

# DCF Valuation Model

## Project name

Qualcomm Corp.

## Worksheets

[Terms and Abbreviations](#)

[Executive Summary](#)

[Assumptions](#)

[Financials](#)

[DCF](#)

[Terminal Value](#)

**Disclosure:** This equity research report has been prepared by Bhanudas Raut ("the Analyst"), an independent equity research analyst. The purpose of this report is to provide general information and analysis of Qualcomm Corp. ("the Company") based on publicly available information as of [Date]. This report should not be considered as financial or investment advice.

The Analyst has made reasonable efforts to ensure that the information presented in this report is accurate and reliable. However, no representation or warranty, express or implied, is made with respect to the accuracy, completeness, or reliability of the information contained herein. The Analyst shall not be liable for any loss or damage arising from reliance on this report.

This report is intended for informational purposes only and is not intended to be a comprehensive analysis of the Company or its securities. Investors are advised to conduct their own independent analysis and seek professional advice before making any investment decisions. Past performance is not necessarily indicative of future results.

The Analyst acknowledges that they have received no compensation from any party for producing this report, unless otherwise stated. The Analyst's firm may have a business relationship with the Company, including but not limited to receiving investment banking or other services. Such relationships could present conflicts of interest.

This report may not be reproduced, distributed, or published by any person for any purpose without the prior written consent of the Analyst. The Analyst reserves the right to change the opinions expressed in this report at any time without notice.

By reading this report, you acknowledge and agree to the terms and conditions stated herein.

**Analyst: Bhanudas Raut**

## Instructions

### Cell Colors

#### How to Work with this Model

[Assumption](#)

Cells which contain the assumptions. Are not linked to any other cells.

[Linked Assumption](#)

Cells which also contain assumptions but are linked to other assumption. Can either be left "as is" or overwritten if needed.

Link and calculations

Cells which contain links or calculations. Should not be changed unless you want to change the logic of the model

[Linked to cells in other sheets](#)

Cells which contains links from cells from other sheets

## Terms & Abbreviations

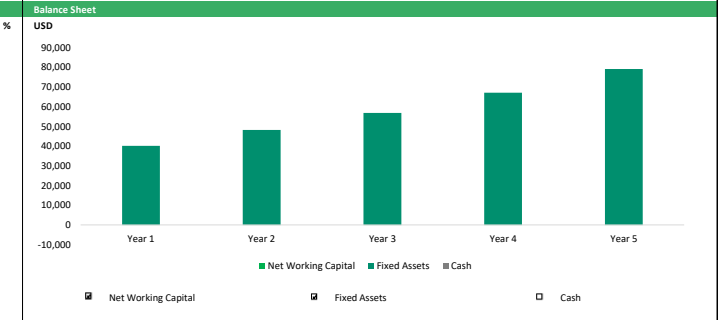
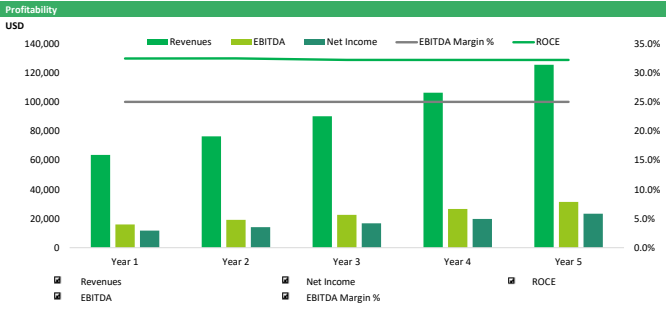
### Terms & Abbreviations

CAPEX	Capital Expenditures
DCF	Discounted Cash Flow
EBIT	Earnings before Interest and Tax
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EBT	Earnings before Tax
EV	Enterprise Value
EV/EBITDA	Enterprise Value/EBIT
EV/EBITDA	Enterprise Value/EBITDA
EV/Revenue	Enterprise Value/Revenue
FCF	Free Cash Flow
g	Growth Rate
gH	Growth Rate - High Growth Period
gL	Growth Rate - Long-Term
H	Half-length of the High Growth Period
NOPLAT	Net Operating Profit less Adjusted Taxes (= Capital Employed * ROCE)
OPEX	Operating Expenses
PV	Present Value
P/B	Price per Book
P/E	Price to Earnings
PV	Present Value
ROCE	Return on capital employed (same as ROIC)
ROE	Return on Equity
RONIC	Return on New Invested Capital
ROIC	Return on invested capital (same as ROCE)
TV	Terminal Value
t	Tax Rate
t	Time Year
USD	United States Dollar
WACC	Weighted Average Cost of Capital
Y	Year

