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PRIVATE EQUITY CHALLENGE – ATOSS SOFTWARE
SOCIETAS EUROPAEA

60393 – Naomi Steiner Oliva

Work project carried out under the supervision of:

Melissa Prado

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Abstract

This paper evaluates ATOSS Software SE as a potential leveraged buyout target, emphasizing its commercial and financial viability for private equity investors. It explores intrinsic and relative valuations, an LBO analysis, and a bank case, offering a comprehensive assessment on the opportunity. The findings reveal strong strategic and financial prospects, with MoMs of 3.5x for institutional investors and 6.3x for ATOSS management, highlighting significant return potential through organic growth and solidifying ATOSS as an attractive investment target.

Keywords

Leveraged Buyout, Workforce Management Software, Private Equity, Value Creation

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1. Executive Summary

ATOSS Software AG¹ (ATOSS) is a technology and consulting provider for professional workforce management (WFM) and demand optimized personnel deployment. Founded in 1987 by Andreas F.J. Obereder in Munich, Germany, the company has grown to be one of the leaders in the German market. Since March 21st of 2001, the company is listed in Xetra². ATOSS operates in the cloud software and the WFM software markets.

This paper aims to fully assess the investment potential of ATOSS. The valuation will be done through a Discounted Cash Flow (DCF), trading- and transaction comparables (comps). This investment thesis considers buying all outstanding shares.

As a result, I have assumed an entry multiple of 18.9x Earnings Before Interest, Depreciation and Amortization (EBITDA). The entry leverage was of 6x EBITDA, while the fixed return instrument amounted for 8.5x, institutional ordinary shares for 4.7x and sweet equity for 0.2x. Considering these assumptions and the proposed bank case, a holding period of 7 years was considered. The management case anticipates a value creation split of 66.0% from EBITDA increase and 34.0% from cash generation, with an exit via sale to a financial or strategic buyer.

2. Investment Thesis

The target company presents a compelling investment opportunity given its strong fundamentals and a favorable market position. With a historical net Capital expenditure (Capex) of approximately 5%, the company benefits from low capital expenditure requirements (ATOSS 2023). Substantial revenue growth is expected due to increasing demand for workforce optimization and cloud-based solutions, particularly as remote and hybrid work models have

¹ Since May 2024 known as ATOSS Software SE. As valuation is on the 31.12.2023 the company will be referred as ATOSS Software AG.

² Xetra is one of the trading venues of Deutsche Börse in Frankfurt, Germany.

gained traction post-Covid-19 and the enforced regulatory framework on working hours in the EU. The company consistently demonstrated a solid EBITDA margin of over 26% and high recurring revenues (67%). The seasoned management team brings depth of experience and strategic vision.

The cloud software market expected to grow at a CAGR of 21.3% from '24 to '30 (Grand View Research n.d.) and WFM segment projected to expand at an 8.5% CAGR from '24 to '32 (Wadhvani 2024). ATOSS is aligned with major competitors, and benefits from a strategic collaboration with SAP enhancing its credibility and expansion potential. Its business model enables easy scalability and adaptability. The company is aiming for further internationalization, supported by the 20.0% share purchase of General Atlantic.

Value creation for this investment will be mainly driven by organic revenue growth. For the valuation three different case scenarios have been conducted: A. worst-case scenario, B. base case scenario, and C. best-case scenario. The base case scenario will be considered as the investment case leading to a 2023 Enterprise Value (EV)/EBITDA multiple of 18.9x, a 2024 EV/EBITDA multiple of 18.9x, and a 2025E EV/EBITDA multiple of 18.7x. These multiples derive into a 2023 median EV of EUR 1,054.8 m. The robust expected cash flow generation will enable quick debt repayment assumed for the buyout. The used debt weight of 34.0% leaves enough headroom given the interest environment at the end of 2023.

The exit environment looks at a potential pool of interested buyers due to the company's recurring revenue base, established market position, and alignment with the broader digital transformation trend. Both strategic acquirers in technology and financial sponsors seeking high-growth, cash-generative assets can profit from the acquisition.

The valuation takes place on the 31.12.2023, where inflation in Germany was at 3.7% and macroeconomic outlook was uncertain. No confirmed interest rate cuts were in sight³.

3. Market Overview

This section aims to address understanding the size and potential of the WFM market.

3.1. Workforce Management Software Industry

The fragmented WFM software industry provides digital solutions that aim to optimize the productivity and efficiency of an organization's workforce through assistance of Human Resources (HR) and operations departments in employee scheduling, time and attendance tracking, payroll management, compliance and performance analysis, giving the company a data-driven insight and automation of processes. Opportunities for growth come through differentiation factors such as Artificial Intelligence (AI) integration and customer-centric models. As the macroeconomic environment has been pushing prices higher – including labor costs – and given the current uncertain political landscape firms can cut operating costs by improving the workforce management.

3.2. Growth Drivers and Market Outlook

The European WFM software market is currently estimated to be valued at EUR 2.3 bn and projected to expand at a CAGR of more than 8.5% CAGR from '24 to '32 (Wadhvani 2024). This growth is driven by key factors, including the increasing adoption of Internet of Things (IoT) and cloud-based solutions given the desire for operational efficiency by streamlining workforce performance through integrated systems. Additionally, demand for performance

³ By December 2023 Federal Reserve and European Central Bank overnight interest rate cuts were expected to be happening in 2024. However, it was uncertain when and by how much exactly they will happen.

management and analytics tools, such as HR and people analytics, is rising to address challenges like staff shortages and absenteeism. The European Commission also reported increased adoption of cloud computing by regional businesses. Moreover, SAP's CAGR '13-'23 revenues growth of 31.1% from the Cloud division reinforces this trend (Statista 2024)⁴.

Regulatory changes, such as the European Court of Justice's requirement for employers to track employees' time and attendance, are also driving demand. Germany's proposed Working Hours Act (ArbZG) (March 2023) mandates companies to implement systems to electronically track working hours, with varying implementation deadlines based on company size.

In terms of market segments, the time and attendance management category represented 25% of the total WFM market share in 2023. The cloud deployment segment, which held around 35% of the WFM market share, is driven by the scalability, accessibility, and cost-efficiency of cloud solutions; ideal for all business sizes (Wadhvani n.d.). In Germany, the growing number of Small and Medium Enterprises is increasing demand for affordable WFM solutions.

3.3. Pitfalls and Challenges

The industry presents both threats and opportunities for investment. New entrants face moderate barriers due to technical challenges and strong brand loyalty to leaders like Kronos (UKG) and SAP. However, Software-as-a-Service (SaaS) advancements could lower these barriers, allowing niche players to emerge. Alternatives like Excel or in-house solutions pose minimal threat to larger firms. ATOSS benefits from a modular structure that lets clients choose needed functions. Supplier power is moderate, and buyer power is high, especially for large enterprises, though high switching costs balance this. Competition is intense, driven by innovation, price sensitivity, and the need for established players to adapt to agile, cloud-based challengers. The complex software implementation process can deter new customers but also offers ATOSS an

⁴ View Appendix A for a more detailed revenue breakdown of SAP.

opportunity to provide superior support, enhancing retention. High switching costs in the WFM software market create strong customer lock-in, while ATOSS's German market focus provides a competitive edge. Cyber-attacks pose risks, with on-premise solutions offering more security. Bigger competitors, such as SAP, could become a risk if one decides to acquire ATOSS. Lastly, WFM automation could lead to job displacement, a growing concern as efficiency and cost reduction become more critical, especially with EU regulations.

3.4. European Competitive Landscape

ATOSS operates in a competitive landscape dominated by other leading WFM software providers, such as SAP, ADP, and UKG. These companies offer broad HR solutions that often include WFM as part of a larger suite of enterprise software. However, ATOSS differentiates itself with its specialized focus on optimizing labor management, offering more targeted and flexible WFM solutions. ATOSS's niche expertise in addition to deep knowledge of German labor regulations, seamless ERP integration, and strong customization capabilities enhance client loyalty, stand out in compliance-driven markets and allow it to cater to organizations seeking a more dedicated and tailored approach to WFM solutions. The market leader is SAP with a 31% market share. ATOSS in comparison has a 5% market share. The competitive landscape was estimated based on relevant revenue from market competitors, excluding UKG, which has not disclosed annual revenues. The average 2023 EBITDA margin for competitors was 22.4%, compared to ATOSS's 36.9% margin. View for more details Appendices B and C.

3.5. Conclusion

The market offers strong investment potential, driven by organic growth, supportive regulations, and increasing WFM solutions that enhance workforce efficiency and allocation.

4. Company Overview

This section explains the products, the revenue composition and the shareholder structure.

ATOSS Software AG, founded in 1987 in Munich, Germany, is a leading provider of WFM and optimized personnel deployment solutions. Listed on Xetra since 2001, the company is headed by CEO Andreas F.J. Obereder and Co-CEO Dirk Häussermann. In 2023, ATOSS reported EUR 151 m in revenues, with 775 employees and over 1,000 customers across more than 50 countries. The company reported an EBIT⁵ of EUR 51.8 m with 59% of its revenues being recurring. ATOSS excels in Germany with deep regulatory expertise, a vertical market focus, and seamless SAP ERP integration.

4.1. Business Model and Revenue Composition

ATOSS operates across three main business segments: Software, Consulting, and Hardware/Other. The Software includes on-premise solutions (e.g., ASES, ASE and ATC⁶) and cloud-based platforms (e.g., Crewmeister), offering solutions for different company sizes. Consulting focuses on optimizing, training, and enhancing software products, while Hardware/Other covers components used for time recording and access control. 83% of the revenue comes from ASES and ASE. Crewmeister contributes only 3% but has growth potential given the cloud trend (ATOSS 2023). Geographically, the company heavily relies on the German market (85% of its revenue), with Austria and Switzerland contributing 6% and 4%, respectively (ATOSS 2023). While this provides a stable revenue base, ATOSS's geographic concentration limits its international exposure. Nonetheless, ATOSS is pursuing international expansion, supported by General Atlantic's investment, targeting transition to the cloud and global growth. ATOSS's diverse customer base spans production (31%), retail (23%), and healthcare (19%), with tailored solutions boosting retention and value (ATOSS 2023).

⁵ Earnings Before Interests and Taxes.

⁶ ATOSS Staff Efficiency Suite (ASES), ATOSS Startup Edition (ASE) and ATOSS Time Control (ATC).

4.2. Shareholder Structure

ATOSS Software now has over 8 million shares in circulation: 50.01% free float, 30.00% owned by the Obereder family, and 19.99% owned by General Atlantic Chronos GmbH (ATOSS 2023). 50% of the shares are under strategic ownership giving these stockholders substantial impact on corporate policy decisions. The founding family's continued 30% ownership is seen as favorable as it gives them significant long-term influence.

4.3. Conclusion

With a solid product line, ATOSS distinguishes out as a strong supplier. A varied revenue stream is guaranteed by the company's business model. Although the DACH region accounts for the majority of revenue, there is a clear globalization target. The company has a strong basis for long-term stability and growth due to its strategic shareholder structure.

5. Historical Financial Analysis

Understanding the financial position is key to analyze profitability and to correctly project revenues throughout the holding period. Appendix F displays all detailed historical financials.

Table 1 - Historical Financial Statements

EURm	2017A	2018A	2019A	2020A	2021A	2022A	2023A
Income Statement							
Revenue	54.6	62.6	71.4	86.1	97.1	113.9	151.2
Operating Expenses	40.5	45.7	52.1	59.9	69.8	83.1	99.4
EBITDA	14.9	18.0	22.5	29.8	31.4	34.7	55.9
Net Income	9.3	11.2	13.5	17.7	19.3	19.4	35.8
Balance Sheet							
Total Assets	38.5	47.2	58.1	68.0	81.5	90.3	114.4
Cash & Cash Equivalents	15.4	21.7	17.5	23.4	20.5	26.8	64.2
Net PP&E	3.7	4.3	4.1	3.8	3.6	3.6	4.3
Total Liabilities	16.7	18.7	33.3	35.6	42.0	42.8	52.6
Current Liabilities	11.8	13.9	15.7	18.8	24.9	28.6	38.4
Noncurrent Liabilities	4.9	4.8	17.7	16.9	17.1	14.2	14.3
Total Equity	21.8	28.5	24.8	32.3	39.4	47.6	61.8
Cashflow Statement							
Operating Activities	8.9	12.6	15.3	23.2	26.3	26.3	52.7
Investing Activities	(3.6)	(1.7)	(0.9)	(4.6)	(13.4)	(2.7)	10.1
Financing Activities	(4.6)	(4.7)	(18.1)	(12.7)	(15.8)	(17.4)	(25.5)

EURm	2017A	2018A	2019A	2020A	2021A	2022A	2023A	
Key Performance Indicators								
Revenue Growth			14.7%	14.0%	20.5%	12.8%	17.4%	32.7%
EBITDA Growth			20.9%	25.1%	32.2%	5.4%	10.7%	61.0%
EBITDA Margin			28.7%	31.5%	34.6%	32.3%	30.5%	36.9%
EBITDA Margin Growth			5.5%	9.7%	9.7%	(6.6)%	(5.7)%	21.3%
Free Cash Flow			10.9	13.3	17.4	12.4	22.8	58.9
CAGR FY'17-'23								15.7%
CAGR FY'21-'23								24.8%

Over the last years, ATOSS has shown outstanding performance, resulting in a revenue CAGR FY'17-'23 of roughly 15.7%. The pandemic had minimal impact on ATOSS's financials, as it was not affected by supply chain disruptions. The company may have even benefited from the it as it induced home-office promoting corporate's incentive to track their employees. The EBITDA margin has stayed well above 28% over the last 6 years, with the latest Margin of 37%. 2023 was a strong year for ATOSS with an EBITDA growth of 61.0% and a revenue growth of 32.7%, showing a strong margin improvement, as it grew by 21.3% from last period. In 2021 and 2022 the EBITDA margin decreased. This observation is going to be relevant for the forecasting. As the investment thesis relies on solely organic growth, we will be able to observe further margin decreases tied to a decreasing Capex.

The primary factor impacting EBITDA are the Cost of Goods Sold (COGS), driven largely by personnel costs (13% in 2023). Operating expenses include distribution expenses at 18% of revenue (13% personnel-related) and R&D expenditure at 16% (12% personnel-related). In 2023, ATOSS's grew from 693 to 775 employees, of which 283 were in development, 175 in consulting, 177 in sales and marketing, 112 in administration, resulting in a EUR 5.8 m rise in personnel costs to EUR 49.8 m (ATOSS 2023). Other operating expenses rose by EUR 8.0 m to EUR 44.2 m, primarily driven by higher costs for reimbursing expenses and commissions to subsidiaries, along with increased external labor costs associated with the international growth.

On average, the change in net working capital has been positive indicating an improvement of the company's working capital position given that the company has generated more funds from its operational activities. The net Capex has been historically mainly negative showing that ATOSS is spending less on its physical assets than it is depreciating. This suggests that they rely on existing assets and could be slowing down its growth investment. The company should focus on software maintenance and R&D to keep up with the fast-paced competition.

ATOSS' debt is mainly operational. By the end of each of the analyzed historical periods, the net debt was negative indicating excess cash which amounted to EUR 67.5 m (ATOSS 2023).

Investments in fixed assets (excluding financial assets) rose to EUR 1.7 m in 2023 (from EUR 0.9 m in 2022). Trade receivables reached EUR 8.0 m (2022: EUR 7.6 m) with a collection time of 17 days (2022: 22 days). Liabilities increased to EUR 11.1 m, including EUR 2.1m in trade payables, EUR 2.5 m in obligations to affiliates, and EUR 4.8 m in down payments. ATOSS has no foreign currency liabilities or bank loans, nor plans to use them, with an unused EUR 0.5 m from a EUR 1.0 m unsecured credit line (ATOSS 2023).

Equity at year-end 2023 stood at EUR 50.8 m, despite the EUR 22.5 m dividend distribution, giving an equity ratio of 54% (previous year: 55%). With strong earnings and a solid financial position, the company anticipates continued financial stability (ATOSS 2023).

To conclude, ATOSS' 15.7% revenue FY'17-'23 CAGR depicts a great financial performance, with steady revenue growth, high profitability and a solid EBITDA margin. Since personnel expenditures are the biggest expense category, they should be closely watched. ATOSS takes a

conservative approach to future investments and depends more on its current assets. It can maintain its financial stability due to excess cash, little debt, and a strong equity basis.

6. Leveraged Buyout

This section explores the reasoning for ATOSS being a strong leveraged buyout (LBO) candidate and the different operating model forecasts, valuations and the LBO structure.

6.1. Buyout Rationale

The company's ability to offer region-specific, compliant solutions gives it a significant edge in local markets. Its vertical specialization allows the company to navigate increasing regulatory pressures in Europe and focus on a specific market. ATOSS is also strategically positioned to benefit from the growing demand for cloud-based solutions. The high switching costs associated with WFM software are another advantage as they ensure customer loyalty and create a more predictable and recurring revenue stream.

ATOSS benefits from a seasoned management team, led by CEO and Founder Andreas Obereder, along with CFO Christof Leiber and CTO Pritim Kumar Krishnamoorthy. The team has been integral in driving the company's growth, expanding revenue from EUR 22.0 m in 2006 to EUR 151.2 m in 2023. Their stability and experience are crucial for maintaining growth and employee satisfaction, particularly post-buyout.

Despite being smaller than some competitors, ATOSS's size gives it agility and flexibility, with substantial room for growth. Investment would help the company expand geographically, leveraging its existing customer base. Broader market trends, including digital transformation, remote work, and IoT adoption, present additional opportunities.

A potential buyout, such as through a private equity (PE) firm, could offer significant benefits for ATOSS. Going private would alleviate the pressures of regulatory compliance and allow management to focus more on long-term innovation and growth. Private ownership could also provide better access to financing options, enabling ATOSS to scale more quickly, both domestically and internationally. The company currently has minimal debt, and introducing leveraged financing could spur additional growth.

The valuation of ATOSS, conducted as of 31.12.2023, considers a holding period of 7 years, with an exit strategy involving either a sale to a strategic buyer or another PE firm. The investment thesis focuses on a base case scenario while also accounting for worst- and best-case scenarios to ensure sufficient cash generation and debt obligations are met.

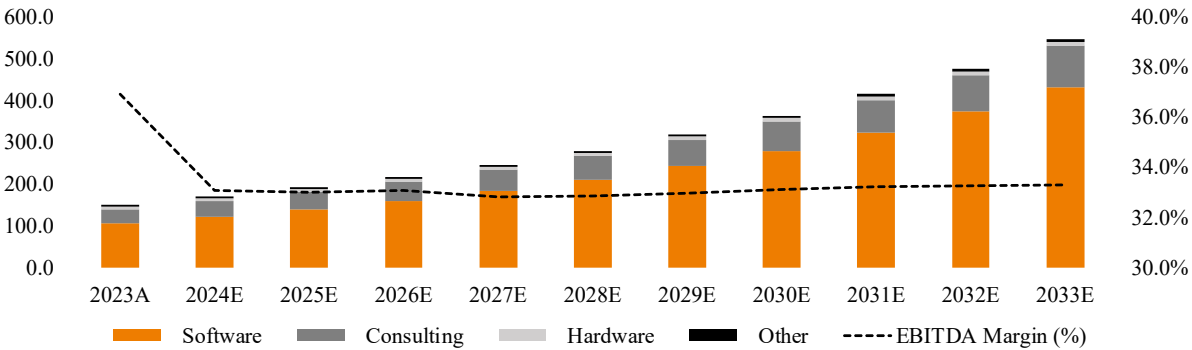
6.2. Financial Forecasts – Operating Model

The investment thesis assumes organic growth drivers for ATOSS, focusing on value creation through internal expansion rather than acquisitions. Financials have been forecasted until 2033 (10 years). The operational model considers scenario A. Base Case Scenario, B. Worst-Case Scenario and C. Best-Case Scenario. ATOSS forecasts in its 2023 Annual Report a EUR 170.0 m revenue with a 30% EBIT margin in 2024, rising to EUR 190.0 m in 2025, while keeping EBIT margins above 30% (ATOSS 2023). The methodologies used to forecast the worst- and best-case scenarios are in Appendix H.

A. Base Case Scenario: Strong growth forecasts are seen for 2024 in the software industry, however, driven primarily by business in the cloud. With this information considered the revenue projections, especially for the Cloud & Subscription, the forecasted growth has been maintained relatively conservative. The historical revenue growth of the Cloud &

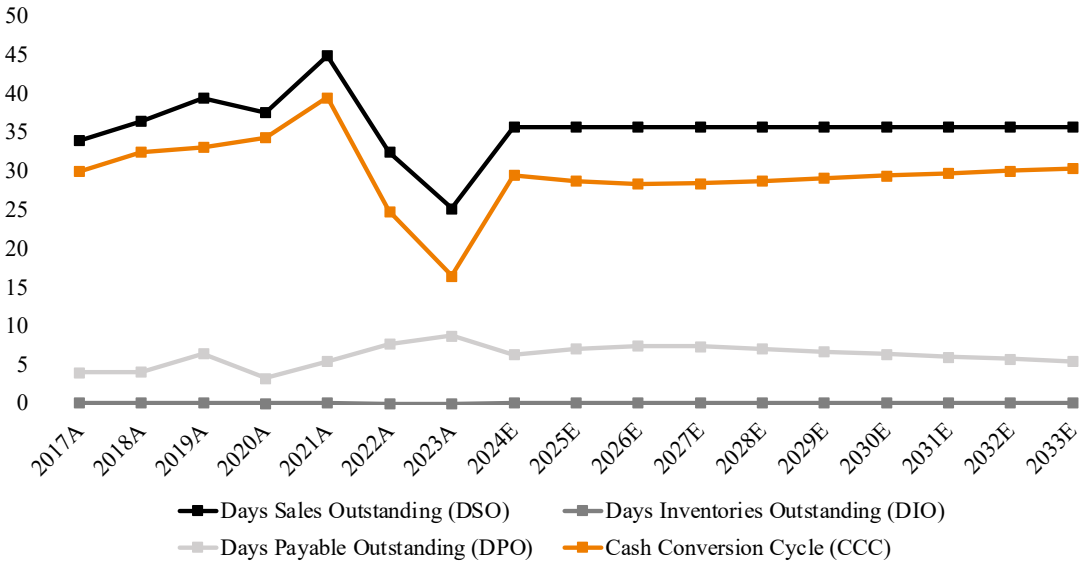
Subscription has averaged in the past three years to a 60% of revenues. To match with the company’s projections and not exceed a ratio of over 0.4 (Revenue of the division over the overall annual revenue), this division will be growing only at around 19% Year-over-Year (Y-o-Y). This has been the strongest assumption made for the management case projections. For further explanations on the assumptions view Appendices H.2 and O.1. For the revenue growth from the other revenue streams, the historical average has been used to project the future revenues. 2023 has been a strong year, showing unusual revenue growths. Thus, for most of the cases the revenue growth of 2023 has been disregarded for the average calculation. Further outliers have been excluded from this calculation. As of the COGS and Operating Expenses (Opex) forecast, the average of the last three years’ revenue ratio has been considered. A moving average was used to project these costs. Last year’s personnel cost percentage has been considered, as the company aims to grow its cloud business, which does not require more working hours.

