NVIDIA Stock Valuation: Is the AI Surge Justifying the Price?

November 4th, 2024

EXECUTIVE SUMMARY

Is Nvidia stock overvalued?

NVIDIA's stock has skyrocketed in the past year from $40 to $133, representing an impressive 233% increase. This surge is largely fueled by the booming AI sector, where the demand for high-performance microprocessors is growing rapidly. NVIDIA, with its cutting-edge products, has positioned itself as the dominant player, capturing the lion's share of this expanding market. Investors are betting on the company's continued exponential revenue growth, as evidenced by its lofty P/E of 66.

The goal of this valuation is to determine NVIDIA's fair market value amidst its remarkable rise. By leveraging detailed data analysis and visual representations of the company's growth, we aim to provide a clear picture of its financial health and long-term potential. This evaluation seeks to go beyond the headlines, offering a deeper understanding of whether NVIDIA's current stock price fairly reflects its value. However, this analysis is for informational purposes only and should not be considered investment advice.

To assess NVIDIA's fair value, we'll use two methods: a Discounted Cash Flow (DCF) analysis and a comparable P/E ratio analysis. The DCF will project NVIDIA's future cash flows and discount them to today's value, helping us see if the current stock price aligns with long-term potential. The P/E ratio analysis will compare NVIDIA's valuation to similar companies in the AI and data center sectors, offering a clearer picture of whether its market price is justified.

Our analysis suggests that NVIDIA's future cash flows may not fully support its current market value, pointing to a fair range of $75 to $95 per share. Additionally, with its value more than its cash flows, we estimate NVIDIA is overvalued by approximately 37%.

Ticker	**NVDA**
Share price	**$133**
1 year range	**$40 - $141**
Market cap	**$3.27 trillion**
Revenue (2024)	**$60.92 billion**
P/E ratio	**66x**
Beta	**1.67**
Dividend yield	**0.03%**
Net income margin	**55%**

COMPANY DESCRIPTION

QUICK HISTORY

Founded in 1993 by Jensen Huang, Chris Malachowsky, and Curtis Priem, NVIDIA began as a graphics processing company with a focus on gaming and multimedia. The company released its first product, the NV1, in 1995, but it was in 1999 with the launch of the GeForce 256 that NVIDIA revolutionized graphics processing by introducing the world's first graphics processing unit (GPU). This innovation helped drive the growth of PC gaming and 3D graphics. Over the years, NVIDIA expanded its reach beyond gaming into professional visualization, data centers, and artificial intelligence. With its CUDA architecture, introduced in 2006, NVIDIA became a pioneer in parallel computing, enabling researchers to leverage GPUs for complex computational tasks. Today, NVIDIA is involved in both hardware and software; it is a leader in AI, machine learning, autonomous vehicles, and cloud computing, solidifying its role as a key player in the tech industry.

PRODUCTS

NVIDIA reports its business results in two main segments: the Compute & Networking segment and the Graphics segment. The platforms address four major markets where their expertise is critical: Data Center, Automotive, Gaming, and Professional Visualization.[1]

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[1] There is a segment called "All Other" which includes products that do not belong to the two main segments.

The Compute & Networking segment is NVIDIA's greatest source of revenue, comprised of Data Center accelerated computing platforms and end-to-end networking platforms; NVIDIA DRIVE automated-driving platform and automotive development agreements; Jetson robotics and other embedded platforms; NVIDIA AI Enterprise and other software; and DGX Cloud software and services. The revenue reached $47.4 billion in 2024 up 215% over-year.

Data Center

NVIDIA's Data Center platform powers compute-intensive workloads like AI, data analytics, and scientific computing, offering improved performance and efficiency compared to traditional CPU-only setups. It includes advanced GPUs, DPUs, and recently integrated CPUs, alongside a robust software stack like NVIDIA AI Enterprise and CUDA-X, delivering a comprehensive solution for cloud, on-premises, and edge data centers. The platform also offers NVIDIA DGX Cloud for AI training, enabling customers to access powerful AI models and expertise through a scalable cloud-based service. NVIDIA partners with major cloud providers, OEMs, and enterprises, making its solutions widely available to sectors like healthcare, automotive, and financial services, driving the global adoption of AI and high-performance computing. The segment experienced rapid growth rates in the past 5 years and especially the past year: the revenue rise from $15.0 billion to $47.5 billion with up 217% year on year. The main player in this growth is the higher shipments of the NVIDIA Hopper GPU computing platform and InfiniBand.