## Financial Summary

All amounts in USD

Income Statement		Unit	2023	2024	2025	2026	2027	2028	Balance Sheet		Unit	2023	2024	2025	2026	2027	2028
Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5				
<b>Revenues</b>	USD	53,040	63,648	76,378	90,126	106,348	125,491	Cash	USD	11,517	16,237	22,049	29,725	38,925	49,877		
Revenue Growth	%	20.0%	20.0%	20.0%	18.0%	18.0%	18.0%	Receivables	USD	5,655	6,787	8,144	9,610	11,339	13,381		
<b>Direct Costs</b>	USD	(29,172)	(35,006)	(42,771)	(49,569)	(58,491)	(69,020)	Inventory	USD	3,599	4,319	4,923	6,115	7,216	8,515		
<b>Gross Profit</b>	USD	23,868	28,642	33,606	40,557	47,857	56,471	Other Current Assets	USD	9,721	11,665	13,999	16,518	19,492	23,000		
Gross Profit Margin %	% of Revenue	45.0%	45.0%	44.0%	45.0%	45.0%	45.0%	<b>Fixed Assets</b>	USD	33,444	40,133	48,160	56,829	67,058	79,128		
<b>OPEX</b>	USD	(10,608)	(12,730)	(14,512)	(18,025)	(21,270)	(25,098)	<b>Assets</b>	USD	63,937	79,141	97,275	118,797	144,029	173,901		
<b>EBITDA</b>	USD	13,260	15,912	19,094	22,531	26,587	31,373	Payables	USD	3,066	3,679	4,194	5,210	6,147	7,254		
EBITDA Margin %	% of Revenue	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	Other Current Liabilities	USD	15,912	19,094	22,913	27,038	31,904	37,647		
<b>Depreciation</b>	USD	-	-	-	-	-	-	Financial debt	USD	15,182	14,882	14,582	14,282	13,982	13,682		
<b>EBIT</b>	USD	13,260	15,912	19,094	22,531	26,587	31,373	Equity	USD	29,777	41,485	55,585	72,267	91,996	115,318		
EBIT Margin %	% of Revenue	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	<b>Liabilities &amp; Shareholder's Equity</b>	USD	63,937	79,141	97,275	118,797	144,029	173,901		
<b>Extraordinary Expenses</b>	USD	-	-	-	-	-	-	<b>Financial Ratios</b>									
Interest Expense	USD	(307)	(301)	(295)	(289)	(283)	(277)	Current Ratio	x	1.6x	1.7x	1.8x	1.9x	2.0x	2.1x		
Income Taxes	USD	(3,238)	(3,903)	(4,700)	(5,561)	(6,576)	(7,774)	Financial Debt/EBITDA	x	1.1x	0.9x	0.8x	0.6x	0.5x	0.4x		
<b>Net Income</b>	USD	9,715	11,709	14,100	16,682	19,728	23,322	Equity %	%	89.0%	103.4%	115.5%	127.2%	137.2%	145.7%		
Net Income Margin %	% of Revenue	18.3%	18.4%	18.5%	18.5%	18.6%	18.6%	<b>Cash Flow Statement</b>									
<b>Profitability &amp; Efficiency</b>								Year	Year 1	Year 2	Year 3	Year 4	Year 5				
Revenues/Capital Employed	x	1.7x	1.7x	1.7x	1.7x	1.7x	1.7x	Cash Flow from Operations	USD	11,709	14,139	16,644	19,729	23,323			
ROCE	%	0.0%	32.4%	32.5%	32.2%	32.2%	32.2%	Cash Flow from Investments	USD	(6,689)	(8,027)	(8,669)	(10,229)	(12,070)			
ROA	%	17.7%	16.8%	16.3%	15.7%	15.2%	14.8%	Cash Flow from Financing	USD	(300)	(300)	(300)	(300)	(300)			
ROE	%	40.7%	32.9%	29.1%	26.1%	24.0%	22.5%	<b>Change in Cash</b>	USD	4,720	5,812	7,676	9,200	10,953			



