

Buy EUR 205.00 (EUR 200.00) Price EUR 123.40 Upside 66.1 %	Value Indicators: EUR DCF: 204.86	Warburg ESG Risk Score: 2.2 ESG Score (MSCI based): 3.0 Balance Sheet Score: 3.5 Market Liquidity Score: 0.0	Description: Leading software company for stationary retailers
	Market Snapshot: EUR m Market cap: 293.8 No. of shares (m): 2.4 EV: 259.5 Freefloat MC: 170.9 Ø Trad. Vol. (30d): 78.93 th	Shareholders: Freefloat 58.15 % Rainer Gläß 23.57 % Stephan Kronmüller 18.29 %	Key Figures (WRe): 2022e Beta: 1.3 Price / Book: 3.0 x Equity Ratio: 68 %

Strong Q3

Stated Figures Q3/2022:					Comment on Figures:		
in EUR m	Q3/22	Q3/22e	Q3/21	yoy	9M/22	9M/21	yoy
Sales	38.8	37.0	31.4	23.5%	113.4	95.7	18.4%
EBIT	5.4	4.8	2.4	122.8%	17.2	14.2	20.7%
margin	14.1%	13.0%	7.8%		15.2%	14.9%	

■ On 14.11. GK Software presented the preliminary numbers for Q3 and the first nine months of 2022. These were above expectations (WRe).
 ■ The full figures are expected to be published on November 28, 2022.

According to preliminary figures, GK Software SE has continued to grow strongly, even in a market environment that is becoming more difficult. The increase in sales and earnings is based on good business across the board:

- a further increase in SaaS income,
- strong existing customer business
- and classic software license sales with new customers.

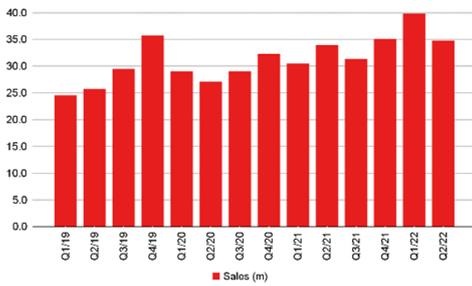
Based on the results already achieved and the outlook for the remaining months, the Management Board confirms its forecast for the 2022 financial year and the medium-term forecast up to the end of the 2023 financial year (see table below).

Looking at the fourth quarter and the expectations (WRe), a typically strong Q4 still seems realistic. Since Q3 was apparently already characterized by strong contract deals, **expectations (2022 WRe) could even be exceeded**. However, for reasons of caution and in view of the general economic situation, the forecast has not been raised for now.

The stock remains rated Buy with a price target of EUR 205 (EUR 200, roll-over).

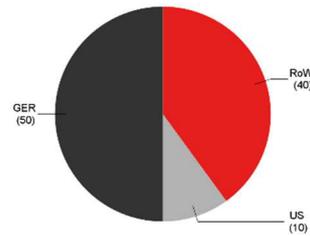
	FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
	Sales	12.8 %	106.2	115.4	117.6	130.8	152.0	169.0	187.6
Change Sales yoy		17.4 %	8.8 %	1.8 %	11.3 %	16.2 %	11.2 %	11.0 %	
Gross profit margin		92.7 %	94.6 %	92.7 %	89.2 %	89.0 %	89.0 %	89.0 %	
EBITDA	15.5 %	6.8	12.3	19.7	26.8	32.4	36.0	41.3	
Margin		6.4 %	10.6 %	16.7 %	20.5 %	21.3 %	21.3 %	22.0 %	
EBIT	19.4 %	1.6	3.4	10.5	17.3	22.8	25.4	29.5	
Margin		1.5 %	3.0 %	9.0 %	13.2 %	15.0 %	15.0 %	15.7 %	
Net income	14.3 %	0.9	-3.1	6.3	13.2	15.0	16.8	19.7	
EPS	14.3 %	0.49	-1.55	3.00	5.53	6.29	7.04	8.26	
EPS adj.	14.3 %	0.49	-1.55	3.00	5.53	6.29	7.04	8.26	
DPS	-	0.00	0.00	0.00	0.00	0.50	1.00	1.00	
Dividend Yield		n.a.	n.a.	n.a.	n.a.	0.4 %	0.8 %	0.8 %	
FCFPS		-9.27	-1.92	7.11	8.70	6.76	8.06	9.64	
FCF / Market cap		-9.0 %	-2.8 %	10.3 %	6.3 %	5.5 %	6.5 %	7.8 %	
EV / Sales		2.1 x	1.5 x	1.5 x	2.4 x	1.7 x	1.4 x	1.2 x	
EV / EBITDA		32.3 x	14.1 x	8.7 x	11.5 x	8.0 x	6.7 x	5.4 x	
EV / EBIT		138.3 x	50.4 x	16.4 x	17.8 x	11.4 x	9.5 x	7.5 x	
P / E		210.4 x	n.a.	23.0 x	24.8 x	19.6 x	17.5 x	14.9 x	
P / E adj.		210.4 x	n.a.	23.0 x	24.8 x	19.6 x	17.5 x	14.9 x	
FCF Potential Yield		3.4 %	4.6 %	9.8 %	7.7 %	10.1 %	12.0 %	15.0 %	
Net Debt		24.6	34.8	26.5	-18.2	-34.3	-52.3	-72.9	
ROCE (NOPAT)		16.1 %	n.a.	9.5 %	19.9 %	25.0 %	28.5 %	34.6 %	
Guidance:	2023 sales EUR 165-175m, EBIT 15%								

