

Maps Group

A Map to Navigate Through Data

23th of September 2021

BUY

Target Price : **5.8€**

Upside potential : **+52%**

Italian leader in the BIG DATA sector

MAPS is an innovative SME active in the digital transformation sector developing and distributing big data analytics software that enables companies to make strategic and operational decisions. Initially, MAPS developed innovative technology projects for large companies such as Vodafone. Over the years, the company has leveraged the expertise gained from these projects to develop proprietary solutions for specific applications. Through its Patient Journey product line, it is positioned as a leader in the patient care industry in healthcare facilities, presiding over the market with more than 1,300 installations, which manage more than 20m accesses per year nationwide.

Surfing on the Digital Transformation Megatrend

People, businesses, and governments have always produced a large volume of data through their interactions. Today, thanks to digital technologies, this data can be stored and processed more efficiently. In addition, the proliferation of digital technology devices has led to an exponential increase in the production of data that, if properly stored, categorized, and analyzed, can be extremely valuable to businesses, governments, and public administrations in their decision-making processes.

A Differentiating Business Model

Maps Group aims to provide the market with specific software solutions capable of analyzing data provided by customers or collected by the group itself, as well as related support services provided remotely in a cloud modality. This value proposition differs from that of most competitors since they typically provide only software or are consultants that integrate technology solutions for individual customer problems. On the other hand, Maps becomes a consultant and a complementary technology provider for its customers, which triggers a strong "up-selling" and "cross-selling" dynamic.

Double digit growth in Revenues and Profitability

We estimate that revenues will grow at a CAGR 20-25E of 17.4% to reach EUR 40.0M thanks to (i) the dynamic of the Healthcare and Gzoom offer, (ii) commercial and costs synergies from companies acquired, and (iii) the strong growth outlook of Energy solutions. Thanks to the increasing share of proprietary solutions and in particular healthcare solutions which bring not only recurring revenues but also extremely strong margins, we expect EBITDA to grow faster than revenues at a CAGR 20-25E of 27.9% to reach €11.7M.

Our valuation points to a 5.8€ TP

Our valuation based 50% on DCF, 25% on Italian competitors and 25% on healthcare competitors, points to a target price of €5.8 which offer an upside potential of 52%. The stock is currently trading at c.10.2x EV/EBITDA FY22, which we believe represents an attractive entry point. We initiate our coverage on MAPS with a Buy rating.

Market Data	
Industry	Technology
Share Price (€)	3.8
Market Cap (€M)	41.4
Market Segment	AIM Italy
Bloomberg	MAPS-IT

Ownership Structure	
Marco Ciscato	17.4%
Maurizio Pontremoli	14.4%
Paolo Ciscato	7.5%
Others	28.4%
Market	32.4%

€M (31/12)	2020	2021	2022	2023
Sales (€M)	17.9	23.7	29.9	33.5
Growth		32.3%	26.3%	11.9%
EBITDA	3.4	6.2	8.1	9.4
EBITDA margin	19.0%	26.1%	27.1%	27.9%
EBIT	1.1	4.0	5.4	6.7
EBIT Margin	6.2%	16.9%	17.9%	19.9%
Net Income	1.0	2.8	3.8	4.7
FCF	-3.3	-0.5	0.7	2.5
ROCE	4.1%	11.0%	13.2%	15.3%
EV/Sales (x)	4.6x	3.5x	2.8x	2.5x
EV/EBIT (x)	24.4x	13.4x	10.2x	8.9x
PE (x)	73.2x	27.0x	19.9x	16.0x
Net debt	11.7	7.8	7.2	4.6
Gearing net	68%	21%	14%	2%

Midcap estimates

Upcoming Event

Recommendation History

23/09/2021 - BUY

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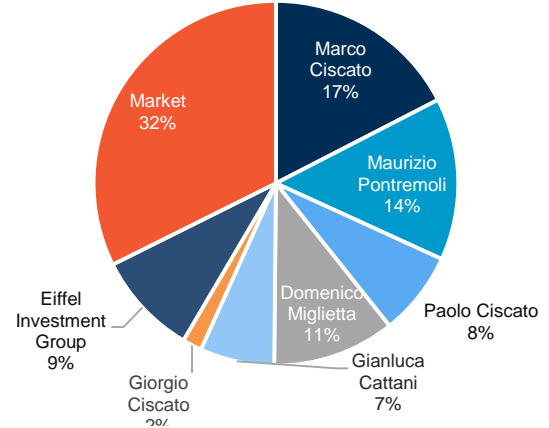


I. Overview

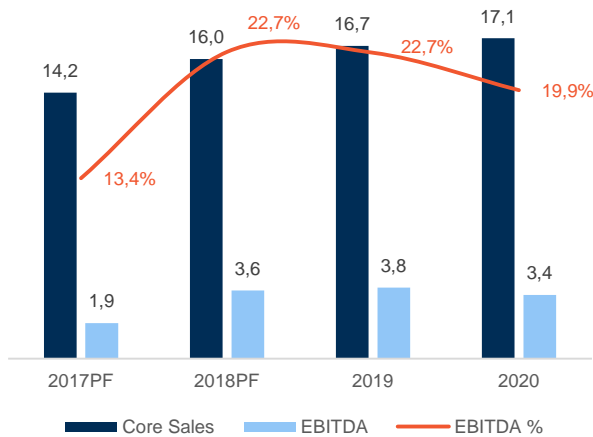
Description

Founded in 2002, MAPS is an innovative SME active in the digital transformation sector based in Parma. The company, which has 250 employees (including IASI srl), produces, and distributes big data analytics software that enables client companies to manage and analyse large amounts of data and information, helping them make strategic and operational decisions and define new business models. Through its Patient Journey product line, it is positioned as a leader in the patient care industry in healthcare facilities, presiding over the market with more than 1,300 installations, which manage more than 20m accesses per year nationwide. The group is constantly investing in R&D through its Research & Solutions division, which was established in 2016. The group ended 2020 with consolidated revenues of €17.9M and EBITDA of €3.4M. Over the past three years, MAPS has tripled revenues from proprietary solutions and more than doubled EBITDA. The company is characterized by high levels of recurring revenues (31% of total revenues during H1 2021). The group's organic growth has been accompanied by significant M&A activity, with the acquisitions of IG Consulting (2011), Artexe (2018), Roialty (2019), SCS Computers (2020) and IASI (2021).

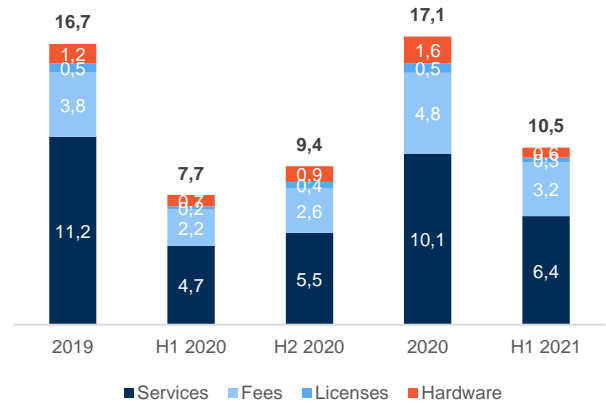
Shareholder structure



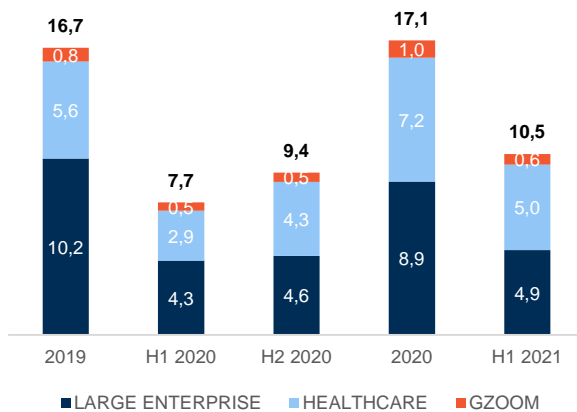
Evolution of Sales, EBITDA and EBITDA margin



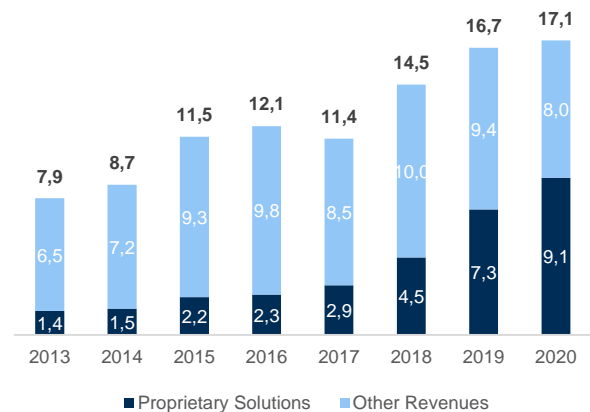
Core revenue evolution by segment



Core revenue by distribution segment



Evolution of proprietary solutions



Sources: Company, Factset, TP ICAP



SWOT Analysis

Strengths

- Long-term relationships with the most important customers
- A market in constant growth: Megatrend of digital transformation
- Proprietary solutions guarantee recurrent revenue streams
- Asset-light business model.
- Highly experienced management team

Opportunities

- Highly scalable business through the addition of new products, new customers, and entry into new sectors
- New acquisitions will provide economies of scale, cross-selling opportunities and accelerate entry and expansion into new sectors
- Technology innovations improve efficiency and customer retention

Sources : Company, TP ICAP

Weaknesses

- High concentration of customers (even if decreasing: 5 top clients account now for 35% of turnover vs 59% in 2019)
- Small size compared to market leaders
- No international presence

Threats

- Competitive pressure due to Covid which has imposed a rapid digitalization of companies and public administration

II. The Italian leader in digital transformation

Maps Group is active in the market of technologies for "digital transformation" and in particular in the field of software development for the analysis of "Big Data", which are increasingly necessary for companies for efficient decision-making and business planning.

The so-called "Big Data" is generally available to all companies, but it is often not very usable because it is presented in an unstructured and dispersed way, and therefore difficult to consult and slow to query.

Maps solutions enable the analysis of this data to produce simple and structured results to allow companies to make quick and accurate decisions.

1. **MAPS:** parent company with headquarters in Parma
 - a. **Maps Healthcare:** Maps Healthcare: holding company that manages the participations of companies operating in the healthcare sector.
 - i. **Artexe:** one of the largest structures in the field of online health services.
 - ii. **SCS Computer Srl:** a company specialized in the healthcare market that provides its proprietary solutions to public and private healthcare services. It has become a leader in the Marche region where it has been awarded a 7-year supply contract to all Local Health Authorities (ASL).
 - iii. **Micuro:** innovative startup active in the insurtech sector with the objective of innovating personal services in the insurance sector in order to offer a better phygital experience to customers.
 - iv. **IASI srl:** software factory specialising in the design and implementation of integrated information systems for Local Public Administration and in particular for Public and Private Health authorities.

Maps was founded in 2002 in Parma on the initiative of the Ciscato family, focusing on providing software solutions for local SMEs.

Since 2007, thanks to the entry of new shareholders in the capital, Maps has undertaken an important journey of diversification of its commercial offer and external growth with the acquisition of IG Consulting srl in 2011.

Between 2011 and 2015, Maps, also thanks to the acquisition of IG Consulting srl, expanded the range of services offered, developing its offer in the healthcare market, and acquiring important customers in the public health sector in Emilia Romagna, Veneto, Piedmont and Lombardy.

In 2016, Maps created the Research & Solutions business unit, which deals with the identification of the digital needs of the reference market and the consequent study of software to address them.

In July 2018, Maps acquired Artexe Spa, consolidating its position in the field of software for the healthcare sector, with a particular focus on the management of hospitality processes in healthcare facilities.

In 2019, a new development project for the company is launched, starting with the listing of the company on the AIM segment of the Italian Stock Exchange: access to the financial market for Maps represents an opportunity to further accelerate its development plans, but above all to consolidate the culture of transparency, ethics, and sustainability typical of a modern public company.

In 2020, Maps Group simplifies its corporate structure by merging Royalty srl and Memelabs srl into Maps spa, and IG Consulting srl into Artexe spa.

In July 2021, Maps acquired IASI srl, a company specialised in the healthcare sector with a Health Information System solution for Outpatient Management and a Human Resources Management solution vertical for healthcare organisations.

Maps Group's history

2002-2006	2007-2010	2011-2015	2016-2018	2019-2020
	1 mn > 4 mn	4 mn > 11 mn	11 mn > 16,5 mn	16,5 mn > 17,7 mn
START-UP	NUOVI SHAREHOLDERS MARKET: <ul style="list-style-type: none"> ● Utility ● PA 	FOCALIZZAZIONE SU SOLUZIONI MARKET: <ul style="list-style-type: none"> ● Utility ● PA ● Healthcare 	FOCALIZZAZIONE SU STRATEGIC MARKET Creazione di Research & Solutions MARKET: <ul style="list-style-type: none"> ● Utility ● PA ● Healthcare ● Manufacturing 	NUOVO PIANO DI SVILUPPO "FOLLOW THE DATA" Quotazione in borsa, focalizzazione su trend di mercato dei settori: <ul style="list-style-type: none"> ● Healthcare ● Energy ● Public Sector
		MEMELABS <small>MAPS GROUP</small> IGCONSULTING <small>MAPS GROUP</small> ROIALTY	ARTEDE	SCS Computers

Source : Company, TP ICAP

III. Business model and commercial offer

A production cycle based on technological expertise

Maps is involved in the downstream side of what is known as "**digital transformation**," designing and developing software that starts with data collection, analyses it, and provides public and private companies with a complete output of information to enable more effective decision-making. By adopting such solutions, **companies are transforming themselves into data-driven enterprises**.

Maps production cycle begins in the Research and Solutions division, where market and customer needs are analysed. By analysing the feedback received, Maps designs and implements software solutions to offer to the market. In order to achieve these objectives and maintain its competitive advantage, R&D brings together highly qualified people such as engineers, mathematicians, computer scientists, strategic marketing and sales people, who work in synergy to study and interpret the needs of the market in order to develop efficient and highly profitable software solutions.

In practice, the activities of the R&D division are divided into several phases:

1. **Relationship management:** analysis of market needs, identification of those with the greatest added value and formulation of ideas for software solutions.
2. **Prototyping:** based on the indications from the previous step, demonstration prototypes are made to verify the effectiveness of the developed solution.
3. **Strategic marketing:** Once the type of solution that best meets the needs of the market has been defined, a business plan and a go-to-market strategy for the product are developed.
4. **Industrialization:** once the business strategy has been developed, the technical specifications of the software are created to make the product usable and allow its production.
5. **Distribution:** the final solution is promoted to companies, organizations, and healthcare institutions by the group's sales force (including 15 people dedicated to new customer development) which also provides customer support services.

Activities of the R&D division



Sources: Company, TP ICAP

A high value-added commercial offer

Maps' business offering is vehiculated by three synergic divisions:

1. **Large Enterprises:** for large corporations in the utilities, manufacturing, and retail sectors.
2. **Healthcare:** for healthcare institutions.
3. **Gzoom:** for organizations, especially public ones, to manage ESG Governance.

► **Large Enterprises:** It is designed for large enterprises operating in the manufacturing, service, telecommunications, and utility sectors. MAPS offers state-of-the-art software solutions to improve the efficiency of supplier relationship management along the value chain, to monitor and then improve staff performance and skills, and to make customer needs analysis more analytical.

Clients of the "Large Enterprises" division



Source: Company, TP ICAP

The offer ranges are as follows:

- ✓ **Data Integration Solutions:** Software solutions for the collection, organization, and management of data, which are analysed according to the client's needs. The solutions of this group allow the management of numerous data flows, which feed into an archive of data fundamental to the client's business.
In particular, MAPS software covers the following functions:
 - a. Acquisition of data from different sources
 - b. Quality control and integration of these data
 - c. Consolidation of this data into databases capable of holding large volumes of data
 - d. Establish differentiated access according to appropriate security and confidentiality rules
- ✓ **ROSE (Real Time Operational for Smart Grid for Europe):** a proprietary solution developed with also the University of Genoa and ENEL, dedicated to companies in the energy production and distribution sector to efficiently manage energy generated by intermittent renewable sources such as sun and wind. In particular, the software plans and rationalizes the use of available energy sources and the energy consumption of consumers based on energy demand forecasts and energy production forecasts. Following current European trends and incentives for the penetration of renewable energy sources, ROSE is currently offered to the market as best-in-class Renewable Energy Community Management System.

- ✓ **SmartNebula:** is a B2B platform for data and document sharing with the following features:
 - a. Supplier and Lead Time Management Tools
 - b. Customized alert system for projects and milestones
 - c. System for monitoring and controlling the progress of projects
 - d. Contract Update Management System
 - e. Tools for archiving and versioning documents and contracts to monitor the progress of projects and activities

▶ **Healthcare:** division for healthcare institutions, to whom MAPS offers solutions for the so-called Patient Journey, for Data-Driven governance and also Clinical Information System.