## DCF Valuation Summary

All amounts in USD

Free Cash Flow Forecast		DCF Valuation Result	
USD	180,000	Selected TV Model	Gordon Growth
Year 1	10,000	Discount Rate (WACC)	9.9%
Year 2	10,000	<b>DCF Valuation Result @9.9% Discount Rate (WACC)</b>	
Year 3	10,000	PV of Terminal Value	USD 103,343 76.7%
Year 4	10,000	PV of Forecast Period	USD 31,424 23.3%
Year 5	10,000	<b>Enterprise Value</b>	USD 134,767 100.0%
Terminal Value	150,000	Financial Debt	USD (15,182) -11.3%
		Cash	USD 11,517 8.5%
		<b>Equity Value</b>	USD 131,102 97.3%
		<b>Implied Multiples</b>	
		EV/EBITDA Exit Multiple	Year 1: 8.5x, TV Year 5: 5.0x
		<b>Composition of Enterprise Value</b>	
		PV of Forecast Period	31,424
		PV of Terminal Value	103,343
		<b>Enterprise Value</b>	134,767
<b>Terminal Value Models</b>		<b>Terminal Value Models</b>	
USD	200,000	TV (Year 5)	158,202
TV (Year 5)	158,202	PV of TV (Year 0)	103,343
PV of TV (Year 0)	103,343	Selected: Gordon Growth (Year 5)	188,236
Selected: Gordon Growth (Year 5)	188,236	Gordon Growth	158,202
Exit Multiple EV/EBITDA Exit Multiple (6.0x)	122,962	Exit Multiple EV/EBITDA Exit Multiple (6.0x)	188,236
			122,962
			158,202

**Assumptions**

All amounts in USD

General Settings		
<b>Settings</b>		
Currency		USD
First Forecast Year	Year	2024
<b>General Assumptions</b>		
Depreciation period	Years	10
Interest rate	%	2.0%
Income Tax rate	%	25.0%
Dividend Payout Ratio	%	0.0%
<b>Net Working Capital</b>		
Days Receivables	Days Sales	38
Days Inventory	Days COGS	-122
Days Payables	Days COGS	104

Discount Rate Estimation - Weighted Average Cost of Capital		
<b>Weight</b>		
Equity	%	70.0%
Debt	%	30.0%
<b>Total</b>	%	<b>100.0%</b>
<b>Cost of Equity</b>		
Risk free interest rate 2)	%	2.0%
Beta (unlevered) 3)	%	1.0x
Beta (levered) 4)	x	1.43
Market Risk Premium USA 5)	%	6.0%
Equity Risk Premium	%	8.57%
Other Risk Premium	%	2.0%
<b>Cost of Equity</b>	%	<b>12.6%</b>
<b>Cost of Debt</b>		
Risk free interest rate	%	2.0%
Debt risk premium 8)	%	3.0%
Pre-tax cost of debt	%	5.0%
Tax rate	%	25.0%
<b>Cost of Debt (after tax)</b>	%	<b>3.8%</b>
<b>Discount Rate (WACC)</b>	%	<b>9.92500%</b>

DCF Valuation Assumptions		
Discounting Method	Years	Mid-Year
Discount Rate (WACC)	%	9.9%

Model Checks		
Balance Sheet		0
Executive Summary		0
Assumptions		0
Financials		154,409
DCF		0
Terminal Value		0

