

EQUITY RESEARCH

MAPS

FEEDBACK CONFERENCE
Conference TPICAP Midcap

BUY

TP 5.2€

Up/Downside: 81%

Experts in Extracting Value From Data

At our annual conference, we traced MAPS' transformation from a project company to a product company, with revenue reliance on proprietary solutions growing from 31% in 2018 to now 83%, with recurring revenue accounting for 43% of the total.

FY 2023 results recorded revenue of €27.5m (vs. €24.7m YoY), an EBITDA in slight contraction at €5m (vs. €5.9m YoY), a net result of €0.9m (vs. €2.7m YoY), and net debt down to €12.5m (vs. €13.8m YoY).

The decrease in profitability vs. 2022 was caused by delays in the publication of regulatory decrees and incentives related to Energy Communities; the Energy division therefore recorded a negative EBITDA of -€0.2m. However, we believe that MAPS is well positioned to benefit from the imminent growth in this benchmark market.

In 2023, MAPS reduced its net debt while maintaining a reasonable ND/EBITDA ratio despite the decline in EBITDA (2.5x), thanks to operational cash generation.

Strategic development remains focused on the Healthcare and Energy divisions. To date, around 20% of the 503 national public hospitals benefit from MAPS' patient journey solutions, as do the five main national private groups. We believe that with this excellent positioning, MAPS will be able to benefit from the anticipated increase in public spending on healthcare IT solutions. In 2023, the Italian state spent around €1.9b, an amount that Anitec-assinform estimates could reach €2.7b by 2026.

Regarding the Energy division, to date, MAPS offers monitoring services, consumption optimization, as well as the ROSE solution for managing energy communities and maximizing incentives. The market is still in the development phase but MAPS is currently well positioned to benefit from its growth.

We remain confident that 2024 will be a year of significant growth for MAPS, both in terms of revenue and profitability, and we reiterate our Buy rating and TP of €5.2.

Key data

Price (€)	2.9
Industry	Packaged Software
Ticker	MAPS-IT
Shares Out (m)	12.506
Market Cap (m €)	35.9
Average trading volumes (k shares / day)	3.011

Source: FactSet

Ownership (%)

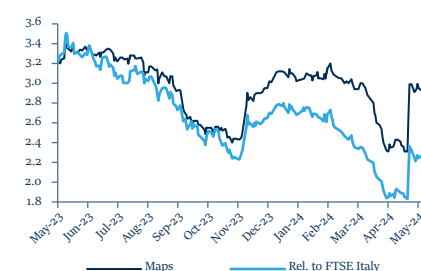
Fondateurs & Management	54.0
Eiffel IG	12.7
Maps SpA	1.2
Free float	32.1

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	0.19	0.26	0.32
Change vs previous estimates (%)	0.00	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-1.0	21.6	-8.0
Rel FTSE Italy	-1.0	21.5	-19.6



Source: FactSet

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m €)	27.5	30.8	33.8	37.2	EV/Sales	1.4	1.2	1.0
Current Op Inc (m €)	1.5	3.4	4.4	5.3	EV/EBITDA	6.3	5.1	4.2
Current op. Margin (%)	5.4	11.2	13.2	14.2	EV/EBIT	12.9	9.4	7.2
EPS (€)	0.07	0.19	0.26	0.32	PE	14.9	10.9	9.1
DPS (€)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	1.1	2.5	2.6	3.4				

Source: TPICAP Midcap

Consensus FactSet - Analysts:na	12/24e	12/25e	12/26e
Sales	29.9	33.1	na
EBIT	3.8	4.8	na
Net income	2.7	3.5	na