Sales development
in EUR m



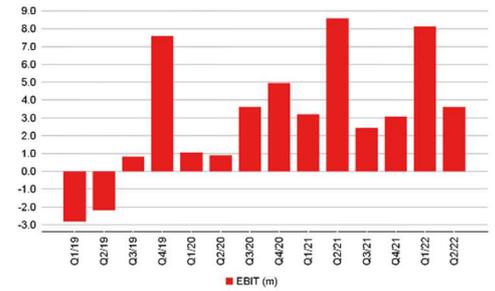
Source: Warburg Research

Employees per location
2022e; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

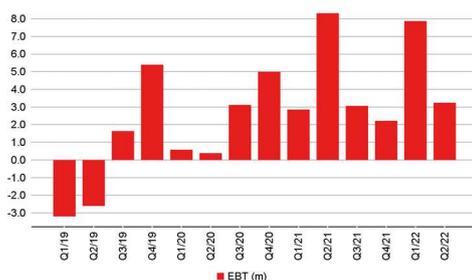
Company Background

- GK Software is the leading software supplier for retailers.
- As well as standard processes, GK Software solutions facilitate special requirements such as bonus programmes, the recording of fiscal details and the seamless integration in back-end solutions.
- The business activities of GK Software divides into two segments - the sale of product licences and the corresponding services.

Competitive Quality

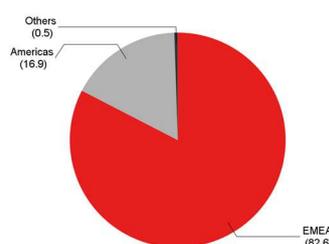
- The structural advantages of GK Software are compelling:
- GK Software's leading solution is completely Java-based, which makes it lean, platform independent and means it can be operated on the existing customer infrastructure.
- For many retail projects, GK competitors tend to undercalculate their bids and as a consequence are unable to complete the project on time and within budget.
- GK has outstanding reference clients (Hornbach, Kaufhof, Douglas, Netto, Tchibo, T-Punkt, Thalia, JYSK Nordic...)
- At the same time, GK Software's personnel costs are, depending on the location, often about 20% below those of a similar project team of a large system integrator.