Business Plan Assumptions									
Income Statement		-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenues</b>	USD	33,566	44,200	53,040	63,648	76,378	90,126	106,348	125,491
Revenue Growth	%	NA	31.7%	20.0%	20.0%	20.0%	18.0%	18.0%	18.0%
<b>Direct Costs</b>	USD	14,262	18,635	29,172	35,006	42,771	49,569	58,491	69,020
<b>Gross Profit</b>	USD	19,304	25,565	23,868	28,642	33,606	40,557	47,857	56,471
Gross Profit Margin %	%	57.5%	57.8%	45.0%	45.0%	44.0%	45.0%	45.0%	45.0%
<b>OPEX</b>	USD	9,515	9,705	10,608	12,730	14,512	18,025	21,270	25,098
<b>EBITDA</b>	USD	9,789	15,860	13,260	15,912	17,094	22,531	26,587	31,373
EBITDA Margin %	%	29.2%	35.9%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Depreciation	USD	-	-	-	-	-	-	-	-
Extraordinary Expenses	USD	(1,044)	372	-	-	-	-	-	-
Interest Expense	USD	559	490	307	301	295	289	283	277
Income Taxes	USD	1,231	2,012	3,238	3,903	4,700	5,561	6,576	7,774
<b>Net Income</b>	USD	9,043	12,986	9,715	11,709	14,100	16,682	19,728	23,322
Net Income Margin %	%	26.9%	29.4%	18.3%	18.4%	18.5%	18.5%	18.6%	18.6%
<b>Balance Sheet</b>									
		-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash</b>	USD	7,116	2,773	11,517	16,237	22,049	29,725	38,925	49,877
<b>Receivables</b>	USD	3,579	5,643	5,655	6,787	8,144	9,610	11,339	13,380.6
<b>Inventory</b>	USD	3,228	6,341	3,599	4,319	4,923	6,115	7,216	8,515
<b>Other Current Assets</b>	USD	6,152	5,967	9,721	11,665	13,999	16,518	19,492	23,000
<b>Fixed Assets</b>	USD	21,165	28,290	33,444	40,133	48,160	56,829	67,058	79,128
<b>Assets</b>	USD	41,240	49,014	63,937	79,141	97,275	118,797	144,029	173,901
<b>Payables</b>	USD	2,750	3,796	3,066	3,679	4,194	5,210	6,147	7,254
<b>Other Current Liabilities</b>	USD	12,795	11,723	15,912	19,094.4	22,913	27,038	31,904	37,647
<b>Financial debt</b>	USD	15,745	15,482	15,182	14,882	14,582	14,282	13,982	13,682
<b>Equity</b>	USD	9,950	18,013	29,777	41,485	55,585	72,267	91,996	115,318
<b>Liabilities &amp; Shareholder's Equity</b>	USD	41,240	49,014	63,937	79,141	97,275	118,797	144,029	173,901
<b>Cash Flow Statement</b>									
		-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>CAPEX</b>	USD	-	7125	5154	6689	8027	8669	10229	12070
Change in Financial debt	USD	-	(263)	(300)	(300)	(300)	(300)	(300)	(300)

Terminal Value Models			
Terminal Value Model	Terminal Value (Year 5)	Calculations	Explanation
	USD		
Gordon Growth	158,202	=> Gordon Growth	Capitalized Free Cash Cash Flows which are assumed to grow forever
Exit Multiple EV/EBITDA Exit Multiple (6.0x)	188,236	=> EV/EBITDA Exit Multiple	Determines the Terminal Value based on an Exit Multiple

Terminal Value Assumptions by Model			
		Selectors	
<b>Gordon Growth</b>			
Discount Rate	%	9.9%	Discounting Period
Growth Rate	%	2.5%	Mid-Year
			End of Year
			0.5
<b>Exit Multiples</b>			
Label		Exit Multiple	
EV/EBITDA Exit Multiple	x	6.0x	1.0

38.3853  
(122.13)  
18%  
63%

(104.05)  
30%

## Financial Projections

All amounts in USD

1	Income Statement	Unit	2021	2022	2023	2024	2025	2026	2027	2028
Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	<b>Revenues</b>	USD	33,566	44,200	53,040	63,648	76,378	90,126	106,348	125,491
	Revenue Growth	%	NA	31.7%	20.0%	20.0%	20.0%	18.0%	18.0%	18.0%
	<b>Direct Costs</b>	USD	(14,262)	(18,635)	(29,172)	(35,006)	(42,771)	(49,569)	(58,491)	(69,020)
	<b>Gross Profit</b>	USD	19,304	25,565	23,868	28,642	33,606	40,557	47,857	56,471
	Gross Profit Margin %	% of Revenue	57.5%	57.8%	45.0%	45.0%	44.0%	45.0%	45.0%	45.0%
	<b>OPEX</b>	USD	(9,515)	(9,705)	(10,608)	(12,730)	(14,512)	(18,025)	(21,270)	(25,098)
	<b>EBITDA</b>	USD	9,789	15,860	13,260	15,912	19,094	22,531	26,587	31,373
	EBITDA Margin %	% of Revenue	29.2%	35.9%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
	Depreciation	USD	-	-	-	-	-	-	-	-
	<b>EBIT</b>	USD	9,789	15,860	13,260	15,912	19,094	22,531	26,587	31,373
	EBIT Margin %	% of Revenue	29.2%	35.9%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
	Extraordinary Expenses	USD	1,044	(372)	-	-	-	-	-	-
	Interest Expense	USD	(559)	(490)	(307)	(301)	(295)	(289)	(283)	(277)
	<b>EBT</b>	USD	10,274	14,998	12,953	15,611	18,800	22,243	26,304	31,096
	EBT Margin %	% of Revenue	30.6%	33.9%	24.4%	24.5%	24.6%	24.7%	24.7%	24.8%
	Income Taxes	USD	(1,231)	(2,012)	(3,238)	(3,903)	(4,700)	(5,561)	(6,576)	(7,774)
	<b>Net Income</b>	USD	9,043	12,986	9,715	11,709	14,100	16,682	19,728	23,322
	Net Income Margin %	% of Revenue	26.9%	29.4%	18.3%	18.4%	18.5%	18.5%	18.6%	18.6%