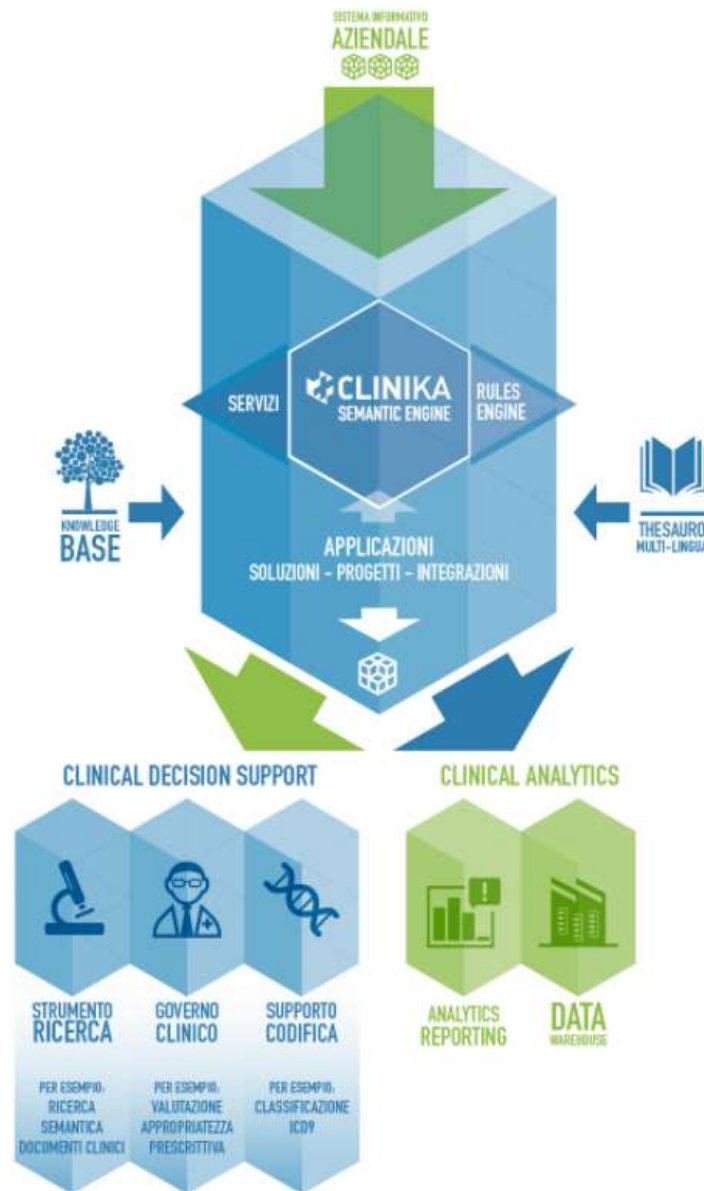
Clients of the "Healthcare" division



Source : Company

- ✓ **Data-driven Governance:** software solutions dedicated to the efficient management of information in the healthcare field, i.e. enabling healthcare authorities to check the appropriateness of test and referral requests made by General Practitioners, to evaluate the quality and efficiency of requests and forecast the demand of healthcare services.
 - **Clinika:** proprietary and patented software solution developed to improve information management and healthcare efficiency. It is able to process unstructured data by extracting the most significant clinical information from large amounts of data contained in narrative texts such as referral requests, discharge letters and reports and transforming it into easily usable data for decision support. For example, the software is able to automatically evaluate the appropriateness of test and referral requests made by General Practitioners (affiliated to the National Health Service "NHS") against prescribing protocols used as a reference by the medical community and adopted by the Local Health Authorities. Thanks to the results processed by Clinika, the management of a health authorities is able to plan an efficient use of its resources and to identify the critical areas to be improved.

Clinika solutions picture



Source : Company

- ✓ **Patient Journey:** software solutions to aid and support patients in healthcare facilities, from the moment they enter the facility to the moment they leave.
 - **Mr You Enterprise:** software for patient intake and wait time management in healthcare facilities.
 - **Zero Coda:** A web-based cloud service to book laboratory tests (including Covid swabs), vaccines (including anti-covid ones), and access to administrative services such as change of GP.
 - **Kiosk:** Multifunctional devices that allow patients to independently manage some of the activities normally performed by administrative staff in healthcare facilities. The kiosk allows patients to be identified by their health card or other documents and to complete the check-in procedures, payment, and collection of medical reports.

Artex Kiosk



Source: Company

- ✓ **Clinical Information Systems:** support management of Clinical processes automating procedures, reducing errors and costs.
 - **Alchymia:** The Alchymia Laboratory Information System (LIS) eases secretarial and administrative work, helps laboratory biologists and technicians, automates procedures, and supports the entire laboratory supply chain process.
 - **SISWeb:** software solution to manage outpatient and inpatient care.

▶ **Gzoom:** division dedicated to the development of software solutions for the functional and efficient management of public organizations, i.e. to evaluate performance, rationalize objectives, plan their realization and monitor key performance indicators in an ESG view.

Main clients of the "Gzoom" division



Source: Company

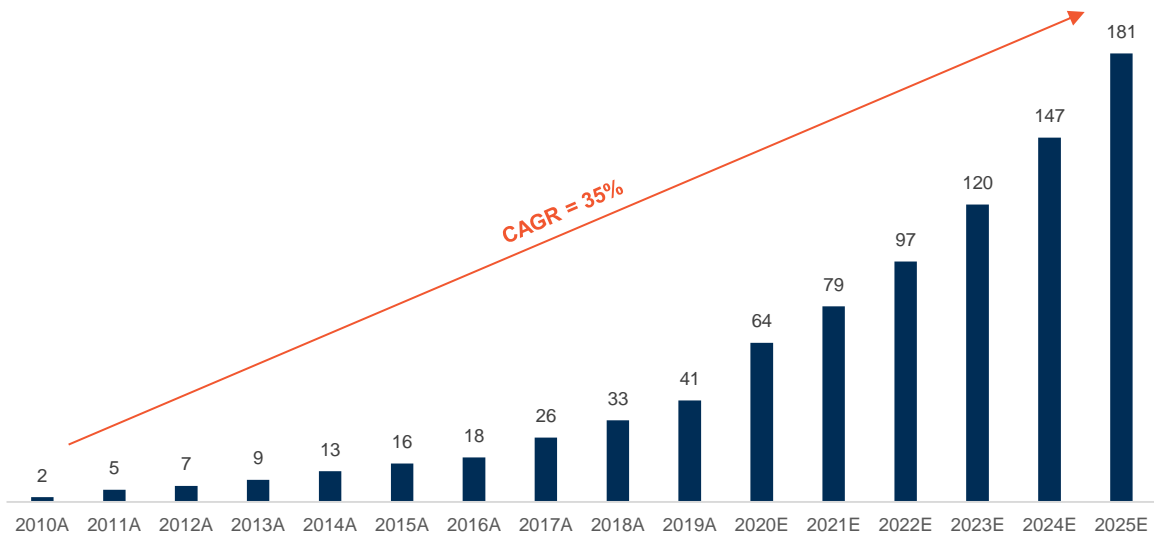
IV. A steadily growing market

Maps Group operates in the digital transformation technology market.

People, businesses, and governments have always produced a large volume of data through their interactions. Today, thanks to digital technologies, this data can be stored and processed more efficiently. In addition, the proliferation of digital technology devices has led to an exponential increase in the production of data that, if properly stored, categorized, and analysed, can be extremely valuable to businesses, governments, and public administrations in their decision-making processes.

Statista estimates that in 2019, 41 zettabytes of data were generated (1 zettabyte = 1 billion gigabytes), compared to just 2 zettabytes in 2010 (CAGR of 39.9% over the period). In the same study, it is estimated that data generation will reach 181 zettabytes in 2025, with a CAGR_{2019A-2025E} of 28.1%.

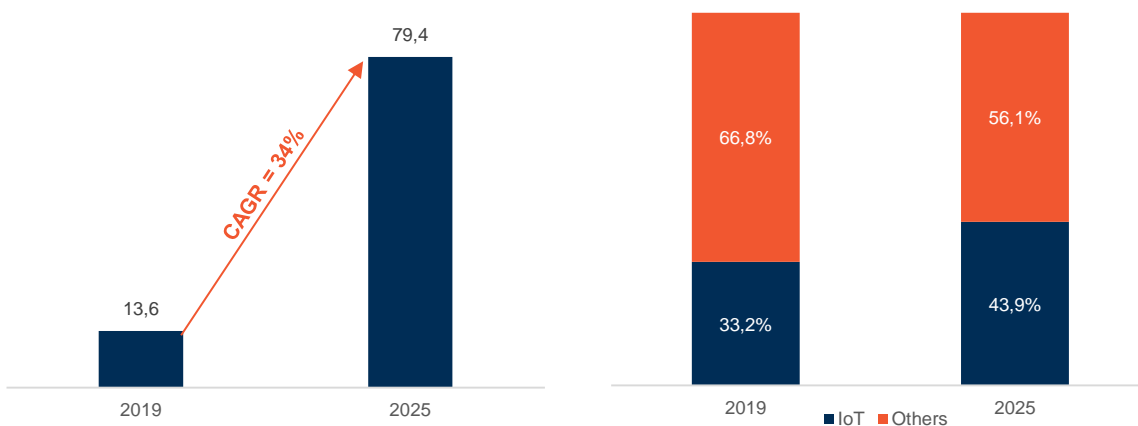
Volume of data created in the world from 2010 to 2025 (in zettabytes)



Source: Statista

In particular, the exponential increase in "connected devices," i.e., the Internet of Things (IoT) market, will drive growth in data production across all sectors, starting with healthcare thanks to the multitude of smart-watches, smart-bands and more.

Volume of data created in the world from 2010 to 2025 (in zettabytes).

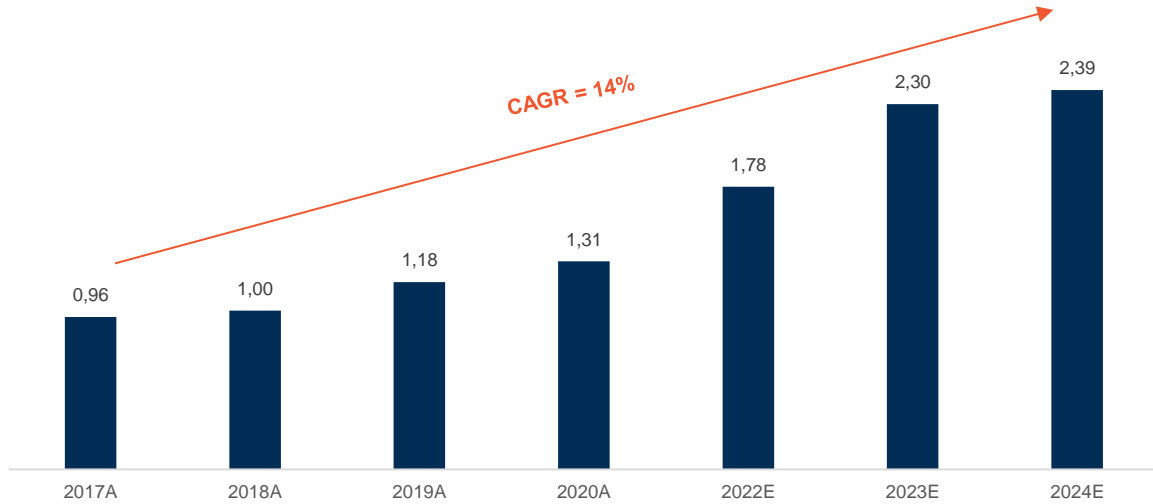


Source: Statista, TP ICAP



This massive data output across all industries is driving and fuelling enterprise digital transformation spending, which is expected to reach \$2.39 trillion in 2024, up from \$1.31 trillion in 2020, according to data from Statista.

Spending on digital transformation between 2017 and 2024 (in billions of dollars)

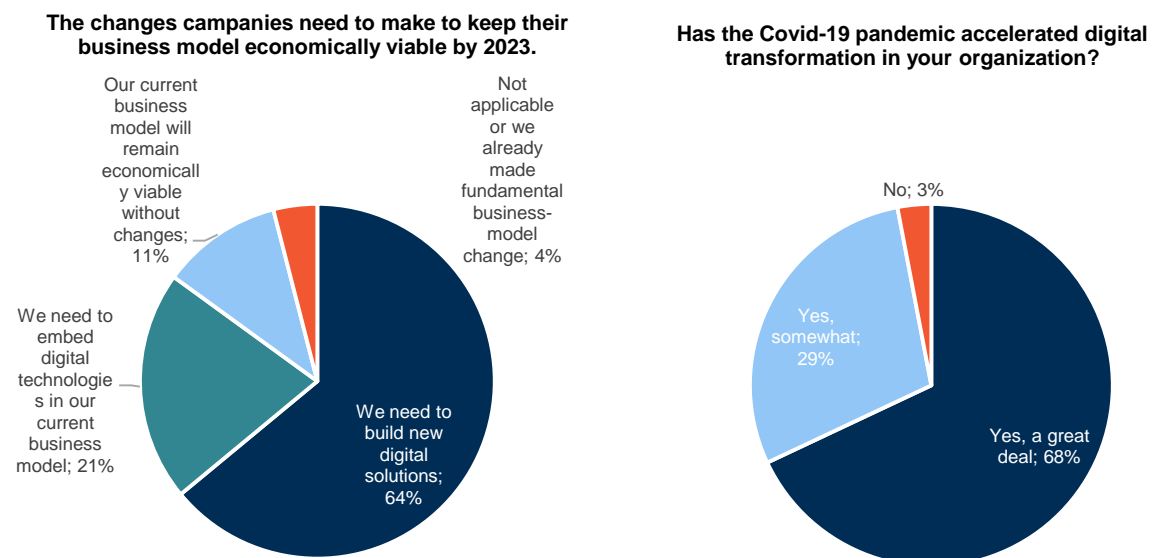


Source: Statista

These significant investments are necessary to survive in the rapidly changing society we live in. According to a McKinsey survey conducted by Statista, the vast majority of executives (85%) believe their companies need to develop new digital-based products (64%) or need to implement digital solutions into their current business models. Only 11% of executives say their business models remain effective without structural digital changes.

Moreover, this trend was greatly accelerated by the Covid-19 pandemic, which forced social distancing, making technology the only tool for staying connected to the outside world. 97% of executives surveyed said Covid-19 accelerated the digitization of their companies.

Spending on digital transformation between 2017 and 2024 (in billions of dollars)



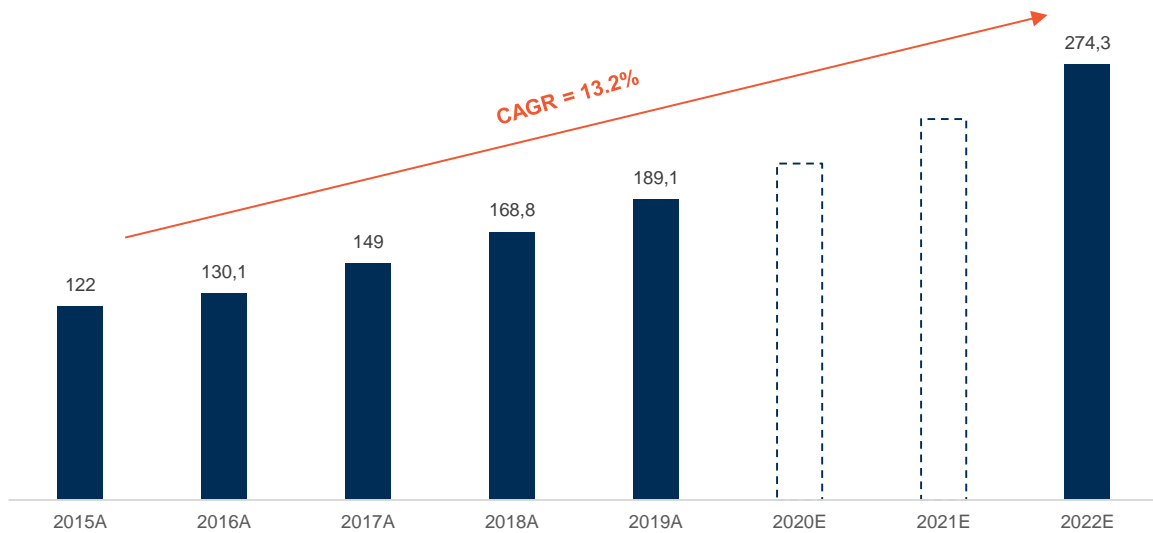
Source : Statista on McKinsey survey



In the digital transformation space, one of the most interesting and fastest growing segments is **Big Data**. Technology companies are investing heavily to create solutions that leverage the enormous amount of data available and the growing computing power of devices to provide analytical tools to support the decision-making processes of businesses and government agencies.

Statista estimates that the global BIG DATA market was worth \$122 billion in 2015, grew to \$189.1 billion in 2019, and is expected to reach \$274.3 billion by 2022 (CAGR over the period 13.2%).