Figure 1 - Base Case Scenario Revenue Projections (in EURm) and EBITDA margin (in %)



Overall, the projections estimate the company’s overall revenue to be growing at an average of 13.7% Y-o-Y from 2024 until 2033. The EBIT margin will stay at a stable 32%, and the EBITDA margin at a 33%. By 2033 the company estimated to make EUR 547.1 m in revenue and EUR 182.3 m EBITDA. The revenue CAGR '23-'33 results in 12.4%. The Cloud & Subscription revenue CAGR '23-'33 is 17.1%.

Figure 2- Cash Conversion Cycle (in days)



ATOSS is expected to continue operating with a negative net working capital over the following years. This typically indicates efficient cash management. The Days Sales Outstanding (DSO) will increase to 35 days by 2024, suggesting that collections may slow down slightly indicating it potentially will increase the amount of time needed to collect payments from customers. This assumption has been considered by taking the historical average and kept constant. Meanwhile, the Days Payable Outstanding (DPO), or how quickly ATOSS pays its suppliers, will decrease to 5 days by 2033. This indicates faster payments to suppliers. Slight improvement due to increased negotiation power driven by an improved market share are the reasons leading to a long-term 5-day target level. Days Inventories Outstanding (DIO) are projected as 0, reflecting the software company’s focus on digital products and services rather than tangible goods. This combination will lead to a Cash Conversion Cycle (CCC) of 30 days by 2033, meaning it will take longer to convert its operations into cash. Over the period, the negative net working capital is expected to decrease from EUR -18.5 m in 2023 to EUR -43.3 m in 2033, signaling that ATOSS is likely to continue generating cash. More in Appendices H.1 and O.2.

With regards to the Capex, ATOSS is forecasted to spend less on new investments over the next years. Investments in fixed and intangible assets will decrease gradually from EUR -1.9 m in

2023 to EUR -8.5 m by 2033. On the other hand, long-term investments will decrease from EUR 11.9 m in 2023 to EUR -11.4 million by 2033. This might seem a big shift at first glance. Nevertheless, 2023 has been the only year positive long-term investments have been reported. The growth of these investments has been calculated by taking the historical averages. As a result, Net Capex is expected to stay negative, declining from EUR 10.1 m in 2023 (or EUR -2.7 m in 2022) to EUR -19.9 m by 2033⁷. This data suggests that ATOSS will shift its focus to optimizing and maintaining its existing assets rather than pursuing major new investments.

B. Worst-Case Scenario: In 2033 the company is expected to generate EUR 468.4 m in revenue (a revenue CAGR '23-'33 of 10.8%, and a Cloud & Subscriptions revenue CAGR of 15.3%), and an EBITDA EUR 137.5 m. The margin reaches throughout the years the 30% target, except for 2032 and 2033, where margins decrease slightly to 29%.

C. Best-Case Scenario: Revenue is expected to be EUR 180.1 m in 2024 and EUR 857.2 m in 2033, with a CAGR '23-'33 of 17.1% and an EBITDA margin of 36% (2033).

6.3. Valuations

6.3.1. Methodology

To estimate the entry multiple for the LBO a DCF, a CCA and a CTA have been used while avoiding speculative approaches like venture capital valuation or less relevant asset-based methods for a software company with minimal tangible assets.

One of the most important assumptions for the DCF was the WACC. The WACC has been calculated through comps. The considered comps are explained in Appendix G. The risk-free rate (2.02%) as well as the equity risk premium (9.24%) have been retrieved from BBG.

⁷ For more detailed information consult Appendix H.1.

The pre-tax cost of debt is calculated by weighting the note rate and bond rate by their proportions of short-term and long-term debt, respectively. As a result, the pre-tax cost of debt is 2.55%. ATOSS and its comparables do not issue preferred stock. The levered beta was derived from the comps' betas, first unlevered based on their capital structures, then re-levered using two methods: one with ATOSS's capital structure and another with the comps' median capital structure applied to ATOSS's debt and equity values. These two approaches give us slightly different WACCs: 11.67% and 11.51%. The formula used is $WACC = \text{Cost of Equity} * \% \text{ Equity} + \text{Cost of Debt} * \% \text{ Debt} * (1 - \text{Tax Rate}) + \text{Cost of Preferred Stock} * \% \text{ Preferred Stock}$. The final WACC will be the average of these two numbers: 11.59%. A screenshot of the calculation can be found in Appendix I.1. Given the historical stability of the capital structure with an average weight of equity of 99.13%⁸ the WACC will be kept unchanged for the valuation period. The DCF valuation uses 31.12.2023 as the reference date. A long-term growth rate based on the ECB's 2.00% target inflation is applied for the terminal value using the perpetuity method. The model simplifies by not using a midyear convention, which assumes all Free Cash Flows (FCF) occur at year-end – a somewhat unrealistic assumption.

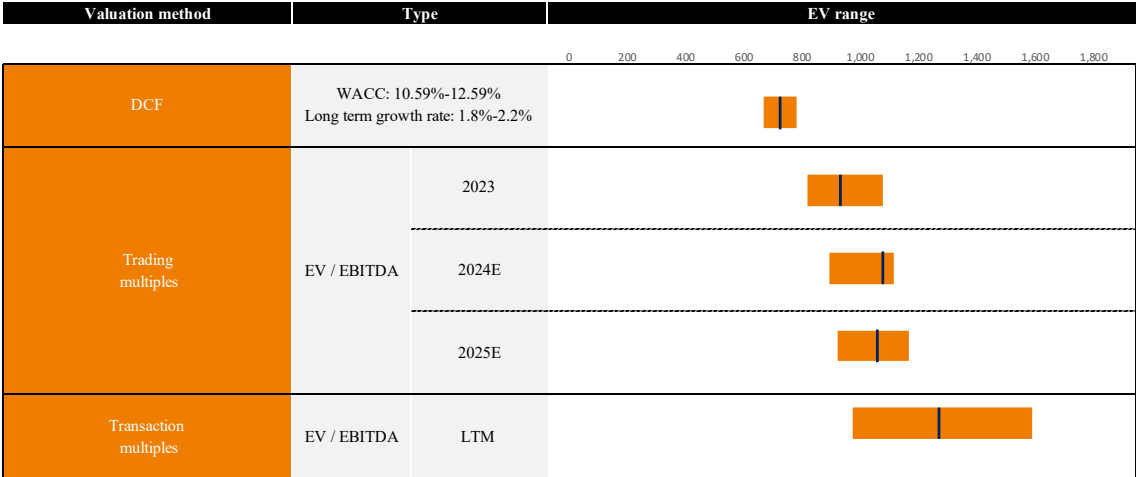
The CCA analysis uses both historical and forward-looking approaches, with the same comps. For the historical approach, the 2023 revenue and EBITDA multiples (mean, median, 25th and 75th percentiles) were applied to ATOSS's 2023 revenue and EBITDA to estimate EV. For the forward-looking approach, multiples for 2024 and 2025 were retrieved from BBG and applied to ATOSS's forecasted revenue and EBITDA. Three outlooks emerged based on the scenario. Lastly, the CTA analyzes 19 recent EU M&A transactions (excluding 2 outliers), calculating mean, median, 25th, and 75th percentile EV/Sales and EV/EBITDA multiples, applied to 2023 sales and EBITDA to estimate EV. More details in Appendices I.3 and I.4.

⁸ For more detailed information consult Appendix I.2.

The valuation and investment thesis will focus on scenario 2 (base case), except for the leverage model, which will use the worst-case scenario for a conservative approach.

6.3.2. Output

Figure 3 - Base-Case Scenario Football Field (in EURm)



The implied EV range in the base case scenario is of EUR 891.4 m – 1,113.7m with a median multiple of 18.9x. The outputs for the other case scenarios are in Appendices I.8 and I.9. The 2023 18.9x will be considered as entry multiple for the LBO analysis.

6.4. Debt Structure

The factors considered to the determine leverage are: **(i) Cash Flow:** The company indicates a robust cash flow and high historical recurring revenue margin (67% if licenses are included; 48% otherwise). The historic performance availed by prices and a backed by a maintained management further prove the robust cash flows. **(ii) EV:** High EV as detailed in the football field. **(iii) Very low outstanding debt:** Historically, the company had an average debt weight of <1% totaling EUR 14.13 m (ATOSS 2023). No rating is assigned, but BBG gives a default grade of IG2 and a 2-year default probability of 0.0066%. For more detailed information consult Appendices I.2 and J.

The debt raised is composed of tranching senior debt. Tranch A is amortized over 6 years with a spread of 3.55%, Tranch B follows a bullet payment with a spread of 4.75% in 7 years, and Tranch C follows a bullet payment with a spread of 4.88% in 8 years. The spreads have been determined as a median of the spreads of relevant German outstanding loans as of the 31.12.2023 (BBG 2023)⁹. The swap rate used was 2.33%¹⁰. No mezzanine debt was considered, adopting a conservative position. The current debt level resulted in an EBITDA multiple of 6.0x representing 31% of the overall funds. In absolute terms, the total amount is EUR 335.2 m (of which EUR 167.6 m Tranch A, EUR 83.8 m Tranch B, and EUR 83.8 m Tranch C). For simplicity, the interest on cash and the tax deductibility of the fixed return instrument will be 0.00%. The levels of debt were determined through the leverage model in the bank case section, by testing the maximum level of debt that can be raised while respecting the minimum coverage ratio set (1.0x). The bank case aims to replicate the conservative approach loan lenders take by basing the expected cash flows for debt repayment on the Worst-Case Scenario leaving enough headroom to cover the interest payments.

6.5. Other Sources

Other sources include EUR 473.2 m from a fixed return instrument and EUR 261.0 m in common equity. An EBITDA multiple of 0.2x is applied to the sweet equity, based on a participation factor of 2.0 and the Management Board's total annual compensation. This factor is sufficient, as shown later in the LBO returns, management Multiple of Money (MoM), and Internal Rate of Return (IRR). The goal is to sustain organic growth without changing the management board, as all members have been with the company for years and are well-versed, making replacements or expansions counterproductive.

⁹ Ideally the tranches have been filtered by spreads of the tech industry.

¹⁰ EUR 7Y IRS AB / 6M EURIBOR.

Overall, the sources amount to EUR 1,069.5 m, corresponding to a 19.1x EBITDA multiple.

More details on the sources can be viewed in Appendices K.1 and K.2.

6.6. Uses

1.8% of the funds will be used to pay for buyout fees which include M&A advisory fees, due diligence fees, arrangement fees and banking fees. EUR 1,040.5 m will go to the equity purchase price, EUR 14.3 m to the debt repayment, and EUR 67.5 m goes to excess cash. More details on the uses can be viewed in Appendix K.2.

6.7. LBO Returns

Table 2 - LBO Returns (in EURm)

Returns	2024A	2025A	2026A	2027A	2028A	2029A	2030A
Management return calculation							
Management exit proceeds - exit	16.1	23.3	31.8	41.2	52.8	66.6	82.9
Management equity - entrance	13.1	13.1	13.1	13.1	13.1	13.1	13.1
Management return	1.2x	1.8x	2.4x	3.2x	4.0x	5.1x	6.3x
<i>IRR</i>	23.2%	33.5%	34.6%	33.3%	32.3%	31.2%	30.2%
Institutional return calculation							
Returns institutional investor - exit	826.1	1,014.5	1,234.7	1,475.9	1,766.1	2,103.0	2,496.7
Institutional investor equity - entrance	721.2	721.2	721.2	721.2	721.2	721.2	721.2
Institutional returns	1.1x	1.4x	1.7x	2.0x	2.4x	2.9x	3.5x
<i>IRR</i>	14.5%	18.6%	19.6%	19.6%	19.6%	19.5%	19.4%

In year 7 the management MoM and IRR are 6.3x and 30.2%, respectively. The institutional MoM and IRR are 3.5x and 19.4%. The proceeds to the management are, therefore, EUR 82.9 m. And the returns to the institutional investor amount to EUR 2,496.7 m. Alternatively, the financial investor could exit in year 4 with an institutional MoM of 2.0x and an IRR of 19.6%, assuming the debt has not been repaid and would need to be refinanced¹¹.

¹¹ For more detailed information consult Appendix K.

6.8. Value Creation

A key success factor for value creation is aligning the interests of the PE fund and management, typically through remuneration packages for downside protection and manager satisfaction. For ATOSS, a 2.0x participation factor and 2023 manager salaries calculate a sweet equity of EUR 13.1 m. No additional incentives have been considered.

At Exit the value creation is 66.0% driven by the EBITDA increase and 34.0% by cash generation. Overall, the value creation is of EUR 1,859.9 m. Even though the EBITDA increases, the margin over the years decreases by 14.2%. Since the entry multiple will remain at exit, it will not have any impact in the value creation. More in Appendix K.10.

The exit implies an EV of EUR 2,581.9 m, no outstanding payment of Tranch A and Tranch B. For Tranch C a payment of EUR 83.8 m. The cash balance at the end of period results in EUR 381.4 m. The Fixed return instrument balance at end of period in the exit year is of EUR 922.2 m. Using an EV-equity bridge, the ordinary equity value amounts to EUR 1,667.3 m, of which EUR 82.9 m are proceeds to the management. More in Appendices K.9 to K.12.

6.9. Debt Service and Financial Covenant Testing

ATOSS, even in the worst-case scenario, shows a great capability to generate the sufficient cash flow to cover the debt service throughout the entire observed period. 2024 and 2030 are the only two years where the Cash Flow buffer get relatively “small” (EUR 10.1 m and EUR 7.6 m, respectively). View Appendices L.7 and o.2 for more detailed information.

The Net Total Debt / EBITDA ratio starts at 4.6x in 2024 and declines steadily throughout the forecast period, reaching below 0.0x by 2028. The interest cover ratio, which measures the company’s ability to cover interest expenses from its operating profits, improves markedly.

Starting at just around 2.3x in 2024, it climbs sharply, exceeding 6.0x by 2029 and surging to 18.0x by 2031. This upward trend reflects a substantial increase in the company's capacity to meet its interest obligations, potentially driven by growth in operating income and a reduction in interest expense. The cash cover, representing the cash available to meet obligations, begins slightly above the required level of 1.2x in 2024. It gradually rises peaking around 2.4x in 2029 before stabilizing. This indicates that the company's liquidity position is consistently sufficient to meet obligations, even in a conservative bank scenario. More information in Appendix L.8.

The combined trends reflect a strengthening financial position. The declining Net Debt / EBITDA ratio underscores improved leverage, while the steep rise in interest coverage suggests robust profitability and efficient debt management. The cash coverage metric as well as a robust headroom indicates the company maintains a solid liquidity buffer. By the 2031, the company appears well-positioned financially, having repaid all financial obligation from the LBO.

6.10. Sensitivity Analysis

The sensitivity analysis reveals the impact of varying financial assumptions on investment outcomes for institutional investors, management, and EV.

EV decreases with a higher WACC and increases with a higher long-term growth rate. For instance, at a WACC of 12.59% and a growth rate of 1.60%, the EV is EUR 623.2 m. At a lower WACC of 10.59% and higher growth rate of 2.40%, EV rises to EUR 850.0 m.

For institutional investors, the Multiple of Money (MoM) is heavily influenced by the entry and exit multiples. At a low entry multiple of 17.9x and a high exit multiple of 19.9x, the MoM reaches 3.9x, reflecting strong returns. However, at the opposite end, with a high entry multiple of 19.9x and a low exit multiple of 17.9x, the MoM decreases to 3.1x. Similarly, the IRR for institutional investors follows a comparable pattern. At a low entry multiple of 17.9x and a high

exit multiple of 19.9x, the IRR peaks at 21.3%. In contrast, with a high entry multiple of 19.9x and a low exit multiple of 17.9x, it drops to 17.6%. Nonetheless, in less favorable conditions the returns are still attractive. For management, the returns are more favorable, reflecting advantageous equity structures. The MoM for management ranges from 5.6x, at a high entry multiple of 19.9x and a low exit multiple of 17.9x, to 7.1x when the entry multiple is low at 17.9x and the exit multiple is high at 19.9x. The IRR for management also shows consistently stronger results, starting at 27.9% for a high entry multiple and low exit multiple and increasing to 32.3% when the entry multiple is low at 17.9x, and the exit multiple is high at 19.9x¹².

Overall, institutional investors must focus on favorable acquisition and exit strategies to maximize returns, while management benefits from enhanced equity terms that amplify their outcomes. Valuation is strongly influenced by WACC and growth rates, showcasing the importance to include multiple methodologies that do not rely on the estimated WACC.

6.11. Exit Strategy

ATOSS presents a compelling investment case due to the inherent appeal of the WFM software industry, characterized by increasing demand for digital solutions across various industries. Value creation is anticipated to occur organically, supported by the company's robust cash generation capabilities and historically low leverage, which have allowed the firm to fully repay its debt. These factors position ATOSS as an attractive candidate for financial investors seeking stable yet scalable opportunities. The firm's recurring revenue profile, with more than 75% stemming from subscription-based cloud solutions, enhances its predictability and reduces risk. Additionally, its extensive distribution and technology partnerships provide a strong platform

¹² For more information consult Appendix M.

for further market penetration and customer acquisition. Its diversified revenue streams further mitigate concentration risk, while its European market leadership adds strategic value.

ATOSS's exit strategy and valuation potential could be significantly influenced by an environment of falling interest rates¹³, which typically decrease the cost of debt, enabling potential acquirers to finance deals more affordably. This dynamic can increase competition among buyers, leading to higher valuations and supporting multiple expansion. In such scenario, financial investors might find ATOSS particularly appealing due to its strong cash flow generation and minimal existing leverage. Declining interest rates can also make equity investments more attractive relative to fixed-income alternatives, thereby increasing capital flow into private equity. Lastly, in a lower interest rate environment, valuation multiples often expand due to lower DCF discount rates. The opposite would apply if the rates were to increase.

6.12. Conclusion

ATOSS Software AG presents a compelling investment opportunity, blending strong operational performance, efficient financial management, and a scalable growth strategy. Its ability to generate consistent cash flow, maintain a resilient financial profile, and capitalize on industry trends positions the company as a robust and scalable asset.

7. Due Diligence

The due diligence (DD) process for ATOSS is planned to start in Phase II of the transaction after submitting the non-binding offer. This critical phase will span 4 to 12 weeks and will comprehensively analyze technical and commercial aspects to assess its viability, identify potential risks, and highlight value-creation opportunities. ATOSS faces two key risks: revenue

¹³ By the end of 2023 interest rate cuts from the Fed and ECB were not confirmed.

volatility due to macroeconomic factors and sensitivity to interest rate fluctuations, which could impact valuation, financing costs, and investor appeal.

The commercial DD focuses on understanding ATOSS's business model, market participation, and revenue mechanisms, including its financial performance. It also involves analyzing market size, structure, growth potential, competitive landscape, and expansion opportunities to assess strategic positioning. The technical DD will review their tax compliance, transfer pricing, ongoing litigation, IT scalability, cost structure, integration, environmental compliance, and insurance. It will also assess management competencies and identify areas for improvement.

Financial projections will play a vital role in this phase. Management's forecasts must be scrutinized to understand the assumptions behind them. Developing independent projections under further scenarios will provide a more nuanced perspective.

8. Final Conclusion

ATOSS Software AG emerges as an attractive LBO candidate, demonstrating a strong potential for value creation and financial growth. The financial forecasts validate ATOSS's resilience and growth potential under various scenarios. ATOSS's financial efficiency is further evidenced by its negative net working capital, streamlined cash management, and robust cash flow, which together ensure the capacity to service debt while driving growth. A leveraged financing structure could unlock additional opportunities enhancing the company's value creation potential. The debt structure supports both flexibility and stability in debt servicing. Strategic alignment between private equity investors and management, through mechanisms such as sweet equity, ensures a cohesive approach to governance and value creation. An exit strategy offers flexibility, with options for early realization of value in year 4 or maximized returns in year 7. Declining interest rates could further amplify its appeal by reducing the cost of debt and expanding valuation multiples.

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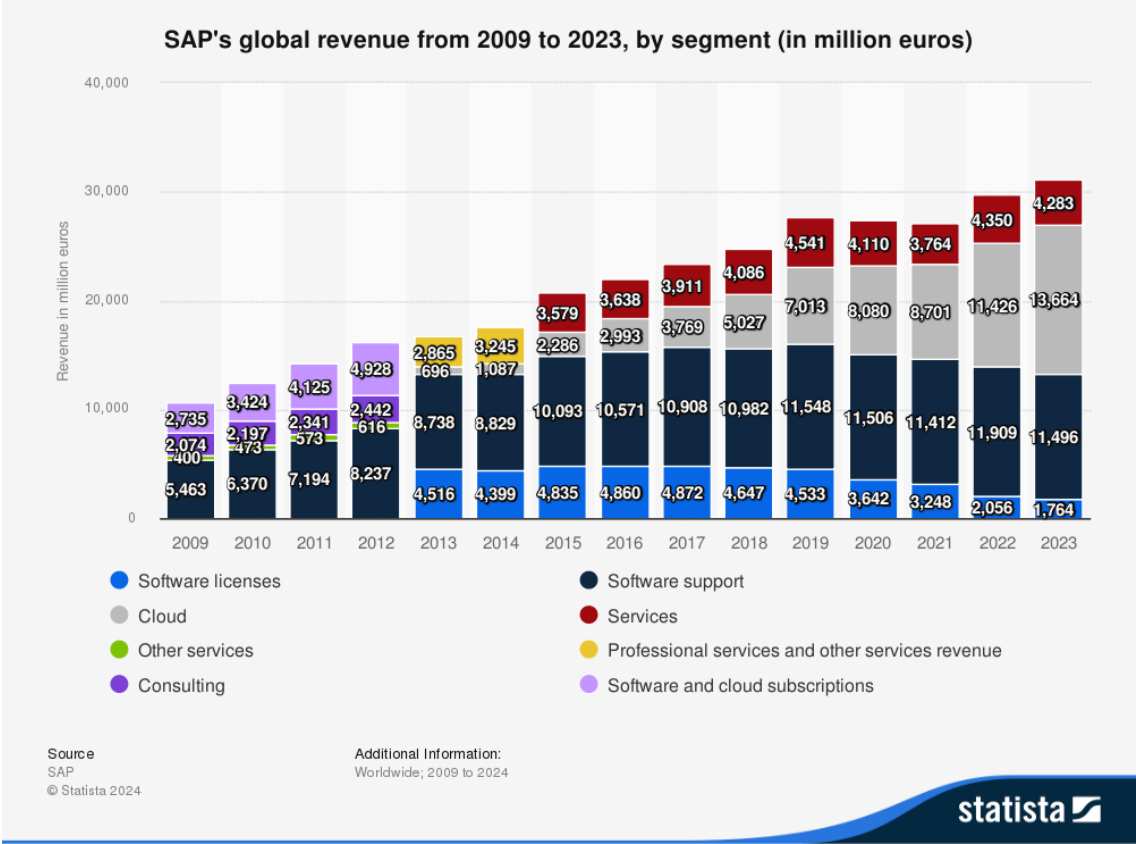
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Appendix

Note: The following legend applies to all Excel tables indicating the given color-coding system for the used Excel file.