All amounts in USD

2	Balance Sheet	Unit	2021	2022	2023	2024	2025	2026	2027	2028
Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	Cash	USD	7,116	2,773	11,517	16,237	22,049	29,725	38,925	49,877
	Receivables	USD	3,579	5,643	5,655	6,787	8,144	9,610	11,339	13,381
	Inventory	USD	3,228	6,341	3,599	4,319	4,923	6,115	7,216	8,515
	Other Current Assets	USD	6,152	5,967	9,721	11,665	13,999	16,518	19,492	23,000
	Fixed Assets	USD	21,165	28,290	33,444	40,133	48,160	56,829	67,058	79,128
	<b>Assets</b>	USD	41,240	49,014	63,937	79,141	97,275	118,797	144,029	173,901
	Payables	USD	2,750	3,796	3,066	3,679	4,194	5,210	6,147	7,254
	Other Current Liabilities	USD	12,795	11,723	15,912	19,094	22,913	27,038	31,904	37,647
	Financial debt	USD	15,745	15,482	15,182	14,882	14,582	14,282	13,982	13,682
	Equity	USD	9,950	18,013	29,777	41,485	55,585	72,267	91,996	115,318
	<b>Liabilities &amp; Shareholder's Equity</b>	USD	41,240	49,014	63,937	79,141	97,275	118,797	144,029	173,901
	Check		0	0	0	0	0	0	0	0

All amounts in USD

3	Fixed Asset Schedule	Unit	2021	2022	2023	2024	2025	2026	2027	2028
Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	Depreciation period	Years			10					
	<b>CAPEX</b>	USD		7125	5154	6689	8027	8669	10229	12070
	<b>Depreciation</b>									
	Year 0	USD			33,444					
	Year 1	USD			6,689					
	Year 2	USD			8,027					
	Year 3	USD			8,669					
	Year 4	USD			10,229					
	Normalization adjustment	USD			12,070					
	<b>Depreciation</b>	USD								
	<b>Fixed Assets</b>	USD			33,444	40,133	48,160	56,829	67,058	79,128

All amounts in USD

4	Cash Flow Statement	Unit	2021	2022	2023	2024	2025	2026	2027	2028
Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash Flow from Operations</b>										
Net Income	USD				9,715	11,709	14,100	16,682	19,728	23,322
Depreciation	USD				-	-	-	-	-	-
Change in Receivables	USD				12	(1,131)	(1,357)	(1,466)	(1,730)	(2,041)
Change in Inventory	USD				(2,742)	(720)	(605)	(1,192)	(1,101)	(1,299)
Change in Other Current Assets	USD				3,754	(1,944)	(2,333)	(2,520)	(2,973)	(3,508)
Change in Payables	USD				(730)	613	515	1,015	938	1,107
Change in Other Current Liabilities	USD				4,189	3,182	3,819	4,124	4,867	5,743
<b>Cash Flow from Operations</b>	<b>USD</b>				<b>14,198</b>	<b>11,709</b>	<b>14,139</b>	<b>16,644</b>	<b>19,729</b>	<b>23,323</b>
<b>Investing Cash Flow</b>										
CAPEX	USD			(7,125)	(5,154)	(6,689)	(8,027)	(8,669)	(10,229)	(12,070)
<b>Cash Flow from Investments</b>	<b>USD</b>			<b>(7,125)</b>	<b>(5,154)</b>	<b>(6,689)</b>	<b>(8,027)</b>	<b>(8,669)</b>	<b>(10,229)</b>	<b>(12,070)</b>
<b>Cash Flow from Financing</b>										
Change in Financial debt	USD				(300)	(300)	(300)	(300)	(300)	(300)
Dividends	USD				-	-	-	-	-	-
<b>Cash Flow from Financing</b>	<b>USD</b>				<b>(300)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>
<b>Change in Cash</b>	<b>USD</b>				<b>8,744</b>	<b>4,720</b>	<b>5,812</b>	<b>7,676</b>	<b>9,200</b>	<b>10,953</b>
Cash Beginning	USD				2,773	11,517	16,237	22,049	29,725	38,925
<b>Cash End</b>	<b>USD</b>			<b>2,773</b>	<b>11,517</b>	<b>16,237</b>	<b>22,049</b>	<b>29,725</b>	<b>38,925</b>	<b>49,877</b>