EBT development
in EUR m



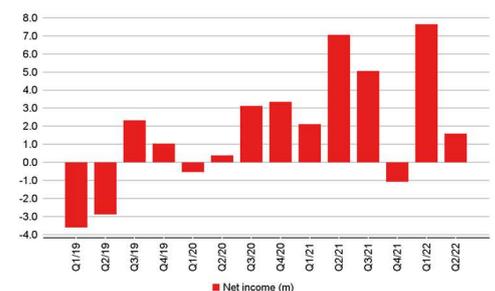
Source: Warburg Research

Sales by Regions
2021; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	152.0	169.0	187.6	208.2	231.1	251.9	269.6	285.7	302.9	321.1	340.3	360.7	382.4	
Sales change	16.2 %	11.2 %	11.0 %	11.0 %	11.0 %	9.0 %	7.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	2.5 %
EBIT	22.8	25.4	29.5	33.3	39.3	45.3	51.2	57.1	60.6	64.2	68.1	72.1	76.5	
EBIT-margin	15.0 %	15.0 %	15.7 %	16.0 %	17.0 %	18.0 %	19.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
Tax rate (EBT)	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	29.0 %	
NOPAT	16.2	18.0	20.9	23.7	27.9	32.2	36.4	40.6	43.0	45.6	48.3	51.2	54.3	
Depreciation	9.6	10.6	11.8	14.6	11.6	10.1	8.1	8.6	9.1	9.6	10.2	10.8	11.5	
in % of Sales	6.3 %	6.3 %	6.3 %	7.0 %	5.0 %	4.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
Changes in provisions	0.0	0.0	0.0	-1.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Change in Liquidity from														
- Working Capital	3.1	2.4	2.7	3.0	3.3	3.0	2.5	2.3	2.5	2.6	2.8	2.9	3.1	
- Capex	5.5	6.0	6.0	7.3	9.2	7.6	8.1	8.6	9.1	9.6	10.2	10.8	11.5	
Capex in % of Sales	3.6 %	3.6 %	3.2 %	3.5 %	4.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	17.2	20.2	24.0	26.8	27.0	31.8	33.9	38.3	40.6	43.0	45.6	48.3	51.2	53
PV of FCF	17.1	18.3	19.8	20.1	18.4	19.7	19.2	19.7	19.0	18.3	17.7	17.0	16.4	230
share of PVs	11.75 %			39.46 %										48.79 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.30
Cost of debt (after tax)	4.2 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.30
		Others	1.30
WACC	9.90 %	Beta	1.30

Valuation (m)

Present values 2034e	241		
Terminal Value	230		
Financial liabilities	27		
Pension liabilities	2		
Hybrid capital	0		
Minority interest	1		
Market val. of investments	0		
Liquidity	47	No. of shares (m)	2.4
Equity Value	488	Value per share (EUR)	204.86

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.48	10.9 %	173.11	175.08	177.15	179.35	181.69	184.17	186.82	1.48	10.9 %	165.32	170.00	174.68	179.35	184.03	188.71	193.38
1.39	10.4 %	183.86	186.18	188.65	191.27	194.07	197.05	200.24	1.39	10.4 %	176.30	181.29	186.28	191.27	196.27	201.26	206.25
1.35	10.2 %	189.74	192.27	194.97	197.84	200.90	204.18	207.70	1.35	10.2 %	182.34	187.51	192.67	197.84	203.00	208.17	213.33
1.30	9.9 %	195.99	198.76	201.71	204.86	208.23	211.84	215.73	1.30	9.9 %	188.81	194.16	199.51	204.86	210.21	215.56	220.91
1.25	9.7 %	202.65	205.68	208.92	212.39	216.10	220.10	224.40	1.25	9.7 %	195.74	201.29	206.84	212.39	217.94	223.49	229.04
1.21	9.4 %	209.77	213.09	216.66	220.47	224.58	229.01	233.79	1.21	9.4 %	203.18	208.95	214.71	220.47	226.24	232.00	237.77
1.12	8.9 %	225.55	229.58	233.92	238.60	243.66	249.15	255.12	1.12	8.9 %	219.87	226.12	232.36	238.60	244.84	251.09	257.33

- GK has been able to grow strongly in recent years and, last but not least, convince in terms of profitability
- The technological leadership position and the cooperation with SAP form a good basis for further growth
- This leading position in the world provides considerable scope for sales and earnings