Global Big Data Analytics (BDA) Market 2015-2022 (B\$)

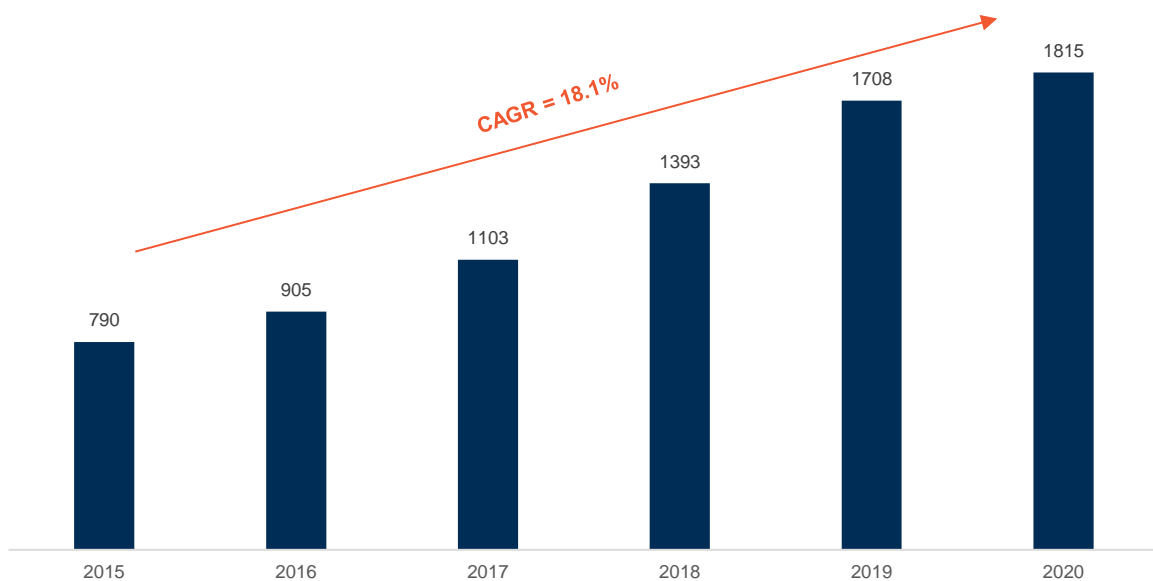


Source: Statista

The digital transformation and Big Data market in Italy

The Big Data market in Italy grew 2.3x between 2015 and 2020, from a value of €790M to €1815M, with a CAGR of 18.1% over the period, and now represents about 1% of the global market.

Italy Big Data Analytics (BDA) market 2015-2020 (USD)



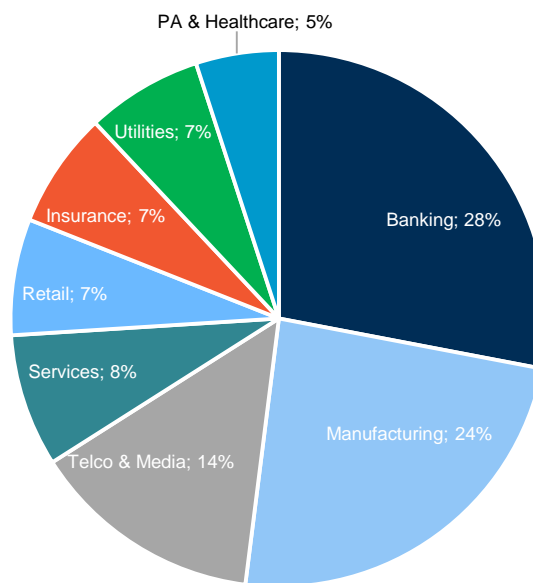
Source: Statista



The Italian market performed better than the global average, as it started from a much lower BIG DATA adoption rate.

In terms of sectors, those that have invested and are investing the most in BIG DATA related technologies in Italy are the banking sector (28% of the total), the manufacturing sector (24% of the total) and the telecom and media sector (14% of the total). Public administration and health are at the bottom of the list, although they are expected to grow strongly in the coming years, especially thanks to the Italian Recovery Fund. The "National Recovery and Resilience Plan," PNRR for short, is expected to give the sector a big boost with €15.6 billion expected to be allocated to the digitization of healthcare. Areas of application include telemedicine for territorial assistance, technological equipment of facilities and staff training in the digital sphere.

Italy Big Data Analytics (BDA) market 2015-2020 (USD)



Source: Statista, TP ICAP

In the medical sector in particular, the pandemic has dramatically accelerated the digital transformation with new solutions:

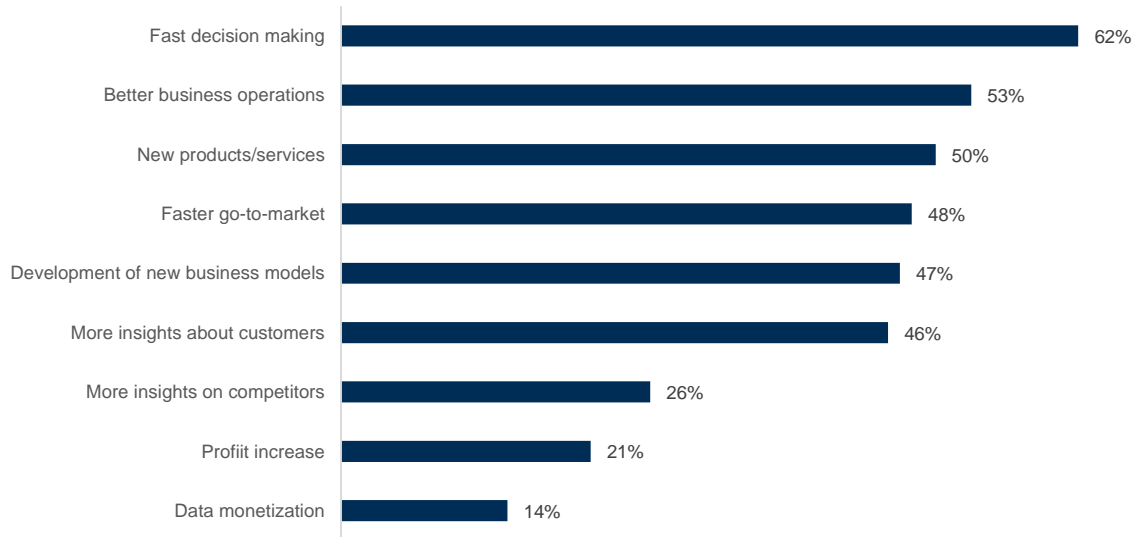
- ✓ Online Consultations
- ✓ Telemedicine
- ✓ Remote control
- ✓ Digitization of reservations, payments, and test results
- ✓ Analysis of medical prescriptions using NLP (Natural Language Processing) solutions

Digitization is generating a huge amount of data on diagnoses, treatments, care pathways and administrative processes: the big challenge is to extract value from this data to create new business models for healthcare facilities based on data-driven approaches to optimize processes, improve services, and reduce costs.

Against this backdrop, Statista surveyed dozens of managers to find out what the biggest benefits of adopting BIG DATA will be in making decision making more data driven. The responses show that managers expect faster decision-making (62%), better choices for the business (53%) and new product development (50%).

Statista survey on the benefits of a data-driven approach

In your opinion what are the main advantages of data driven decision making?



Source : Statista, TP ICAP

V. Competitive positioning

Maps Group aims to provide the market with specific software solutions capable of analysing data provided by customers or collected by the group itself, as well as related support services provided remotely in a cloud modality.

This value proposition differs from that of most competitors in that they typically provide only software or are consultants that integrate technology solutions for individual customer problems.

With this differentiation, Maps Group becomes a true partner to its customers, especially with its ongoing support service, as many customers do not have an internal R&D department. **Once in contact, Maps becomes a consultant and a complementary technology provider for its customers, which triggers a strong "up-selling" and "cross-selling" dynamic.**

Maps' customers can count on innovative technological tools that can be used immediately without having to wait for the development of an ad hoc project by a technology consultant.

Moreover, since the proprietary solutions developed by Maps are designed to adapt to an unlimited number of customers, they are easily scalable.

In addition, a customer who invests in a MAPS solution chooses a long-term relationship by becoming a loyal customer and bringing in recurring revenue. This combination of product scalability and customer loyalty results in above average margins.

Maps Group value proposition

Research & Solutions

Ascolto dei bisogni del mercato in termini di data analysis

- Progettazione e realizzazione di Soluzioni (sw + servizi)
- Marketing strategico su Soluzioni

Collaborazioni con Università

- Università di Genova Dipartimento di Ingegneria Informatica: Collaborazione su Predictive, Personalized, Preventive, e Participatory Health Management
- Università di Genova, Dipartimento di Ingegneria Elettrica: Collaborazione su Efficiency Energetica
- Università di Striglia, Dipartimento di Ingegneria Informatica: Collaborazione in ambito modelli operativi di Demand Response per l'Efficienza Energetica
- Università di Ferrara, Dipartimento di Economia: Zoom come strumento didattico contesto del Master PEDEFET
- IT University of Copenhagen e Dipartimento di Informatica dell'Università di Copenhagen: Collaborazione in ambito Business Process Mining e Continuous Improvement.
- Bologna Business School: Zoom come strumento didattico all'interno del Master in Public Management and Innovation
- Policenico di Milano: Ricerche congiunte sui bisogni in ambito sanitario
- Università di Parma, Dipartimento di Informatica e Dipartimento di Fisica: supporto alla formazione (tesi di laurea, internship)
- Università di Parma, Dipartimento di Economia - Area Marketing: supportare lo svolgimento dell'attività di ricerca e condivisione dei risultati



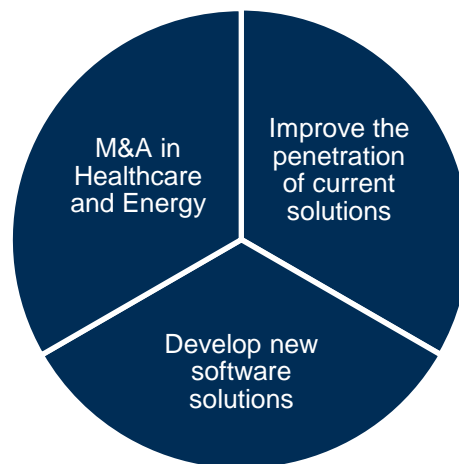
Source : Company

VI. Present and future strategy

MAPS Group's strategy is based on 3 fundamental pillars:

1. **Acquire companies in the health and energy sectors**
2. **Improve the market penetration of our current solutions**
 - a. Healthcare: take full advantage of increased sales opportunities from their offering lines. Cross-selling opportunities with the SCS and IASI offer lines.
 - b. Energy: strengthen the company's presence in the sector by taking advantage of the European directives for the Green transition and of the Next Generation EU plans.
 - c. Governance: Strengthen our offer in the ESG field, a theme that is becoming increasingly important.
3. **Develop new software solutions**
 - a. Invest in new solutions to help energy players develop new business models.
 - b. Developing new solutions in the health sector.
 - c. Study the market for new expansion segments to improve and adapt the group's current solutions.

Pillars of the Group's strategy



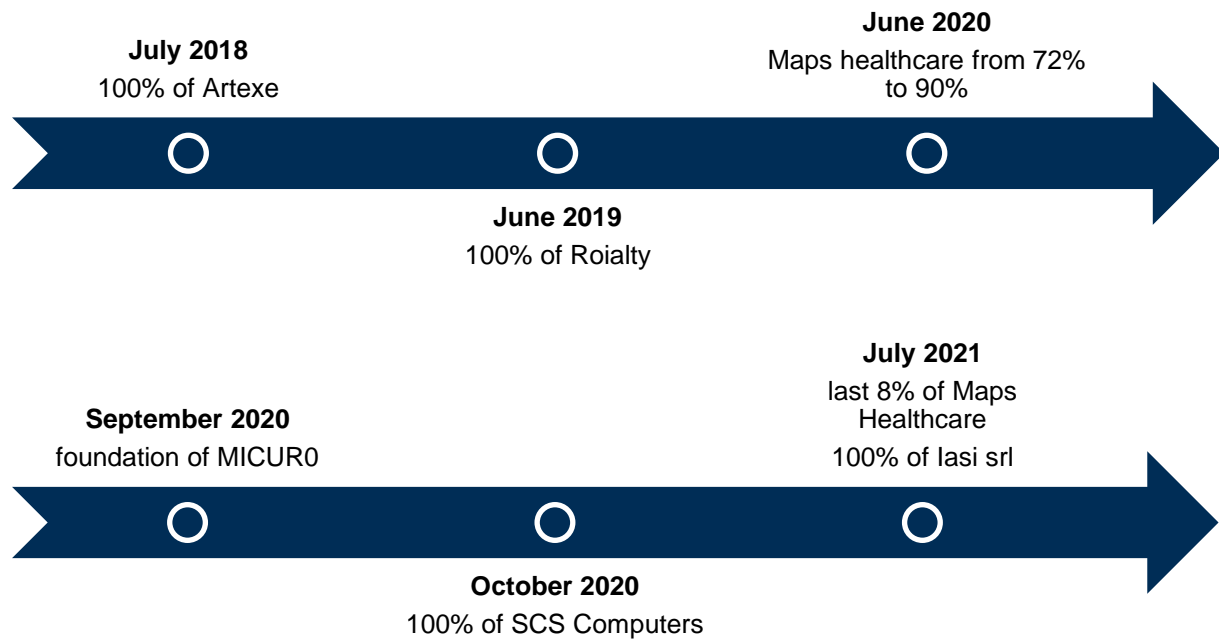
Source: Company, TP ICAP

MAPS Group has a strong track record in M&A, having completed several acquisitions over the past three years. Each completed acquisition has been integrated in an extremely efficient manner, enriching the richness of the group's solutions, and allowing entry into new markets/segments.

- ✓ **July 2018 → 100% of Artexe:** Expand portfolio of offerings with solutions in healthcare and the patient journey
- ✓ **June 2019 → 100% of Roialty:** acquiring competences in Customer Experience Management
- ✓ **June 2020 → increase in MAPS Healthcare shareholding from 70% to 92%:** Strengthen Maps' presence in the healthcare market
- ✓ **September 2020 → foundation of the start-up MICURO (70% participation):** Entering the insurtech for health field
- ✓ **October 2020 → 100% of SCS Computers:** Expand offering for the healthcare market with solutions in the clinical area.
- ✓ **July 2021 → acquisition of the remaining 8% of Maps Healthcare**
- ✓ **July 2021 → 100% of Iasi srl:** increase penetration in the public and private health sector and complete the offering in the "Clinical Information Systems" area.



Maps Group M&A operations



Source: Company, TP ICAP

Latest events

- ✓ **08/08/2021:** Artexe SPA, together with SCS Computers Srl and Exprivia Spa, have won the tender launched by the Azienda Ospedaliera Ospedali Riuniti Marche Nord for €399,000. The agreement has a duration of three years with the possibility of being renewed for another 24 months and foresees the design and implementation of an integrated digital system for the management of the patient's pathway and the associated technical assistance and "full risk" maintenance services.
- ✓ **10/08/2021:** MAPS, in collaboration with EcoMole s.r.o., TenWise B.V. and Charité Universitaetsmedizin Berlin, has won the tender issued by the European Food Safety Authority (EFSA) for the automation of the "Systematic Review" (SR) process of scientific readings using artificial intelligence (AI) techniques. The contract has a total value of €800,000 and a duration of four years.
EFSA, based in Parma, Italy, collects and analyses scientific data using the Systematic Review (SR) method to ensure that the risk assessment at EU level is based on scientific information of the highest completeness. SR is a very rigorous, costly, and resource-intensive process. The current methodology is approaching its physical limits, as it struggles to cope with the amount of scientific research available today and which is expected to increase significantly in the future.