Legend:	
Yellow cells:	Input
Blue font colour:	Hard plugs
Black font colour:	Formulas
Green font colour:	Cell linked to other sheet or within the sheet

Appendix A – SAP’s global revenue from 2009 to 2023, by segment (in million euros)



Source: Statista (2024).

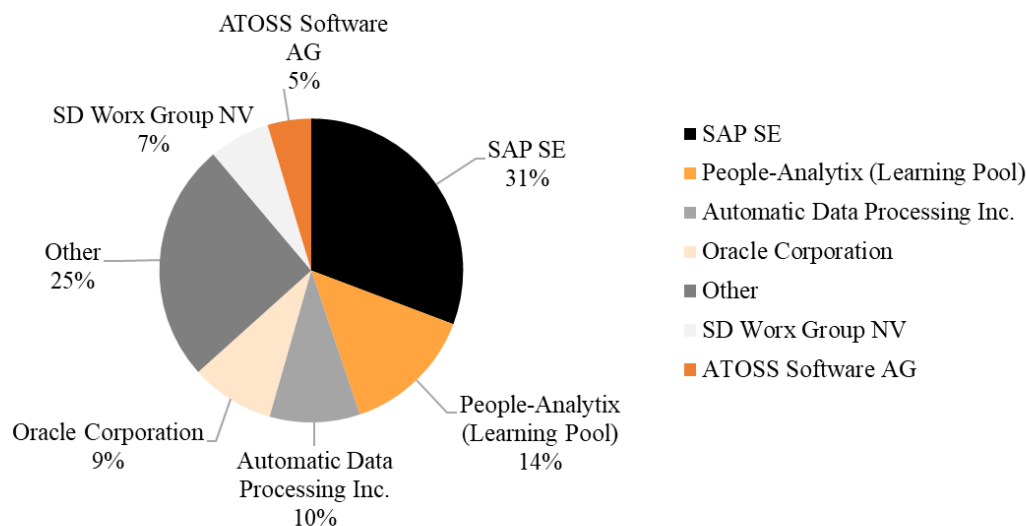
Appendix B – European Market Share Composition and Company Descriptions

Ticker	Company Name	2023 Total Revenue (in EURbn)	2023 EBITDA (in EURbn)	2023 EBITDA Margin (in %)	2023 relevant Revenue (in EURbn)	2023 relevant Revenue (in %)	European Market Share
n.a.	Anviz Global Inc.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	Calabrio Inc.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	Tamigo UK Ltd.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	Mitrefincht Ltd.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	Ultimate Kronos Group (UKG)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
SAP GY	SAP SE	31208.000	7748.000	24.8%	1000	3.2%	30.7%
n.a.	People-Analytix (Learning Pool)	2747.500	n.a.	n.a.	458	16.7%	14.1%
ADP	Automatic Data Processing Inc.	17223.000	4977.447	28.9%	313	1.8%	9.6%
ORCL	Oracle Corporation	47868.600	19865.469	41.5%	290	0.6%	8.9%
n.a.	Other	n.a.	n.a.	n.a.	186	n.a.	5.7%
n.a.	SD Worx Group NV	1058.000	164.900	15.6%	211.6	20.0%	6.5%
SGELN	Sage Group PLC/The	2509.700	509.469	20.3%	186	7.4%	5.7%
ADF	ATOSS Software AG	151.200	55.865	36.9%	151	100.0%	4.6%
n.a.	NICE Systems	2263.820	599.912	26.5%	121	5.4%	3.7%
WDAY	Workday Inc.	6706.800	181.084	2.7%	112	1.7%	3.4%
n.a.	Cegid Group	852.000	n.a.	n.a.	97	11.4%	3.0%
IBM	International Business Machines Corp	57209.900	13215.487	23.1%	71	0.1%	2.2%
ADM LN	ActiveOps	29.500	0.944	3.2%	29.5	100.0%	0.9%
n.a.	Quintix AB	26.100	n.a.	n.a.	26.1	100.0%	0.8%
Total					3253		100.0%
Average				22.4%			
Median				24.0%			

Source: Own elaboration based on information from BBG (n.d.), Tamigo UK Ltd. (n.d.) and Mitrefincht Ltd. (n.d.).

Note: Companies who did not report their financial numbers nor are given in BBG, have not been included in the market share calculation.

Appendix C – European Market Share Composition in Percentages

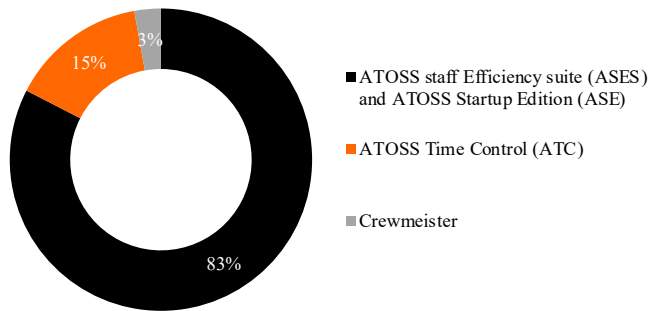


Source: Own elaboration based on information from BBG (n.d.), Tamigo UK Ltd. (n.d.) and Mitrefincht Ltd. (n.d.).

Note: Companies who did not report their financial numbers nor are given in BBG, have not been included in the market share calculation.

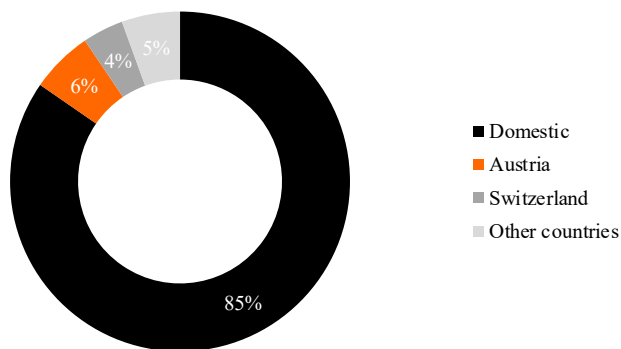
Appendix D – ATOSS Software AG 2023 Revenue Composition

Appendix D.1 – ATOSS Software AG 2023 Revenue Composition by Product



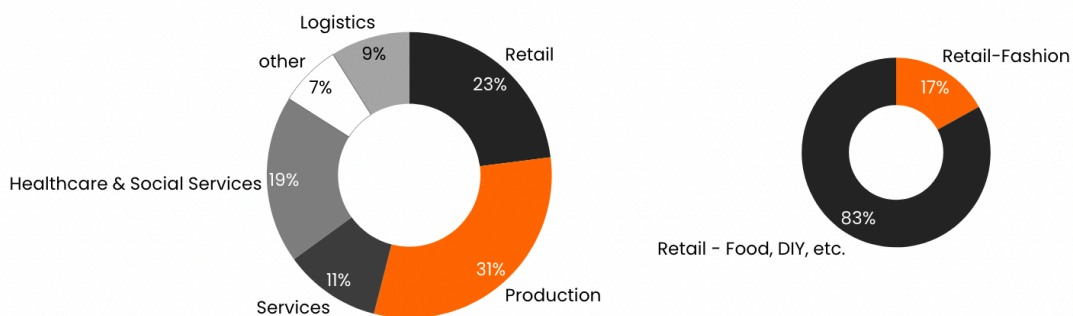
Source: Own elaboration based on data from ATOSS Software AG (2024).

Appendix D.2 – ATOSS Software AG 2023 Revenue Composition by Geography



Source: Own elaboration based on data from ATOSS Software AG (2024).

Appendix D.3 – ATOSS Software AG 2023 Revenue Composition by Industry



The five largest customers account for approx. 7 percent of company's sales.

Source: ATOSS Software AG (2023).

Appendix E – ATOSS Software AG's Dual Management System

Management Board – Management body	<p>a) CEO: Andreas F.J. Obereder, entrepreneur, Grünwald</p> <p>b) Co-CEO: Dirk Häussermann, BA in Business Management, Leonberg. Responsible for the Globalization and Marketing departments and his contract ended on the 03.31.2024</p> <p>c) CTO: Pritim Kumar Krishnamoorthy, Executive MBA, Munich</p> <p>d) CFO: Christof Leiber, Solicitor, Munich</p>
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Supervisory Board – Monitoring body	<ul style="list-style-type: none"> a) Chairman: Moritz Zimmemann, Master of Science in Business Administration, Munich; General Partner at 42 CAP Manager GmbH, Munich b) Deputy Chairman: Rolf Baron Vielhauer von Hohenhau, Degree in Business Administration, Munich; President of the Bund der Steuerbezahler in bayer e.V., Munich c) Member: Klaus Bauer, Business graduate, Munich; Chairman of the Audit Committee, member of the Advisory Board, Nuremberg d) Member (since 09/27/2023): Jörn Nikolay, Degree in Business Administration, Munich.
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Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix F – Historical Financial Overview

Appendix F.1 – Historical Income Statement (in EURm)

	2017A	2018A	2019A	2020A	2021A	2022A	2023A
Income Statement							
Revenue	54.607	62.611	71.392	86.053	97.066	113.916	151.198
Growth (%)	n.a.	14.66%	14.02%	20.54%	12.80%	17.36%	32.73%
Software	34.590	39.371	46.533	56.046	65.971	78.393	108.197
Growth(%)	n.a.	13.82%	18.19%	20.44%	17.71%	18.83%	38.02%
Licenses	12.682	13.333	14.515	16.509	17.177	12.607	19.610
Growth (%)	n.a.	5.13%	8.87%	13.74%	4.05%	-26.61%	55.55%
Ratio	0.2	0.2	0.2	0.2	0.2	0.1	0.1
Maintenance	19.888	21.866	24.208	26.600	28.934	31.632	35.669
Growth (%)	n.a.	9.95%	10.71%	9.88%	8.77%	9.32%	12.76%
Ratio	0.4	0.3	0.3	0.3	0.3	0.3	0.2
Cloud & Subscriptions	2.020	4.172	7.810	12.937	19.860	34.154	52.918
Growth (%)	n.a.	106.53%	87.20%	65.65%	53.51%	71.97%	54.94%
Ratio	0.0	0.1	0.1	0.2	0.2	0.3	0.3
Consulting	14.712	17.734	19.546	24.103	25.243	28.115	33.229
Growth(%)	n.a.	20.54%	10.22%	23.31%	4.73%	11.38%	18.19%
Ratio	0.3	0.3	0.3	0.3	0.3	0.2	0.2
Hardware	3.718	4.082	3.683	3.915	4.373	4.476	6.084
Growth(%)	n.a.	9.79%	-9.77%	6.30%	11.70%	2.36%	35.92%
Ratio	0.07	0.07	0.05	0.05	0.05	0.04	0.04
Other	1.587	1.423	1.630	1.989	1.481	2.932	3.688
Growth(%)	n.a.	-10.33%	14.55%	22.02%	-25.54%	97.97%	25.78%
Ratio	0.03	0.02	0.02	0.02	0.02	0.03	0.02
Cost of Goods Sold	16.2236	18.4413	21.228	23.7834	26.2195	31.2018	34.6166
% of Revenue	29.71%	29.45%	29.73%	27.64%	27.01%	27.39%	22.89%
Material costs (goods for resale)	3.858	3.903	4.581	4.292	3.829	4.724	6.273
% of Revenue	7.07%	6.23%	6.42%	4.99%	3.94%	4.15%	4.15%
Material costs (external services)	0.267	0.735	0.355	1.375	2.147	2.997	3.123
% of Revenue	0.49%	1.17%	0.50%	1.60%	2.21%	2.63%	2.07%
Personnel costs	8.785	9.889	11.764	13.806	15.605	18.120	19.632
% of Revenue	16.09%	15.79%	16.48%	16.04%	16.08%	15.91%	12.98%
D&A of PP&E, intangible assets and rights to use	0.218	0.290	0.984	1.127	1.288	1.272	1.301
% of net Capex	-6.09%	-16.97%	-104.57%	-24.61%	-9.59%	-47.46%	12.92%
Overheads	3.095	3.624	3.544	3.183	3.350	4.089	4.287
% of Revenue	5.67%	5.79%	4.96%	3.70%	3.45%	3.59%	2.84%
Gross Profit	38.383	44.170	50.164	62.270	70.847	82.715	116.581
R & D Expenditures	10.2607	11.2262	11.9442	14.4497	16.896	19.0564	23.6281
% of Revenue	18.79%	17.93%	16.73%	16.79%	17.41%	16.73%	15.63%
Research and development personnel costs	8.295	9.003	9.503	11.372	13.142	15.208	18.704
% of Revenue	15.19%	14.38%	13.31%	13.21%	13.54%	13.35%	12.37%
D&A of PP&E, intangible assets and rights to use	0.319	0.407	0.945	1.019	1.165	1.034	1.091
% of net Capex	-8.91%	-23.77%	-104.28%	-22.27%	-8.68%	-38.58%	10.83%
Research and development overheads	1.646	1.816	1.496	2.059	2.589	2.815	3.833
% of Revenue	3.01%	2.90%	2.10%	2.39%	2.67%	2.47%	2.54%
Other Operating Expenses	0.1841	0.198	0.2373	0.4357	0.365	0.2783	0.4756
% of Revenue	0.34%	0.32%	0.33%	0.51%	0.38%	0.24%	0.31%
Write-Down/Impairment of Assets	0	0	0.2201	0	0	0.1343	0.9234
% of Revenue	0.00%	0.00%	0.31%	0.00%	0.00%	0.12%	0.61%
General and Administrative Expenses	4.2798	5.2161	5.8227	7.5576	8.2849	10.4187	13.0448
% of Revenue	7.84%	8.33%	8.16%	8.78%	8.54%	9.15%	8.63%
Staff costs Administration	3.319	3.922	4.442	5.569	5.658	7.647	9.825
% of Revenue	6.08%	6.26%	6.22%	6.47%	5.83%	6.71%	6.50%
D&A of PP&E, intangible assets and rights to use	0.065	0.106	0.376	0.460	0.526	0.528	0.563
% of net Capex	-1.81%	-6.19%	-41.51%	-10.05%	-3.92%	-19.68%	5.59%
Administration overheads	0.896	1.188	1.005	1.529	2.101	2.244	2.656
% of Revenue	1.64%	1.90%	1.41%	1.78%	2.16%	1.97%	1.76%
Other Operating Income	0.171	0.3228	0.29	0.2304	0.0978	0.3898	0.4152
% of Revenue	0.31%	0.52%	0.41%	0.27%	0.10%	0.34%	0.27%
Distribution Expenses	9.7038	10.9354	12.9324	13.8921	18.1556	22.4142	27.1054
% of Revenue	17.77%	17.47%	18.11%	16.14%	18.70%	19.68%	17.93%
Distribution personnel costs	7.043	7.974	8.964	10.083	13.478	17.340	20.285
% of Revenue	12.90%	12.74%	12.56%	11.72%	13.89%	15.22%	13.42%
D&A of PP&E, intangible assets and rights to use	0.150	0.274	0.904	0.988	1.129	1.072	1.243
% of net Capex	-4.19%	-16.03%	-99.81%	-21.57%	-8.41%	-39.99%	12.35%
Distribution overheads	1.660	1.635	1.424	0.929	1.503	1.202	2.198
% of Revenue	3.04%	2.61%	1.99%	1.08%	1.55%	1.06%	1.45%
Advertising costs	0.851	1.052	1.640	1.892	2.046	2.801	3.379
% of Revenue	1.56%	1.68%	2.30%	2.20%	2.11%	2.46%	2.23%
EBIT	14.126	16.917	19.297	26.165	27.243	30.802	51.819
EBIT Margin (%)	26%	27%	27%	30%	28%	27%	34%
EBITDA	14.879	17.994	22.506	29.759	31.352	34.707	55.865
EBITDA Margin (%)	27%	29%	32%	35%	32%	30%	37%
Interest Expense (Income)	0.066	0.128	(0.615)	(0.032)	(0.462)	1.492	(1.507)
% of Revenue	0.12%	0.20%	-0.86%	-0.04%	-0.48%	1.31%	-1.00%
Pre-Tax Income (EBI)	14.060	16.789	19.912	26.198	27.705	29.310	53.326
Income Taxes	4.7306	5.5952	6.3934	8.4835	8.363	9.9328	17.5529
Tax Rate (%)	33.65%	33.33%	32.11%	32.38%	30.19%	33.89%	32.92%
Profit After Taxation Before Minority	9.3295	11.1937	13.5187	17.7141	19.3431	19.3774	35.7727
Weighted Avg. Shares - Basic	3.9766	3.9766	3.9766	7.9531	7.9531	7.9531	7.9531
Basic EPS	2.35	2.81	3.4	2.23	2.43	2.44	4.5
Diluted EPS	2.35	2.81	3.4	2.23	2.43	2.44	4.5

Source: Own elaboration based on ATOSS Software AG (2023) and BBG (n.d.).

Appendix F.2 – Historical and Projected Net Working Capital Calculation

Working Capital Calculation (in EURm)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Accounts Receivable, Net	5.077	6.256	7.715	8.862	11.945	10.130	10.430	16.685	18.852	21.341	24.203	27.500	31.304	35.699	40.787	46.683	53.527
Inventories	0.012	0.015	0.013	0.011	0.023	0.000	0.000	0.025	0.028	0.031	0.036	0.040	0.046	0.053	0.060	0.069	0.079
Other current assets	0.950	1.500	2.313	2.624	1.983	4.663	3.207	4.551	5.398	6.237	6.939	7.786	9.195	9.851	11.600	13.355	15.310
Accounts Payable	0.447	0.510	0.918	0.539	1.044	1.743	2.379	2.012	2.553	2.998	3.422	3.701	3.986	4.319	4.678	5.082	5.533
Other short-term liabilities	11.395	13.351	13.089	15.589	20.236	21.540	29.797	33.642	37.699	42.128	48.125	55.218	62.308	71.353	81.432	93.073	106.671
Net Working Capital	(5.802)	(6.090)	(3.966)	(4.631)	(7.330)	(8.491)	(16.538)	(14.394)	(15.975)	(17.517)	(20.369)	(23.594)	(25.749)	(30.070)	(33.663)	(38.048)	(43.288)
Change in NWC	n.a.	0.288	(2.124)	0.666	2.698	1.161	10.048	(4.144)	1.580	1.542	2.853	3.224	2.156	4.320	3.594	4.385	5.240

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix F.3 – Historical and Projected Net Working Capital-Related Calculations (in EURm)

Working Capital Related	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Accounts Receivable, Net	5.077	6.256	7.715	8.862	11.945	10.130	10.430										
Days Sales Outstanding (DSO)	33.9	36.5	39.4	37.6	44.9	32.5	25.2	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7	35.7
Inventories	0.004	0.005	0.004	0.003	0.006	0.000	0.000										
Days Inventories Outstanding (DIO)	0.08	0.09	0.07	0.05	0.08	0.00	0.00	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Accounts Payable	0.447	0.510	0.918	0.539	1.044	1.743	2.379										
Days Payable Outstanding (DPO)	4.0	4.1	6.4	3.3	5.5	7.7	8.7	6.3	7.0	7.4	7.4	7.0	6.7	6.3	6.0	5.7	5.4
Growth (%)	n.a.	1%	58%	-49%	66%	40%	14%	-28%	12%	6%	-1%	-5%	-5%	-5%	-5%	-5%	-5%
Other current assets	0.950	1.500	2.313	2.624	1.983	4.663	3.207	4.486	5.242	5.967	6.539	7.224	8.399	8.857	10.262	11.624	13.109
% of Revenue	1.74%	2.40%	3.24%	3.05%	2.04%	4.09%	2.12%	2.67%	2.80%	2.86%	2.81%	2.77%	2.87%	2.70%	2.78%	2.80%	2.80%
Other short-term liabilities	11.395	13.351	13.089	15.589	20.236	21.540	29.797	33.159	36.615	40.308	45.350	51.236	56.914	64.149	72.042	81.012	91.335
% of Revenue	20.87%	21.32%	18.33%	18.12%	20.85%	18.91%	19.71%	19.73%	19.57%	19.32%	19.46%	19.65%	19.48%	19.56%	19.53%	19.51%	19.50%
Change in NWC	n.a.	0.288	(2.124)	0.666	2.698	1.161	10.048	(4.144)	1.580	1.542	2.853	3.224	2.156	4.320	3.594	4.385	5.240

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix F.4 – Net Debt Calculation

Historical net debt calculation (FYE 31-Dec; in EURm)	2017A	2018A	2019A	2020A	2021A	2022A	2023A
Lease liabilities	0.000	0.000	10.918	9.915	10.104	9.641	8.097
Current leasing liabilities	0.000	0.000	0.476	0.305	0.550	0.610	0.327
Other Short-Term Borrowings	0.000	0.000	1.174	2.352	3.034	4.679	5.856
Total debt (incl. lease liabilities)	0.000	0.000	12.568	12.572	13.688	14.929	14.280
Other financial Short Term Assets	11.680	11.620	12.214	16.383	29.175	29.295	17.536
Cash and cash equivalents	15.428	21.676	17.524	23.408	20.453	26.758	64.201
Net debt / (cash)	(27.109)	(33.296)	(17.169)	(27.219)	(35.940)	(41.123)	(67.457)

Additional Analysis (FYE 31-Dec; in EURm)	2017A	2018A	2019A	2020A	2021A	2022A	2023A
Net debt / (cash)	(27.109)	(33.296)	(17.169)	(27.219)	(35.940)	(41.123)	(67.457)
EBITDA	14.879	17.994	22.506	29.759	31.352	34.707	55.865
Net debt / (cash) / EBITDA	(1.8)x	(1.9)x	(0.8)x	(0.9)x	(1.1)x	(1.2)x	(1.2)x

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix G – Comparable Companies List

This competitive environment is evaluated by comparing ATOSS with publicly traded companies in the WFM space, as selected using Bloomberg's filters. These companies were chosen based on their market size and financial profiles, with all market caps listed as of 31.12.2023.