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	5.0 x	3.3 x	3.0 x	4.0 x	3.0 x	2.6 x	2.2 x
Book value per share ex intangibles	4.82	6.71	10.68	21.43	29.98	39.18	49.42
EV / Sales	2.1 x	1.5 x	1.5 x	2.4 x	1.7 x	1.4 x	1.2 x
EV / EBITDA	32.3 x	14.1 x	8.7 x	11.5 x	8.0 x	6.7 x	5.4 x
EV / EBIT	138.3 x	50.4 x	16.4 x	17.8 x	11.4 x	9.5 x	7.5 x
EV / EBIT adj.*	138.3 x	50.4 x	16.4 x	17.8 x	11.4 x	9.5 x	7.5 x
P / FCF	n.a.	n.a.	9.7 x	15.8 x	18.3 x	15.3 x	12.8 x
P / E	210.4 x	n.a.	23.0 x	24.8 x	19.6 x	17.5 x	14.9 x
P / E adj.*	210.4 x	n.a.	23.0 x	24.8 x	19.6 x	17.5 x	14.9 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	0.4 %	0.8 %	0.8 %
FCF Potential Yield (on market EV)	3.4 %	4.6 %	9.8 %	7.7 %	10.1 %	12.0 %	15.0 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	106.2	115.4	117.6	130.8	152.0	169.0	187.6
Change Sales yoy	17.4 %	8.8 %	1.8 %	11.3 %	16.2 %	11.2 %	11.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.8	0.0	0.0	0.0	0.0
Total Sales	106.2	115.4	118.4	130.8	152.0	169.0	187.6
Material expenses	7.7	6.2	9.4	14.2	16.7	18.6	20.6
Gross profit	98.4	109.2	109.0	116.7	135.3	150.4	167.0
<i>Gross profit margin</i>	<i>92.7 %</i>	<i>94.6 %</i>	<i>92.7 %</i>	<i>89.2 %</i>	<i>89.0 %</i>	<i>89.0 %</i>	<i>89.0 %</i>
Personnel expenses	68.8	78.1	75.6	78.7	91.2	101.4	112.6
Other operating income	3.6	3.8	4.3	8.7	7.6	8.5	9.4
Other operating expenses	26.4	22.7	17.9	19.9	19.3	21.5	22.5
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	6.8	12.3	19.7	26.8	32.4	36.0	41.3
<i>Margin</i>	<i>6.4 %</i>	<i>10.6 %</i>	<i>16.7 %</i>	<i>20.5 %</i>	<i>21.3 %</i>	<i>21.3 %</i>	<i>22.0 %</i>
Depreciation of fixed assets	2.7	2.0	1.8	2.4	2.3	2.5	2.8
EBITA	4.1	10.3	17.9	24.4	30.1	33.5	38.5
Amortisation of intangible assets	2.5	6.8	7.4	7.1	7.3	8.1	9.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.6	3.4	10.5	17.3	22.8	25.4	29.5
<i>Margin</i>	<i>1.5 %</i>	<i>3.0 %</i>	<i>9.0 %</i>	<i>13.2 %</i>	<i>15.0 %</i>	<i>15.0 %</i>	<i>15.7 %</i>
EBIT adj.	1.6	3.4	10.5	17.3	22.8	25.4	29.5
Interest income	0.1	0.1	0.2	0.6	0.0	0.0	0.0
Interest expenses	1.6	2.3	1.6	1.4	1.5	1.5	1.5
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	0.2	1.2	9.1	16.5	21.3	23.9	28.0
<i>Margin</i>	<i>0.2 %</i>	<i>1.1 %</i>	<i>7.7 %</i>	<i>12.6 %</i>	<i>14.0 %</i>	<i>14.1 %</i>	<i>14.9 %</i>
Total taxes	-0.8	4.4	2.8	3.2	6.2	6.9	8.1
Net income from continuing operations	0.9	-3.1	6.3	13.3	15.1	16.9	19.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	0.9	-3.1	6.3	13.3	15.1	16.9	19.8
Minority interest	0.0	0.0	-0.1	0.1	0.2	0.2	0.2
Net income	0.9	-3.1	6.3	13.2	15.0	16.8	19.7
<i>Margin</i>	<i>0.9 %</i>	<i>-2.7 %</i>	<i>5.4 %</i>	<i>10.1 %</i>	<i>9.8 %</i>	<i>9.9 %</i>	<i>10.5 %</i>
Number of shares, average	1.9	2.0	2.1	2.4	2.4	2.4	2.4
EPS	0.49	-1.55	3.00	5.53	6.29	7.04	8.26
EPS adj.	0.49	-1.55	3.00	5.53	6.29	7.04	8.26