VII. Financial analysis

a) The Healthcare Division drives growth

Over the past eight years (2013-2020), Maps has steadily increased its revenue through:

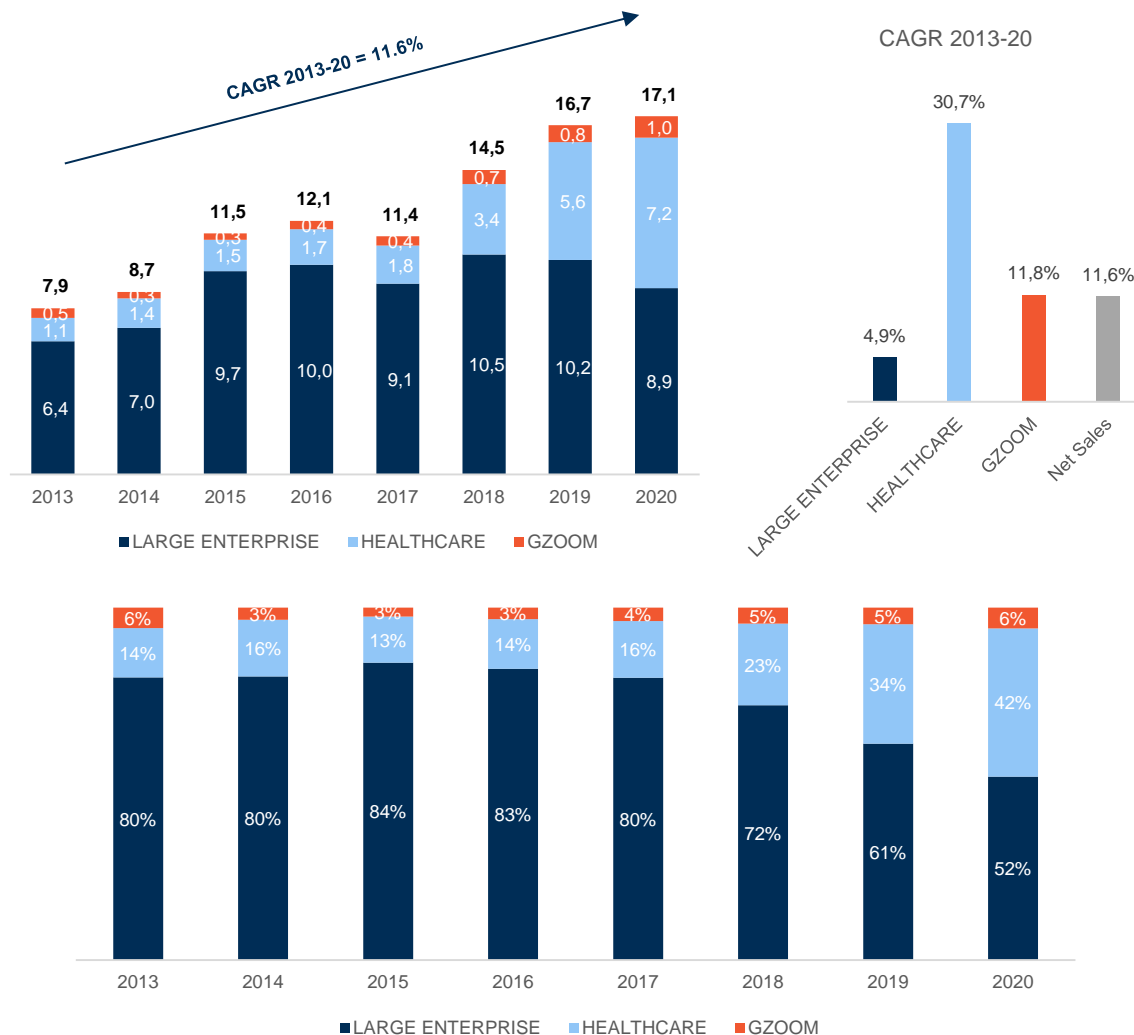
- ✓ Acquisition of new customers in all divisions
- ✓ Development of more and more proprietary solutions (starting from projects)
- ✓ Several strategic acquisitions such as Artexe in 2018, SCS computers in 2020, and IASI srl in 2021, which have greatly increased the "Healthcare" solution offering.

Maps core revenues grew from €7.9M in 2013 to €17.1M in 2020, with a CAGR of 11.6% over the period. The Healthcare division drove growth with a CAGR of 30.7% over the period, rising from €1.1M to an impressive €7.2M, with a strong acceleration in 2020 due to covid forcing a shift in the speed of digitization in healthcare facilities.

Gzoom solutions have also seen considerable growth, surpassing the €1M revenue mark last year, with a CAGR of 11.8% over the period.

It's easy to see how the impact of the "Large Enterprise" segment has gradually decreased from 80% in 2013 to 52% in 2020, and how the impact of "Healthcare" solutions has increased threefold, from 14% in 2013 to 42% in 2020.

Evolution of sales by business unit between 2013 and 2020 (31/12 in M€)



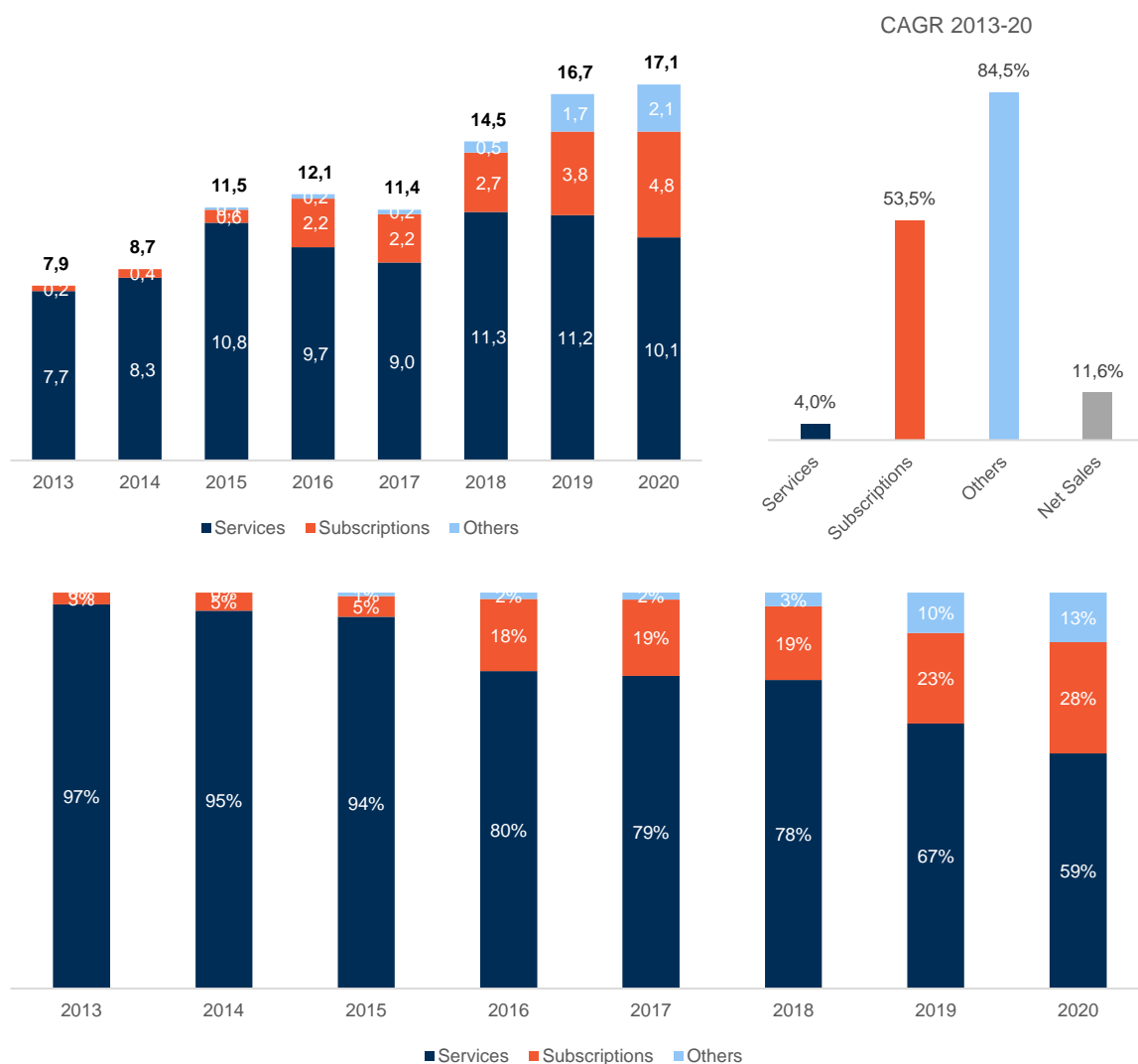
Source: Company, TP ICAP



The revenues of each MAPS business unit can be divided into 3 types:

1. **Services:** includes customer project development and implementation of Maps' proprietary solutions. Revenues in this segment grew strongly until 2018, then decreased slightly over the last 2 years. In 2020, they reached €10.1M.
2. **Subscriptions:** Over the years, Maps has successfully transformed individual projects into proprietary value-added solutions, sold as subscriptions to its customers, ensuring recurring revenues. This approach has yielded remarkable results, as the segment's revenues have grown exponentially from €0.2M in 2013 to €4.8M in 2020, with a CAGR of 57.5% over the period.
3. **Other:** includes both license and hardware revenues, such as kiosks for healthcare facilities. In 2020, revenue in this segment grew 26% year-over-year to €2.1M.

Evolution of core sales by product type between 2013 and 2020 (31/12 in M€)

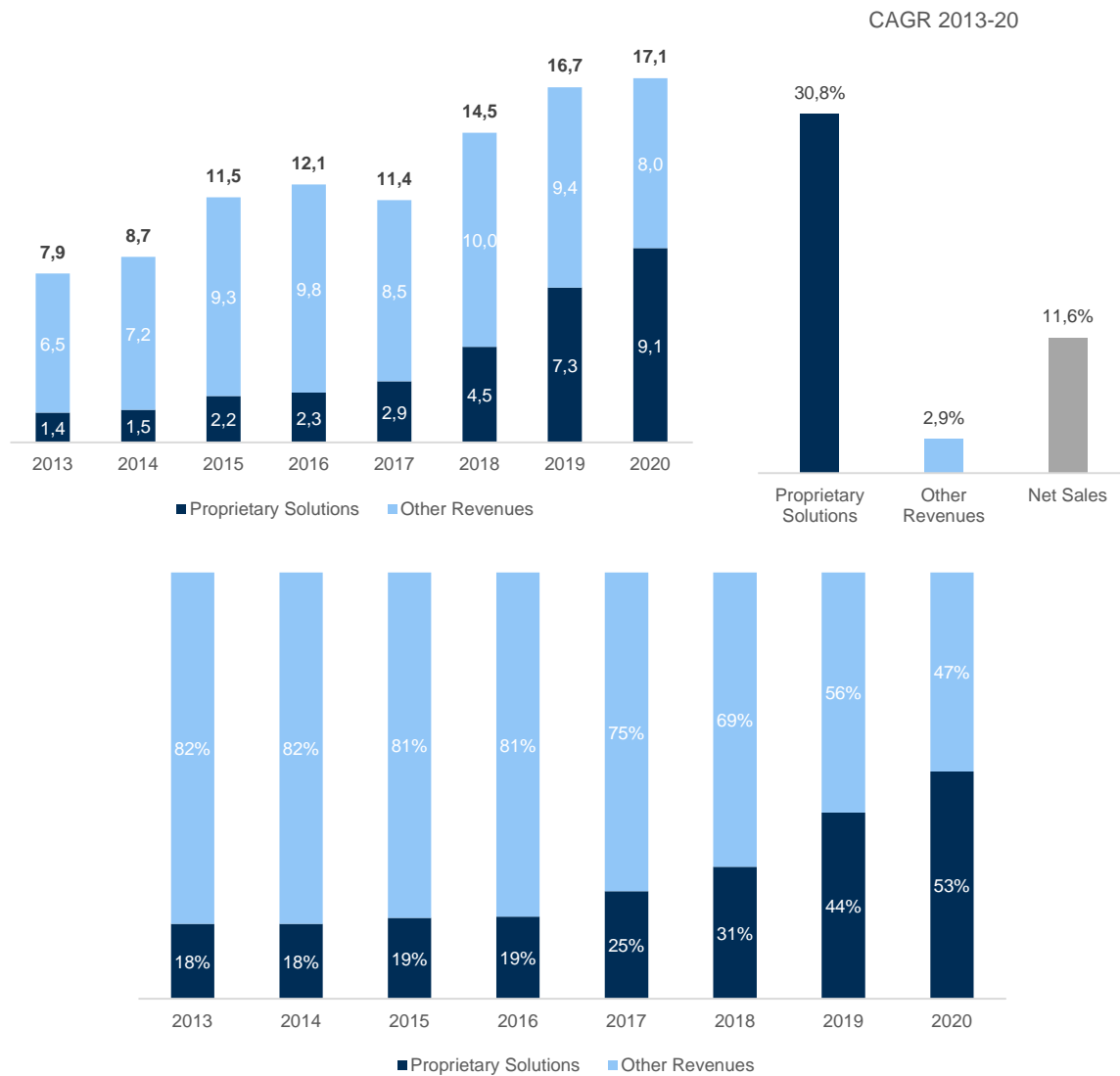


Source: Company, TP ICAP

Thanks to the growing expertise of Maps, acquired during the development of innovative projects for customers, the company's revenue was driven by the growth of Proprietary Solutions, which reached 53% of revenue in 2020, or €9.1 million, compared to 18% in 2013, or €1.4 million (CAGR over the period of 30.8%). Revenues from proprietary solutions are composed of subscriptions for the use of solutions developed by Maps and services to adapt and implement these solutions according to the needs of the specific customer.



Evolution of “Proprietary Solutions” core revenues between 2013 and 2020 (31/12 in M€)



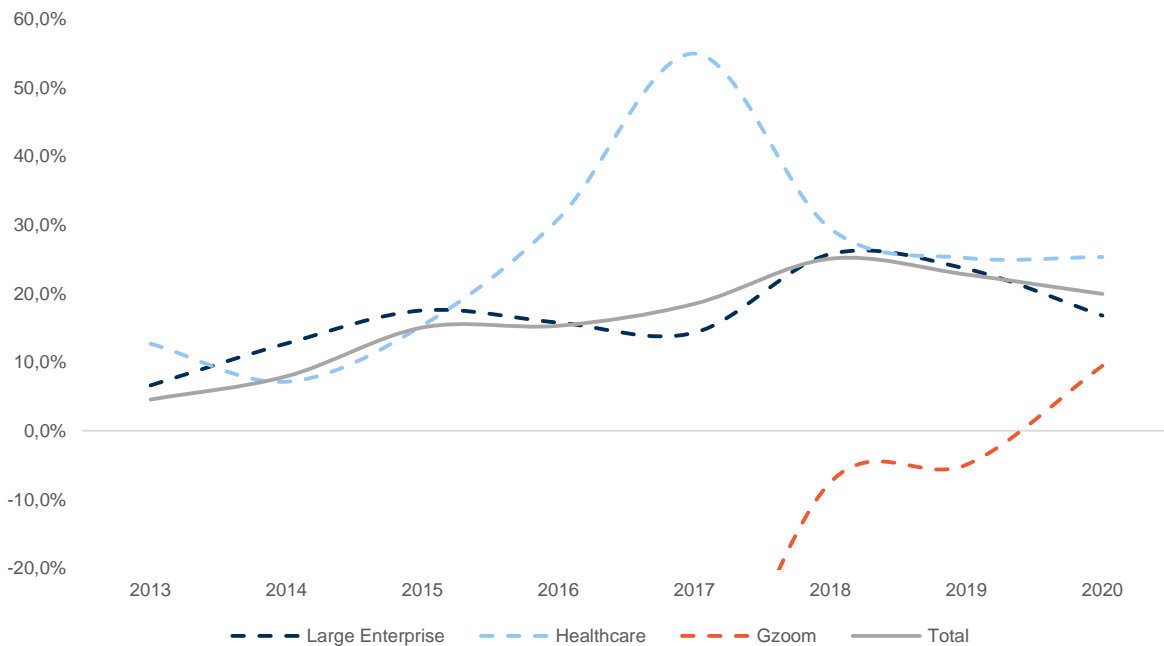
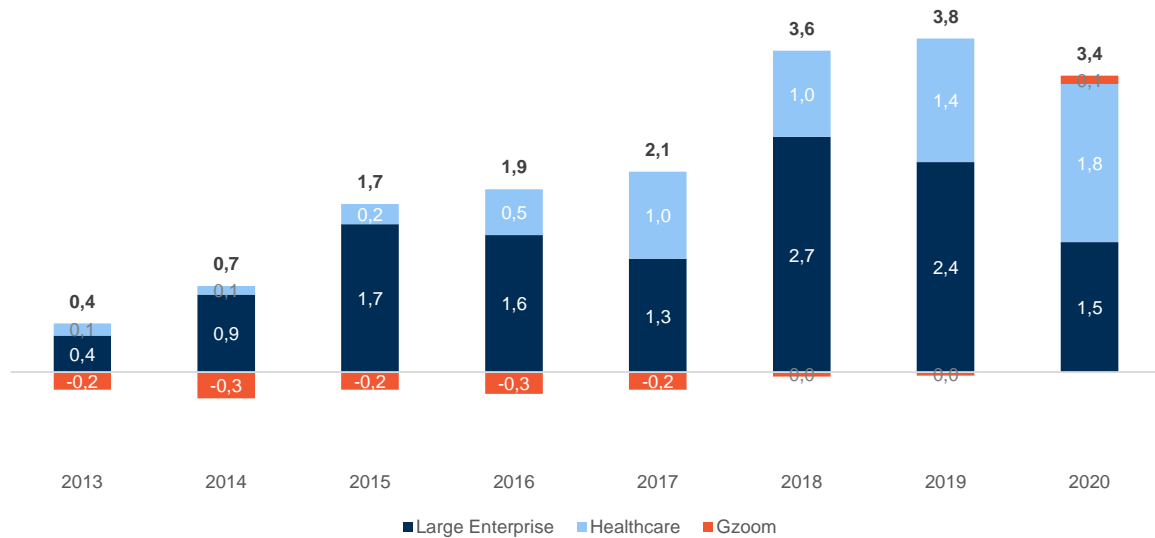
Source : Company, TP ICAP

b) Profitability analysis

While MAPS' EBITDA has been consistently positive since 2013, 2018 was a key year as we saw a jump in margin from 13.4% in 2017 to 22.7%, thanks to strong commercial investments in new customer acquisition and breaking even on Gzoom's EBITDA.

Between 2013 and 2020, EBITDA jumped from €0.4M to €3.4M, peaking at €3.8M in 2019, with a CAGR over the period of 37,8%, much higher than revenue growth. This performance is due to the strong development of proprietary solutions that provide recurring revenues and significant economies of scale. In addition, it should be noted that in 2020, 53.4% of EBITDA came from "Healthcare" solutions, while in 2018, 74.2% came from the "Large Enterprise" division.