## Financial Ratios

All amounts in USD

5	Financial Ratios	Unit	2021	2022	2023	2024	2025	2026	2027	2028
Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Bank Ratios</b>										
Financial Debt/EBITDA	x		1.6x	1.0x	1.1x	0.9x	0.8x	0.6x	0.5x	0.4x
Interest Coverage	x		17.5x	32.4x	43.2x	52.9x	64.8x	78.1x	94.1x	113.4x
Debt Service Coverage	x		0.6x	0.8x	0.6x	0.8x	1.0x	1.2x	1.4x	1.7x
Equity %	%		53.6%	58.6%	89.0%	103.4%	115.5%	127.2%	137.2%	145.7%
Net Debt/Equity	%		86.7%	70.6%	12.3%	-3.3%	-13.4%	-21.4%	-27.1%	-31.4%
<b>Liquidity Ratios</b>										
Cash Ratio	x		0.5x	0.2x	0.6x	0.7x	0.8x	0.9x	1.0x	1.1x
Quick Ratio	x		0.7x	0.5x	0.9x	1.0x	1.1x	1.2x	1.3x	1.4x
Current Ratio	x		1.3x	1.3x	1.6x	1.7x	1.8x	1.9x	2.0x	2.1x
<b>Growth Rates</b>										
Revenue growth	%		NA	31.7%	20.0%	20.0%	20.0%	18.0%	18.0%	18.0%
Gross Profit Growth	%		NA	32.4%	-6.6%	20.0%	17.3%	20.7%	18.0%	18.0%
EBITDA Growth	%		NA	62.0%	-16.4%	20.0%	20.0%	18.0%	18.0%	18.0%
EBIT Growth	%		NA	62.0%	-16.4%	20.0%	20.0%	18.0%	18.0%	18.0%
Net Income Growth	%		NA	43.6%	-25.2%	20.5%	20.4%	18.3%	18.3%	18.2%
Asset Growth	%		NA	18.9%	30.4%	23.8%	22.9%	22.1%	21.2%	20.7%
Equity Growth	%		NA	81.0%	65.3%	39.3%	34.0%	30.0%	27.3%	25.4%
<b>Profitability</b>										
NOPLAT	USD		-	-	-	11,934	14,321	16,899	19,940	23,530
Revenues/Capital Employed	x		1.8x	1.8x	1.7x	1.7x	1.7x	1.7x	1.7x	1.7x
ROCE	%		0.0%	0.0%	0.0%	32.4%	32.5%	32.2%	32.2%	32.2%
ROA	%		23.3%	29.9%	17.7%	16.8%	16.3%	15.7%	15.2%	14.8%
ROE	%		90.9%	92.9%	40.7%	32.9%	29.1%	26.1%	24.0%	22.5%
Revenues/Assets	x		0.8x	0.9x	0.8x	0.8x	0.8x	0.8x	0.7x	0.7x
<b>Efficiency</b>										
Days Receivables	Days		39	47	39	39	39	39	39	39
Days Payables	Days		70	74	38	38	36	38	38	38
Cash Conversion	Days		109	121	77	77	75	77	77	77
Tax rate	%		25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
<b>Economic Balance Sheet</b>										
Equity	USD		9,950	18,013	29,777	41,485	55,585	72,267	91,996	115,318
Financial Debt	USD		15,745	15,482	15,182	14,882	14,582	14,282	13,982	13,682
./ Cash	USD		(7,116)	(2,773)	(11,517)	(16,237)	(22,049)	(29,725)	(38,925)	(49,877)
<b>Invested Capital</b>	<b>USD</b>		<b>18,579</b>	<b>30,722</b>	<b>33,442</b>	<b>40,130</b>	<b>48,118</b>	<b>56,824</b>	<b>67,053</b>	<b>79,122</b>
Net Working Capital	USD		(2,586)	2,432	(2)	(3)	(42)	(4)	(5)	(6)
Fixed Assets	USD		21,165	28,290	33,444	40,133	48,160	56,829	67,058	79,128
<b>Capital Employed</b>	<b>USD</b>		<b>18,579</b>	<b>30,722</b>	<b>33,442</b>	<b>40,130</b>	<b>48,118</b>	<b>56,824</b>	<b>67,053</b>	<b>79,122</b>