Company Name	Company Description
SAP SE (Germany)	Among the major competitors, SAP stands out with a market capitalization of EUR 162.8 bn, being one of the largest enterprise software providers globally. SAP's SuccessFactors HR software plays a dominant role in workforce management, but its broader portfolio, which spans many different sectors, makes it less specialized than ATOSS.
International Business Machines Corp. (U.S.)	IBM, with a market cap of EUR 135.26 bn, operates globally and offers WFM solutions through IBM Kenexa, but this is a small part of IBM's overall portfolio, which is heavily focused on cloud, AI, and enterprise IT solutions.
Automatic Data Processing Inc. (U.S.)	ADP, a leading global provider of payroll, HR, and WFM solutions, has a strong presence in Europe, with a market cap of EUR 82.96 bn. ADP's WFM products are widely adopted, making it one of ATOSS's most significant competitors in the space.

Workday Inc. (U.S.)	Other key competitors include Workday (EUR 43.08 bn), which is a major player in cloud applications for HR and finance, specializing in human capital management (HCM) and WFM solutions for large enterprises. However, given its multiples, it has been excluded as it is considered an outlier.
Sage (U.K.)	Sage Group (EUR 12.33 bn), based in the UK, provides HR, payroll, and WFM solutions to small and medium-sized businesses, making it a significant player in the European market.
Vitec Software (SE)	Vitec Software (EUR 1.98 bn) focuses on vertical markets such as healthcare and public sector, with limited WFM offerings.
Topicus.com (U.S.)	Topicus.com (EUR 5 bn) offers specialized solutions in vertical markets and remote work, with only a small portion of their services relating to workforce management.
TeamViewer (DE)	TeamViewer (EUR 2.45 bn) offers specialized solutions in vertical markets and remote work, with only a small portion of their services relating to workforce management.
cBrain (DK)	Other smaller competitors like cBrain (EUR 0.71 bn) focus on workflow automation and identity verification, respectively, but do not have a core focus on workforce management. While they represent less direct competition to ATOSS in terms of WFM, their presence in automation and compliance highlights broader industry trends that ATOSS could leverage.
GB Group (U.K.)	Other smaller competitors like GB Group (EUR 0.86 bn) focus on workflow automation and identity verification, respectively, but do not have a core focus on workforce management. While they represent less direct competition to ATOSS in terms of WFM, their presence in automation and compliance highlights broader industry trends that ATOSS could leverage.

Source: own elaboration based on data from Bloomberg (2023).

Appendix H – Financial Projections

Appendix H.1 – Base Case Scenario Projections (in EURm)

Inputs and Outputs	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	CAGR '23-'33
Income Statement																		
Revenue	54.607	62.611	71.392	86.053	97.066	113.916	151.198	170.522	192.673	218.106	247.357	281.052	319.931	364.858	416.853	477.117	547.062	12.40%
Growth (%)	n.a.	14.96%	14.02%	20.54%	12.90%	17.30%	27.23%	22.78%	12.99%	13.20%	13.24%	13.24%	13.33%	14.04%	14.25%	14.68%	14.66%	
Software	34.590	39.371	46.533	56.046	65.971	78.393	108.197	133.279	140.733	160.964	184.451	211.759	243.555	280.628	323.911	374.507	433.723	13.45%
Growth (%)	n.a.	13.82%	18.19%	20.44%	17.71%	18.83%	38.02%	13.94%	14.16%	14.38%	14.59%	14.80%	15.02%	15.22%	15.42%	15.62%	15.81%	
Licenses	12.682	13.333	14.515	16.509	17.177	17.127	16.910	21.168	22.850	24.666	26.625	28.741	31.025	33.490	36.151	39.023	42.124	7.20%
Growth (%)	n.a.	5.13%	8.87%	13.74%	4.05%	-26.61%	55.55%	7.95%	7.95%	7.95%	7.95%	7.95%	7.95%	7.95%	7.95%	7.95%	7.95%	
Ratio	0.23	0.21	0.20	0.19	0.18	0.11	0.13	0.12	0.12	0.11	0.11	0.10	0.10	0.09	0.09	0.08	0.08	
Maintenance	19.888	21.866	24.208	26.600	28.934	31.632	35.669	39.139	42.946	47.123	51.707	56.737	62.256	68.312	74.956	82.248	90.248	8.81%
Growth (%)	n.a.	9.95%	10.71%	9.88%	7.73%	9.92%	12.76%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	
Ratio	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
Cloud & Subscriptions	2.020	4.172	7.810	12.937	19.860	34.154	52.918	62.972	74.937	89.175	106.119	126.281	150.274	178.827	212.804	253.236	301.351	17.13%
Growth (%)	n.a.	106.53%	87.20%	65.65%	53.51%	71.97%	54.94%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	
Ratio	0.04	0.07	0.11	0.15	0.20	0.30	0.35	0.37	0.39	0.41	0.43	0.45	0.47	0.49	0.51	0.53	0.55	
Consulting	14.712	17.734	19.546	24.103	25.243	28.115	33.229	37.028	41.261	45.978	51.234	57.091	63.618	70.891	78.996	88.027	98.090	10.34%
Growth (%)	n.a.	20.54%	10.22%	23.51%	4.73%	11.38%	18.19%	11.44%	11.44%	11.44%	11.44%	11.44%	11.44%	11.44%	11.44%	11.44%	11.44%	
Ratio	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
Hardware	3.718	4.082	3.683	3.915	4.373	4.476	6.084	6.332	6.590	6.858	7.138	7.428	7.731	8.046	8.374	8.715	9.070	3.70%
Growth (%)	n.a.	9.79%	-9.77%	6.30%	11.70%	2.36%	35.92%	4.07%	4.07%	4.07%	4.07%	4.07%	4.07%	4.07%	4.07%	4.07%	4.07%	
Ratio	0.07	0.07	0.05	0.05	0.05	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	
Other	1.587	1.423	1.630	1.989	1.841	2.932	3.688	3.883	4.089	4.306	4.534	4.774	5.027	5.293	5.573	5.868	6.179	4.80%
Growth (%)	n.a.	-10.33%	14.55%	22.02%	-25.54%	97.97%	25.78%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	
Ratio	0.03	0.02	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	
Cost of Goods Sold	16.2336	18.4413	21.228	23.7834	26.2195	31.2018	34.6166	38.222	43.576	48.393	56.102	63.752	72.216	82.230	93.734	107.426	123.373	
% of Revenue	29.71%	29.45%	29.73%	27.64%	27.01%	27.39%	22.89%	22.41%	22.62%	22.19%	22.68%	22.68%	22.57%	22.54%	22.49%	22.25%	22.55%	
Material costs (goods for resale)	3.858	3.903	4.581	4.292	3.829	4.724	6.273	6.958	7.948	8.962	10.161	11.571	13.163	15.007	17.153	19.629	22.506	
% of Revenue	7.07%	6.23%	6.42%	4.99%	3.94%	4.15%	4.15%	4.00%	4.19%	4.12%	4.11%	4.12%	4.11%	4.11%	4.11%	4.11%	4.11%	
Material costs (external services)	0.267	0.735	0.355	1.375	2.147	2.997	3.123	2.595	3.221	3.801	4.751	5.528	6.180	6.864	7.592	8.365	9.133	
% of Revenue	0.49%	1.17%	0.50%	1.60%	2.21%	2.63%	2.07%	1.52%	1.67%	1.74%	1.92%	1.97%	1.93%	1.83%	1.80%	1.84%	1.86%	
Personnel costs	8.785	9.889	11.764	13.806	15.605	18.120	19.632	22.141	25.017	28.320	32.118	36.493	41.544	47.374	54.126	61.955	71.032	
% of Revenue	16.09%	15.79%	16.48%	16.04%	16.08%	15.91%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	
D&A of PP&E, intangible assets and rights to use	0.218	0.290	0.984	1.127	1.288	1.272	1.301	0.911	1.148	1.481	1.114	1.187	1.165	1.504	1.666	1.870	2.195	
% of net Capex	-6.09%	-16.97%	-108.57%	-24.61%	-9.59%	-47.46%	12.92%	-14.71%	-16.42%	-4.07%	-12.40%	-11.63%	-10.03%	-11.35%	-11.01%	-10.80%	-11.05%	
Overheads	3.095	3.624	3.544	3.183	3.305	4.089	4.287	5.614	6.241	6.810	7.959	8.974	10.166	11.661	13.293	15.208	17.456	
% of Revenue	5.67%	5.79%	4.96%	3.70%	3.45%	3.59%	2.84%	3.29%	3.24%	3.12%	3.22%	3.19%	3.18%	3.20%	3.19%	3.19%	3.19%	
Gross Profit	38.383	44.170	50.164	62.270	70.847	82.715	116.581	132.300	149.097	169.713	191.254	217.300	247.715	282.627	323.119	369.690	423.689	12.45%
R & D Expenditures	10.2607	11.2262	11.9442	14.4497	16.399	19.0564	23.6281	26.208	29.622	33.902	37.787	42.847	48.637	55.609	63.485	72.638	83.327	
% of Revenue	18.79%	17.93%	16.73%	16.79%	17.41%	16.73%	15.63%	15.37%	15.37%	15.09%	15.28%	15.20%	15.24%	15.23%	15.23%	15.23%	15.23%	
Research and development personnel costs	3.319	3.922	4.442	5.569	5.558	6.747	9.825	11.084	12.815	14.673	16.674	18.767	20.977	23.415	26.071	29.008	32.274	
% of Revenue	15.19%	14.38%	13.31%	13.21%	13.54%	13.35%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	
D&A of PP&E, intangible assets and rights to use	0.319	0.407	0.945	1.019	1.165	1.304	1.091	0.782	0.930	1.272	0.907	0.961	0.871	1.271	1.350	1.517	1.781	
% of net Capex	-8.91%	-23.77%	-104.28%	-22.27%	-8.68%	-38.58%	10.83%	-12.14%	-13.30%	-4.87%	-10.10%	-9.42%	-8.13%	-9.22%	-8.92%	-8.76%	-8.97%	
Research and development overheads	1.646	1.816	1.496	2.059	2.589	2.815	3.833	4.362	4.858	5.536	6.281	7.119	8.116	9.253	10.568	12.100	13.972	
% of Revenue	3.01%	2.90%	2.10%	2.39%	2.67%	2.47%	2.54%	2.56%	2.52%	2.54%	2.54%	2.53%	2.54%	2.54%	2.54%	2.54%	2.54%	
Other Operating Expenses	0.1841	0.198	0.2373	0.4357	0.365	0.2783	0.4756	0.531	0.559	0.666	0.841	0.967	1.100	1.255	1.439	1.649	1.895	
% of Revenue	0.34%	0.32%	0.33%	0.51%	0.38%	0.24%	0.31%	0.31%	0.29%	0.31%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	
Write-Down/Impairment of Assets	0.000	0.000	0.2201	0.000	0.1343	0.9234	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
% of Revenue	0.00%	0.00%	0.31%	0.00%	0.14%	0.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
General and Administrative Expenses	4.2798	5.2161	5.8227	7.5576	8.2849	10.187	13.048	14.801	16.643	18.444	21.252	24.064	27.312	31.244	35.658	40.600	46.809	
% of Revenue	7.84%	8.33%	8.16%	8.79%	8.54%	9.16%	8.63%	8.63%	8.64%	8.64%	8.64%	8.64%	8.64%	8.64%	8.64%	8.64%	8.64%	
Staff costs Administration	3.319	3.922	4.442	5.569	5.558	6.747	9.825	11.084	12.815	14.673	16.674	18.767	20.977	23.415	26.071	29.008	32.274	
% of Revenue	6.08%	6.26%	6.22%	6.47%	5.83%	7.17%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	
D&A of PP&E, intangible assets and rights to use	0.065	0.106	0.376	0.460	0.526	0.528	0.563	0.372	0.468	0.188	0.451	0.479	0.468	0.607	0.671	0.753	0.885	
% of net Capex	-1.81%	-6.19%	-41.51%	-10.05%	-3.92%	-19.68%	5.59%	-6.00%	-6.70%	-3.37%	-4.03%	-4.03%	-4.56%	-4.56%	-4.43%	-4.46%	-4.66%	
Administration overheads	0.896	1.188	1.005	1.529	2.101	2.244	2.656	3.349	3.655	4.084	4.727	5.322	6.054	6.929	7.899	9.044	10.375	
% of Revenue	1.64%	1.90%	1.41%	1.78%	2.16%	1.97%	1.76%	1.96%	1.90%	1.87%	1.89%	1.89%	1.90%	1.90%	1.90%	1.90%	1.90%	
Other Operating Income	0.171	0.3228	0.29	0.2304	0.0978	0.3898	0.4152	0.408	0.550	0.581	0.652	0.764	0.855	0.976	1.121	1.278	1.467	
% of Revenue	0.31%	0.52%	0.41%	0.27%	0.10%	0.34%	0.27%	0.24%	0.29%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	
Distribution Expenses	9.7038	10.9354	12.9324	13.8921	18.1556	22.4142	27.1054	37.530	42.636	47.474	54.206	61.449	69.609	79.308	90.293	102.943	117.621	
% of Revenue	17.77%	17.47%	18.11%	16.14%	18.70%	19.												

Inputs and Outputs	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	CAGR '23-'33
Income Statement																		
Revenue	54,607	62,611	71,392	86,053	97,066	113,916	151,198	168,075	187,132	208,684	233,093	260,782	292,236	328,020	368,786	415,291	468,414	10.83%
Growth (%)	n.a.	14.60%	14.02%	20.32%	12.80%	17.73%	27.73%	11.66%	12.34%	12.24%	12.08%	12.08%	12.24%	12.24%	12.08%	12.08%	12.08%	11.77%
Software	34,590	39,371	46,533	56,046	65,971	78,393	108,197	121,296	136,235	153,298	172,816	195,173	220,814	250,260	284,116	318,066	367,992	11.77%
Growth (%)	n.a.	13.82%	18.19%	20.44%	17.71%	18.83%	38.02%	12.11%	12.32%	12.53%	12.73%	12.94%	13.14%	13.34%	13.53%	13.72%	13.90%	11.77%
Licenses	12,682	13,333	14,515	16,509	17,177	17,627	19,610	20,776	21,011	23,200	24,706	26,175	27,732	29,380	31,127	32,978	34,939	5.39%
Growth (%)	n.a.	5.13%	8.87%	13.74%	4.05%	2.61%	5.55%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.95%	5.39%
Ratio	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Maintenance	19,888	21,866	24,208	26,600	28,934	31,632	35,669	38,606	41,784	45,224	48,948	52,978	57,339	62,060	67,170	72,700	78,685	7.46%
Growth (%)	n.a.	9.95%	10.71%	9.88%	8.77%	9.32%	12.76%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
Ratio	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Cloud & Subscriptions	2,020	4,172	7,810	12,937	19,860	34,154	52,918	61,914	72,439	84,754	99,162	116,020	135,743	158,820	185,819	217,408	254,368	15.34%
Growth (%)	n.a.	106.53%	87.20%	65.65%	53.51%	71.97%	54.94%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%
Ratio	0.0	0.1	0.1	0.1	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Consulting	14,712	17,734	19,546	24,103	25,243	28,115	33,229	36,363	39,793	43,546	47,654	52,149	57,067	62,450	68,341	74,737	81,841	8.54%
Growth (%)	n.a.	20.54%	10.22%	23.31%	4.73%	11.28%	18.19%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%	9.42%
Ratio	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Hardware	3,718	4,082	3,683	3,915	4,373	4,476	6,084	6,533	7,015	7,533	8,089	8,687	9,328	10,017	10,756	11,550	12,403	6.69%
Growth (%)	n.a.	9.79%	-9.77%	6.30%	11.70%	2.36%	35.92%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%
Ratio	0.07	0.07	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Other	1,587	1,423	1,630	1,989	1,481	2,932	3,688	3,883	4,089	4,306	4,774	5,027	5,293	5,573	5,868	6,179	6,501	4.80%
Growth (%)	n.a.	-10.33%	14.55%	22.02%	-25.54%	97.97%	25.78%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%
Ratio	0.03	0.02	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Cost of Goods Sold	16,236	18,443	21,228	23,784	26,219	31,208	34,616	41,056	45,429	48,860	56,710	63,133	70,283	79,062	88,594	99,904	112,957	
% of Revenue	29.71%	29.45%	29.73%	27.64%	27.01%	27.39%	22.89%	24.43%	24.28%	23.41%	24.33%	24.21%	24.05%	24.10%	24.24%	24.06%	24.11%	
Material costs (goods for resale)	9,858	9,903	9,581	4,292	3,829	4,724	6,273	6,858	7,720	8,594	9,975	10,737	12,024	13,492	15,175	17,085	19,271	
% of Revenue	18.07%	15.82%	13.41%	4.99%	3.94%	4.15%	4.15%	4.06%	4.14%	4.12%	4.41%	4.12%	4.14%	4.14%	4.14%	4.14%	4.14%	
Material costs (external services)	0,267	0,735	0,355	1,375	2,147	2,997	3,123	2,561	3,128	3,637	4,477	5,329	6,645	8,009	9,636	11,507	13,599	
% of Revenue	0.49%	1.17%	0.50%	1.60%	2.21%	2.63%	2.07%	1.52%	1.67%	1.74%	1.92%	1.97%	1.93%	1.83%	1.82%	1.84%	1.86%	
Personnel costs	8,785	9,889	11,764	13,806	15,605	18,120	19,632	25,193	27,371	29,633	34,044	37,754	42,162	47,574	53,361	60,079	67,825	
% of Revenue	16.09%	15.79%	16.48%	16.04%	16.08%	15.91%	12.98%	14.99%	14.63%	14.70%	14.61%	14.48%	14.43%	14.50%	14.47%	14.47%	14.48%	
DBA of PP&E, intangible assets and rights to use	0,218	0,290	0,984	1,127	1,288	1,272	1,301	0,911	1,148	0,481	1,114	1,187	1,165	1,504	1,666	1,870	2,129	
% of net Capex	-6.09%	-16.97%	-108.57%	-24.61%	-9.59%	-47.46%	12.92%	-14.71%	-16.42%	-6.07%	-12.40%	-11.63%	-10.03%	-11.35%	-11.01%	-10.80%	-11.05%	
Overheads	3,095	3,624	3,544	3,183	3,500	4,089	4,287	5,533	6,061	6,515	7,500	8,327	9,286	10,484	11,760	13,238	14,946	
% of Revenue	5.67%	5.79%	4.96%	3.70%	3.45%	3.59%	2.84%	3.29%	3.24%	3.12%	3.22%	3.19%	3.18%	3.20%	3.19%	3.19%	3.19%	
Gross Profit	38,383	44,170	49,664	62,270	70,847	82,715	116,581	127,020	141,703	159,824	176,384	197,649	221,953	248,957	280,191	315,387	355,457	10.67%
R & D Expenditures	10,260	11,262	11,942	14,449	16,896	19,056	23,621	27,046	29,855	32,388	36,987	41,184	45,986	51,862	58,235	65,577	74,055	
% of Revenue	18.79%	17.93%	16.73%	16.79%	17.41%	16.73%	15.63%	16.09%	16.09%	16.09%	16.09%	16.09%	16.09%	16.09%	16.09%	16.09%	16.09%	
Research and development personnel costs	8,295	9,003	9,503	11,372	13,142	15,308	18,704	21,995	24,207	26,706	30,162	33,617	37,619	42,127	47,536	53,512	60,396	
% of Revenue	15.19%	14.38%	13.31%	13.21%	13.54%	13.35%	12.37%	13.00%	12.94%	12.80%	12.94%	12.89%	12.89%	12.90%	12.89%	12.89%	12.89%	
DBA of PP&E, intangible assets and rights to use	0,319	0,407	0,945	1,019	1,165	1,304	1,091	0,830	1,020	0,382	0,980	0,961	1,271	1,380	1,517	1,759	2,025	
% of net Capex	-8.91%	-23.77%	-104.28%	-22.27%	-8.68%	-38.58%	10.83%	-12.14%	-13.30%	-4.87%	-10.10%	-9.42%	-8.13%	-9.22%	-9.92%	-8.76%	-8.97%	
Research and development overheads	1,646	1,816	1,496	2,059	2,589	2,815	3,833	4,299	4,718	5,297	5,918	6,605	7,413	8,319	9,349	10,532	11,878	
% of Revenue	3.01%	2.90%	2.10%	2.39%	2.67%	2.47%	2.54%	2.56%	2.52%	2.54%	2.54%	2.53%	2.54%	2.54%	2.54%	2.54%	2.54%	
Other Operating Expenses	0,184	0,198	0,237	0,435	0,365	0,278	0,476	0,524	0,543	0,637	0,705	0,781	0,884	0,989	1,110	1,253	1,412	
% of Revenue	0.34%	0.32%	0.33%	0.51%	0.38%	0.24%	0.31%	0.31%	0.29%	0.31%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	
Write-Down/Impairment of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
% of Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
General and Administrative Expenses	4,279	5,216	5,827	7,576	8,289	10,148	13,048	14,399	16,218	17,565	19,917	22,293	24,863	28,012	31,486	35,441	40,018	
% of Revenue	7.84%	8.33%	8.16%	8.79%	8.54%	9.15%	8.63%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	
Staff costs Administration	3,319	3,922	4,442	5,569	6,558	7,647	9,825	10,667	12,207	13,470	15,312	17,276	19,476	21,917	24,716	27,917	31,520	
% of Revenue	6.08%	6.26%	6.22%	6.47%	6.58%	6.71%	6.50%	6.33%	6.33%	6.33%	6.43%	6.43%	6.43%	6.43%	6.43%	6.43%	6.43%	
DBA of PP&E, intangible assets and rights to use	0,065	0,106	0,376	0,460	0,526	0,528	0,563	0,372	0,468	0,188	0,451	0,479	0,468	0,607	0,671	0,753	0,885	
% of net Capex	-1.81%	-6.19%	-41.51%	-10.05%	-3.92%	-19.68%	5.59%	-6.00%	-6.70%	-2.37%	-5.02%	-4.70%	-4.03%	-4.44%	-4.44%	-4.38%	-4.46%	
Administration overheads	0,896	1,188	1,005	1,529	2,101	2,244	2,656	3,301	3,550	3,908	4,455	4,938	5,530	6,229	6,988	7,872	8,883	
% of Revenue	1.64%	1.90%	1.41%	1.78%	2.16%	1.97%	1.76%	1.96%	1.90%	1.87%	1.87%	1.89%	1.89%	1.90%	1.90%	1.90%	1.90%	
Other Operating Income	0,171	0,328	0,29	0,2304	0,0978	0,3898	0,4152	0,402	0,534	0,556	0,614	0,709	0,781	0,878	0,992	1,113	1,256	
% of Revenue	0.31%	0.52%	0.41%	0.27%	0.10%	0.34%	0.27%	0.24%	0.29%	0.27%	0.26%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	
Distribution Expenses	9,703	10,9354	12,9324	13,8921	18,1556	22,4142	27,1054	38,476	43,492	47,331	53,963	60,563	67,800	76,631	86,359	97,452	110,266	
% of Revenue	17.77%	17.47%	18.11%	16.14%	18.70%													

As a result, in 2033 the company is expected to generate EUR 468.4 m in revenue (a revenue CAGR '23-'33 of 10.83%, and a Cloud & Subscriptions revenue CAGR of 15.34%), and an EBITDA EUR 137.5 m. The margin reaches throughout the years the 30% target, except for 2032 and 2033, where margins decrease slightly to 29%.