Data Center Segment Revenue of NVIDIA and its main competitors (in billions)
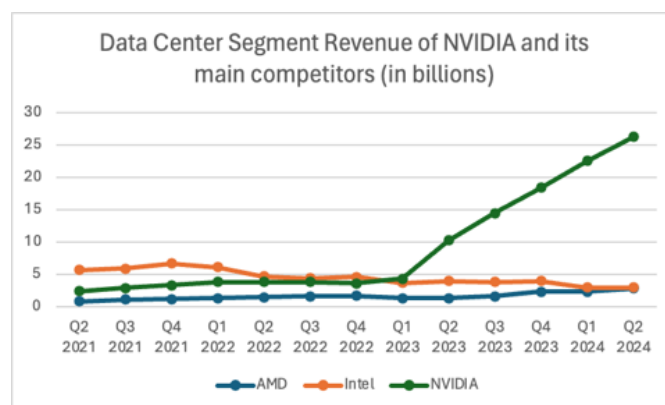
Source: Companies' quarterly results

Automotive

NVIDIA's Automotive division focuses on AI-driven solutions for autonomous driving and in-vehicle computing, providing end-to-end platforms under the DRIVE Hyperion brand. DRIVE Hyperion integrates with NVIDIA's data center-based computing for training neural networks and runs on the DRIVE AGX hardware for in-vehicle processing. NVIDIA also offers DRIVE Sim, a simulation solution for testing and validating autonomous driving systems, ensuring ongoing innovation and adaptability in the automotive sector.

Gaming and Professional Visualization

The Graphics segment includes GeForce GPUs for gaming and PCs, the GeForce NOW game streaming service and related infrastructure; Quadro/NVIDIA RTX GPUs for enterprise workstation graphics; virtual GPU, or vGPU, software for cloud-based visual and virtual computing; automotive platforms for infotainment systems; and Omniverse Enterprise software for building and operating metaverse and 3D internet applications.

Gaming is the largest segment in the entertainment industry, with NVIDIA playing a critical role in enhancing PC gaming experiences through its powerful GPUs and advanced software. NVIDIA's presence in the Professional Visualization market is driven by partnerships with independent software vendors (ISVs) and its robust GPU computing platforms, which support fields like design, manufacturing, and digital content creation.

Comparison of the main CPU producers

Category	NVIDIA	AMD	Intel
AI and ML Performance	Industry leader with CUDA and high-end GPUs (A100, H100)	Improving, but lags behind NVIDIA in AI optimization	Limited; Xeon CPUs less suited for AI-specific tasks
General-Purpose CPU	Limited, recently entered with Grace CPU	Strong with EPYC series, cost-effective	Long-standing leader with Xeon CPUs
Cost-Performance Ratio	High cost, premium performance	Strong value with high performance-per-dollar	Moderate, often outperformed by AMD in efficiency
Software Ecosystem	Robust, widely adopted CUDA platform	Growing but limited (ROCm platform)	Mature ecosystem with oneAPI for broad support
Energy Efficiency	High power consumption in GPUs	Energy efficient with EPYC CPUs	Lower efficiency compared to AMD

2020-2024 Revenue for the Four Main Segments
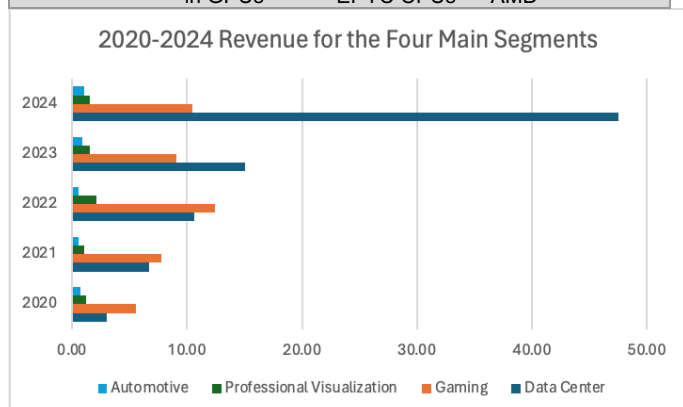
Source: Nvidia annual financial declarations

GEOPGRAHIC DATA

NVIDIA is headquartered in California with a global network of facilities, including owned and leased locations for data centers, research and development, and sales and administrative functions across the U.S. and internationally. Key international sites include China, India, Israel, and Taiwan, where NVIDIA collaborates closely with suppliers, contract manufacturers, and assembly partners essential to its supply chain continuity. NVIDIA's reliance on Taiwan and China, which contribute a substantial portion of its revenue and supply chain resources, exposes the company to risks from geopolitical tensions, domestic political shifts, and potential supply constraints due to natural disasters. These factors could materially impact NVIDIA's operational stability and financial performance.