Evolution of EBITDA by division between 2013 and 2020 (31/12 in M€)



Source : Company, TP ICAP

1. **Large Enterprise:** EBITDA of €1.5M in 2020, with a CAGR of 19.8% since 2013. In this division, the contribution margin is particularly affected by the cost of direct



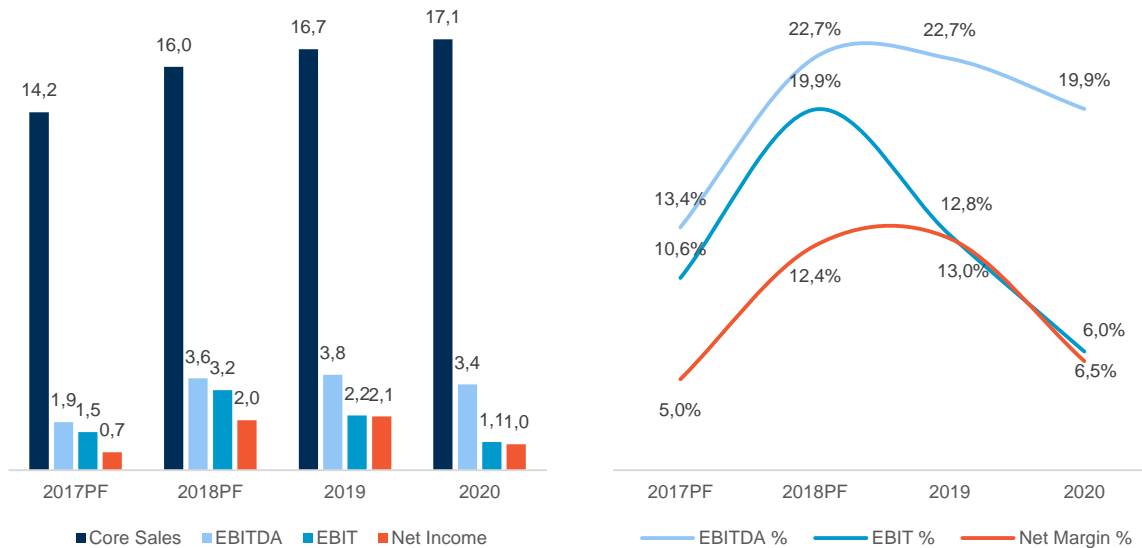
personnel, due to the complexity and considerable size of the projects requested by clients. Conversely, the division's commercial costs have a smaller percentage impact on revenue as the company prioritizes the future development of the Healthcare and Gzoom divisions.

2. **Healthcare** EBITDA of €1.8M in 2020, with a CAGR of 44.2% since 2013. This division has a lower COGS than the first one, but higher commercial and R&D costs.
3. **Gzoom:** In 2020, it achieved an EBITDA of € 0.1M. This division has a COGS impact somewhere between "Large Enterprise" and "Healthcare" and reaches the highest impact in terms of commercial costs due to a rather long and complex sales cycle.

In 2020, EBIT was EUR 0.8M, down from EUR 1.9M in 2019, due to significantly higher depreciation and amortisation caused by increased investments in intangible assets.

As a result, net profit was €1m, down from €2m in the previous year.

Evolution of EBITDA, EBIT and Net Income between 2017 and 2020

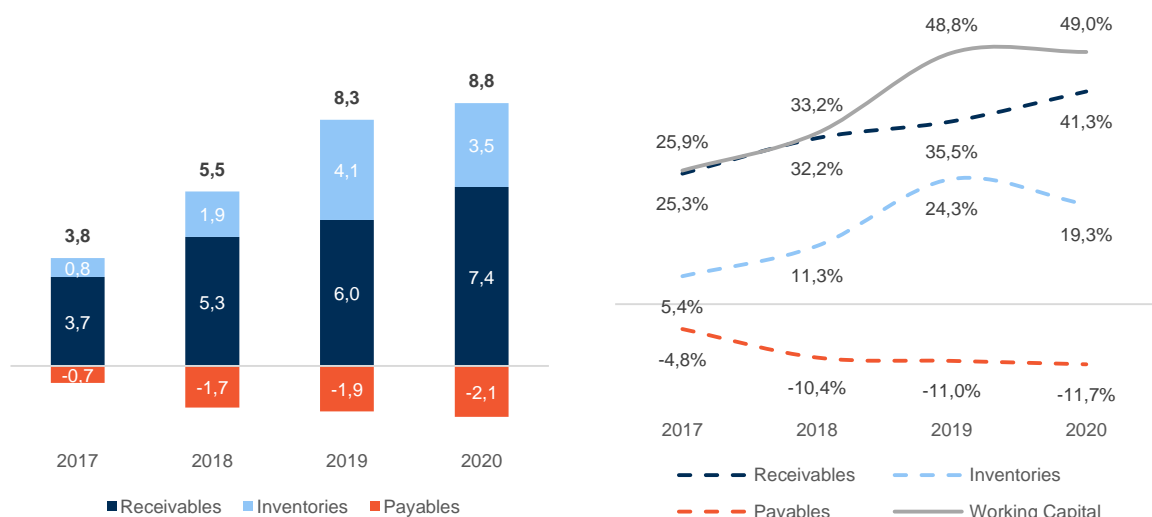


Source : Company, TP ICAP

c) Strong Balance Sheet

Maps' working capital increased from €3.8M in 2017 to €8.8M in 2020, or from 25.9% of sales to 49%.

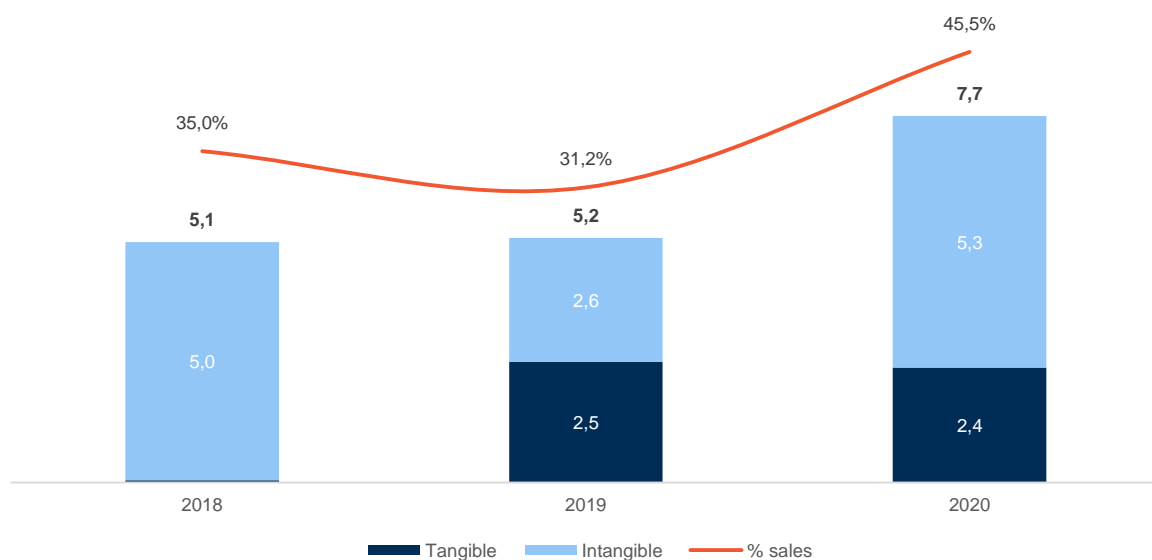
Evolution of Working Capital between 2017 and 2020



Source: Company, TP ICAP

Maps' policy on capitalization of research and development activities is rather conservative and provides that only expenses related to the development of "proprietary solutions" are capitalized. Maps' investments are focused on intangible assets, i.e. research and development of innovative proprietary solutions.

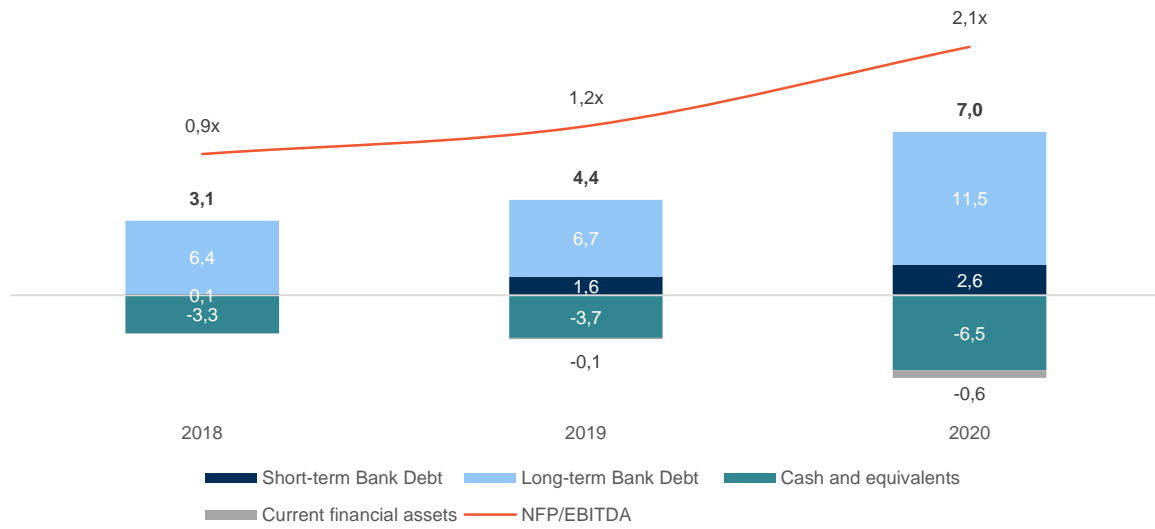
Evolution of Capex between 2018 and 2020 (in M€)



Source: Company, TP ICAP

Strong investments in research and development and acquisitions have increased MAPS' debt, with a net financial position of €7 million in 2020, or 2.3x EBITDA. However, this value is contained and preserves the financial strength of the group.

Net Financial Position evolution between 2018 and 2020 (in M€)



Source : Company, TP ICAP

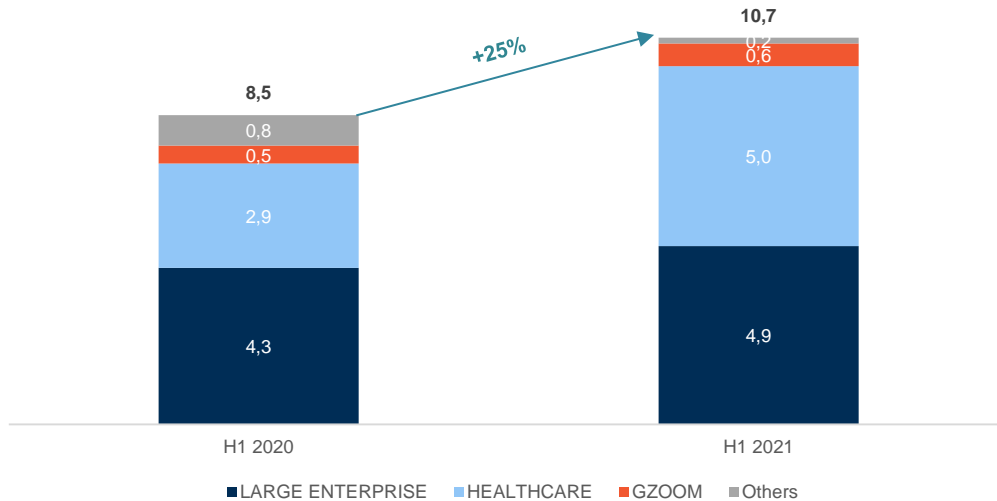
d) H1 2021 : constant growth

Maps' growth did not stop in 2021 either, despite the continuing pandemic.

In H1 2021, the company saw its turnover increase by 25% to €10.7M (compared to €8.5M in H1 2020).

All three business units experienced strong growth. Growth was notably driven by healthcare solutions, which jumped from €2.9M in H1 2020 to €5M in H1 2021 (+72.2% y-o-y), thanks to the digitization of healthcare facilities imposed by the Covid-19 pandemic.

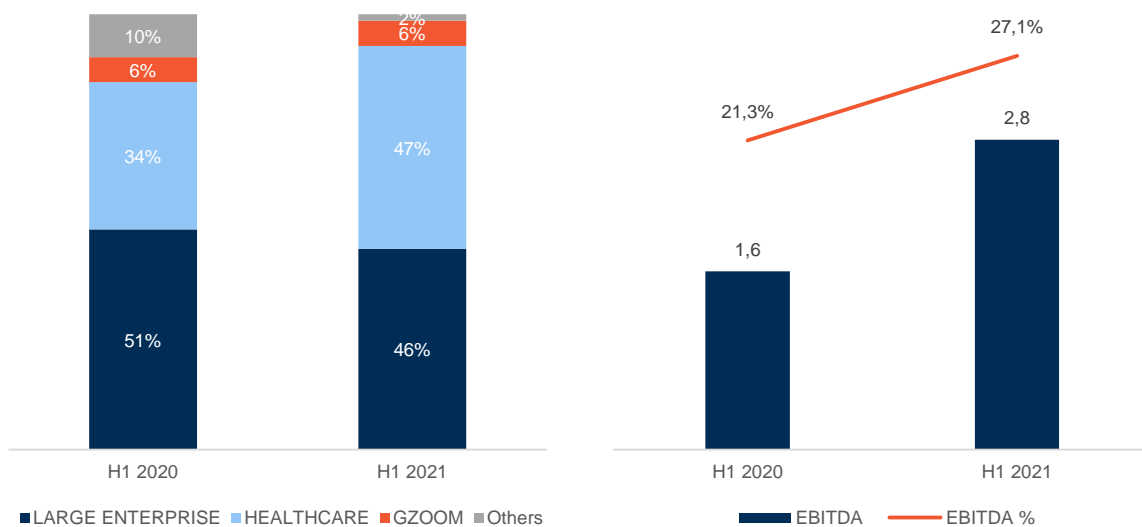
Sales growth between H1 2020 and H1 2021 (in M€)



Source: Company, TP ICAP

Strong revenue growth in the proprietary solutions-based Healthcare division, which surpassed the Large Enterprise division as a percentage of revenue in the first half of 2021, significantly boosted margin growth. EBITDA for the half year increased from €1.6M to €2.8M (+74% year-on-year) and margins increased from 21.3% to 27.1%.

Healthcare growth and EBITDA growth between H1 2020 and H1 2021 (in M€)



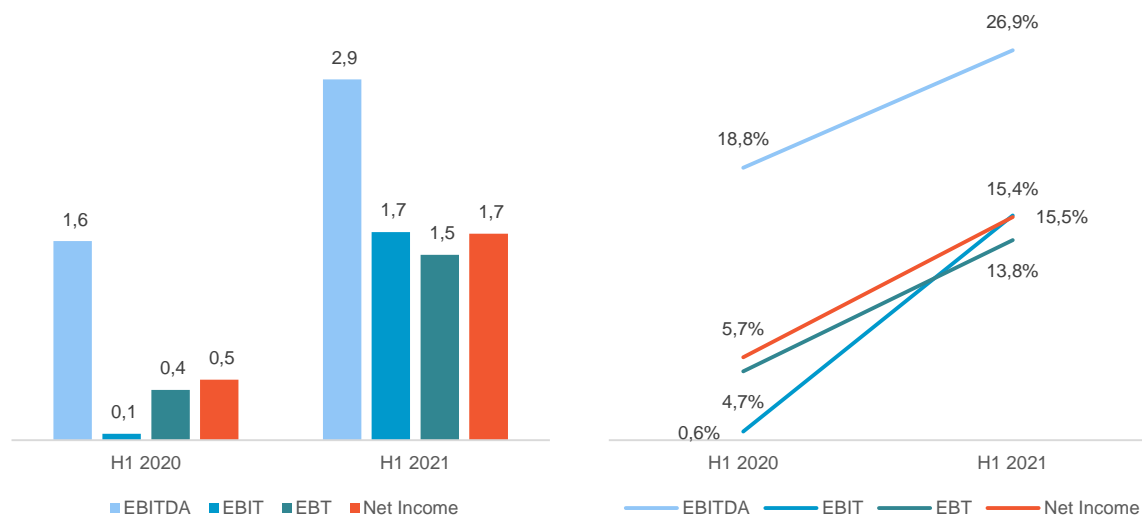
Source: Company, TP ICAP

Significantly higher EBITDA and lower D&A costs made EBIT jump from 0.51k€ to 1.7M€ or a margin of 15.7%. Moreover, the income statement was positively impacted by a one-off tax benefit coming



from the re-evaluation one asset accounting for roughly 400k€ offsetting current taxes of -230k€. Therefore, EBT was 1.49M€ and Net Income 1.66M€ (vs only 0.48M€ in H1 2020).