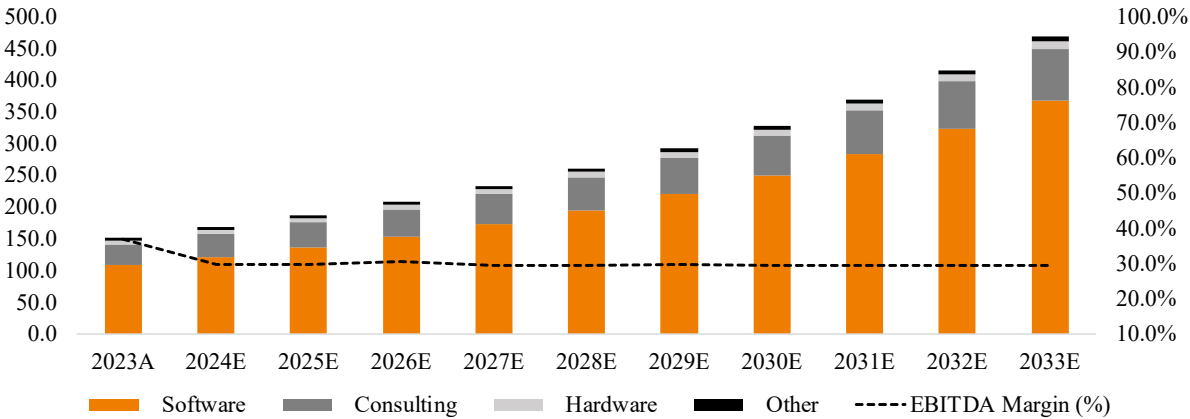
Appendix H.3 – Best-Case Scenario Financial Projections (in EURm)

Inputs and Outputs	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	CAGR '23-'33
Income Statement																		
Revenue	54.607	62.611	71.392	86.053	97.066	113.916	151.198	180.062	215.124	256.394	304.722	361.093	427.866	509.007	604.755	720.861	857.153	17.08%
Growth (%)	n.a.	14.66%	14.02%	20.54%	12.80%	17.36%	32.73%	19.09%	19.47%	19.18%	18.85%	18.50%	18.49%	18.96%	18.81%	19.20%	18.93%	
Software	34.590	39.371	46.533	56.046	65.971	78.393	108.197	131.926	161.207	195.962	236.940	285.011	342.400	412.920	496.632	599.081	719.858	18.80%
Growth (%)	n.a.	13.82%	18.19%	20.44%	17.71%	18.83%	38.02%	21.93%	22.19%	21.56%	20.91%	20.29%	20.14%	20.60%	20.14%	20.63%	20.16%	
Licenses	12.682	13.333	14.515	16.509	17.177	12.607	19.610	21.168	22.850	24.666	26.495	28.460	30.570	32.837	35.272	37.888	40.698	6.86%
Growth (%)	n.a.	5.13%	8.87%	13.74%	4.05%	-26.61%	55.55%	7.95%	7.95%	7.42%	7.42%	7.42%	7.42%	7.42%	7.42%	7.42%	7.42%	
Ratio	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Maintenance	19.888	21.856	24.208	26.600	28.934	31.623	35.669	39.319	43.343	47.778	52.541	57.440	62.817	68.816	75.389	82.589	90.477	8.83%
Growth (%)	n.a.	9.95%	10.71%	9.88%	8.77%	9.32%	12.76%	10.28%	10.23%	10.23%	9.55%	9.55%	9.55%	9.55%	9.55%	9.55%	9.55%	
Ratio	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	
Cloud & Subscriptions	2.020	4.172	7.810	12.937	19.860	34.154	52.918	71.439	95.014	123.519	158.104	199.211	249.013	311.267	385.971	478.604	588.683	24.48%
Growth (%)	n.a.	106.53%	87.20%	65.65%	53.51%	71.97%	54.94%	35.00%	33.00%	30.00%	28.00%	26.00%	25.00%	25.00%	24.00%	24.00%	23.00%	
Ratio	0.04	0.07	0.11	0.15	0.20	0.30	0.35	0.40	0.44	0.48	0.52	0.55	0.58	0.61	0.64	0.66	0.69	
Consulting	14.712	17.734	19.546	24.103	25.243	28.115	33.229	37.028	41.261	45.978	51.234	57.091	63.618	70.891	78.996	88.027	98.900	10.34%
Growth (%)	n.a.	20.54%	10.22%	23.31%	4.33%	11.88%	18.19%	11.43%	11.43%	11.43%	11.43%	11.43%	11.43%	11.43%	11.43%	11.43%	11.43%	
Ratio	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	
Hardware	3.718	4.082	3.683	3.915	4.373	4.476	6.084	6.655	7.279	7.962	8.709	9.526	10.420	11.398	12.467	13.637	14.916	8.49%
Growth (%)	n.a.	9.79%	-9.77%	6.30%	11.70%	2.36%	35.92%	9.38%	9.38%	9.38%	9.38%	9.38%	9.38%	9.38%	9.38%	9.38%	9.38%	
Ratio	0.07	0.07	0.05	0.05	0.05	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.02	
Other	1.587	1.423	1.630	1.989	1.481	1.932	3.688	4.453	5.377	6.478	7.839	9.466	11.478	13.798	16.660	20.115	24.200	18.69%
Growth (%)	n.a.	-10.33%	14.55%	22.02%	-25.54%	97.97%	25.78%	10.28%	20.74%	20.74%	20.74%	20.74%	20.74%	20.74%	20.74%	20.74%	20.74%	
Ratio	0.03	0.02	0.02	0.02	0.02	0.03	0.03	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	
Cost of Goods Sold	16.2336	18.4413	21.228	23.7834	26.195	31.018	34.6166	40.309	48.520	56.804	68.855	81.570	96.186	114.124	135.235	161.352	192.060	
% of Revenue	29.71%	29.45%	29.73%	27.64%	27.01%	27.39%	22.89%	22.39%	22.55%	22.15%	22.60%	22.59%	22.48%	22.42%	22.36%	22.28%	22.41%	
Material costs (goods for resale)	3.858	3.903	4.581	4.292	3.829	4.724	6.273	7.347	8.875	10.559	12.517	14.866	17.604	20.936	24.885	29.657	35.263	
% of Revenue	7.07%	6.23%	6.42%	4.99%	3.94%	4.15%	4.15%	4.08%	4.13%	4.12%	4.11%	4.12%	4.11%	4.11%	4.11%	4.11%	4.11%	
Material costs (external services)	0.267	0.735	0.355	1.375	2.147	2.997	3.123	2.744	3.596	4.468	5.853	7.102	8.265	9.325	10.877	13.248	15.956	
% of Revenue	0.49%	1.17%	0.50%	1.60%	2.12%	2.63%	2.07%	1.52%	1.67%	1.74%	1.92%	1.97%	1.93%	1.83%	1.80%	1.84%	1.86%	
Personnel costs	8.785	9.889	11.764	13.806	15.605	18.120	19.632	23.380	27.932	33.291	39.566	46.885	55.556	66.091	78.523	93.599	111.296	
% of Revenue	16.09%	15.79%	16.48%	16.04%	16.08%	15.91%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	
D&A of PP&E, intangible assets and rights to use	0.218	0.290	0.984	1.127	1.288	1.272	1.301	0.911	1.148	0.481	1.114	1.187	1.165	1.504	1.666	1.870	2.195	
% of net Capex	-6.09%	-16.97%	-108.57%	-24.61%	-9.59%	-47.46%	-12.92%	-14.71%	-16.82%	-12.40%	-11.63%	-10.03%	-12.03%	-12.03%	-12.03%	-10.88%	-11.05%	
Gross Profit	38.383	44.170	50.164	62.270	70.884	82.715	116.581	139.753	166.600	199.590	235.867	279.523	331.648	394.888	469.520	559.500	665.090	17.15%
R & D Expenditures	10.2607	11.2262	11.9442	14.4497	16.896	19.0564	23.6281	27.632	32.966	38.610	46.340	54.776	64.727	77.097	91.493	108.972	129.550	
% of Revenue	18.79%	17.93%	16.73%	16.79%	17.41%	16.73%	15.63%	15.35%	15.32%	15.06%	15.21%	15.17%	15.13%	15.15%	15.13%	15.12%	15.11%	
Research and development personnel costs	8.295	9.003	9.503	11.372	13.142	15.208	18.704	22.275	26.612	31.717	37.695	44.669	52.929	62.967	74.811	89.174	106.304	
% of Revenue	15.19%	14.38%	13.31%	13.21%	13.54%	13.35%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	12.37%	
D&A of PP&E, intangible assets and rights to use	0.319	0.407	0.945	1.019	1.165	1.034	1.091	0.752	0.930	0.385	0.907	0.961	0.944	1.221	1.350	1.517	1.781	
% of net Capex	-8.91%	-23.77%	-104.28%	-22.27%	-8.68%	-38.58%	-10.83%	-12.14%	-13.30%	-4.87%	-10.10%	-9.42%	-8.13%	-9.22%	-8.76%	-8.76%	-8.97%	
Research and development overheads	1.646	1.816	1.496	2.059	2.589	2.815	3.833	4.606	5.424	6.508	7.737	9.146	10.853	12.909	15.332	18.281	21.736	
% of Revenue	3.01%	2.90%	2.10%	2.39%	2.67%	2.47%	2.54%	2.58%	2.52%	2.54%	2.54%	2.54%	2.54%	2.54%	2.54%	2.54%	2.54%	
Other Operating Expenses	0.1841	0.198	0.2373	0.4357	0.365	0.783	0.4756	0.4561	0.614	0.683	0.903	0.981	1.081	1.231	1.436	1.714	2.039	
% of Revenue	0.34%	0.32%	0.33%	0.51%	0.38%	0.24%	0.31%	0.25%	0.29%	0.31%	0.32%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	
Write-Down/Impairment of Assets	0.000	0.0	0.2201	0.1	0.1	0.1343	0.9234	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
% of Revenue	0.00%	0.00%	0.31%	0.00%	0.00%	0.12%	0.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
General and Administrative Expenses	4.2798	5.2161	5.8227	7.5576	8.2849	10.187	13.048	15.608	18.528	21.649	26.076	30.781	36.368	43.349	51.429	61.259	72.839	
% of Revenue	7.84%	8.33%	8.16%	8.78%	8.54%	9.15%	8.63%	8.67%	8.61%	8.44%	8.56%	8.52%	8.50%	8.52%	8.50%	8.50%	8.50%	
Staff costs Administration	3.319	3.922	4.442	5.569	6.558	7.947	9.825	11.701	13.979	16.661	19.801	23.464	27.803	33.076	39.298	46.842	55.699	
% of Revenue	6.08%	6.26%	6.22%	6.47%	5.83%	6.71%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	
D&A of PP&E, intangible assets and rights to use	0.065	0.106	0.376	0.460	0.526	0.528	0.563	0.372	0.468	0.188	0.451	0.479	0.468	0.607	0.671	0.753	0.885	
% of net Capex	-1.81%	-6.19%	-41.51%	-10.05%	-3.92%	-19.68%	-5.59%	-6.00%	-6.70%	-2.37%	-5.02%	-4.70%	-4.03%	-4.56%	-4.44%	-4.35%	-4.46%	
Administration overheads	0.896	1.188	1.005	1.529	2.014	2.244	2.656	3.536	4.081	4.801	5.824	6.837	8.097	9.666	11.460	13.624	16.256	
% of Revenue	1.64%	1.90%	1.41%	1.78%	2.16%	1.97%	1.76%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	1.95%	
Other Operating Income	0.171	0.3223	0.29	0.2304	0.0978	0.3898	0.4756	0.4152	0.431	0.614	0.683	0.903	0.981	1.131	1.367	1.714	2.039	
% of Revenue	0.31%	0.52%	0.41%	0.27%	0.10%	0.34%	0.27%	0.23%	0.23%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	
Distribution Expenses	9.7038	10.9354	12.9324	13.8921	18.856	22.618	27.1054	38.809	45.648	52.611	61.902	72.188	84.050	98.647	115.502	135.644	159.223	
% of Revenue	17.77%	17.47%	18.11%	16.14%	18.75%	19.44%	17.93%	21.55%	21.22%	20.52%	20.31%	19.99%	19.65%	19.38%	19.10%	18.82%	18.58%	
Distribution personnel costs	7.043	7.974	8.															

Methodology: This scenario meets with the overall Y-o-Y revenue growth expectations of 19% the company has been set. Thus, the forecasts of the revenues are more aligned with the historical assumptions. The historical averages have been considered for the revenue growths, leaving out any major outliers. The historical average revenue growth for the Cloud & Subscription division was 66.65%. This was considered too high, so it has been set at 35% for 2024, gradually decreasing to 23% by 2033. COGS and Opex as a percentage of revenue were projected using historical moving averages.

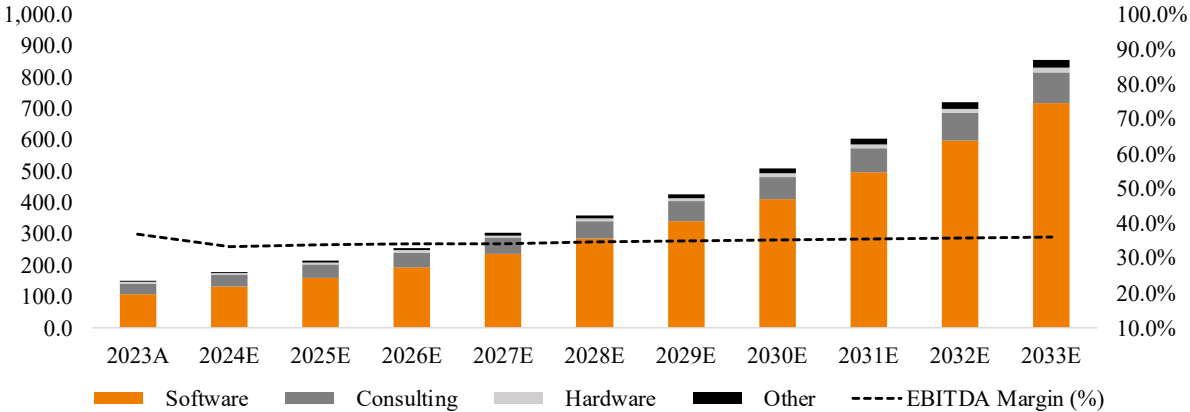
Revenue is expected to be EUR 180.062m in 2024 and EUR 215.1m in 2025, with a CAGR of 17.08% and an EBITDA margin of 36%.

Appendix H.4 – Worst-Case Scenario Projected Revenues (in EURm) and EBITDA Margin (in %)



Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix H.5 – Best-Case Scenario Projected Revenues (in EURm) and EBITDA Margin (in %)



Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix H.6 – Cash Conversion Cycle (in days)

EURm	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Net Working Capital Forecast																	
Days Sales Outstanding (DSO)	34	36	39	38	45	32	25	36	36	36	36	36	36	36	36	36	36
Days Inventories Outstanding (DIO)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Days Payable Outstanding (DPO)	4	4	6	3	5	8	9	6	7	7	7	7	7	6	6	6	5
Cash Conversion Cycle (CCC)	30	32	33	34	40	25	16	29	29	28	28	29	29	29	30	30	30
Net Working Capital	(6)	(6)	(4)	(5)	(7)	(8)	(19)	(14)	(16)	(18)	(20)	(24)	(26)	(30)	(34)	(38)	(43)

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix H.7 – Historical and Forecasted Net Capex Calculation

Capex Calculation (in EURm)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Investments in Fixed & Intang	(1.484)	(1.711)	(0.906)	(0.728)	(1.095)	(1.018)	(1.872)	(2.637)	(2.979)	(3.372)	(3.825)	(4.346)	(4.947)	(5.641)	(6.445)	(7.377)	(8.459)
LT Investment	(2.102)	0.000	0.000	(3.850)	(12.334)	(1.663)	11.942	(3.554)	(4.016)	(4.546)	(5.156)	(5.858)	(6.668)	(7.605)	(8.688)	(9.944)	(11.402)
Net Capex	(3.586)	(1.711)	(0.906)	(4.578)	(13.428)	(2.680)	10.071	(6.191)	(6.995)	(7.918)	(8.980)	(10.204)	(11.615)	(13.246)	(15.134)	(17.322)	(19.861)

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix I – Valuation-Related Calculation

Appendix I.1 – WACC Calculation

(in EURm Except Per Share and Per Unit Data)

Discount Rate Calculations - Assumptions:

Risk-Free Rate:	2.02%
Equity Risk Premium:	9.24%
Pre-Tax Cost of Debt:	2.55%
Cost of Preferred Stock:	-

Cost of Debt:

ST Debt to Total Debt	0.43
Note Rate	3.26%
LT Debt to Total Debt	0.57
Bond Rate	2.02%
Cost of Debt	2.55%

Comparable Companies - Unlevered Beta Calculation:

Name	Ticker	Levered Beta	Debt	Total Debt to Equity	Preferred Stock	% Preferred	Equity Value	% Equity	Tax Rate	Unlevered Beta
SAP SE	SAP GY	0.92	€ 8,930.018	5.2%	€ -	-	€ 162,801.100	94.8%	30.0%	0.96
Vitec Software Group AB	VITB SS	1.16	€ 184.038	9.3%	€ -	-	€ 1,978.900	90.7%	20.6%	1.25
Sage Group PLC/The	SGELN	0.83	€ 1,295.081	10.5%	€ -	-	€ 12,334.100	89.5%	25.0%	0.90
International Business Machines Corp	IBM	0.77	€ 38,684.045	28.6%	€ -	-	€ 135,258.900	71.4%	21.0%	0.94
cBrain A/S	CBRAIN DC	1.12	€ 7.060	1.0%	€ -	-	€ 706.000	99.0%	22.0%	1.13
TeamViewer SE	TMV GY	0.98	€ 440.352	18.0%	€ -	-	€ 2,446.400	82.0%	28.6%	1.11
Automatic Data Processing Inc.	ADP	0.96	€ 3,152.472	3.8%	€ -	-	€ 82,959.800	96.2%	21.0%	0.99
Topicus.com Inc	TOI CN	0.67	€ 270.065	5.4%	€ -	-	€ 5,001.200	94.6%	26.5%	0.70
Workday Inc.	WDAY	1.13	€ 2,240.202	5.2%	€ -	-	€ 43,080.800	94.8%	26.5%	1.17
GB Group PLC	GBGLN	1.08	€ 124.657	14.5%	€ -	-	€ 859.700	85.5%	25.0%	1.20
Median:		0.97	€ 867.716	7.4%	€ -	-	€ 8,667.650	92.7%	25.0%	1.05

ATOSS Software SE - Levered Beta & WACC Calculation:

	Ticker	Unlevered Beta	Debt	% Debt	Preferred Stock	% Preferred	Equity Value	% Equity	Tax Rate	Levered Beta
Current Marked-value based Capital Structure	AOF	1.05	€ 14.129	0.85%	€ -	-	€ 1,662.200	99.2%	32.92%	1.05
Peer Group Capital Structure:	AOF	1.05	€ 123.210	7.4%	€ -	-	€ 1,553.119	92.7%	25.0%	1.11

Cost of Equity, Current Capital Structure:

11.75%

Cost of Equity Based on Comparables, Peer Group Capital Structure:

12.27%

WACC = Cost of Equity * % Equity + Cost of Debt * % Debt * (1 - Tax Rate) + Cost of Preferred Stock * % Preferred Stock

WACC, Current Capital Structure:

11.67%

WACC, "Peer Group" Capital Structure:

11.51%

Average WACC Produced by both Methods:

11.59%

Source: own elaboration based on data from ATOSS Software AG (2023).

Appendix I.2 – Historical Capital Structure

Capital Structure	2017A	2018A	2019A	2020A	2021A	2022A	2023A	Average	Median
Weight of Equity	100.00%	100.00%	97.84%	99.01%	99.21%	98.67%	99.15%	99.13%	99.15%
Weight of Debt	0.00%	0.00%	2.16%	0.99%	0.79%	1.33%	0.85%	0.87%	0.85%
Weight of Preferred Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: own elaboration based on data from Bloomberg (2023).

Note: The historical capital structure indicates that it can be assumed that the capital structure will remain constant over the holding period.

Appendix I.3 – Comparable Company Analysis

Base Case Company	Market Cap in EURm	EV/Sales			EV/EBITDA		
		2023A	2024E	2025E	2023A	2024E	2025E
SAP SE	162 801	7,2x	7,9x	7,1x	24,2x	31,5x	23,1x
Vitec Software Group AB	1 979	5,9x	6,2x	5,7x	15,0x	16,2x	14,5x
Sage Group PLC/The	12 334	4,5x	4,7x	4,4x	17,6x	19,0x	17,1x
International Business Machines Corp	135 259	3,1x	3,9x	3,7x	13,8x	15,8x	15,0x
cBrain A/S	706	12,3x	15,2x	11,8x	30,6x	39,1x	29,1x
TeamViewer SE	2 446	3,5x	3,6x	3,4x	8,0x	8,4x	7,8x
Automatic Data Processing Inc.	82 960	4,9x	5,8x	5,5x	17,0x	19,7x	18,3x
Topicus.com Inc	5 001	4,9x	5,6x	4,9x	16,6x	19,7x	16,6x
GB Group PLC	860	3,1x	3,6x	3,3x	12,7x	14,8x	13,8x

Mean	5,5x	6,3x	5,5x	17,3x	20,5x	17,2x
Median	4,9x	5,6x	4,9x	16,6x	19,0x	16,6x
25th Percentile	4,3x	3,9x	3,7x	14,7x	15,8x	14,5x
75th Percentile	6,2x	6,2x	5,7x	19,3x	19,7x	18,3x

Source: own elaboration based on data from Bloomberg (2023).