*Adjustments made for:

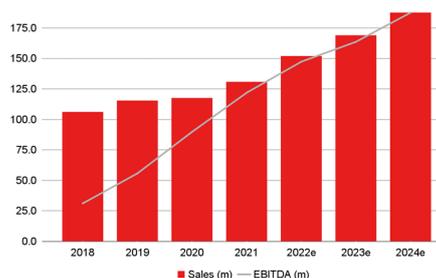
Guidance: 2023 sales EUR 165-175m, EBIT 15%

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	93.6 %	89.4 %	84.0 %	79.5 %	78.7 %	78.7 %	78.0 %
Operating Leverage	-3.9 x	13.1 x	113.2 x	5.7 x	2.0 x	1.0 x	1.5 x
EBITDA / Interest expenses	4.4 x	5.4 x	12.0 x	18.8 x	21.6 x	24.0 x	27.5 x
Tax rate (EBT)	-439.8 %	354.6 %	31.1 %	19.2 %	29.0 %	29.0 %	29.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	7.9 %	14.1 %	12.0 %
Sales per Employee	232,188	247,572	247,158	269,699	307,156	334,812	364,355

Sales, EBITDA

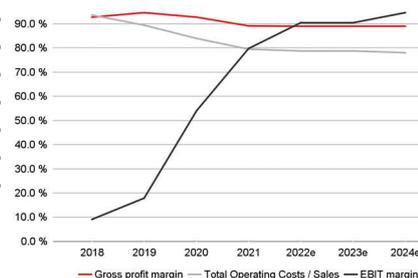
in EUR m



Source: Warburg Research

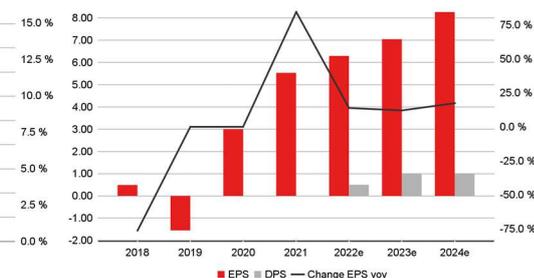
Operating Performance

in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

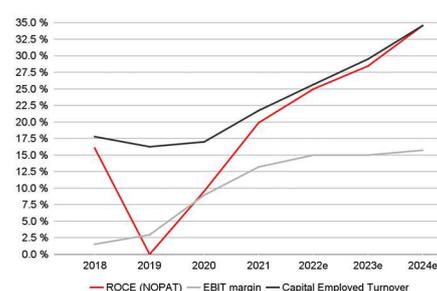
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	30.0	27.6	25.4	31.7	26.4	20.3	13.3
thereof other intangible assets	12.2	22.2	25.4	31.7	26.4	20.3	13.3
thereof Goodwill	17.9	5.4	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	22.7	33.0	31.1	21.3	22.5	24.0	25.2
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	52.8	60.7	56.6	53.0	48.9	44.3	38.5
Inventories	0.5	0.3	0.2	0.1	0.1	0.1	0.1
Accounts receivable	26.0	24.0	24.0	24.0	27.9	31.0	34.4
Liquid assets	11.8	8.1	9.4	46.9	48.4	66.4	87.0
Other short-term assets	20.0	21.2	20.6	20.2	20.2	20.2	20.2
Current assets	58.4	53.5	54.2	91.2	96.6	117.7	141.6
Total Assets	111.2	114.2	110.7	144.2	145.5	162.0	180.1
Liabilities and shareholders' equity							
Subscribed capital	1.9	2.0	2.1	2.3	2.3	2.3	2.3
Capital reserve	21.4	27.3	28.7	49.3	49.3	49.3	49.3
Retained earnings	0.0	0.0	0.0	0.0	15.0	30.6	47.9
Other equity components	15.8	11.8	17.2	31.1	31.2	31.4	31.5
Shareholders' equity	39.2	41.2	47.9	82.7	97.8	113.5	130.9
Minority interest	1.1	1.1	0.7	0.9	0.9	0.9	0.9
Total equity	40.3	42.3	48.7	83.6	98.6	114.4	131.8
Provisions	3.1	4.2	3.5	2.4	2.4	2.4	2.4
thereof provisions for pensions and similar obligations	1.6	2.8	2.7	1.9	1.9	1.9	1.9
Financial liabilities (total)	34.8	40.1	33.2	26.8	12.2	12.2	12.2
Short-term financial liabilities	12.3	13.9	7.8	1.0	1.0	1.0	1.0
Accounts payable	2.4	2.5	3.6	5.2	6.0	6.7	7.4
Other liabilities	30.7	25.2	21.7	26.2	26.2	26.2	26.2
Liabilities	70.9	71.9	62.0	60.7	46.9	47.6	48.3
Total liabilities and shareholders' equity	111.2	114.2	110.7	144.2	145.5	162.0	180.1

