.0	43.9	45.9	48.0	50.4

Source: Company data, KT&Partners' elaboration

Appendix

Peer Comparison

We carried out an in-depth analysis of potential public companies that could be considered as peers of Maps, taking into account its software development business and its digital transformation services.

We built an eight-company sample, consisting of:

- **Reply SpA:** listed on the Borsa Italiana, with a market capitalization of ca. €4bn. Reply engages in the creation and implementation of solutions based on new communication channels and digital media. It supports its clients in defining and developing new business models using big data, cloud computing, customer relationship management, mobile, social media and IoT paradigms. In 2020, Reply reached revenues of €1.3bn.
- **Capgemini SE:** listed on Euronext Paris with a market capitalization of ca. €25bn. Capgemini provides consulting, technology, professional and outsourcing services. The consulting services business aims to help the group's clients in digital transformation programs, while the technology services business involves system integration and IT application development. Revenues for 2020 reached €15.9bn.
- **Adesso AG:** listed on XETRA (Frankfurt, Germany) with a market capitalization of ca. €750mn. Adesso is engaged in the provision of IT services, focused on consulting and software development, and IT solutions, i.e. distribution of software products and industry-specific or industry-neutral solutions. The company reached revenues of €523mn in 2020.
- **GPI SpA:** listed on Borsa Italiana with a market capitalization of ca. €160mn. GPI provides IT management and consulting services focusing on the health and social assistance sectors. It registered €268mn of revenues in 2019.
- **Expert System SpA:** listed on Borsa Italiana with a market capitalization of ca. €150mn. Expert System engages in the development of semantic technology, providing solutions for online activities. In 2020, Expert reached revenues of €28mn.
- **Atos SE:** listed on Euronext Paris with a market capitalization of ca. €6bn. Atos provides consulting and system integration services. It provides managed services and NPO, cloud operations, big data and cyber security solutions. Atos reached revenues of €11.2bn in 2020.
- **Software AG:** listed on XETRA (Frankfurt, Germany) with a market capitalization of ca. €3bn. Software AG engages in the development and provision of technology solutions for digitalization. It reached revenues of €835mn in 2020.
- **Sopra Steria Group SA:** listed on Euronext Paris with a market capitalization of ca. €4bn. Sopra Steria Group engages in the business of digital transformation, providing consulting, system integration, software development, infrastructure management and business process services. In 2020, revenues equaled €4.3bn.

We analyzed the peer companies by considering their marginalities at EBITDA and net income level.

Peers have a level of marginality which is below Maps' 2020 results: the average EBITDA margin in 2020 recorded by peers was 15%, whereas Maps' margin registered in the same period was 19%. At net income level, the peers' average net margin was equal to 6%, in line with Maps' results.

Peers Comparison – EBITDA Margin and Net Margin

Company Name	EBITDA Margin							Net Margin						
	2016	2017	2018	2019	2020	2021	2022	2016	2017	2018	2019	2020	2021	2022
Reply S.p.A.	11.1%	11.9%	12.5%	14.2%	16.7%	16.2%	16.4%	8.7%	8.8%	9.6%	9.6%	9.9%	9.4%	9.7%
Capgemini SE	13.3%	13.8%	13.8%	15.7%	15.4%	16.0%	15.7%	7.3%	6.5%	5.5%	6.1%	6.0%	7.8%	8.4%
adesso SE	9.1%	8.0%	7.9%	9.7%	11.5%	11.8%	11.5%	4.7%	3.4%	3.7%	3.9%	4.0%	4.7%	4.8%
GPI SpA	12.6%	12.2%	11.2%	13.2%	15.0%	12.4%	14.8%	4.6%	4.2%	4.6%	3.9%	4.4%	3.4%	3.9%
Expert System SpA	neg	neg	11.5%	12.6%	neg	neg	neg	neg	neg	neg	neg	neg	neg	neg
Atos SE	12.5%	13.8%	12.0%	15.6%	13.0%	13.6%	14.4%	4.8%	5.0%	5.3%	3.6%	4.9%	6.7%	7.3%
Software AG	29.7%	30.4%	29.2%	28.9%	23.2%	19.9%	22.8%	16.1%	16.0%	19.0%	17.4%	11.5%	10.3%	12.8%
Sopra Steria Group SA	8.6%	8.4%	8.2%	11.1%	10.6%	11.0%	11.7%	4.0%	4.5%	3.1%	3.6%	2.5%	3.9%	4.6%
Average	13.8%	14.1%	13.3%	15.1%	15.1%	14.4%	15.3%	7.2%	6.9%	7.3%	6.9%	6.2%	6.6%	7.4%
MAPS	15.0%	14.3%	22.0%	22.2%	19.0%	24.4%	25.3%	8.0%	6.5%	12.2%	11.6%	5.7%	9.0%	10.0%

Source: Company data, KT&Partners' elaboration

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