## Chart Data

All amounts in USD

6	Chart Data	Unit	2021	2022	2023	2024	2025	2026	2027	2028
---	------------	------	------	------	------	------	------	------	------	------

Year			-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	
<b>Revenues and Profits</b>											
Revenues	<input type="checkbox"/> TRUE	USD				63,648	76,378	90,126	106,348	125,491	
EBITDA	<input type="checkbox"/> TRUE	USD				15,912	19,094	22,531	26,587	31,373	
EBITDA Margin %	<input type="checkbox"/> TRUE	% of Revenue				25.0%	25.0%	25.0%	25.0%	25.0%	
Net Income	<input type="checkbox"/> TRUE	USD				11,709	14,100	16,682	19,728	23,322	
ROCE	<input type="checkbox"/> TRUE	%				32.4%	32.5%	32.2%	32.2%	32.2%	
<b>Balance Sheet</b>											
Net Working Capital	<input type="checkbox"/> TRUE	USD				-3	-42	-4	-5	-6	
Fixed Assets	<input type="checkbox"/> TRUE	USD				40,133	48,160	56,829	67,058	79,128	
Cash	<input type="checkbox"/> FALSE	USD				#N/A	#N/A	#N/A	#N/A	#N/A	
<b>Free Cash Flows</b>											
						<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Terminal Value</b>
Free Cash Flow to Firm	<input type="checkbox"/> TRUE	USD				5,246	6,333	8,192	9,712	11,460	158,202
Terminal Value (TV)	<input type="checkbox"/> TRUE	USD									
Discount Factor		x				0.95	0.87	0.79	0.72	0.65	0.65
Discounted Cash Flows	<input type="checkbox"/> TRUE	USD				5,003	5,495	6,466	6,974	7,486	103,343
<b>Terminal Value Models</b>											
TV (Year 5)	<input type="checkbox"/> TRUE					<b>TV</b>	<b>PV of TV</b>	<b>Selected: Gordon Growth</b>			
PV of TV (Year 0)	<input type="checkbox"/> TRUE					<b>(Year 5)</b>	<b>(Year 0)</b>	<b>(Year 5)</b>			
Gordon Growth	<input type="checkbox"/> TRUE	USD				158,202	103,343	158,202			
Exit Multiple EV/EBITDA Exit Multip	<input type="checkbox"/> TRUE	USD				188,236	122,962	158,202			

## Free Cash Flow to Firm

All amounts in USD

1 Free Cash Flow to Firm		2023	2024	2025	2026	2027	2028
Year		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Discount Rate (WACC)	%	9.9%					
Discounting Method and Period	Years	Mid-Year					
Total O/S Shares	1114 M						
Selected Terminal Value Model		Gordon Growth					
<b>Free Cash Flow to Firm</b>							
EBIT	USD		15,912	19,094	22,531	26,587	31,373
Adjusted Tax (1-t)	USD		(3,978)	(4,774)	(5,633)	(6,647)	(7,843)
Addback Depreciation	USD		-	-	-	-	-
Change in Net Working Capital	USD		0	39	(38)	1	1
CAPEX	USD		(6,689)	(8,027)	(8,669)	(10,229)	(12,070)
<b>Free Cash Flow to Firm</b>	<b>USD</b>		<b>5,246</b>	<b>6,333</b>	<b>8,192</b>	<b>9,712</b>	<b>11,460</b>