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	2.3 x	2.1 x	2.3 x	3.3 x	3.4 x	3.5 x	3.6 x
Capital Employed Turnover	1.6 x	1.5 x	1.6 x	2.0 x	2.4 x	2.7 x	3.2 x
ROA	1.8 %	-5.2 %	11.2 %	24.8 %	30.6 %	37.8 %	51.1 %
Return on Capital							
ROCE (NOPAT)	16.1 %	n.a.	9.5 %	19.9 %	25.0 %	28.5 %	34.6 %
ROE	2.4 %	-7.8 %	14.2 %	20.1 %	16.6 %	15.9 %	16.1 %
Adj. ROE	2.4 %	-7.8 %	14.2 %	20.1 %	16.6 %	15.9 %	16.1 %
Balance sheet quality							
Net Debt	24.6	34.8	26.5	-18.2	-34.3	-52.3	-72.9
Net Financial Debt	23.0	32.0	23.8	-20.1	-36.2	-54.2	-74.8
Net Gearing	61.1 %	82.3 %	54.5 %	-21.8 %	-34.8 %	-45.7 %	-55.3 %
Net Fin. Debt / EBITDA	337.0 %	261.2 %	120.8 %	n.a.	n.a.	n.a.	n.a.
Book Value / Share	20.6	20.4	22.7	34.7	41.1	47.7	55.0
Book value per share ex intangibles	4.8	6.7	10.7	21.4	30.0	39.2	49.4

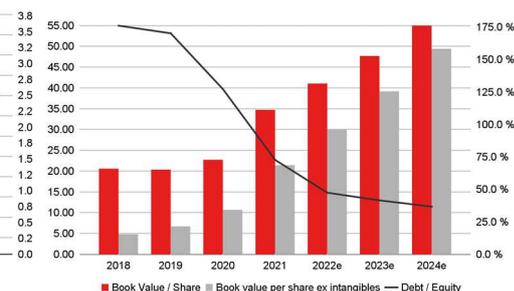
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

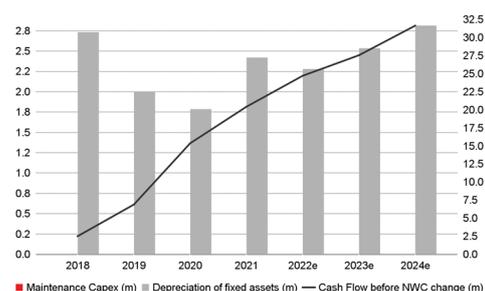
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	0.9	-3.1	6.3	13.3	15.1	16.9	19.8
Depreciation of fixed assets	2.7	2.0	1.8	2.4	2.3	2.5	2.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.5	6.8	7.4	7.1	7.3	8.1	9.0
Increase/decrease in long-term provisions	-0.3	1.2	0.0	-0.8	0.0	0.0	0.0
Other non-cash income and expenses	-3.3	0.0	0.0	-1.5	0.0	0.0	0.0
Cash Flow before NWC change	2.5	6.9	15.4	20.4	24.7	27.6	31.7
Increase / decrease in inventory	0.5	0.2	0.1	0.1	0.0	0.0	0.0
Increase / decrease in accounts receivable	-8.3	2.0	0.0	0.0	-3.9	-3.1	-3.4
Increase / decrease in accounts payable	-0.3	0.1	1.1	1.6	0.8	0.7	0.7
Increase / decrease in other working capital positions	0.0	-9.6	1.1	1.1	0.0	0.0	0.0
Increase / decrease in working capital (total)	-8.2	-7.1	2.3	2.8	-3.1	-2.4	-2.7
Net cash provided by operating activities [1]	-5.7	-0.2	17.7	23.2	21.6	25.2	29.0
Investments in intangible assets	-0.3	-0.5	-0.8	-1.0	-2.0	-2.0	-2.0
Investments in property, plant and equipment	-11.7	-3.1	-1.9	-1.5	-3.5	-4.0	-4.0
Payments for acquisitions	-3.9	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.2	0.0	-0.3	5.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-15.7	-3.6	-3.0	2.4	-5.5	-6.0	-6.0
Change in financial liabilities	-0.9	5.3	-6.9	-6.4	-14.6	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	-1.2	-2.4
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.6	0.0	0.0	20.5	0.0	0.0	0.0
Other	0.0	-5.2	-4.4	16.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	-0.3	0.1	-11.3	30.1	-14.6	-1.2	-2.4
Change in liquid funds [1]+[2]+[3]	-21.7	-3.8	3.4	55.8	1.5	18.0	20.6
Effects of exchange-rate changes on cash	-0.1	0.0	0.0	0.1	0.0	0.0	0.0
Cash and cash equivalent at end of period	8.7	2.3	5.7	61.5	48.4	66.4	87.0

