

EQUITY RESEARCH

MAPS

RESULTS REVIEW

Press release

BUY

TP 5.0€ (vs 5.4€)

Up/Downside: 71%

H1 of Integration and Positioning of the Energy BU

MAPS ended H1 with revenue of €13.1m, slightly exceeding expectations, EBITDA of €2m (vs. €3m expected), net profit of €0.4m (vs. €1.1m expected) and net debt improving to €12.4m (vs. €13.8m in 2022).

Friday after trading, Maps published its H1 2023 results that landed above expectations in terms of revenue and cash generation, but lower than expected in terms of EBITDA margin. The latter was mainly due to OPEX investments for the relaunch of I-Tel (healthcare BU) and the positioning of the ROSE software (Energy BU) as the national reference for energy community management, pending the approval of the relevant implementing decrees.

The higher-than-expected revenue growth can mainly be attributed to additional revenue of €1m from the MAPS LAB division, while revenue from the Energy and Healthcare divisions fell slightly below expectations.

The Healthcare division generated €1.5m of EBITDA (20% EBITDA margin), down slightly. The same applies to the Energy division (€-0.3m EBITDA, vs. €0.4m expected), where the company invested heavily in positioning and developing its proprietary ROSE platform. This lag can be attributed to a slowdown in government approval decrees for the regulation of energy communities. We expect the decrees to be approved by the end of 2023, and the Energy BU could see massive growth in the years ahead. Finally, the MAPS Lab and ESG divisions generated €0.7m and €0.2m of EBITDA respectively (12% and 15% of EBITDA margin).

Despite the fall in margins and the increase in financial charges on loans to €0.4m (vs. €0.2m YoY), the company was able to generate €3.3m (vs. €0.9m YoY) from operations, thanks in particular to improved management of trade receivables and inventories, which enabled it to support capital expenditure and repay part of its debt. The conversion of warrants also made a positive contribution to reducing net debt.

Our medium-term outlook for MAPS remains very positive, given its unique ability to bring innovation to different sectors and the positioning it has achieved as a reference partner for the future management of energy communities in Italy. We have increased our cost estimates for this year, and increased the financial charges for this and the coming years, which has led to a slight downward correction of the TP to €5. Pending approval of the Italian implementing decree on energy communities, our opinion remains very positive on the company.

Key data

Price (€)	2.9
Industry	Packaged Software
Ticker	MAPS-IT
Shares Out (m)	12.099
Market Cap (m €)	35.4
Average trading volumes (k shares / day)	2.000

Ownership (%)

Fondateurs & Management	54.0
Eiffel IG	12.7
Maps SpA	1.2
Free float	32.1

EPS (€)	12/23e	12/24e	12/25e
Estimates	0.08	0.22	0.29
Change vs previous estimates (%)	-62.13	-11.94	-12.76

Performance (%)	1D	1M	YTD
Price Perf	0.3	-7.6	-18.2
Rel FTSE Italy	0.8	-9.4	-31.9



TP ICAP Midcap Estimates	12/22	12/23e	12/24e	12/25e	Valuation Ratio	12/23e	12/24e	12/25e
Sales (m €)	24.7	27.1	29.9	33.1	EV/Sales	1.8	1.6	1.3
Current Op Inc (m €)	3.1	1.7	3.8	4.8	EV/EBITDA	10.3	6.6	5.3
Current op. Margin (%)	12.5	6.2	12.6	14.4	EV/EBIT	28.7	12.4	9.3
EPS (€)	0.22	0.08	0.22	0.29	PE	35.5	13.3	10.2
DPS (€)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-1.5	1.4	1.8	2.4				

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FINANCIAL DATA

Income Statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
Sales	20.3	21.5	24.7	27.1	29.9	33.1
Changes (%)	23.1	6.0	15.0	9.5	10.3	10.6
Gross profit	18.5	20.4	23.2	25.6	28.3	31.4
% of Sales	91.4	94.7	93.8	94.4	94.6	94.8
EBITDA	3.4	5.0	5.9	4.7	7.0	8.3
% of Sales	16.8	23.4	23.8	17.4	23.5	25.2
Current operating profit	1.1	2.4	3.1	1.7	3.8	4.8
% of Sales	5.6	11.3	12.5	6.2	12.6	14.4
Non-recurring items	-0.3	-0.2	-0.2	0.0	0.0	0.0
EBIT	0.8	2.2	2.9	1.7	3.8	4.8
Net financial result	0.3	-0.2	-0.4	-0.8	-0.8	-0.8
Income Tax	-0.2	0.4	0.2	0.1	-0.3	-0.5
Tax rate (%)	13.0	-21.0	-6.5	-10.0	10.0	12.0
Net profit, group share	1.0	2.5	2.7	1.0	2.7	3.5
EPS	0.08	0.21	0.22	0.08	0.22	0.29
Financial Statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
Goodwill	8.3	11.7	16.7	16.7	16.7	16.7
Tangible and intangible assets	7.5	7.2	7.3	8.1	8.5	8.9
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	0.2	0.2	0.2	0.2
Working capital	7.7	11.4	14.4	13.7	14.3	14.9
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	23.5	30.4	38.6	38.8	39.7	40.7
Shareholders equity group	11.2	18.0	18.0	20.0	22.6	26.1
Minorities	0.0	0.1	0.0	0.0	0.0	0.0
LT & ST provisions and others	4.0	4.9	4.7	4.7	4.7	4.7
Net debt	7.7	6.6	14.9	13.0	11.3	8.9
Other liabilities	0.7	0.8	1.0	1.0	1.0	1.0
Liabilities	23.5	30.4	38.6	38.8	39.7	40.7
Net debt excl. IFRS 16	7.7	6.6	14.9	13.0	11.3	8.9
Gearing net	0.7	0.4	0.8	0.7	0.5	0.3
Leverage	2.2	1.3	2.5	2.8	1.6	1.1
Cash flow statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
CF after elimination of net borrowing costs and taxes	4.6	6.6	4.7	4.0	5.9	7.0
Δ WCR	-0.2	-3.3	-3.1	0.7	-0.6	-0.6
Operating cash flow	4.4	3.3	1.5	4.7	5.4	6.4
Net capex	-2.2	-2.6	-3.0	-3.2	-3.6	-4.0
FCF	2.2	0.7	-1.5	1.4	1.8	2.4
Acquisitions/Disposals of subsidiaries	-5.5	-3.0	-4.7	-0.6	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	5.9	1.8	6.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.8	4.4	-2.8	1.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	2.8	2.9	-2.3	1.8	1.8	2.4
ROA (%)	4.4%	8.3%	7.0%	2.6%	6.7%	8.5%
ROE (%)	9.2%	13.9%	15.0%	5.0%	11.8%	13.3%
ROCE (%)	10.3%	13.5%	17.2%	8.4%	16.6%	18.2%

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This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
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G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Maps

History of investment rating and target price – Maps



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Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	80%	66%
Hold	16%	44%
Sell	3%	25%
Under review	1%	100%

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