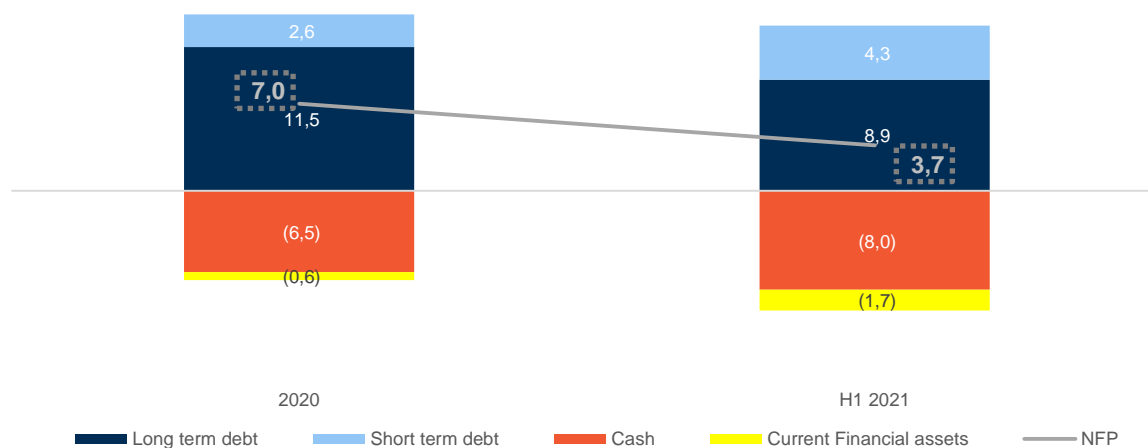
EBITDA, EBIT, EBT and Net Income growth between H1 2020 and H1 2021 (in M€)



Source: Company

At the end of the first half of 2021, thanks to the strong increase in EBITDA, improved working capital management, capital expenditures of only €2.2M (vs 2.9M€ in 2020) and the warrant conversion in June, the group produced a significant cash flow that lowered net debt from €7M at the end of 2020 to €3.7M at the end of the semester (-€3.3M).

Net financial position between H1 2020 and H1 2021 (in M€)



Source: Company

VIII. Estimates: 17.4% CAGR in Core Revenues

Our estimates are based on the operating and market dynamics detailed in the previous sections.

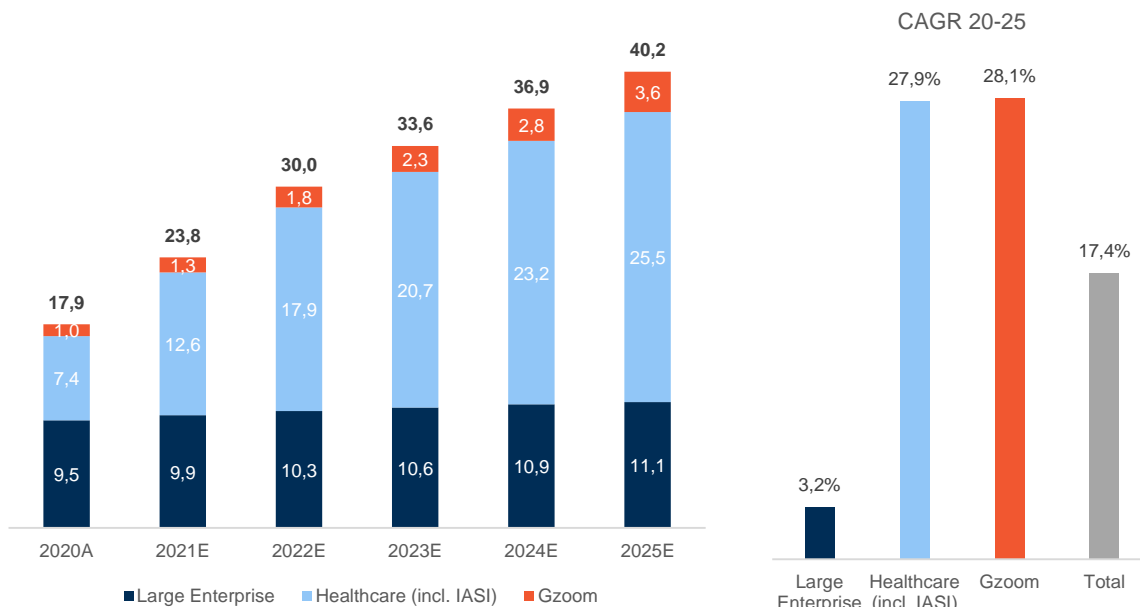
The value of production is expected to increase with a CAGR of 17.4% between 2020 and 2025 to reach €40.0M.

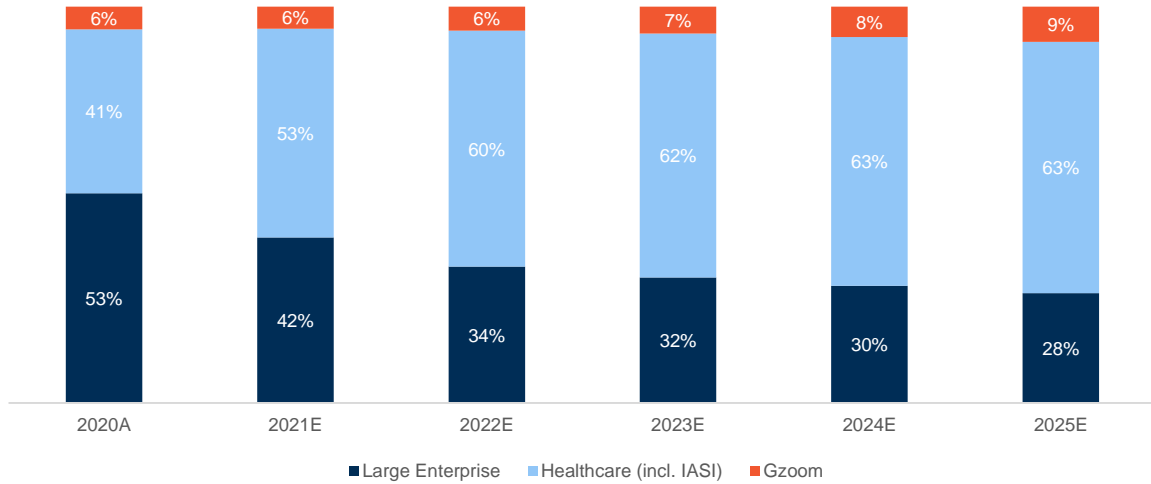
The strong revenue growth will be mainly driven by the proprietary solutions of the Healthcare business unit, also considering the forced digitization triggered by the pandemic and the public and private investments that will be made in the framework of the NRP. In this context, we would like to remind you that the Italian PNRR foresees €4.05bn for the technological and digital modernization of hospitals and €1.67bn for the reinforcement of the technological infrastructure and tools for data collection, processing, and analysis. Thanks to the complementarity of Maps' solutions with those of IASI, a company acquired in July 2021, we expect the Healthcare division to grow at a CAGR of 28.1% between 2020 and 2025 to reach €25.5M or 64% of total revenues.

Although Gzoom solutions only brought in €1M in revenues in 2020, they have a very attractive profile for public administrations and MAPS is investing significantly not only in their technology development but especially in their business development. Therefore, we estimate that over the next 5 years, the Gzoom division will grow with a CAGR of 28.1% to reach €3.6 million in 2025, or 9% of total revenues.

We estimate that the Large Enterprise division, historically linked to large projects, will experience CAGR growth of 3.2% to reach €11.1 million in 2025. This growth will be characterized by a combination of a decline in project-related revenues, but strong growth in "Energy" solutions, which have not yet been spun off as they are still too small but extremely promising (we estimate around €0.4M in 2021).

Estimated sales between 2020 and 2025 (in M€)





Source: Company, TP ICAP

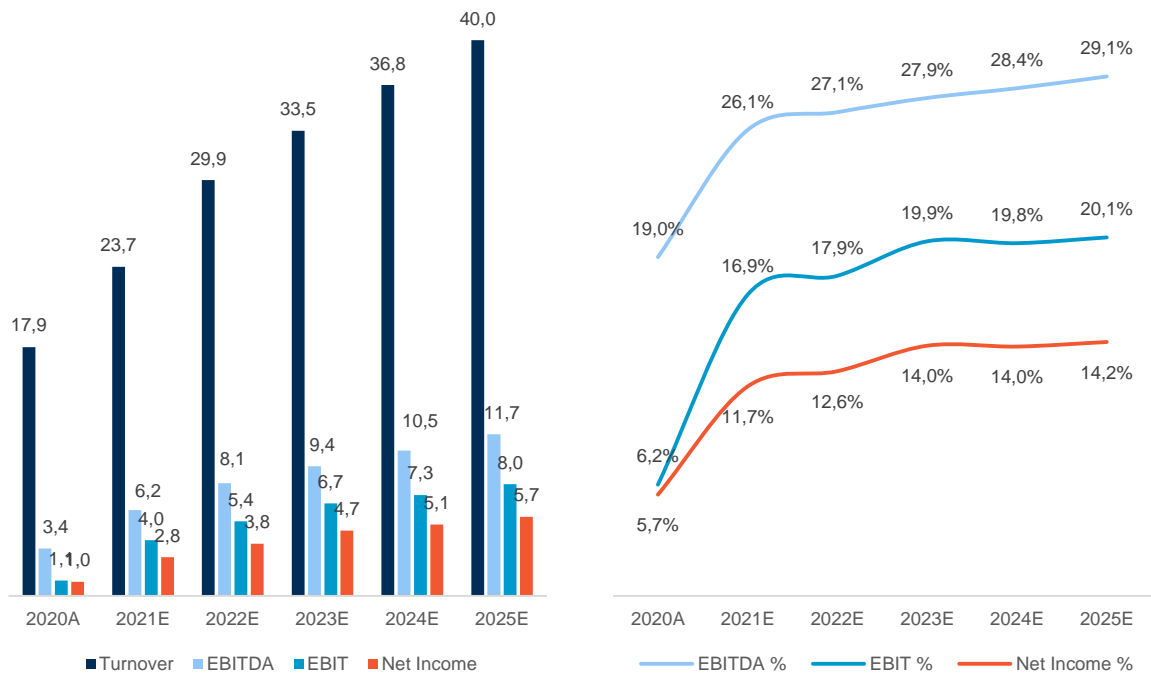
EBITDA growth is expected to be stronger than revenue growth, with a CAGR of 27.9% between 2020 and 2025 to reach €11.7M at the end of the estimated period.

This will be possible thanks to the increase in proprietary solutions and in particular healthcare solutions which bring not only recurring revenues but also extremely strong margins. In practice, we estimate an EBITDA margin increasing from 19% in 2020 to 29.1% in 2025, bearing in mind that in the first half of 2021, the company posted an EBITDA margin of 26.9%.

EBIT will increase significantly more than EBITDA due to a lower depreciation rate.

Finally, net profit is expected to grow substantially with a CAGR over the next 5 years of 40.9% to reach €5.7M in 2025.

Estimates of EBITDA, EBIT and Net Income between 2020 and 2025

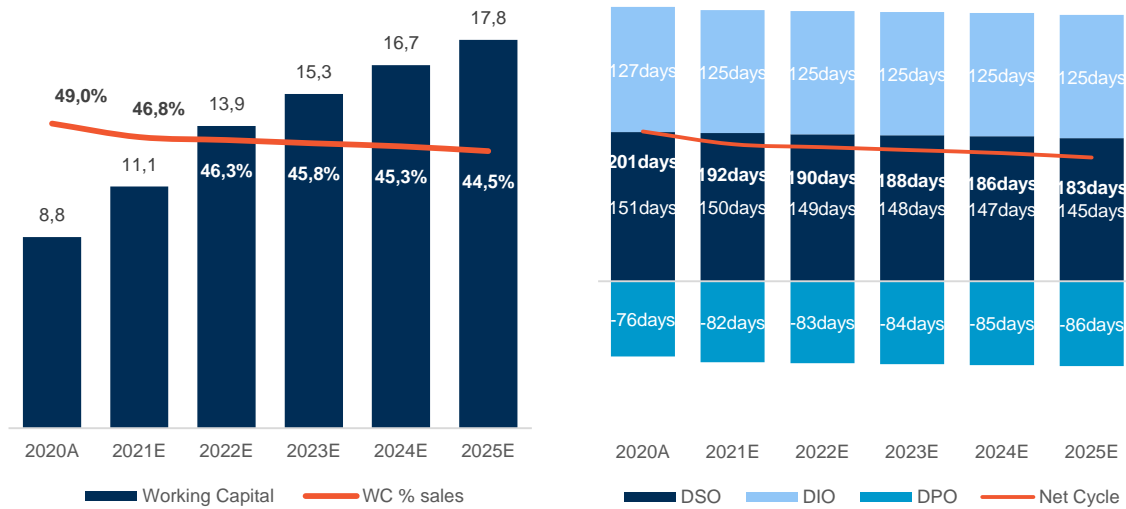


Source : Company, TP ICAP



In terms of working capital, we expect Maps to continue its usual rigorous approach, continuing to improve its working capital slightly from 49% of sales in 2020 to 44.5% in 2025.

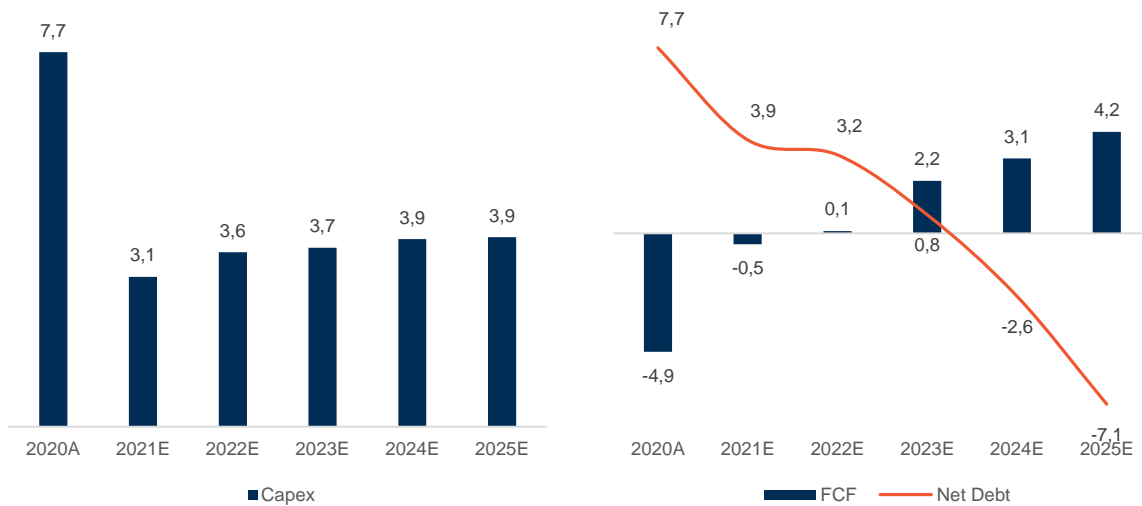
Estimates of working capital items between 2020 and 2025



Source: Company, TP ICAP

The improvement in margins, combined with rigorous management of working capital, should make it possible to generate a significant increase in cash flow in order to achieve a virtually neutral net financial position at the end of 2023.

Estimates of FCF and net debt between 2020 and 2025



Source : Company, TP ICAP

IX. Valuation

Methods used for the evaluation

To determine the intrinsic value of MAPS, we used the discounted free-cash-flow method (50%), the Italian comparables (25%) and the healthcare sector comparables (25% discount). The methodology of the listed comparables is explained for the completeness of the analysis.

Our valuation does not consider any M&A transactions that would have a positive impact on the group's growth and valuation.