Appendix I.4 – Comparable Transaction Analysis (in EURm)

Comparable Transaction Overview

Announcement Date	Target	Acquiror	Target Sales	EV (€m)	EV/Sales	EV/EBITDA
08-2022	Micro Focus International PLC	Open Text Corp	2,429	4,915	2.0x	7.1x
09-2022	AVEVA Group PLC	Schneider Electric SE	1,394	11,593	8.3x	38.0x
04-2023	SimCorp A/S	Deutsche Boerse AG	301	3,815	12.7x	28.4x
08-2023	SUSE SA	EQT AB	612	2,279	3.7x	19.5x
04-2022	BasWare Oyj	Briarwood Chase Management LLC,Accel-KKR Co LLC (Fund: Accel-KKR Capital Partners VI LP),Long Path Partners LP	153	628	4.1x	26.2x
06-2023	ESI Group	Keysight Technologies Inc	134	873	6.5x	32.4x
05-2022	Mercell Holding ASA	Thoma Bravo LLC	70	299	4.3x	43.9x
05-2022	Orn Software AS	eG Norge AS	19	86	4.5x	17.4x
06-2022	Piteco SpA	Lillo SpA	37	280	7.5x	13.2x
07-2022	Generix Group SADIR	New Gen Holding SASU	85	171	2.0x	19.4x
02-2022	IGE + XAO	Schneider Electric SE	36	285	7.8x	27.0x
11-2022	Epsilon Net SA	National Bank of Greece SA	93	514	5.5x	26.3x
04-2023	Defence Tech Holding SpA	Tinexta Spa	21	104	4.9x	16.2x
02-2022	Bilot Oy	Vincit Oyj	27	20	0.7x	39.6x
01-2022	Multiq International AB	Vertiseit AB	16	19	1.1x	22.7x
06-2023	PARAGON ID SA	Grenadier Holdings Ltd	192	111	0.6x	6.9x
08-2022	Generix Group SADIR	New Gen Holding SASU	85	171	2.0x	20.4x
05-2022	Ideagen PLC	HgCapital LLP	74	999	13.6x	55.8x
04-2023	Signup Software AB	Insight Venture Partners LP	23	133	5.8x	97.6x
			Mean		4.6x	23.8x
			Median		4.3x	22.7x
			25% percentile		2.0x	17.4x
			75% percentile		6.5x	28.4x

Implied EV range

ATOSS Financials 2023A	
Sales	151
EBITDA	56
EV/EBITDA	
Mean	1,330
Median	1,268
25% percentile	974
75% percentile	1,587
EV/Sales	
Mean	697
Median	651
25% percentile	306
75% percentile	986

Source: own elaboration based on data from Bloomberg (2023).

Note: Ideagen PLC and Signup Software AB have been excluded from the calculation given the extraordinarily high EBITDA multiples.

Appendix I.5 – DCF Base-Case Scenario

DCF specific assumptions (in EURM if not otherwise stated)																	
Valuation Date	31/12/23																
Long Term Growth Rate	7%																
WACC	11.13%																
Midyear convention	Yes																
Year Factor	1																
Unlevered Free Cash Flow (in EURM)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Revenue							151.198	170.522	192.673	218.106	247.357	281.052	319.931	364.858	416.853	477.117	547.062
Software							108.197	123.279	140.733	160.964	184.451	211.759	243.555	280.628	323.911	374.507	433.723
Consulting							33.229	37.028	41.261	45.978	51.234	57.091	63.618	70.891	78.996	88.027	98.090
Hardware							6.084	6.332	6.590	6.858	7.138	7.428	7.731	8.046	8.374	8.715	9.070
Other							3.688	3.883	4.089	4.306	4.534	4.774	5.027	5.293	5.573	5.868	6.179
Cost of Goods Sold							34.617	38.227	43.576	48.393	56.102	63.752	72.116	82.230	93.734	107.426	123.373
Gross Profit							116.581	132.300	149.097	169.713	191.254	217.300	247.715	282.627	323.119	369.690	423.689
R & D Expenditures							23.628	26.208	29.622	32.902	37.787	42.847	48.637	55.609	63.485	72.638	83.227
Other Operating Expenses							0.476	0.531	0.559	0.666	0.748	0.841	0.967	1.100	1.255	1.439	1.648
Write-Downs/Impairment of Assets							0.923	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
General and Administrative Expenses							13.045	14.801	16.643	18.444	21.252	24.064	27.312	31.244	35.658	40.800	46.809
Other Operating Income							0.415	0.408	0.550	0.581	0.652	0.764	0.855	0.976	1.121	1.278	1.467
Distribution Expenses							27.100	37.530	47.616	47.474	54.206	61.449	69.009	79.308	90.293	103.943	117.621
EBITDA							39.863	36.417	63.637	72.200	81.268	92.420	105.543	120.854	138.537	158.748	182.327
EBIT							39.863	36.417	63.637	72.200	81.268	92.420	105.543	120.854	138.537	158.748	182.327
Taxes							17.067	17.416	18.542	24.991	28.299	28.853	33.134	37.776	43.363	49.727	57.066
Tax Rate (%)							0.326	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325
NOPLAT							34.762	36.222	40.643	47.816	52.615	60.009	68.911	78.566	90.186	103.421	118.684
(+) Amortisation of intangible assets, depreciation of PPE							4.199	2.778	3.472	1.394	3.356	3.558	3.478	4.512	4.988	5.599	6.577
(-) Change in NWC							10.048	-4.144	1.580	1.542	2.853	3.224	2.156	4.320	3.594	4.385	5.240
(-) Net capex							10.071	-6.191	-6.995	-7.918	-8.980	-10.204	-11.615	-13.246	-15.134	-17.322	-19.861
Unlevered free cash flow							59.079	28.665	38.701	42.834	49.843	56.587	62.930	74.152	83.633	96.082	110.640

Discounted Cash Flow Calculation (in EURM)																	
Planning period																	
Year factor								1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Discount factor								0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33
Unlevered free cash flow								29	39	43	50	57	63	74	84	96	111
PV of unlevered free cash flow								26	31	31	32	33	33	34	35	36	37
Terminal value period																	
Year factor								1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Discount factor								0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33
Terminal value																	1,177
PV of terminal value																	393
Enterprise value																	720
Share of terminal value																	54.6%
Share of planning period																	45.4%
Implied EV / EBITDA 23A																	12.9x
Implied EV / EBITDA 24E																	12.8x
Implied EV / EBITDA 25E																	11.3x

Source: own elaboration based on data from Bloomberg (2023), ATOSS Software AG (2023) and ECB (2023).

Appendix I.6 – DCF Worst-Case Scenario

DCF specific assumptions (in EURM if not otherwise stated)																	
Valuation Date	1/1/23																
Long Term Growth Rate	7%																
WACC	11.13%																
Midyear convention	Yes																
Year Factor	1																
Unlevered Free Cash Flow (in EURM)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Revenue							151.198	168.075	187.132	208.684	233.093	260.782	292.236	328.020	368.786	415.291	468.414
Software							108.197	121.296	136.235	153.298	172.816	195.173	220.814	250.260	284.116	323.086	367.992
Consulting							33.229	36.363	39.793	43.546	47.654	52.149	57.067	62.450	68.341	74.787	81.841
Hardware							6.084	6.333	6.593	6.858	7.138	7.428	7.731	8.046	8.374	8.715	9.070
Other							3.688	3.883	4.089	4.306	4.534	4.774	5.027	5.293	5.573	5.868	6.179
Cost of Goods Sold							34.617	41.056	45.429	48.860	56.710	63.133	70.283	79.063	88.594	98.904	112.957
Gross Profit							116.581	127.020	141.703	159.824	176.384	197.649	221.953	248.957	280.191	316.387	355.457
R & D Expenditures							23.628	27.046	29.855	32.388	36.987	41.184	45.986	51.862	58.235	65.577	74.055
Other Operating Expenses							0.476	0.524	0.543	0.637	0.705	0.781	0.884	0.989	1.110	1.253	1.412
Write-Downs/Impairment of Assets							0.923	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
General and Administrative Expenses							13.045	14.339	16.218	17.565	19.917	22.293	24.863	28.012	31.486	35.441	40.018
Other Operating Income							0.415	0.402	0.534	0.556	0.614	0.709	0.781	0.878	0.992	1.113	1.256
Distribution Expenses							27.100	38.478	43.495	47.331	53.203	60.583	67.800	76.631	86.339	97.432	110.286
EBITDA							39.863	39.816	65.002	69.861	68.793	77.005	86.880	96.863	108.900	122.976	139.299
EBIT							39.863	39.816	65.002	69.861	68.793	77.005	86.880	96.863	108.900	122.976	139.299
Taxes							17.051	15.273	16.927	20.280	21.244	23.878	27.016	29.983	33.766	37.917	42.523
Tax Rate (%)							0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325	0.325
NOPLAT							34.762	31.764	35.209	42.178	44.182	49.660	56.186	62.358	70.226	78.859	88.439
(+) Amortisation of intangible assets, depreciation of PPE							4.199	2.778	3.472	1.394	3.356	3.558	3.478	4.512	4.988	5.599	6.577
(-) Change in NWC							10.048	-4.144	1.580	1.542	2.853	3.224	2.156	4.320	3.594	4.385	5.240
(-) Net capex							10.071	-6.191	-6.995	-7.918	-8.980	-10.204	-11.615	-13.246	-15.134	-17.322	-19.861
Unlevered free cash flow							59.079	24.207	33.261	37.195	41.410	46.238	50.205	57.944	63.674	71.521	80.394

Discounted Cash Flow Calculation (in EURM)																	
Planning period																	
Year factor								1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Discount factor								0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33
Unlevered free cash flow								24	33	37	41	46	50	58	64	72	80
PV of unlevered free cash flow								22	27	27	27	27	27	26	27	26	27
Terminal value period																	
Year factor								1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0
Discount factor								0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33
Terminal value																	855
PV of terminal value																	286
Enterprise value																	547
Share of terminal value																	52.2%
Share of planning period																	47.8%
Implied EV / EBITDA 23A																	9.8x
Implied EV / EBITDA 24E					</												

DCF specific assumptions (in €m if not otherwise stated)	
Valuation Date	1/1/24
Long Term Growth Rate	2.0%
WACC	11.33%
Midyear convention	Yes
Year Factor	1

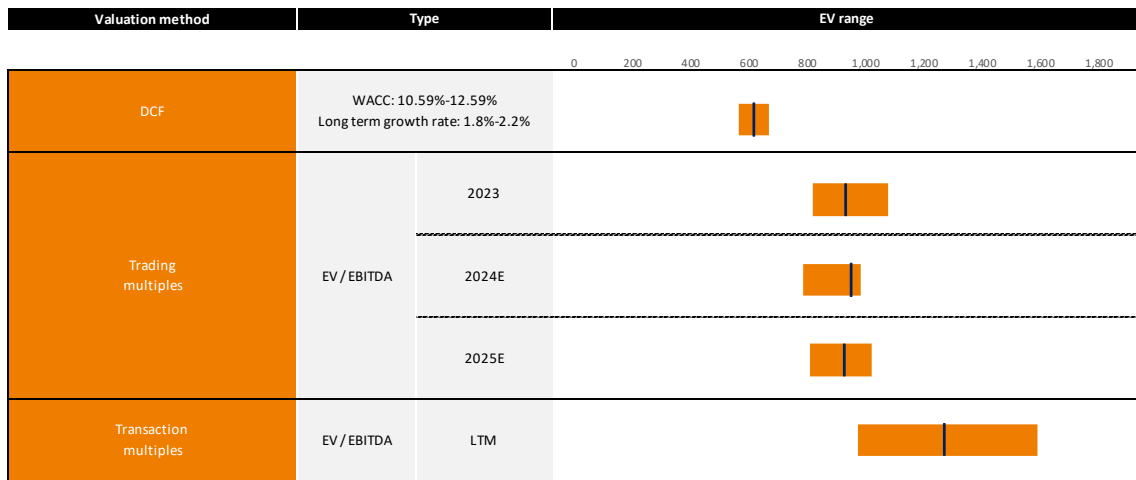
Unlevered Free Cash Flow (in €m)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Revenue	151.198	180.062	215.124	256.394	304.722	361.093	427.866	509.007	604.755	720.861	857.153	1008.062	1185.214	1391.124	1638.394	1937.722	2300.093
Software	108.197	131.926	161.207	195.962	236.940	285.011	342.400	412.920	496.632	599.061	719.858	861.062	1030.062	1238.394	1488.722	1791.093	2158.394
Consulting	33.229	37.028	41.261	45.978	51.234	57.091	63.618	70.891	78.996	88.027	98.090	108.027	118.027	128.027	138.027	148.027	158.027
Hardware	6.084	6.655	7.279	7.962	8.709	9.526	10.420	11.398	12.467	13.637	14.916	16.295	17.774	19.353	21.032	22.811	24.690
Other	3.688	4.453	5.377	6.492	7.839	9.464	11.428	13.798	16.660	20.116	24.288	29.167	34.856	41.365	48.714	56.923	66.002
Cost of Goods Sold	34.617	40.309	48.520	58.804	70.850	84.970	101.570	121.188	144.188	171.124	202.500	238.811	280.400	327.632	380.926	440.722	508.400
Gross Profit	116.581	139.753	166.604	197.590	233.872	276.123	326.293	387.819	460.567	549.631	654.605	788.251	944.814	1120.492	1357.468	1647.041	1991.693
R & D Expenditures	11.848	13.913	16.604	19.970	24.020	28.760	34.280	40.680	48.060	56.520	66.160	77.080	89.490	103.500	119.210	136.720	156.030
Other Operating Expenses	0.476	0.561	0.624	0.763	0.922	1.081	1.284	1.534	1.821	2.174	2.583	3.056	3.604	4.228	4.937	5.732	6.615
Write-Down/Impairment of Assets	0.923	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
General and Administrative Expenses	13.045	15.608	18.528	21.649	26.076	30.781	36.368	43.349	51.429	61.259	72.839	86.259	101.629	119.049	138.719	160.749	186.229
Other Operating Income	0.415	0.431	0.614	0.683	0.803	0.981	1.143	1.362	1.626	1.931	2.298	2.719	3.198	3.737	4.347	5.027	5.777
Distribution Expenses	77.105	88.809	103.648	121.611	142.902	167.618	195.869	227.769	273.409	322.889	386.309	464.669	559.069	671.509	804.029	957.729	1144.649
EBITDA	38.865	49.351	72.923	88.914	104.787	125.236	149.823	180.130	215.889	258.989	309.771	369.411	438.321	516.991	606.741	708.771	834.061
EBIT	31.819	37.273	56.452	66.620	81.431	101.431	121.679	146.345	175.618	210.901	253.391	303.191	361.491	429.491	508.291	598.791	711.291
Taxes	-17.057	-18.694	-22.551	-28.126	-32.935	-39.509	-47.518	-57.023	-68.480	-82.276	-98.447	-118.167	-142.647	-172.987	-209.287	-252.747	-304.447
Unlevered free cash flow	14.762	18.579	33.901	58.494	68.496	81.930	98.827	118.595	142.422	171.115	204.747	245.024	293.824	351.504	419.454	498.024	588.244

Discounted Cash Flow Calculation (in €m)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Year factor	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0
Discount factor	0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33	0.30	0.27	0.24	0.22	0.20	0.18	0.16
Unlevered free cash flow	31	45	54	66	79	93	114	136	164	197	236	281	334	396	469	554	651
PV of unlevered free cash flow	28	36	39	42	46	48	53	57	61	66	71	76	81	87	93	99	105
Terminal value period																	
Year factor	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0							
Discount factor	0.90	0.80	0.72	0.64	0.58	0.52	0.46	0.42	0.37	0.33							
Terminal value																	
PV of terminal value																	
Enterprise value		1,174															
Share of terminal value		59.5%															
Share of planning period		40.5%															
Implied EV / EBITDA '23A			21.0x														
Implied EV / EBITDA '24E				19.4x													
Implied EV / EBITDA '25E					16.1x												

Source: own elaboration based on data from Bloomberg (2023), ATOSS Software AG (2023) and ECB (2023).

Appendix I.8 – Football Field Worst-Case Scenario (in EURm)

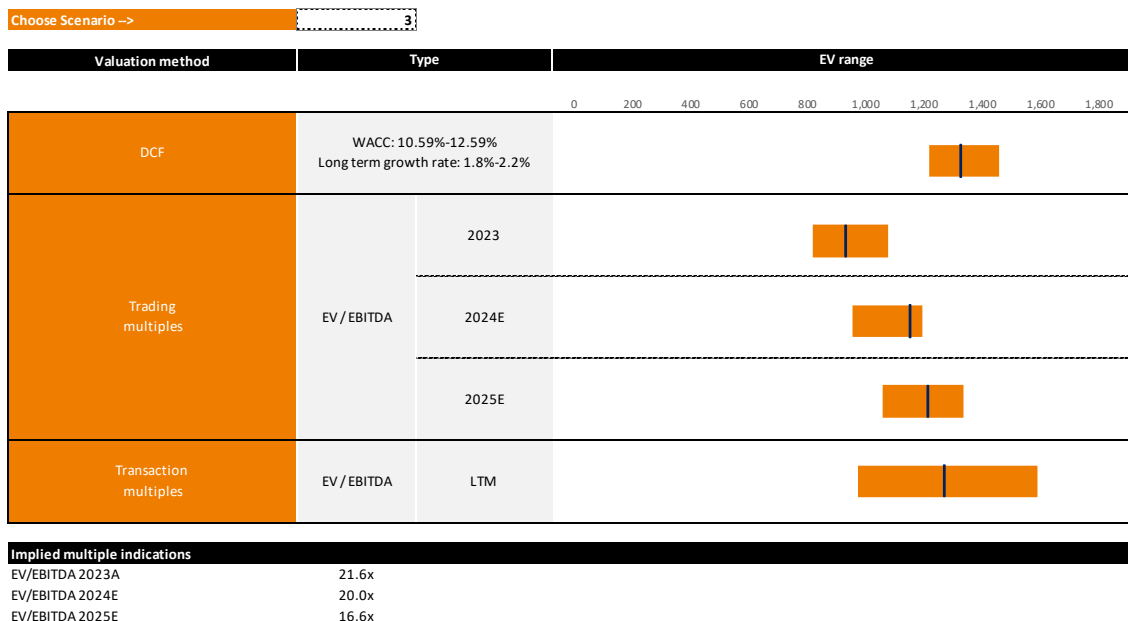
Choose Scenario →



Implied multiple indications	
EV/EBITDA 2023A	16.6x
EV/EBITDA 2024E	18.6x
EV/EBITDA 2025E	16.7x

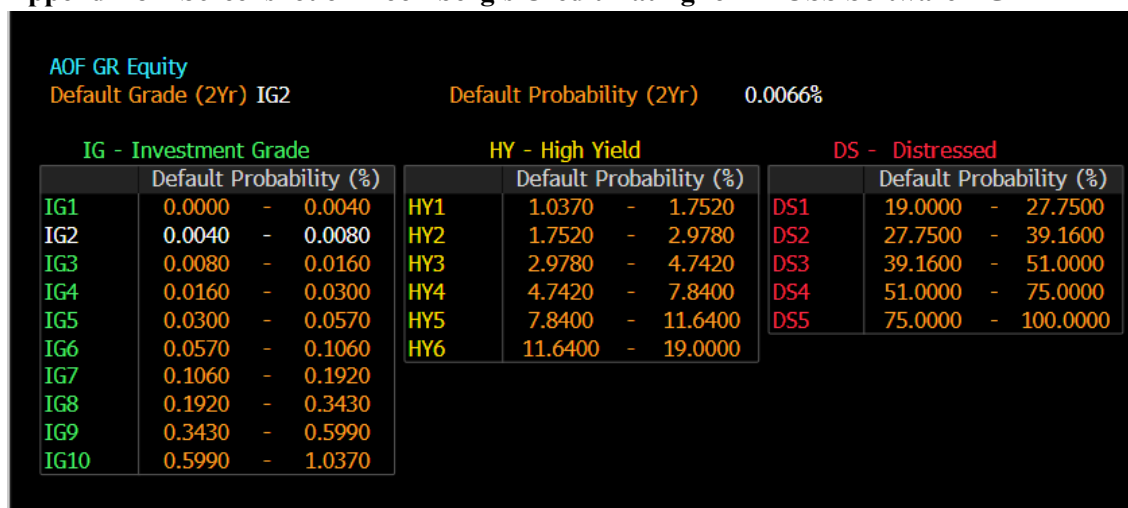
Source: own elaboration based on data from CCA, CTA and DCF valuations.

Appendix I.9 – Football Field Best-Case Scenario (in EURm)



Source: own elaboration based on data from CCA, CTA and DCF valuations.

Appendix J – Screenshot of Bloomberg’s Credit Rating for ATOSS Software AG



Source: Bloomberg (2024).

Appendix K – Leveraged Buyout-Related Calculations

Appendix K.1 – LBO Model General Input Assumptions (in EURm)

LBO specific assumptions

General

Valuation date:	31/12/23
Entry multiple (EV / LTM EBITDA):	18.9x
Implied purchase price:	1,054.803
Exit multiple (EV / LTM EBITDA):	18.9x
Interest on cash:	0.00%
Swap rate:	2.33%
Tax deductibility of fixed return instrument:	0.00%
Sweet equity:	5.00%
Participation factor:	2.0
Initial cash balance (excess cash):	67.4570

Source: own elaboration based on data from CCA, CTA and DCF valuations, historical valuations and EUR 7Y IRS AB / 6M EURIBOR (2024).

Appendix K.2 – Sources and Uses of Funds (in EURm)

Sources of funds	Amortization	Period (years)	x EBITDA	Amount	Margin	Interest	Weight
Senior debt			6.0x	335.190			
Term loan A	Yes	6	3.0x	167.595	3.55%	5.88%	
Term loan B	No	7	1.5x	83.798	4.75%	7.08%	
Term loan C	No	8	1.5x	83.798	4.88%	7.21%	
Subordinated debt			0.0x	0.000			
Mezzanine debt	No	9	0.0x	0.000			
PIK interest expense							
Cash interest expense							
Total debt			6.0x	335.190			31.3%
Fixed return instrument	No	10	8.5x	473.242		10.00%	
PIK interest expense			8.5x	473.242	7.7%	10.00%	
Ordinary equity			4.7x	261.040			
Institutional ords			4.4x	247.988			
Sweet equity			0.2x	13.052			
Total equity			13.1x	734.282			68.7%
Total sources of funds			19.1x	1,069.472			100.0%

Uses of funds	x EBITDA	Amount	In %
Enterprise value	18.9x	1,054.803	
Equity purchase price	18.6x	1,040.523	
Debt repayment	0.3x	14.280	
Excess cash	1.2x	67.457	
Fees	0.3x	14.669	
M&A advisor fees	0.1x	6.329	0.60%
Due diligence fees	0.1x	3.164	0.30%
Arrangement fees	0.1x	3.164	0.30%
Banking fees	0.0x	2.011	0.60%
Total uses of funds	19.1x	1,069.472	

Source: own elaboration based on data from CCA, CTA and DCF valuations, historical valuations and Outstanding German Loans on 31.12.2023 retrieved from Bloomberg (2023).