## DCF Valuation

All amounts in USD

2 DCF Valuation		Unit	2024	2025	2026	2027	2028
Year			Year 1	Year 2	Year 3	Year 4	Year 5
<b>Free Cash Flow to Firm</b>	<b>USD</b>		<b>5,246</b>	<b>6,333</b>	<b>8,192</b>	<b>9,712</b>	<b>11,460</b>
Terminal Value (TV)	USD						158,202
<b>Free Cash Flow to Firm incl. TV</b>	<b>USD</b>		<b>5,246</b>	<b>6,333</b>	<b>8,192</b>	<b>9,712</b>	<b>169,662</b>
Discounting Period	Years		0.50	1.50	2.50	3.50	4.50
Discount Factor	x		0.95	0.87	0.79	0.72	0.65
PV of Forecast Period			5,003	5,495	6,466	6,974	7,486
PV of Terminal Value							103,343
<b>Discounted Cash Flows</b>	<b>USD</b>		<b>5,003</b>	<b>5,495</b>	<b>6,466</b>	<b>6,974</b>	<b>110,829</b>
<b>DCF Valuation Result</b>		<b>Year 0</b>					
PV of Terminal Value	USD		103,343	76.7%			
PV of Forecast Period	USD		31,424	23.3%			
<b>Enterprise Value</b>	<b>USD</b>		<b>134,767</b>	<b>100.0%</b>			
Financial Debt	USD		(15,182)	-11.3%			
Cash	USD		11,517	8.5%			
<b>Equity Value</b>	<b>USD</b>		<b>131,102</b>	<b>97.3%</b>			
<b>Share Price</b>	<b>USD</b>	<b>\$</b>	<b>117.69</b>				
<b>Implied Multiples</b>		<b>Year 0</b>	<b>Year 1</b>				<b>Terminal Value Y5</b>
EV/EBITDA Exit Multiple	x		10.2x	8.5x			5.0x
<b>Terminal Value Y5</b>							
<b>Enterprise Value</b>	<b>USD</b>						<b>158,202</b>
./. Financial Debt	USD						(13,682)
Cash	USD						49,877
<b>Equity Value</b>	<b>USD</b>						<b>194,398</b>
<b>Share Price</b>	<b>USD</b>	<b>\$</b>					<b>174.50</b>



### Terminal Value Models

All amounts in USD

**1** **Gordon Growth**

$$TV = \frac{FCF_{TV} * (1 + g)}{WACC - g}$$

TV	Terminal Value
FCF	Free Cash Flows
g	Long-term Growth Rate
WACC	Weighted Average Cost of Capital (Discount Rate)

Free Cash Flow to Firm (Year 5)	USD	11,460
Discount Rate (WACC)	%	9.9%
Growth Rate	%	2.5%
<b>TV Gordon Growth</b>	<b>USD</b>	<b>158,202</b>

[=> Compare Terminal Value Models](#)

All amounts in USD

**2** **Exit Multiples**

Exit Valuation Method	Exit Multiple	Fundamentals (Year 5)	Terminal Value	Debt	Cash	TV - Equity Value			
EV/EBITDA Exit Multiple	x	6.0x	EBITDA	USD	31,373	188,236	(13,682)	49,877	224,432

[=> Compare Terminal Value Models](#)

All amounts in USD

**3** **Terminal Value Models Summary** Overview - Terminal Value Results

Terminal Value Models		TV		Factor (YS)	PV of TV	
		Year 5	Year 0		Year 5	Year 0
		USD	USD	x	USD	USD
<a href="#">Gordon Growth</a>	USD	158,202	103,343	0.65	158,202	103,343
<a href="#">Exit Multiple EV/EBITDA Exit Multiple (6.0x)</a>	USD	188,236	122,962	0.65	188,236	122,962
<b>Selected Terminal Value Model</b>						
<a href="#">Gordon Growth</a>	<b>USD</b>	<b>158,202</b>	<b>103,343</b>	<b>0.65</b>	<b>158,202</b>	<b>103,343</b>

Model	TV Year 5	PV of TV Year 0
Gordon Growth	158,202	103,343
Exit Multiple EV/EBITDA Exit Multiple (6.0x)	188,236	122,962