DCF discounting methods (50%)

For this approach, we make the following assumptions:

Normative flows

- A normative EBITDA margin rate of 29.5% by 2030E
- Capital expenditures (Capex) stable at 8,0% of revenue.
- Working Capital stable at 36,0% of revenue
- Corporate Tax modelling in line with the Italian tax rate of 27.9%

Discount rate

- A risk-free rate of 0.74% (10-year Italian BTP)
- An equity risk premium of 8.0%
- A country, size, and liquidity premium of 6.5%
- A bet re-levered of 0,8x integrating a 66.2% equity and 33.8% debt financing.
- A long-term growth rate of 3.0%
- A WACC at 9,0%

DCF discounting method: Cash flow statement

DCF Valuation - FCFF <i>(All figures in M EUR millions)</i>	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Sales	23.7	29.9	33.5	36.8	40.0	43.1	45.9	48.3	50.3	51.8
% YoY	32.3%	26.3%	11.9%	9.8%	8.6%	7.6%	6.5%	5.3%	4.2%	3.0%
EBITDA	6.2	8.1	9.4	10.5	11.7	12.6	13.5	14.3	14.9	15.5
% margin	26.1%	27.1%	27.9%	28.4%	29.1%	29.2%	29.4%	29.5%	29.7%	29.8%
Depreciation & Amortization	2.2	2.7	2.7	3.2	3.6	3.8	4.0	4.1	4.1	4.1
% of Sales	9.2%	9.2%	8.0%	8.7%	9.0%	8.8%	8.6%	8.4%	8.2%	8.0%
EBIT	4.0	5.4	6.7	7.3	8.0	8.8	9.5	10.2	10.8	11.3
EBIT Margin	16.9%	17.9%	19.9%	19.8%	20.1%	20.4%	20.8%	21.1%	21.5%	21.8%
Marginal tax rate	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
NOPAT	2.9	3.9	4.8	5.2	5.8	6.3	6.9	7.4	7.8	8.1
Add: Depreciation & Amortization + NCC	2.2	2.7	2.7	3.2	3.6	3.8	4.0	4.1	4.1	4.1
Less: Capital Expenditures	3.1	3.6	3.7	3.9	3.9	4.1	4.2	4.2	4.2	4.1
% of Sales	13.0%	12.0%	11.0%	10.5%	9.8%	9.4%	9.1%	8.7%	8.4%	8.0%
NWC	9.1	11.3	12.5	13.5	14.4	15.5	16.5	17.4	18.1	18.7
% of Sales	38.3%	37.8%	37.3%	36.8%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%
Less : Increase (decrease) in NWC	2.4	2.2	1.2	1.0	0.9	1.1	1.0	0.9	0.7	0.5
% of Sales	10.2%	7.5%	3.5%	2.8%	2.2%	2.5%	2.2%	1.8%	1.4%	1.0%
Unlevered Free Cash Flow	-0.4	0.8	2.6	3.5	4.6	5.0	5.7	6.3	7.0	7.6
WACC	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Discount Period	0.3	1.3	2.3	3.3	4.3	5.3	6.3	7.3	8.3	9.3
Discount Factor	98%	90%	82%	75%	69%	63%	58%	53%	49%	45%
Present Value of Free Cash Flow	-0.4	0.7	2.2	2.7	3.2	3.2	3.3	3.4	3.4	3.4

Source: Company, TP ICAP

Summary of the valuation

Terminal Value Calculation:		WACC CALCULATION	
Perpetuity Growth Rate	3.0%	Risk free rate (10 YR BTP)	0.74%
Terminal Year Free Cash Flow	7.6	Country premium	
Terminal Value	129.8	Size premium	6.5%
TV as a % of EV	70%	Beta	0.80
		Equity premium	8.0%
Terminal EBIT Multiple	11.5 x	Cost of equity	13.7%
Terminal FCF Multiple	17.1 x	Interest rate	0.0%
		Tax rate	27.9%
Discount Factor	45%	Cost of debt (after tax)	0.0%
NPV of Terminal Value	58.2	% equity	66.2%
		% debt	33.8%
		Indirect Method WACC	9.0%
Cumulative NPV of Free Cash Flow	24.9		
NPV of Terminal Value	58.2		
Enterprise Value	83.1		
Less : Bridge	7.9		
Equity Value	75.2		
Shares Outstanding	12.7		
Price Per Share	5.9		
Potential upside	56%		

Source: Company, TP ICAP

Sensitivity analysis

EV	WACC					Equity	WACC					
	8.0%	8.5%	9.0%	9.5%	10.0%		8.0%	8.5%	9.0%	9.5%	10.0%	
TGR	2.0%	89.1	81.1	74.4	68.5	63.4	2.0%	81.2	73.3	66.5	60.6	55.5
	2.5%	95.1	86.0	78.4	71.9	66.2	2.5%	87.2	78.2	70.5	64.0	58.3
	3.0%	102.3	91.8	83.1	75.7	69.5	3.0%	94.4	83.9	75.2	67.9	61.6
	3.5%	111.1	98.7	88.7	80.3	73.2	3.5%	103.2	90.8	80.8	72.4	65.3
	4.0%	122.0	107.2	95.3	85.6	77.6	4.0%	114.1	99.3	87.4	77.8	69.7

Source: Company, TP ICAP

According to our DCF valuation method, the intrinsic value of the MAPS business is €83.1M and by subtracting the current net debt of €7.9M we have estimated an equity value of €75.2M or a value per share of €5.9.

Comparable methods

While we recognize that no publicly traded company is fully comparable to MAPS in terms of business model and industries served, we offer a set of partially comparable companies for better understanding.

Description of comparable companies in the healthcare sector



Allscripts Healthcare Solutions, Inc. provides clinical, financial, and operational outcomes services. It operates through its Provider and Veradigm segments. The Provider segment includes hospitals and health systems, ambulatory care, CarePort, FollowMyHealth, EPSiTM, EISClassics, and 2bPrecise strategic business units. The company's solutions include all EMR, all population health management, patient engagement, precision medicine. The company was founded in 1986 and is headquartered in Chicago, IL.



Craneware Plc is committed to providing software and support services to the healthcare industry. Its services and solutions include patient engagement, charge capture and assessment, claims analysis, revenue collection and retention, and cost analysis. The company was founded by William Gordon Craig and Keith Neilson in May 1999 and is based in Edinburgh, UK.



CompuGroup Medical SE is committed to providing eHealth solutions. Its software products are designed to support all medical and organizational activities in medical practices, pharmacies, laboratories and hospitals. The company was founded by Frank Gotthardt in 1987 and is based in Koblenz, Germany.



GPI SpA provides information technology management and consulting services focused on the health and social care sectors. The company's solution areas include information systems, healthcare services, pharmaceutical logistics, electronic payment solutions, infrastructure. It also focuses on the development and operation of healthcare call and contact centers, pharmaceutical supplies, home automation and home care solutions. The company was founded by Fausto Manzana in 1988 and is based in Trento, Italy.



NextGen Healthcare, Inc. engages in the development and marketing of electronic medical records, practice management, revenue cycle management and interoperability solutions. The company was founded by Sheldon Razin in 1974 and is headquartered in Atlanta, GA.



Pharmagest Interactive SA is active in the development of management software packages for pharmacies. Its services include employee training, software support and technical assistance, hardware supply and technical consulting services. The company was founded by Thierry Ponnelle, Thierry Chapusot and Vincent Ponnelle on January 25, 1996 and is based in Villers-les-Nancy, France.

Source : Company, Factset, TP ICAP

Compared to the median of its peers, MAPS has a better expected EBITDA margin (+20% on average over 3 years) and especially a much higher estimated EBIT margin (+50% on average over 3 years) thanks to its asset-light business model. In addition, the company has higher estimated growth rates in terms of sales, EBITDA and net income.

Revenue Growth 2020-23E and Peer Multiples

Company Name	Ticker	Country	Market Value (M€)		EV/Sales			EV/EBITDA			EV/EBIT			P/E		
			Equity	EV	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Allscripts Healthcare Solutions, Inc.	MDRXUS	United States	1,473	1,837	1.6 x	1.5 x	1.5 x	8.7 x	8.3 x	7.9 x	17.4 x	15.1 x	14.1 x	16.9 x	15.8 x	15.6 x
CraneWare plc	CRW-GB	United Kingdom	940	668	4.0 x	3.7 x	3.1 x	13.5 x	12.4 x	10.4 x	16.2 x	14.6 x	13.5 x	40.0 x	37.1 x	35.2 x
CompuGroup Medical SE & Co. KGaA	COP-DE	Germany	4,140	4,829	4.6 x	4.4 x	4.2 x	21.3 x	19.1 x	17.4 x	33.2 x	28.5 x	25.1 x	39.7 x	34.2 x	30.2 x
GPI SpA	GPHIT	Italy	225	345	1.1 x	1.1 x	1.0 x	7.4 x	6.8 x	6.6 x	14.2 x	13.0 x	12.3 x	15.4 x	13.9 x	13.1 x
NextGen Healthcare, Inc.	NXGN-US	United States	852	821	1.6 x	1.6 x	1.5 x	9.1 x	8.9 x	8.8 x	51.7 x	25.3 x	18.1 x	16.0 x	14.8 x	13.6 x
Pharmagest Interactive SA	PHA-FR	France	1,464	1,462										38.1 x	34.7 x	29.7 x
			Mean	2.6x	2.5x	2.3x	12.0x	11.1x	10.2x	26.5x	19.3x	16.6x	27.9x	25.1x	22.9x	
			Median	1.6x	1.6x	1.5x	9.1x	8.9x	8.8x	17.4x	15.1x	14.1x	28.0x	25.0x	22.6x	
			Harmonic Mean	1.9x	1.8x	1.8x	10.4x	9.8x	9.2x	20.9x	17.5x	15.6x	22.9x	20.9x	19.4x	
Maps S.p.A. vs. Peers Average	MAPS-IT	Italy												16.5 x	14.6 x	9.3 x
														-41%	-42%	-60%

Source: Companies, TP ICAP, FactSet

Valuation by comparables

EV/Sales	2021	2022	2023	EV/EBITDA	2021	2022	2023
Figure	23.7	29.9	33.5	Figure	6.2	8.1	9.3
Multiple	2.6x	2.5x	2.3x	Multiple	15.1x	12.9x	12.1x
Multiple at -30% discount	1.8x	1.7x	1.6x	Multiple at -25% discount	11.3x	9.6x	9.1x
Enterprise Value	43.0	51.5	53.2	Enterprise Value	70.8	77.7	84.4
Bridge 2021E	7.9	7.9	7.9	Bridge 2021E	7.9	7.9	7.9
Equity	35.1	43.6	45.3	Equity	62.9	69.8	76.5
Diluted number of shares	12.7	12.7	12.7	Diluted number of shares	15.0	15.0	15.0
Price/Share	2.8	3.4	3.6	Price/Share	4.2	4.6	5.1
Average		3.3		Average		4.6	
% upside (downside)		-14%		% upside (downside)		29%	
EV/EBIT	2021	2022	2023	P/E	2021	2022	2023
Figure	4.0	5.4	6.7	Figure	2.8	3.7	4.7
Multiple	26.5x	19.3x	16.6x	Multiple	29.7x	26.4x	23.9x
Multiple at -30% discount	18.6x	13.5x	11.6x	Multiple at -25% discount	22.3x	19.8x	17.9x
Enterprise Value	74.3	72.5	77.5	Enterprise Value	62.7	73.8	83.4
Bridge 2021E	7.9	7.9	7.9	Bridge 2021E	7.9	7.9	7.9
Equity	66.4	64.7	69.6	Equity	62.7	73.8	83.4
Diluted number of shares	12.7	12.7	12.7	Diluted number of shares	15.0	15.0	15.0
Price/Share	5.2	5.1	5.5	Price/Share	4.2	4.9	5.6
Average		5.3		Average		4.9	
% upside (downside)		39%		% upside (downside)		36%	

Relative Valuation	Price/Share	weight
EV/Sales	€ 3.3	25%
EV/EBITDA	€ 4.2	25%
EV/EBIT	€ 5.3	25%
P/E	€ 5.2	25%
Relative Valuation	€ 4.5	VRAI

Source: Companies, TP ICAP, FactSet

Applying a conservative 30% discount to peer multiples, due to Maps' smaller size, we obtained a relative valuation of €4.5.

Description of Italian Comparable Companies



Almawave SpA develops software technologies for artificial intelligence, natural language analysis and big data management. The company owns and distributes patented technologies that provide solutions for text and speech analysis, knowledge management, multi-channel contact management and virtual agent, and customer experience management under the Iride and Audioma platform brands. Its software products also enable automatic speech recognition under its Audioma, FlyScribe and Verbamatic brands.



Alkemy SpA provides marketing and IT consulting services. Its Digital Enabler model provides business-to-business digital services and is a benchmark in terms of competencies, performance, completeness of offer and size. The company was founded on January 26, 2007 and is based in Milan, Italy.



Expert.ai SpA is committed to the development of semantic technology. It provides solutions for online activities such as search and discovery, tagging and categorization, intelligence, natural language understanding and advertising. The company was founded by Stefano Spaggiari, Marco Varone and Paolo Lombardi in 1989 and is based in Modena, Italy.



Exprivia SpA is engaged in the provision of process consulting, technology services and IT solutions. It operates in the information technology (IT) and telecommunications (TLC) sectors. The IT segment includes software, IT solutions and services. The TLC segment focuses on the design, development and installation of solutions for integrated network systems and services. The company was founded in 1983 and is headquartered in Molfetta, Italy.



Neosperience SpA develops and operates a software platform for digital experience. It is a digital customer experience cloud that enables organizations to understand, engage and delight digital customers. The company provides customer-focused, commercial and conversational applications to enhance brand and product experiences. The company was founded by Dario Patrizio Melpignano and Luigi Linotto in 2006 and is headquartered in Milan, Italy.



Relatech SpA is a digital solutions provider. The company offers services/solutions on cloud-based RePlatform in the areas of cloud (hybrid, public and private), AI, Blockchain, IoT, cybersecurity, virtual and augmented reality. The company was founded by Pasquale Lambardi in 2001 and is based in Milan, Italy.



Reply SpA deals with the conception, design and development of solutions based on new communication channels and digital media. It supports major European industrial groups in the definition and development of new business models using the paradigms of big data, cloud computing, customer relationship management, mobile, social media and the Internet of Things. The company also offers consulting, systems integration, application management and business process outsourcing services.



Sourcesense SpA provides IT services for the digital transformation of businesses. It specializes in open source software development, cloud infrastructure, agile workforce and the combination of software development and IT operations or DevOps practices. The company was founded by Marco Bruni on January 17, 2001 and is based in Rome, Italy.

Source: Companies, Factset, TP ICAP

Compared to the median of its peers, MAPS has a better expected EBITDA margin (+20% on average over 3 years) and especially a much higher estimated EBIT margin (+50% on average over 3 years) thanks to its asset-light business model. In addition, the company has higher estimated growth rates in terms of sales, EBITDA and net income.

Revenue Growth 2020-23E and Peer Multiples

Company Name	Ticker	Country	Market Value (M€)		EV/Sales			EV/EBITDA			EV/EBIT			P/E					
			Equity	EV	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023			
Almawave S.p.A.	AIW-IT	Italy	128	116															
Alkemey SpA	ALK-IT	Italy	107	110	1.2 x	1.1 x	1.0 x	11.7 x	9.1 x	7.8 x	15.4 x	11.3 x	9.6 x	20.8 x	15.0 x	12.4 x			
Expert.ai S.p.A.	EXA-IT	Italy	142	120	3.6 x	2.6 x	1.8 x			15.7 x									
Exprivia SpA	XPR-IT	Italy	106	132															
Neosperience SpA	NSP-IT	Italy	48	54	2.8 x	2.2 x	1.7 x	10.6 x	7.9 x	5.8 x	60.0 x	20.8 x	10.6 x	213.3 x	37.6 x	17.8 x			
Relatech S.p.A.	RLT-IT	Italy	107	109	3.0 x	2.4 x	2.0 x	12.2 x	9.5 x	7.6 x	17.4 x	13.1 x	10.5 x	21.9 x	17.4 x	13.7 x			
Reply S.p.A.	REY-IT	Italy	6,712	6,313	4.5 x	4.0 x	3.6 x	26.5 x	23.6 x	21.3 x	32.7 x	28.8 x	25.7 x	46.8 x	41.5 x	36.9 x			
Sourcesense S.p.A.	SOU-IT	Italy	24	21	1.2 x	1.0 x	0.8 x	8.3 x	5.7 x	4.5 x	13.1 x	7.4 x	5.2 x						
Mean					2.7x	2.2x	1.8x	13.8x	11.2x	10.5x	27.7x	16.3x	12.3x	63.0x	23.9x	17.5x			
Maps S.p.A. vs. Peers Average	MAPS-IT	Italy												16.5 x	14.6 x	9.3 x	-73.8%	-39.0%	-47.0%

Source: Companies, TP ICAP, FactSet

Valuation by comparables

EV/Sales	2021	2022	2023	EV/EBITDA	2021	2022	2023
Figure	23.7	29.9	33.5	Figure	6.2	8.1	9.4
Multiple	2.7x	2.2x	1.8x	Multiple	13.8x	11.2x	10.5x
Multiple at -0% discount	2.7x	2.2x	1.8x	Multiple at -0% discount	13.8x	11.2x	10.5x
Enterprise Value	64.3	66.0	60.4	Enterprise Value	85.7	90.7	97.8
Bridge 2021E	7.9	7.9	7.9	Bridge 2021E	7.9	7.9	7.9
Equity	56.4	58.1	52.6	Equity	77.9	82.8	89.9
Diluted number of shares	12.7	12.7	12.7	Diluted number of shares	12.7	12.7	12.7
Price/Share	4.5	4.6	4.2	Price/Share	6.1	6.5	7.1
Average	4.4	4.4	4.4	Average	6.6	6.6	6.6
% upside (downside)	16%	16%	16%	% upside (downside)	74%	74%	74%

EV/EBIT	2021	2022	2023	P/E	2021	2022	2023
Figure	4.0	5.4	6.7	Figure	2.8	3.7	4.7
Multiple	27.7x	16.3x	12.3x	Multiple	62.7x	23.6x	17.2x
Multiple at -0% discount	27.7x	16.3x	12.3x	Multiple at -0% discount	62.7x	23.6x	17.2x
Enterprise Value	111.0	87.5	82.1	Enterprise Value	176.5	88.0	80.1
Bridge 2021E	7.9	7.9	7.9	Bridge 2021E	7.9	7.9	7.9
Equity	103.1	79.6	74.2	Equity	176.5	88.0	80.1
Diluted number of shares	12.7	12.7	12.7	Diluted number of shares	15.0	15.0	15.0
Price/Share	8.1	6.3	5.9	Price/Share	11.8	5.9	5.3
Average	6.8	6.8	6.8	Average	7.6	7.6	7.6
% upside (downside)	78%	78%	78%	% upside (downside)	100%	100%	100%

Relative Valuation	Price/Share	weight
EV/Sales	€ 4.4	25%
EV/EBITDA	€ 6.6	25%
EV/EBIT	€ 6.8	25%
P/E	€ 9.2	25%
Relative Valuation	€ 6.7	VRAI

Source : Companies, TP ICAP, FactSet

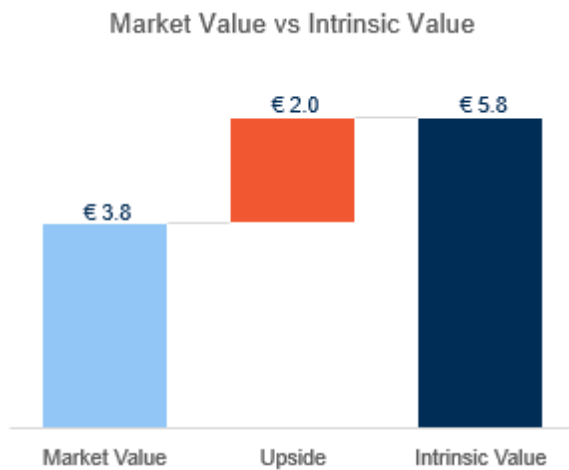
Considering the average multiple valuation of Italian comparable companies, we obtain a value per share of 6.7€, that is slightly higher than both our DCF valuation and international “healthcare” peers valuation.