Appendix K.3 – Cash Flow Available for Debt Repayment

Free cash flow calculation (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Revenue	151.198	170.522	192.673	218.106	247.357	281.052	319.931	364.858
Cost of Goods Sold	34.617	38.222	43.576	48.393	56.102	63.752	72.216	82.230
Gross Profit	116.581	132.300	149.097	169.713	191.254	217.300	247.715	282.627
Other Operating Income	0.415	0.408	0.550	0.581	0.652	0.764	0.855	0.976
Operating Expenses	65.177	79.070	89.461	99.486	113.993	129.202	146.525	167.261
EBIT	51.819	53.639	60.186	70.808	77.914	88.862	102.045	116.343
(+) Depreciation and Amortization	4.199	2.778	3.472	1.394	3.356	3.558	3.478	4.512
EBITDA	55.865	56.417	63.657	72.202	81.269	92.420	105.523	120.854
% margin	36.9%	33.1%	33.0%	33.1%	32.9%	32.9%	33.0%	33.1%
(-) Change in NWC		(4.144)	1.580	1.542	2.853	3.224	2.156	4.320
(-) Net capex		(6.191)	(6.995)	(7.918)	(8.980)	(10.204)	(11.615)	(13.246)
(-) Tax		20.405	20.819	20.217	21.095	21.097	20.782	20.556
Cash flow available for debt service		66.486	79.061	86.042	96.236	106.537	116.846	132.484
(-) Net interest expense		(69.156)	(72.245)	(75.808)	(79.891)	(84.547)	(89.833)	(95.812)
(-) Total debt amortization		(27.933)	(27.933)	(27.933)	(27.933)	(27.933)	(27.933)	(83.798)
(+) PIK interest mezzanine debt		0.000	0.000	0.000	0.000	0.000	0.000	0.000
(+) PIK interest fixed return instrument		47.324	52.057	57.262	62.989	69.287	76.216	83.838
Levered free cash flow		16.722	30.940	39.564	51.401	63.345	75.296	36.713
Cash balance beginning of period (BoP):		67.457	84.179	115.119	154.683	206.084	269.429	344.725
Change in cash		16.722	30.940	39.564	51.401	63.345	75.296	36.713
Cash balance end of period (EoP):		84.179	115.119	154.683	206.084	269.429	344.725	381.438

Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.4 – Forecasted Tax Calculation – Management Case

Tax Calculation (LBO) (FYE 31-Dec; in EURm if not otherwise stated)	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
EBITDA						56.417	63.657	72.202	81.269	92.420	105.523	120.854			
Amortisation of intangible assets, depreciation of PPE						(2.778)	(3.472)	(1.394)	(3.356)	(3.558)	(3.478)	(4.512)			
EBIT						53.639	60.186	70.808	77.914	88.862	102.045	116.343			
Tax relevant term loan A interest expense						(9.858)	(8.215)	(6.572)	(4.929)	(3.286)	(1.643)	0.000			
Tax relevant term loan B interest expense						(5.935)	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)			
Tax relevant term loan C interest expense						(6.039)	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)			
Tax relevant mezzanine debt interest expense						0.000	0.000	0.000	0.000	0.000	0.000	0.000			
Tax relevant fixed return instrument interest expense						(94.648)	(104.113)	(114.525)	(125.977)	(138.575)	(152.432)	(167.675)			
Cash interest income						0.000	0.000	0.000	0.000	0.000	0.000	0.000			
EBT						(62.842)	(64.116)	(62.263)	(64.966)	(64.973)	(64.004)	(63.307)			
Tax rate						32.47%	32.47%	32.47%	32.47%	32.47%	32.47%	32.47%			
Taxes						20.405	20.819	20.217	21.095	21.097	20.782	20.556			

Source: own elaboration based on data from ATOSS Software AG (2023) and own assumptions.

Appendix K.5 – Debt Amortization (in EURm)

Debt schedule (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Debt								
Debt balance beginning of period (BoP)								
Senior debt	335.190	307.258	279.325	251.393	223.460	195.528	167.595	167.595
Term loan A	167.595	139.663	111.730	83.798	55.865	27.933	0.000	0.000
Term loan B	83.798	83.798	83.798	83.798	83.798	83.798	83.798	83.798
Term loan C	83.798	83.798	83.798	83.798	83.798	83.798	83.798	83.798
Subordinated debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mezzanine debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total debt balance beginning of period (BoP)	335.190	307.258	279.325	251.393	223.460	195.528	167.595	167.595
Debt amortization								
Senior debt	-27.933	-27.933	-27.933	-27.933	-27.933	-27.933	-27.933	-83.798
Term loan A	-27.933	-27.933	-27.933	-27.933	-27.933	-27.933	-27.933	-
Term loan B	-	-	-	-	-	-	-	-83.798
Term loan C	-	-	-	-	-	-	-	-
Subordinated debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mezzanine debt	-	-	-	-	-	-	-	-
Total debt amortization	(27.933)	(27.933)	(27.933)	(27.933)	(27.933)	(27.933)	(27.933)	(83.798)
Debt PIK interest expense								
Senior debt	-	-	-	-	-	-	-	-
Term loan A	-	-	-	-	-	-	-	-
Term loan B	-	-	-	-	-	-	-	-
Term loan C	-	-	-	-	-	-	-	-
Subordinated debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mezzanine debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total debt PIK interest expense	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Debt balance end of period (EoP)								
Senior debt	307.258	279.325	251.393	223.460	195.528	167.595	167.595	83.798
Term loan A	139.663	111.730	83.798	55.865	27.933	0.000	0.000	0.000
Term loan B	83.798	83.798	83.798	83.798	83.798	83.798	83.798	0.000
Term loan C	83.798	83.798	83.798	83.798	83.798	83.798	83.798	83.798
Subordinated debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mezzanine debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total debt balance end of period (EoP)	307.258	279.325	251.393	223.460	195.528	167.595	167.595	83.798

Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.6 – Fixed Return Instrument Schedule

Debt schedule (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Fixed return instrument (FRI)								
FRI balance beginning of period (BoP)								
FRI balance beginning of period (BoP)	473.242	520.566	572.623	629.885	692.874	762.161	838.377	838.377
Amortization	-	-	-	-	-	-	-	-
PIK interest expense	47.324	52.057	57.262	62.989	69.287	76.216	83.838	83.838
FRI balance end of period (EoP)	520.566	572.623	629.885	692.874	762.161	838.377	838.377	922.215

Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.7 – Net Interest Expense

Debt schedule (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Net interest expense								
Senior debt	(21.832)	(20.189)	(18.546)	(16.903)	(15.260)	(13.617)	(11.974)	(11.974)
Term loan A	(9.858)	(8.215)	(6.572)	(4.929)	(3.286)	(1.643)	0.000	0.000
Term loan B	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)	(5.935)
Term loan C	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)	(6.039)
Subordinated debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mezzanine debt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PIK interest expense	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cash interest expense	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fixed return instrument	(47.324)	(52.057)	(57.262)	(62.989)	(69.287)	(76.216)	(83.838)	(83.838)
Cash	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total net interest expense	(69.156)	(72.245)	(75.808)	(79.891)	(84.547)	(89.833)	(95.812)	(95.812)

Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.8 – Financial Covenants

Debt schedule (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
Financial covenants								
Net senior debt / EBITDA	4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x
Net total debt / EBITDA	4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x
Interest cover	2.3x	2.8x	3.4x	4.1x	5.1x	6.4x	8.1x	8.1x
Cash cover	1.2x	1.5x	1.7x	1.9x	2.1x	2.4x	1.1x	1.1x

Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.9 – EV-Equity Bridge

Exit waterfall (FYE 31-Dec; in EURm if not otherwise stated)	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
EV-equity bridge								
EBITDA		56.417	63.657	72.202	81.269	92.420	105.523	120.854
Exit multiple (EV / LTM EBITDA)		18.9x	18.9x	18.9x	18.9x	18.9x	18.9x	18.9x
EV		1,065.217	1,201.934	1,363.258	1,534.472	1,745.004	1,992.410	2,281.886
Total debt balance end of period (EoP)		(307.258)	(279.325)	(251.393)	(223.460)	(195.528)	(167.595)	(83.798)
Cash balance end of period (EoP)		84.179	115.119	154.683	206.084	269.429	344.725	381.438
Equity		842.139	1,037.728	1,266.549	1,517.096	1,818.905	2,169.541	2,579.526
Fixed return instrument		520.566	572.623	629.885	692.874	762.161	838.377	922.215
Ords		321.572	465.105	636.663	824.222	1,056.744	1,331.163	1,657.311
Sweet equity		16.079	23.255	31.833	41.211	52.837	66.558	82.866
Institutional ords		305.494	441.850	604.830	783.011	1,003.906	1,264.605	1,574.446

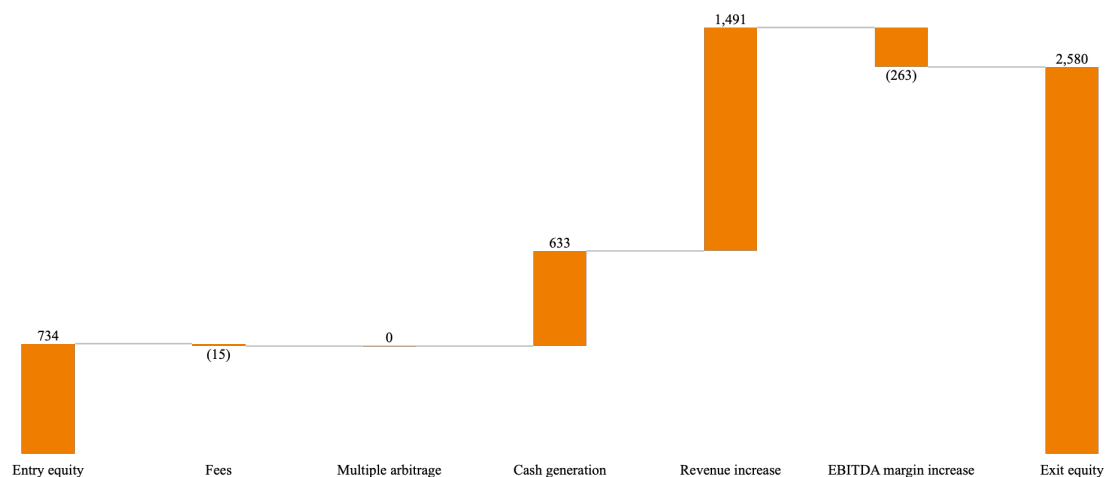
Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.10 – Returns Breakdown

Further analysis - exit year 7 (2030) (FYE 31-Dec; in EURm if not otherwise stated)							
Returns breakdown							
Multiple arbitrage	Entry	Exit	Difference	EBITDA	Value	% of total	
	18.9x	18.9x	0.0x	120.854	0.000	0.0%	
Cash generation	Entry	Exit			Value	% of total	
	335.190	(297.640)			632.830	34.0%	
EBITDA increase	Entry	Exit	Difference	Entry multiple	Value	% of total	
	55.865	120.854	64.989	18.9x	1,227.083	66.0%	
<i>Thereof revenue increase</i>	<i>Entry</i>	<i>Exit</i>	<i>Difference</i>	<i>Entry multiple</i>	<i>Entry margin</i>	<i>Value</i>	<i>% of total</i>
	151.198	364.858	213.660	18.9x	36.9%	1,490.563	80.1%
<i>Thereof EBITDA margin increase</i>	<i>Entry</i>	<i>Exit</i>	<i>Difference</i>	<i>Entry multiple</i>	<i>Exit revenues</i>	<i>Value</i>	<i>% of total</i>
	36.9%	33.1%	-3.8%	18.9x	364.858	(263.480)	-14.2%
Total value creation					Value	% of total	
					1,859.91	100.0%	

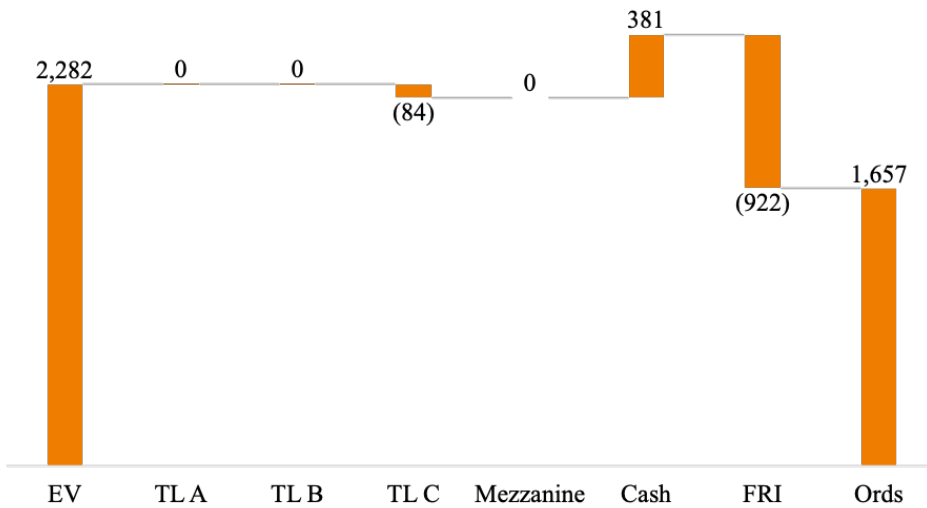
Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.11 – Chart of Returns Breakdown (in EURm)



Source: own elaboration based on company and BBG financials and assumptions.

Appendix K.12 – Chart of Exit Waterfall (in EURm)



Source: own elaboration based on company and BBG financials and assumptions.

Appendix L – Leverage Model

Appendix L.1 – Leverage Model Sources and Uses Adaption (in EURm)

Sources of funds	Amortization Period (years)	x EBITDA	Amount	In % of total	Spread	Interest
Senior debt		6.0x	335,190	31.3%		
Term loan A	Yes 6	3.0x	167,595	15.7%	3.55%	5.88%
Term loan B	No 7	1.5x	83,798	7.8%	4.75%	7.08%
Term loan C	No 8	1.5x	83,798	7.8%	4.88%	7.21%
Subordinated debt		0.0x	0,000	0.0%		
Mezzanine debt		0.0x	0,000	0.0%		
PIK interest expense						
Cash interest expense						
Total debt		6.0x	335,190	31.3%		
Fixed return instrument	No 10	8.5x	473,242	44.3%		10.00%
PIK interest expense		8.5x	473,242	44.3%	7.67%	10.00%
Ordinary equity		4.7x	261,040	24.4%		
Institutional ords		4.4x	247,988	23.2%		
Sweet equity		0.2x	13,052	1.2%		
Total equity		13.1x	734,282	68.7%		
Total sources of funds		19.1x	1069,472	100.0%		

Uses of funds	x EBITDA	Amount	In %	In % of total
Enterprise value	18.9x	1054,803		98.6%
Equity purchase price	18.6x	1040,523		97.3%
Debt repayment	0.3x	14,280		1.3%
Excess cash	1.2x	67,457		6.3%
Fees	0.3x	14,669		1.4%
M&A advisor fees	0.1x	6,329	0.60%	0.6%
Due diligence fees	0.1x	3,164	0.30%	0.3%
Arrangement fees	0.1x	3,164	0.30%	0.3%
Banking fees	0.0x	2,011	0.60%	0.2%
Total uses of funds	19.1x	1069,472		100.0%

Further financing related assumptions	Value
Swap rate	2.33%
Interest on cash	0.00%

Source: own elaboration based on company and BBG financials and assumptions.

Appendix L.2 – Leverage Model Tax Calculation

Tax Calculation (LBO) (FYE 31-Dec; in EURm if not otherwise stated)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E
EBITDA								56,417	63,657	72,202	81,269	92,420	105,523	120,854
Amortisation of intangible assets, depreciation of PPE								(2,778)	(3,472)	(4,351)	(5,356)	(6,558)	(8,078)	(9,912)
EBIT								53,639	60,185	67,851	75,913	85,862	97,445	110,942
Tax relevant term loan A interest expense								(9,935)	(9,215)	(8,521)	(7,929)	(7,380)	(6,863)	(6,374)
Tax relevant term loan B interest expense								(5,935)	(5,935)	(5,935)	(5,935)	(5,935)	(5,935)	(5,935)
Tax relevant term loan C interest expense								(6,039)	(6,039)	(6,039)	(6,039)	(6,039)	(6,039)	(6,039)
Tax relevant mezzanine debt interest expense								0,000	0,000	0,000	0,000	0,000	0,000	0,000
Tax relevant fixed return instrument interest expense								(79,186)	(87,105)	(95,815)	(105,397)	(115,936)	(127,530)	(140,283)
Cash interest income								0,000	0,000	0,000	0,000	0,000	0,000	0,000
EBT								(47,379)	(47,108)	(43,553)	(44,386)	(42,334)	(39,102)	(35,514)
Tax rate								0.325	0.325	0.325	0.325	0.325	0.325	0.325
Taxes								15,384	15,296	14,142	14,412	13,746	12,696	11,661

Source: own elaboration based on company and BBG financials and assumptions.

Appendix L.3 – Senior Debt Repayment Schedules

Senior debt repayment schedule (in EURM if not otherwise stated)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Term loan A																	
Instrument details																	
Amortization schedule (% of total facility)								16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	100.0%	0.0%	0.0%
Balance beginning of period (BoP)								167,595	139,663	111,730	83,798	55,865	27,933	0.000	0.000	0.000	0.000
Amortization								(27,933)	(27,933)	(27,933)	(27,933)	(27,933)	(27,933)	0.000	0.000	0.000	0.000
Balance end of period (EoP)								139,663	111,730	83,798	55,865	27,933	0.000	0.000	0.000	0.000	0.000
Interest rate								5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%
Interest expense								(8,858)	(8,215)	(6,572)	(4,929)	(3,286)	(1,643)	0.000	0.000	0.000	0.000
Indicators to watch																	
Fixed charges cover								1.1x	1.4x	1.5x	1.7x	1.9x	2.2x	1.0x	1.1x	-	-
Average life of the facility								5.5	-	-	-	-	-	-	-	-	-
Term loan B																	
Instrument details																	
Amortization schedule (% of total facility)								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Balance beginning of period (BoP)								83,798	83,798	83,798	83,798	83,798	83,798	83,798	83,798	0.000	0.000
Amortization								0.000	0.000	0.000	0.000	0.000	0.000	(83,798)	0.000	0.000	0.000
Balance end of period (EoP)								83,798	83,798	83,798	83,798	83,798	83,798	0.000	0.000	0.000	0.000
Interest rate								7.1%	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%
Interest expense								(5,935)	(5,935)	(5,935)	(5,935)	(5,935)	(5,935)	0.000	0.000	0.000	0.000
Term loan C																	
Instrument details																	
Amortization schedule (% of total facility)								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Balance beginning of period (BoP)								473,242	20,566	572,623	629,885	692,874	762,161	838,377	922,215	1,014,437	1,115,880
Amortization								0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(2,227,468)
Balance end of period (EoP)								473,242	20,566	572,623	629,885	692,874	762,161	838,377	922,215	1,014,437	1,115,880
Interest rate - PIK element								10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Interest expense - PIK element								(47,324)	(52,057)	(57,262)	(62,989)	(69,287)	(76,216)	(83,798)	(92,222)	(101,444)	(111,588)

Source: own elaboration based on company and BBG financials and assumptions.

Appendix L.4 – Fixed Return Instrument Repayment Schedule

Fixed return instrument repayment schedule (in EURM if not otherwise stated)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Fixed return instrument																	
Instrument details																	
Amortization schedule (% of total facility)								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Balance beginning of period (BoP)								473,242	20,566	572,623	629,885	692,874	762,161	838,377	922,215	1,014,437	1,115,880
Amortization								0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(2,227,468)
Balance end of period (EoP)								473,242	20,566	572,623	629,885	692,874	762,161	838,377	922,215	1,014,437	1,115,880
Interest rate - PIK element								10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Interest expense - PIK element								(47,324)	(52,057)	(57,262)	(62,989)	(69,287)	(76,216)	(83,798)	(92,222)	(101,444)	(111,588)

Source: own elaboration based on company and BBG financials and assumptions.

Appendix L.5 – Cash Flow Available for Debt Repayment in the Worst-Case Scenario

Free cash flow calculation (in EURM if not otherwise stated)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Free cash flow calculation																	
EBITDA																	
(-) Change in NWC								(4,144)	(1,580)	(1,542)	(1,853)	(3,224)	(2,156)	(4,320)	(3,594)	(4,385)	(2,420)
(-) Net taxes								(6,191)	(6,995)	(7,918)	(8,980)	(10,204)	(11,615)	(13,246)	(15,134)	(17,321)	(19,861)
(-) Tax								20,405	20,819	20,217	21,999	21,097	20,382	20,536	0.000	0.000	0.000
Cash flow available for debt service								19,885	21,006	22,002	22,748	21,212	20,000	19,882	19,406	19,438	122,918
(-) Cash interest expense								(21,832)	(20,189)	(18,540)	(16,903)	(15,200)	(13,617)	(11,974)	(6,039)	0.000	0.000
(+) Interest income								0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Cash flow available for debt repayment								38,053	50,817	59,146	66,846	75,953	84,286	96,509	91,401	109,438	122,918
(-) Debt amortization								(27,851)	(27,933)	(27,933)	(27,933)	(27,933)	(27,933)	(27,933)	(83,798)	(93,785)	0.000
Cash flow after debt repayment								10,202	22,884	31,214	38,913	48,020	56,453	12,711	7,603	109,438	122,918
Cash balance beginning of period (BoP):																	
Change in cash								67,457	77,577	100,462	131,676	170,589	218,609	275,062	287,774	295,377	404,815
Cash balance end of period (EoP):								77,577	100,462	131,676	170,589	218,609	275,062	287,774	295,377	404,815	527,732

Source: own elaboration based on company and BBG financials and assumptions.