Analyst

Davide Longo
davide.longo@tpicap.com
+33173030977



FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	21.5	24.7	27.5	30.8	33.8	37.2
Changes (%)	6.0	15.0	11.1	11.8	9.9	10.1
Gross profit	20.4	23.2	25.8	28.9	31.9	35.1
% of Sales	94.7	93.8	93.9	94.0	94.3	94.4
EBITDA	5.0	5.9	5.0	7.0	8.2	9.2
% of Sales	23.4	23.8	18.1	22.7	24.2	24.7
Current operating profit	2.4	3.1	1.5	3.4	4.4	5.3
% of Sales	11.3	12.5	5.4	11.2	13.2	14.2
Non-recurring items	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1
EBIT	2.2	2.9	1.4	3.3	4.3	5.2
Net financial result	-0.2	-0.4	-0.4	-0.5	-0.3	-0.2
Income Tax	0.4	0.2	-0.1	-0.4	-0.7	-1.0
Tax rate (%)	-21.0	-6.5	6.0	15.0	18.0	20.0
Net profit, group share	2.5	2.7	0.9	2.4	3.3	4.0
EPS	0.20	0.22	0.07	0.19	0.26	0.32
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	11.7	19.7	19.7	19.7	19.7	19.7
Tangible and intangible assets	7.2	7.3	8.2	8.2	8.0	7.6
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.2	0.1	0.1	0.1	0.1
Working capital	9.8	12.9	13.2	13.2	14.1	15.0
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	28.7	40.1	41.3	41.2	41.9	42.4
Shareholders equity group	18.0	21.0	22.3	26.3	29.6	33.5
Minorities	0.1	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	4.9	4.7	5.3	5.3	5.3	5.3
Net debt	4.9	13.8	12.5	8.4	5.8	2.4
Other liabilities	0.8	0.6	1.2	1.2	1.2	1.2
Liabilities	28.7	40.1	41.3	41.2	41.9	42.4
Net debt excl. IFRS 16	2.1	11.8	10.5	6.4	3.8	0.4
Gearing net	0.3	0.7	0.6	0.3	0.2	0.1
Leverage	1.0	2.3	2.5	1.2	0.7	0.3
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	6.6	4.7	5.4	6.0	7.0	7.9
Δ WCR	-3.3	-3.1	0.1	0.0	-0.9	-0.9
Operating cash flow	3.3	1.5	5.6	6.0	6.1	7.0
Net capex	-5.6	-10.8	-4.4	-3.5	-3.5	-3.6
FCF	-2.3	-9.3	1.1	2.5	2.6	3.4
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	1.8	6.0	-3.6	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	4.4	0.2	0.4	1.6	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	2.9	-2.3	-2.0	4.1	2.6	3.4
ROA (%)	8.8%	6.7%	2.3%	5.8%	7.8%	9.3%
ROE (%)	13.9%	12.8%	4.2%	9.1%	11.1%	11.8%
ROCE (%)	13.5%	14.7%	6.6%	13.1%	15.0%	15.7%

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Analyst certifications

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Methodology

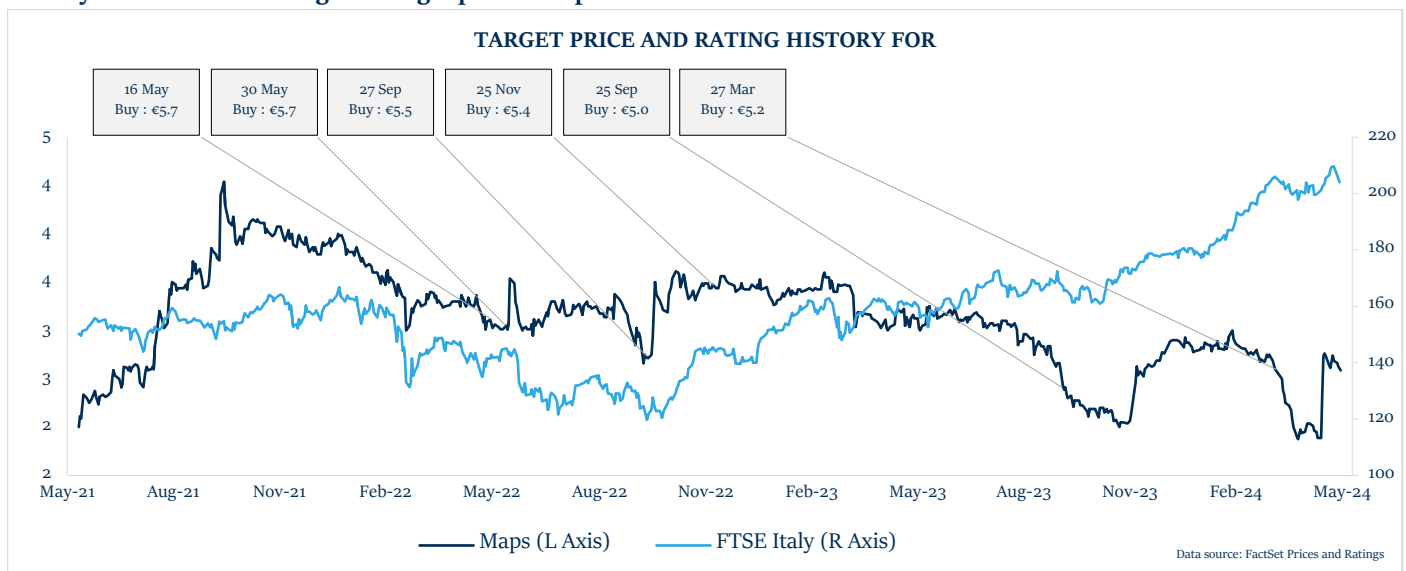
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Maps

History of investment rating and target price - Maps



Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	82%	64%
Hold	15%	54%
Sell	2%	33%
Under review	1%	100%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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