Summary of the valuation

In conclusion, our valuation of Maps based 50% on DCF methodology, 25% on multiples of comparable Italian companies and 25% on multiples of international companies operating in the digital health sector (with a 25% discount to account for Maps' smaller size and predominant presence in the domestic market) leads us to a target price of €5.8 or a potential upside of 52%.

Summary of the valuation

Method	Price/share	Coefficient
Discounted FCFF	€ 5.9	50.0%
Relative Italy	€ 6.7	25.0%
Relative Healthcare	€ 4.5	25.0%
Target Price	€ 5.8	
Upside	51.8%	



Source : Companies, TP ICAP, FactSet

At our target price, the company would trade at more appropriate multiples for a business that, through its technology and expertise, is experiencing strong growth in revenue, profitability and cash generation.

Implied multiples

Implied Multiples	2021E	2022E	2023E
EV/Sales	3.4x	2.7x	2.4x
EV/EBITDA	13.1x	10.0x	8.7x
EV/EBIT	20.2x	15.1x	12.2x
P/E	26.2x	19.4x	15.5x

Source: Companies, TP ICAP, FactSet

X. Management Team



MARCO CISCATO - Founder and CFO

- ✓ Graduated in Computer Engineering in 2000 from the University of Bologna.
- ✓ From 2000 to 2001 he worked as a software engineer at DS Data Systems S.p.A.
- ✓ From 2005 to 2007 he was assistant professor of computer science (object-oriented programming and data management) at the Istituto Formazione Operatori Aziendali of Reggio Emilia.
- ✓ He founded Maps in 2002 and is its CFO and Chairman of the Board.



MAURIZIO PONTREMOLI - CEO

- ✓ Graduated in Physics in 1992 from the University of Parma.
- ✓ From 1994 to 1996 he worked as a software engineer at DS Data Systems S.p.A.
- ✓ From 2001 to 2005 he was Managing Director of Imagen S.r.l., managing the division of software solutions dedicated to the world of cell phones.
- ✓ From 1996 to 2007 he was Director of the "ITPS" business unit of DS Data Systems S.p.A., a unit dedicated to the study and implementation of customized software solutions for large companies.
- ✓ He is the CEO of Maps, which he joined in 2008.



GIAN LUCA CATTANI - DIRECTOR OF R&D

- ✓ Graduated in Mathematics in 1992 from the University of Parma.
- ✓ In 1996 he obtained an MSc in Computer Science from the University of Aarhus, Denmark, and from the same university a PhD in Computer Science in 1999.
- ✓ In 2016 he obtained an Executive master's in technology Innovation Management at Bologna Business School, University of Bologna. From 1998 to 2000, he was a Research Associate at the University of Cambridge, UK.
- ✓ From 2000 to 2007 he held several positions at DS Data Systems S.p.A., most recently as Business Unit Manager.
- ✓ He joined Maps in 2008 and has been Director of Research and Development since 2017.
- ✓ He is currently a member of the issuer's board of directors.



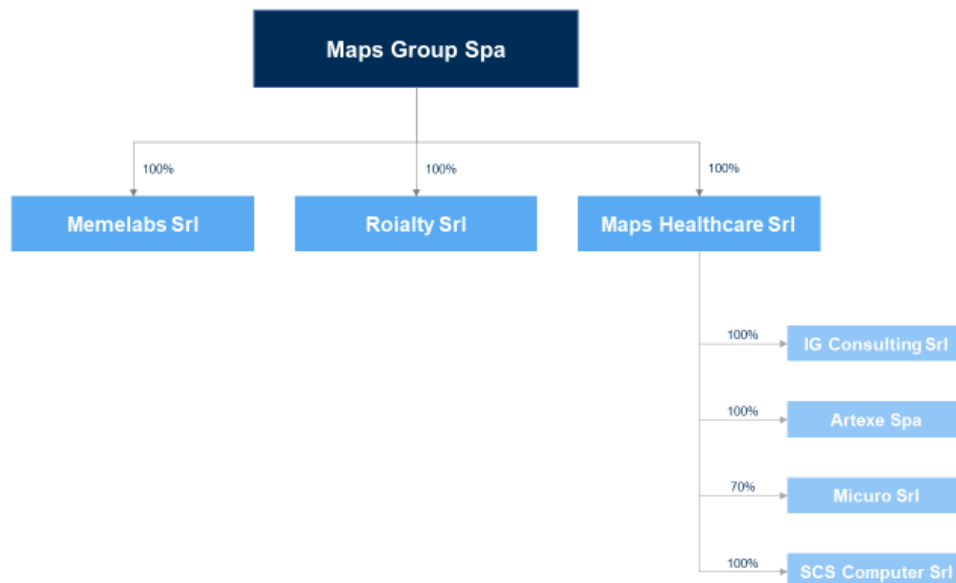
ANDREA GHERARDI - DIRECTOR "LARGE ENTERPRISE »

- ✓ Degree in Electronic Engineering and specialization in Electronic Informatics from the University of Parma.
- ✓ Between 2001 and 2005 he worked for DS Data Systems.
- ✓ He joined the Maps Group in 2008 and since 2014 he has been the Director of the Large Enterprise Business Unit.

MAPS TOP management has considerable experience in the sector: on average more than 20 years and about 90 years in total.

XI. Group Structure

Structure of MAPS Group



Source: Companies, TP ICAP

Maps Group was admitted to trading with a total number of shares of 8,538,000. Following the IPO, 4,125,000 warrants were issued with a strike price of €2, which can be exercised every year in June and October until 2024. To date, 1,951,723 warrants have been exercised, representing a total capital increase of approximately € 3.9 million. This has brought the number of outstanding shares to 10,469,723 to which must be added 26,000 bonus shares, which were granted free of charge to the group's senior executives on 24/05/2019 and 378.400 shares related to the IASI acquisition to arrive at the current total number of shares of 10,894,163.

In conclusion, as the current share price of Maps is higher than the exercise price of the warrants of € 2, we can calculate the number of fully diluted shares. By virtually exercising the remaining 2,173,277 warrants, we obtain a total number of shares of 13,067,440, which corresponds to a capital increase of about € 4.3M.

Number of shares and warrants

Warrant Maps 2019-24		IT0005364325		Actual Price		22/09/2021		3.8	
Max new shares	4,125,000			Shares at IPO	8,538,000				
Strike Price	2.0 €								
Capital Increase	8,250,000 €								
Windows	Start	End	Strike	Warr. Exercised	Capital Increase	# shares	Remaining Warrants		
1	01/10/2019	31/10/2019	2.0 €	569,000	1,138,000 €	9,107,000	3,556,000		
2	01/06/2020	30/06/2020	2.0 €	63,450	126,900 €	9,170,450	3,492,550		
3	01/10/2020	31/10/2020	2.0 €	443,523	887,046 €	9,613,973	3,049,027		
4	01/06/2021	30/06/2021	2.0 €	875,750	1,751,500 €	10,489,723	2,173,277		
5	01/10/2021	31/10/2021	2.0 €			10,489,723	2,173,277		
6	01/06/2022	30/06/2022	2.0 €			10,489,723	2,173,277		
7	01/10/2022	31/10/2022	2.0 €			10,489,723	2,173,277		
8	01/06/2023	30/06/2023	2.0 €			10,489,723	2,173,277		
9	01/10/2023	31/10/2023	2.0 €			10,489,723	2,173,277		
10	01/06/2024	28/06/2024	2.0 €			10,489,723	2,173,277		
				1,951,723	3,903,446 €				
Date	# shares	price	Capital Increase						
24/05/2019	26,000	1.9 €	49,400 €						
28/07/2021	172,018	4.4 €	750,000 €						
02/09/2021	206,422	4.4 €	900,000 €						
Actual Shares		10,894,163							
Fully Diluted Shares		13,067,440							
Additional Capital Increase		4,346,554 €							

Source : Company, TP ICAP

XII. PMI Innovativa (Innovative SMB)

Legislative Decree No. 3 of January 24, 2015, defines innovative SMEs as small and medium-sized enterprises that meet the following requirements:

- ✓ They employ less than 250 people and their turnover is less than 50M€, or their balance sheet total does not exceed 43M€.
- ✓ Residence in Italy or in one of the Member States if they have a branch in Italy.
- ✓ They have submitted their latest balance sheet for certification
- ✓ Do not have shares listed on a regulated market
- ✓ Are not registered in the register of innovative start-ups
- ✓ They meet at least two of the following conditions
 - R&D expenditures of at least 3% of cost or production value, whichever is greater.
 - They employ more than 20% of PHDs as employees or more than a third if they have a master's degree.
 - Ownership of at least one patent.

XIII. Financial data (1/2)

Income statement								
€M	2018A	2019A	2020A	2021E	2022E	2023E	2024E	2025E
VoP	16.6	17.0	17.9	23.7	29.9	33.5	36.8	40.0
<i>Change</i>	<i>14.2%</i>	<i>2.8%</i>	<i>5.3%</i>	<i>32.3%</i>	<i>26.3%</i>	<i>11.9%</i>	<i>9.8%</i>	<i>8.8%</i>
Direct Labour costs	(6.7)	(7.0)	(7.0)	(8.3)	(10.0)	(10.8)	(11.6)	(12.3)
Direct Services costs	(2.7)	(2.6)	(3.0)	(3.5)	(4.7)	(5.2)	(5.7)	(6.2)
Other services	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
COGS	(9.4)	(9.4)	(10.0)	(11.7)	(14.6)	(16.0)	(17.3)	(18.5)
Gross Profit	7.2	7.6	7.9	12.0	15.3	17.5	19.5	21.5
<i>% of revenue</i>	<i>43.4%</i>	<i>44.5%</i>	<i>44.3%</i>	<i>50.6%</i>	<i>51.1%</i>	<i>52.2%</i>	<i>53.0%</i>	<i>53.8%</i>
Commercial costs	(1.3)	(1.5)	(2.0)	(2.7)	(3.3)	(3.9)	(4.3)	(4.8)
G&A	(2.2)	(2.1)	(2.6)	(3.1)	(3.9)	(4.3)	(4.7)	(5.1)
EBITDA reported	3.6	3.9	3.4	6.2	8.1	9.4	10.5	11.7
<i>% of revenue</i>	<i>22.0%</i>	<i>23.1%</i>	<i>19.0%</i>	<i>26.1%</i>	<i>27.1%</i>	<i>27.9%</i>	<i>28.4%</i>	<i>29.1%</i>
Net depreciation, amortization and provisions	(0.5)	(1.8)	(2.3)	(2.2)	(2.7)	(2.7)	(3.2)	(3.6)
EBIT	3.2	2.2	1.1	4.0	5.4	6.7	7.3	8.0
<i>% of revenue</i>	<i>19.2%</i>	<i>12.7%</i>	<i>6.2%</i>	<i>16.9%</i>	<i>17.9%</i>	<i>19.9%</i>	<i>19.8%</i>	<i>20.1%</i>
Financial result	(0.4)	0.5	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Income tax	(0.8)	(0.5)	(0.2)	(1.1)	(1.5)	(1.8)	(2.0)	(2.2)
<i>Tax rate</i>	<i>28.8%</i>	<i>20.0%</i>	<i>16.4%</i>	<i>27.9%</i>	<i>27.9%</i>	<i>27.9%</i>	<i>27.9%</i>	<i>27.9%</i>
Net income	2.0	2.1	1.0	2.8	3.8	4.7	5.1	5.7
Minority	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income group share	2.0	2.1	1.0	2.8	3.8	4.7	5.1	5.7
Balance sheet								
€M	2018A	2019A	2020A	2021E	2022E	2023E	2024E	2025E
Goodwill	4.7	5.0	8.4	8.4	8.4	8.4	8.4	8.4
Intangible fixed assets	2.0	3.2	3.7	5.0	6.1	7.4	8.5	9.2
Tangible fixed assets	0.2	2.1	3.8	3.4	3.1	2.8	2.4	2.0
Financials assets	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Assets	7.9	11.5	12.9	15.8	19.4	21.3	23.0	24.6
Cash	3.3	3.7	6.5	10.4	11.0	13.6	17.0	21.5
Assets	18.2	25.5	35.3	42.9	48.0	53.5	59.3	65.7
Shareholder's equity	4.4	9.4	11.2	18.3	22.1	26.8	31.9	37.6
Minority	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax	0.3	0.5	0.7	0.7	0.7	0.7	0.7	0.7
Financial debt	6.5	8.3	14.2	14.2	14.2	14.2	14.2	14.2
IFRS 16 debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	2.5	3.0	4.0	4.0	4.0	4.0	4.0	4.0
Current liabilities	4.6	4.4	5.3	5.7	7.1	7.8	8.5	9.1
Liabilities	18.2	25.5	35.3	42.9	48.0	53.5	59.3	65.7
Cash-flow statement								
€M	2018A	2019A	2020A	2021E	2022E	2023E	2024E	2025E
Operating cash-flow	0.8	(2.4)	4.4	0.1	2.0	5.1	6.2	7.5
ΔNWC	1.1	3.0	0.0	2.4	2.2	1.2	1.0	0.9
Cash-flow from operating activities	1.9	0.7	4.4	2.5	4.3	6.2	7.3	8.4
CAPEX	(5.1)	(5.2)	(7.7)	(3.1)	(3.6)	(3.7)	(3.9)	(3.9)
FCF	(3.2)	(4.5)	(3.3)	(0.5)	0.7	2.5	3.4	4.5
Net acquisition of financial assets	(0.2)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets not immobilized	(0.1)	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0
Cash-flow from investing activities	(5.2)	(5.1)	(8.3)	(3.1)	(3.6)	(3.7)	(3.9)	(3.9)
Capital increase	(0.2)	3.0	0.8	4.3	0.0	0.0	0.0	0.0
Share repurchase	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	6.1	1.8	5.9	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash-flow from financing activities	5.9	4.8	6.7	4.3	0.0	0.0	0.0	0.0
Currency effect	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in cash	2.6	0.4	2.9	3.8	0.7	2.5	3.4	4.5

XIV. Financial data (2/2)

KEY RATIOS

	2018A	2019A	2020A	2021E	2022E	2023E	2024E	2025E
Revenue growth	14.2%	2.8%	5.3%	32.3%	26.3%	11.9%	9.8%	8.8%
Reported EBITDA margin	22.0%	23.1%	19.0%	26.1%	27.1%	27.9%	28.4%	29.1%
Adjusted EBITDA margin	22.0%	23.1%	19.0%	26.1%	27.1%	27.9%	28.4%	29.1%
EBIT margin	19.2%	12.7%	6.2%	16.9%	17.9%	19.9%	19.8%	20.1%
Net margin	11.9%	12.5%	5.7%	11.7%	12.6%	14.0%	14.0%	14.2%
NWC as a % of Revenue	21.8%	39.0%	37.1%	38.3%	37.8%	37.3%	36.8%	36.0%
DIO	73.0	157.5	126.7	124.7	124.7	124.7	124.7	124.7
DSO	117.7	129.5	150.7	149.7	148.7	147.7	146.7	144.7
DPO	66.8	71.3	76.4	82.0	83.0	84.0	85.0	86.0
FCF	-3.2	-4.5	-3.3	-0.5	0.7	2.5	3.4	4.5
Conversion rate (FCF/EBITDA)	-87%	-114%	-98%	-9%	8%	27%	33%	39%
CAPEX/Sales	30.6%	30.3%	43.2%	13.0%	12.0%	11.0%	10.5%	9.8%
ROE	45.2%	21.2%	9.1%	15.2%	17.1%	17.6%	16.1%	15.1%
ROA	10.9%	7.8%	2.9%	6.5%	7.9%	8.8%	8.7%	8.7%
ROCE (after tax)	22.0%	9.2%	4.1%	11.0%	13.2%	15.3%	15.8%	16.9%
Gearing, net	71.6%	48.7%	68.4%	20.9%	14.3%	2.3%	-8.8%	-19.4%
Financial leverage	0.9x	1.2x	2.3x	0.6x	0.4x	0.1x	-0.3x	-0.6x



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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.
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Company	Conflict Type
MAPS GROUP	G

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