Financial Ratios

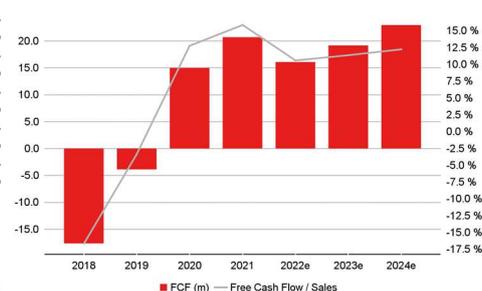
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	-17.6	-3.9	15.0	20.7	16.1	19.2	23.0
Free Cash Flow / Sales	-16.6 %	-3.4 %	12.8 %	15.8 %	10.6 %	11.3 %	12.2 %
Free Cash Flow Potential	7.6	7.9	16.9	23.6	26.2	29.1	33.2
Free Cash Flow / Net Profit	-1907.9 %	124.3 %	237.2 %	157.5 %	107.5 %	114.4 %	116.8 %
Interest Received / Avg. Cash	0.7 %	0.7 %	2.2 %	2.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	4.7 %	6.1 %	4.5 %	4.8 %	7.7 %	12.3 %	12.3 %
Management of Funds							
Investment ratio	11.3 %	3.2 %	2.3 %	1.9 %	3.6 %	3.6 %	3.2 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	228.7 %	41.3 %	29.3 %	26.5 %	57.4 %	56.4 %	50.8 %
Avg. Working Capital / Sales	18.9 %	19.9 %	18.0 %	15.1 %	13.5 %	13.7 %	13.7 %
Trade Debtors / Trade Creditors	1100.6 %	965.5 %	667.8 %	464.6 %	465.0 %	462.7 %	464.9 %
Inventory Turnover	14.8 x	21.9 x	47.2 x	199.5 x	167.2 x	185.9 x	206.3 x
Receivables collection period (days)	90	76	74	67	67	67	67
Payables payment period (days)	112	146	139	133	131	132	131
Cash conversion cycle (Days)	2	-53	-57	-64	-62	-63	-62

CAPEX and Cash Flow

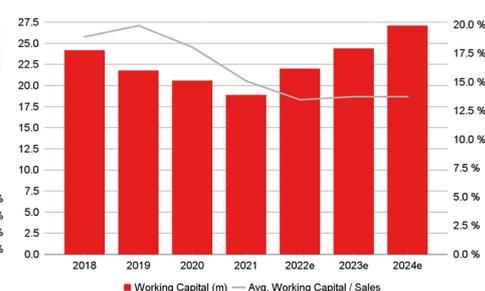
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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GK Software	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE0007571424.htm

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-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
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“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	162	75
Hold	43	20
Sell	6	3
Rating suspended	4	2
Total	215	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	45	82
Hold	7	13
Sell	1	2
Rating suspended	2	4
Total	55	100

PRICE AND RATING HISTORY GK SOFTWARE AS OF 14.11.2022


Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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