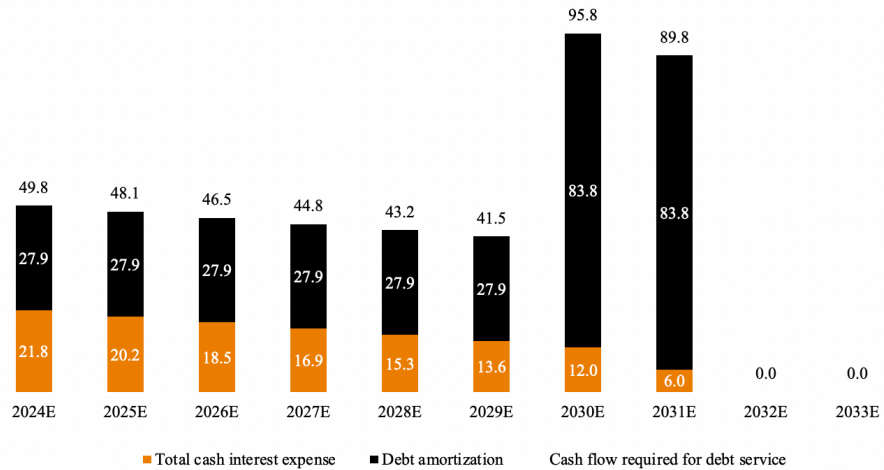
Appendix L.6 – Financial Covenants

Financial covenants (in EURM if not otherwise stated)	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Input items																	
EBITDA																	
Net senior debt								49,815	55,602	63,851	68,781	77,095	86,680	96,833	108,980	122,375	137,539
Net total debt (excluding fixed return instrument)								229,680	178,863	119,717	52,871	0.000	0.000	0.000	0.000	0.000	0.000
Net cash interest expense								(21,832)	(20,189)	(18,540)	(16,903)	(15,200)	(13,617)	(11,974)	(6,039)	0.000	0.000
Leverage covenant calculation																	
Net senior debt / EBITDA covenant																	
Net senior debt / EBITDA								4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Assumed headroom								20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Adjusted EBITDA								40	44	51	55	62	69	77	87	98	110
Covenant level								5.8x	4.0x	2.3x	1.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Proposed level								5.8x	4.0x	2.4x	1.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Headroom								19.8%	19.6%	20.2%	19.1%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Net total debt / EBITDA covenant																	
Net total debt / EBITDA								4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Assumed headroom								20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Adjusted EBITDA								40	44	51	55	62	69	77	87	98	110
Covenant level								5.8x	4.0x	2.3x	1.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Proposed level								5.8x	4.0x	2.4x	1.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Headroom								19.8%	19.6%	20.1%	19.1%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Interest cover																	
EBITDA / net cash interest expense																	
EBITDA / net cash interest expense								2.3x	2.8x	3.4x	4.1x	5.1x	6.4x	8.1x	18.0x	-	-
Assumed headroom								20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Adjusted EBITDA								40	44	51	55	62	69	77	87	98	110
Covenant level								1.8x	2.2x	2.8x	3.3x	4.0x	5.1x	6.5x	14.4x	-	-
Proposed level								1.9x	2.3x	2.8x	3.3x	4.1x	5.1x	6.5x	14.5x	-	-
Headroom								18.9%	20.1%	20.1%	19.1%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Cash cover																	
Fixed charges cover																	
Fixed charges cover								1.2x	1.5x	1.7x	1.9x	2.1x	2.36x	1.1x	1.1x	-	-
Covenant level								1.0x	1.0x	1.0x	1.0x	1.0x	1.0x	1.0x	1.0x	1.0x	1.0x
Headroom								16.9%	32.2%	40.2%	46.5%	52.6%	57.6%	11.7%	7.8%	-	-
Summary																	
Net senior debt / EBITDA								4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Net total debt / EBITDA								4.6x	3.2x	1.9x	0.8x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Interest cover								2.3x	2.8x	3.4x	4.1x	5.1x	6.4x	8.1x	18.0x	-	-
Cash cover								1.2x	1.5x	1.7x	1.9x	2.1x	2.4x	1.1x	1.1x	-	-

Source: own elaboration based on company and BBG financials and assumptions.

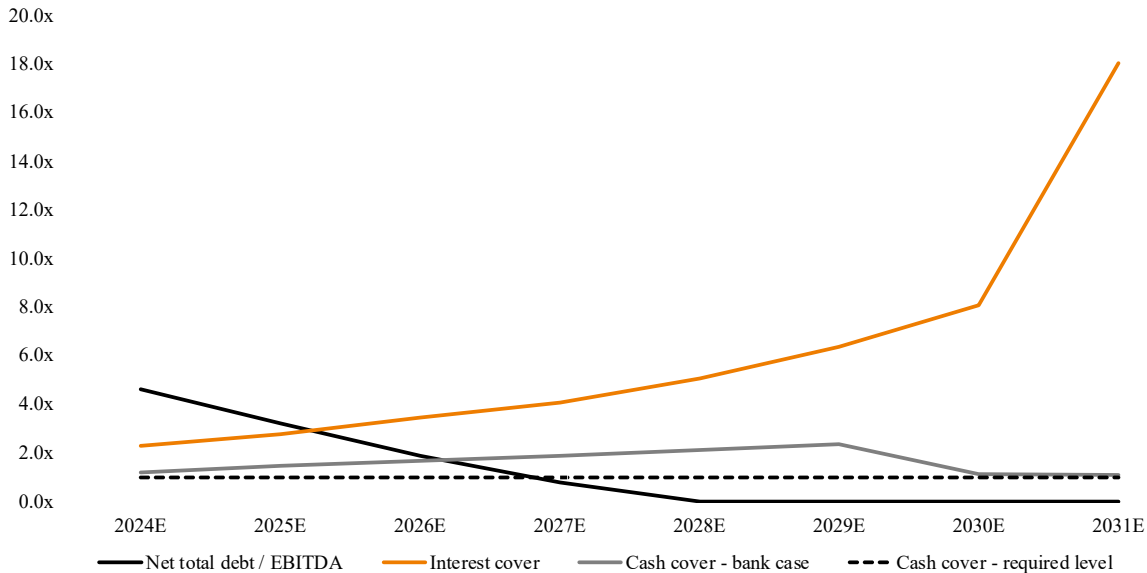
Appendix L.7 – Graph Cash Flow Available for Debt Repayment in the Worst-Case Scenario (in EURM)

Cash flow available for debt service	59.9	71.0	77.7	83.7	91.2	98.0	108.5	97.4	109.4	122.9
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Source: own elaboration based on company and BBG financials and assumptions.

Appendix L.8 – Chart for Coverage Ratios



Source: own elaboration based on company and BBG financials and assumptions.

Appendix M – Sensitivity Analysis

Appendix M.1 – Sensitivity Analysis EV (WACC vs. Long-term Growth Rate) (in EURm)

		WACC				
		10.59%	11.09%	11.59%	12.09%	12.59%
Long Term Growth Rate	1.60%	801.4	749.4	702.8	661.0	623.2
	1.80%	812.8	759.1	711.3	668.3	629.6
	2.00%	824.6	769.3	720.0	676.0	636.3
	2.20%	837.0	779.9	729.2	683.9	643.2
	2.40%	850.0	791.0	738.8	692.2	650.4

Source: own elaboration based on company and BBG financials and assumptions.

Appendix M.2 – Sensitivity Analysis MoM Institutional Investor (Exit Multiple vs. Entry Multiple)

		Entry multiple				
		17.9x	18.4x	18.9x	19.4x	19.9x
Exit multiple	17.9x	3.5x	3.4x	3.3x	3.2x	3.1x
	18.4x	3.6x	3.5x	3.4x	3.3x	3.2x
	18.9x	3.7x	3.6x	3.5x	3.4x	3.3x
	19.4x	3.8x	3.7x	3.5x	3.4x	3.3x
	19.9x	3.9x	3.7x	3.6x	3.5x	3.4x

Source: own elaboration based on company and BBG financials and assumptions.

Appendix M.3 – Sensitivity Analysis IRR Institutional Investor (Exit Multiple vs. Entry Multiple)

		Entry multiple				
		17.9x	18.4x	18.9x	19.4x	19.9x
Exit multiple	17.9x	19.7%	19.2%	18.6%	18.1%	17.6%
	18.4x	20.1%	19.6%	19.0%	18.5%	18.0%
	18.9x	20.5%	20.0%	19.4%	18.9%	18.4%
	19.4x	20.9%	20.4%	19.8%	19.3%	18.8%
	19.9x	21.3%	20.7%	20.2%	19.6%	19.1%

Source: own elaboration based on company and BBG financials and assumptions.

Appendix M.4 – Sensitivity Analysis MoM Management (Exit Multiple vs. Entry Multiple)

		Entry multiple				
		17.9x	18.4x	18.9x	19.4x	19.9x
Exit multiple	17.9x	6.2x	6.0x	5.9x	5.7x	5.6x
	18.4x	6.4x	6.3x	6.1x	6.0x	5.8x
	18.9x	6.6x	6.5x	6.3x	6.2x	6.1x
	19.4x	6.9x	6.7x	6.6x	6.4x	6.3x
	19.9x	7.1x	7.0x	6.8x	6.7x	6.5x

Source: own elaboration based on company and BBG financials and assumptions.

Appendix M.5 – Sensitivity Analysis IRR Management (Exit Multiple vs. Entry Multiple)

		Entry multiple				
		17.9x	18.4x	18.9x	19.4x	19.9x
Exit multiple	17.9x	29.7%	29.3%	28.8%	28.4%	27.9%
	18.4x	30.4%	30.0%	29.5%	29.1%	28.6%
	18.9x	31.0%	30.6%	30.2%	29.8%	29.4%
	19.4x	31.7%	31.3%	30.9%	30.5%	30.0%
	19.9x	32.3%	31.9%	31.5%	31.1%	30.7%

Source: own elaboration based on company and BBG financials and assumptions.

Appendix N - Management Board Composition and Compensation

Management Board Composition

Name	Position
Andreas F.J. Obereder	Chief Executive Officer
Dirk Häußermann	Co-CEO
Pritim Kumar Krishamoorthy	CTO
Christo Leiber	CFO

Total Remuneration in FY 2023

(in EURm)	2023A
Short-term benefits	2.205
Benefits on termination of the contract of employment	0.282
Other long-term benefits	2.76
Share-based payment	1.279
Total Compensation	6.526

Source: own elaboration based on ATOSS Software AG (2023).

Appendix O – Assumptions Summary

Note: This summary provides an overview of all assumptions made in the company's valuation.

Appendix O.1 – Management Case-Related Assumptions

1.1. Football Field	1. Football field will be calculated using the valuation ranges derived from a DCF, a CCA based on 2023 historical values, a CCA based on 2024 forward-looking values, and a CCA based on 2025 forward-looking values. The multiples calculated are based on EV/EBITDA multiples following standard practices.
1.2. LBO Analysis	<ol style="list-style-type: none"> Valuation Date: 31.12.2023. This date has been set to simplify the valuation. Therefore, no stub period is required. Entry multiple: 18.9x. CCA's median multiple derived from the 2023 historical values has been considered. Exit multiple: 18.9x. It is assumed that the exit multiple does not change from the entry multiple as it is harder to predict accurately a change in the multiples in the future. To adopt a more conservative approach no change has been considered. Interest on cash of 0.00% is assumed. Swap rate: 2.33%. Based on EUR 7Y IRS AB / 6M EURIBOR. Tax deductibility of fixed return instrument of 0.00% is assumed. A sweet equity of 5.00% is assumed to create an appealing investment opportunity for management. The 5% is a common target as it strikes a balance between incentivizing management and not diluting the equity holders too much. A participation factor of 2.00 is assumed to create an appealing investment opportunity for management. Together with the managements compensation in 2023, the overall sweet equity results in EUR 13.1 m. Term loan A assumed amortization, a 6-year period, a 3.0x EBITDA multiple and a 3.55% margin. The 6-year period and the multiple have been assumed

	<p>in conjunction to the other outstanding sources to comply with the 1.0x coverage ration set in the bank case. The margin has been assumed based on the median all the issued term loan As in Germany for all industries in 2023 (Source: BBG). Given that Term loan B’s spread looks solely at the technology industry, and is higher, a 100bp adjustment has been considered. This adjustment also underscores the higher risk a technology company may entail in comparison to other industries, therefore, raising the interest on debt banks may set.</p> <p>10. Term loan B assumed no amortization, a 7-year period, a 1.5x EBITDA multiple and a 4.75% credit spread. The 7-year period and the multiple have been assumed in conjunction to the other outstanding sources to comply with the 1.0x coverage ration set in the bank case. The margin has been assumed based on the median all the issued term loan Bs in Germany in the tech industry in 2023 (Source: BBG).</p> <p>11. Term loan A assumed no amortization, a 8-year period, a 1.5x EBITDA multiple and a 4.88% margin. The 8-year period and the multiple have been assumed in conjunction to the other outstanding sources to comply with the 1.0x coverage ration set in the bank case. The margin has been assumed based on the median all the issued term loan Cs in Germany for all industries in 2023 (Source: BBG). Given that Term loan B’s spread looks solely at the technology industry, and is higher, a 100bp adjustment has been considered. This adjustment also underscores the higher risk a technology company may entail in comparison to other industries, therefore, raising the interest on debt banks may set.</p> <p>12. The fixed return instrument assumed a 10-year period and a 10% PIK interest expense, resulting in a 7.7% credit spread.</p> <p>13. The transaction fees are in total 1.8% of the EV. 0.6% are for M&A advisory fees, 0.3% are for due diligence fees, 0.3% are for arrangement fees, and 0.6% are for banking fees.</p>
<p>1.3. Operating Model</p>	<p>Worst-Case Scenario:</p> <ol style="list-style-type: none"> 1. Overall, the assumptions are adjusted to meet with the WFM software market is prediction to grow at an 8.5% CAGR from ‘24 to ‘32 (Wadhvani 2024). 2. “Licenses” annual growth has been calculated by taking the average from the growths from 2018 to 2021, deducted by 200bp (to simulate the worse-case scenario) and maintained constant over the projected period. 2022 and 2023 have not been included in the averages as these two years have very different growth percentages in comparison to the other years. 3. “Maintenance” annual growth has been calculated by taking the average from the growths from 2018 to 2023, deducted by 200bp (to simulate the worse-case scenario) and maintained constant over the projected period. 4. The growth of “Cloud & Subscriptions” has been set at 17%, which is 200bp lower projections from the base case, to keep a more conservative approach, as well as to get a closer value to the estimated CAGR’24-‘32 of 8.5% (Wadhvani 2024). 5. “Consulting” annual growth has been calculated by taking the average from the growths from the last three years, deducted by 200bp (to simulate the worse-case scenario) and maintained constant over the projected period. ATOSS has maintained a strong position in the annual ranking of Germany’s

fastest-growing mid-sized companies, compiled by strategy consultancy Munich Strategy in collaboration with Handelsblatt (ATOSS n.d.). Currently, ATOSS is ranked 7th out of 8,000 companies surveyed across Germany. Given this trend only the last three years have been considered.

6. Given the unstable annual growth of “Hardware” the overall average has been taken, reduced by 200bp to simulate the worse-case scenario and kept constant.
7. “Other” annual growth has been calculated by taking the average from the growths from 2018 to 2023 (2022 excluded) and maintained constant over the projected period. 2022 has not been included in the average as this year has a very different growth percentage in comparison to the other years.
8. COGS: For all projections related to COGS (except the ones related to D&A) the 3-year historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered.
9. Opex: For all projections related to the Operating expenses (except the ones related to D&A and impairment) the 3-year historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered. No impairment is foreseen for the forecasted period given it is hard to predict given the limited information.
10. Interest Expense (Income): For the interest expense (income) projections the historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered.
11. The future tax rate has been considered based on BBG data.
12. The weighted average shares will be kept at the 2023’s value, as well as the Basic EPS and the Diluted EPS. These numbers have remained constant as they are not part of the scope of this thesis, therefore, no detailed EPS projections have been considered in this paper.
13. For the DSO the average of the observed period is assumed.
14. For the DIO the average of the observed period is assumed.
15. For the DPO a slight improvement due to increased negotiation power is driven by an improved market share leading to a target of 7 days in 2028 and a long-term level of 5 days.
16. For the percentage of the “Other current assets” a moving average of the last 7 periods has been considered.
17. For the percentage of “Other short-term liabilities” a moving average of the last 7 periods has been considered.
18. The for the projections of all the Capex-related items, a % of revenue has been used based on the average of the historical percentages to revenue.

Base Case Scenario:

19. ATOSS is well-positioned for continued growth in workforce management and digitization across all customer segments, both now and in the future. With a strong track record and highly positive market forecasts, ATOSS's growth potential is far from fully realized. As the global economy undergoes digital transformation, ATOSS is benefiting from its innovative solutions portfolio catering to businesses of all sizes and industries. The Executive Board forecasted in the FY 2023 Annual Report sales of EUR 170 m and an EBIT margin of 30% for the 2024 financial year, with expectations to reach at least EUR 190 m in sales and maintain a 30% EBIT margin by 2025. The company continues to focus on revenue and EBIT margin as the key indicators of its success. (ATOSS 2023).
20. "Licenses" annual growth has been calculated by taking the average from the growths from 2018 to 2021 and maintained constant over the projected period. 2022 and 2023 have not been included in the averages as these two years have very different growth percentages in comparison to the other years.
21. "Maintenance" annual growth has been calculated by taking the average from the growths from 2018 to 2023 and maintained constant over the projected period.
22. The growth of "Cloud & Subscriptions" has been set at 19% to keep a more conservative approach, as well as to keep the growing ratio trend between the division's revenue and the overall revenue as the company is slowly transitioning to more cloud solutions.
23. "Consulting" annual growth has been calculated by taking the average from the growths from the last three years and maintained constant over the projected period. ATOSS has maintained a strong position in the annual ranking of Germany's fastest-growing mid-sized companies, compiled by strategy consultancy Munich Strategy in collaboration with Handelsblatt (ATOSS n.d.). Currently, ATOSS is ranked 7th out of 8,000 companies surveyed across Germany. Given this trend only the last three years have been considered.
24. Given the unstable annual growth of "Hardware" the overall average has been taken and kept constant.
25. "Other" annual growth has been calculated by taking the average from the growths from 2018 to 2023 (2022 excluded) and maintained constant over the projected period. 2022 has not been included in the average as this year has a very different growth percentage in comparison to the other years.
26. COGS: For all projections related to COGS (except the ones related to D&A, and personnel) the 3-year historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered. For the Personnel-related costs last year's % of revenue has been considered as the company is aiming to increase its cloud business, where not as much working hours.
27. Opex: For all projections related to the Operating expenses (except the ones related to D&A, personnel and impairment) the 3-year historical average of the percentage of revenue has been considered and applied to future

projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered. For the Personnel-related costs last year's % of revenue has been considered as the company is aiming to increase its cloud business, where not as much working hours. No impairment is foreseen for the forecasted period given it is hard to predict given the limited information.

28. Interest Expense (Income): For the interest expense (income) projections the historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered.
29. The future tax rate has been considered based on BBG data.
30. The weighted average shares will be kept at the 2023's value, as well as the Basic EPS and the Diluted EPS. These numbers have remained constant as they are not part of the scope of this thesis, therefore, no detailed EPS projections have been considered in this paper.
31. For the DSO the average of the observed period is assumed.
32. For the DIO the average of the observed period is assumed.
33. For the DPO a slight improvement due to increased negotiation power is driven by an improved market share leading to a target of 7 days in 2028 and a long-term level of 5 days.
34. For the percentage of the "Other current assets" a moving average of the last 7 periods has been considered.
35. For the percentage of "Other short-term liabilities" a moving average of the last 7 periods has been considered.
36. The for the projections of all the Capex-related items, a % of revenue has been used based on the average of the historical percentages to revenue.

Best-Case Scenario:

37. Overall, revenue assumptions have been adjusted to receive a total revenue Y-o-Y growth of 19.0%; ATOSS' target (ATOSS 2023).
38. "Licenses" annual growth has been calculated by taking the average from the growths from 2018 to 2021 and maintained constant over the projected period. 2022 and 2023 have not been included in the averages as these two years have very different growth percentages in comparison to the other years.
39. "Maintenance" annual growth has been calculated by taking the average from the growths from 2018 to 2023 and maintained constant over the projected period.
40. The revenues of "Cloud & Subscriptions" have higher revenue growth expectations in comparison to the base case to maintain an overall annual revenue growth target of 19.00%. The ratio with relation to the overall revenue will increase progressively, as the cloud segment is poised to become a relevant division for the company given the market trends. This forecast gets significantly closer to the Cloud market CAGR of 21.3% from '24 to '30 (Grand View Research n.d.) compared to the other scenarios (a CAGR of 24.48% from 2024 to 2033).
41. "Consulting" annual growth has been calculated by taking the average from the growths from the last three years and maintained constant over the

	<p>projected period. ATOSS has maintained a strong position in the annual ranking of Germany’s fastest-growing mid-sized companies, compiled by strategy consultancy Munich Strategy in collaboration with Handelsblatt (ATOSS n.d.). Currently, ATOSS is ranked 7th out of 8,000 companies surveyed across Germany. Given this trend only the last three years have been considered.</p> <p>42. Given the unstable annual growth of “Hardware” the overall average has been taken and kept constant.</p> <p>43. “Other” annual growth has been calculated by taking the average from the growths from 2018 to 2023 and maintained constant over the projected period. 2022 has not been included in the average as this year has a very different growth percentage in comparison to the other years.</p> <p>44. COGS: For all projections related to COGS (except the ones related to D&A, and personnel) the 3-year historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered. For the Personnel-related costs last year's % of revenue has been considered as the company is aiming to increase its cloud business, where not as much working hours.</p> <p>45. Opex: For all projections related to the Operating expenses (except the ones related to D&A, personnel and impairment) the 3-year historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered. For the D&A related expenses the 3-year historical average of the percentage to the net Capex has been considered for the future projections. A moving average has been considered. For the Personnel-related costs last year's % of revenue has been considered as the company is aiming to increase its cloud business, where not as much working hours. No impairment is foreseen for the forecasted period given it is hard to predict given the limited information.</p> <p>46. Interest Expense (Income): For the interest expense (income) projections the historical average of the percentage of revenue has been considered and applied to future projections. A moving historical average has been considered.</p> <p>47. The future tax rate has been considered based on BBG data.</p> <p>48. The weighted average shares will be kept at the 2023’s value, as well as the Basic EPS and the Diluted EPS. These numbers have remained constant as they are not part of the scope of this thesis, therefore, no detailed EPS projections have been considered in this paper.</p> <p>49. For the DSO the average of the observed period is assumed.</p> <p>50. For the DIO the average of the observed period is assumed.</p> <p>51. For the DPO a slight improvement due to increased negotiation power is driven by an improved market share leading to a target of 7 days in 2028 and a long-term level of 5 days.</p> <p>52. For the percentage of the “Other current assets” a moving average of the last 7 periods has been considered.</p>
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	<p>53. For the percentage of “Other short-term liabilities” a moving average of the last 7 periods has been considered.</p> <p>54. The for the projections of all the Capex-related items, a % of revenue has been used based on the average of the historical percentages to revenue.</p>
1.4. DCF	<p>1. A long-term growth rate of 2.00% has been assumed based on the ECB’s long-term growth targets.</p> <p>2. The WACC assumed was 11.59% which has been calculated based con comparable companies.</p> <p>3. No midyear convention has been assumed to simplify the model.</p>
1.5. CCA	<p>1. For all CCA’s the list of comparable companies has been based on BBG’s comparable companies’ list filtered by the industry of “Software as a service” and region “Europe”.</p>
1.6. CTA	<p>1. The precedent transactions have been retrieved from BBG by filtering for the 2022 and 2023 M&A transactions.</p> <p>2. Ideagen PLC and Signup Software AB have been excluded from the calculation given the extraordinarily high EBITDA multiples.</p>

Appendix O.2 – Bank Case-Related Assumptions

2.1. Leverage Model	<p>1. Leverage model replicates the sources and uses from the LBO model, however, assumes the worst-case scenario to assess as the company’s ability for debt repayment even in adverse conditions.</p> <p>2. For both, leverage and interest cover calculation, an assumed headroom of 20.0% has been considered.</p> <p>3. For the cash cover a covenant level of 1.0x has been assumed.</p> <p>4. The leverage model assumes its own tax calculation.</p>
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Sources: own elaboration based on BBG and company’s data and financials.