2022-2024 Revenue by Country (in millions)
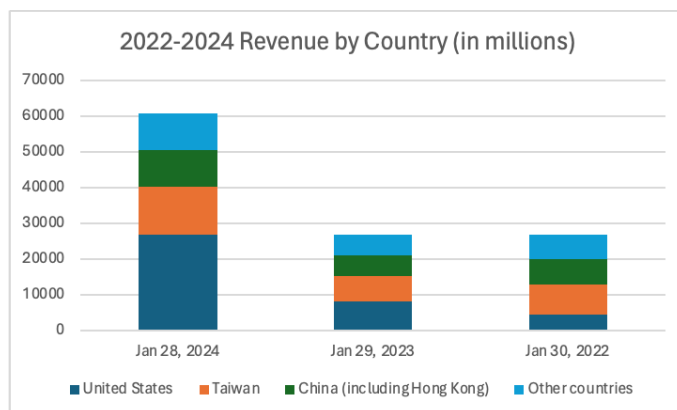
Source: Nvidia's annual report

COMPETITION (MARKET OVERVIEW)

INDUSTRY TRENDS

NVIDIA primarily operates within the rapidly growing semiconductor and artificial intelligence (AI) industry. The global AI market was valued at $196.63 billion in 2023 and is projected to reach $1,811.75 billion by 2030, growing at a CAGR of 36.6%.[2] This growth is driven by increasing AI applications across industries such as healthcare, finance, and automotive, with strong investments from major tech companies like Google and Microsoft. AI technologies, including machine learning, deep learning, and natural language processing, are rapidly advancing, fueling widespread adoption and innovation.

PROFITABILITY AND RATIOS ANALYSIS

Operational efficiency is key to NVIDIA's strategy, helping it stay competitive, control costs and boost profits in a high-investment industry. By using resources wisely, investing in technology for automation, and managing its supply chain carefully, NVIDIA can keep innovating and meeting market needs effectively.

One way NVIDIA shows its commitment to efficiency is through its investment in automation and AI-driven processes. By automating manufacturing and testing, NVIDIA reduces mistakes, speeds up production, and saves money. It also uses its own AI technology to manage logistics and forecast demand, which

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[2] Forcasted by Grand View Research

improves accuracy and prevents extra inventory. Additionally, NVIDIA builds efficiency by working closely with Original Equipment Manufacturers (OEMs), Independent Software Vendors (ISVs), and cloud service providers. Key metrics to measure NVIDIA's operational efficiency are shown below. It is noticeable that its operating margin is expanding, indicating a good sign. In contrast, a warning sign for NVIDIA is its asset growth is faster (50.3% a year) than revenue growth (38.5% over the past 5 years), indicating the possibility of reducing efficiency.

Company	Market cap	Revenue TTM	P/E	ROE
NVIDIA	3470	96	66x	125%
AMD	269	23	192x	2.43%
INTEL	97	55	99x	0,92%
Qualcomm	190	37	21x	38%

Numbers in billions of $

Company	Operating margin	Net margin	R&D/Sales	Capex
NVIDIA	61%	55%	14%	1,878
AMD	5.64%	7.52%	27%	567
INTEL	0.92%	1.77%	18%	24,101
Qualcomm	23.26%	23.33%	21%	1,078

Numbers in millions of $
Data TTM

VALUATION METHODOLGY

Intrinsic Valuation Through a DCF Analysis

To evaluate NVIDIA, we used the Discounted Cash Flow (DCF) model because it provides a more precise and objective valuation by focusing on the company's intrinsic ability to generate future cash flows. Unlike market-based models, which can be influenced by short-term trends or external sentiment, the DCF model allows us to assess NVIDIA's long-term growth potential, profitability, and operational efficiency based on its grounded financial performance. By discounting these projected cash flows to present value using a risk-adjusted discount rate, we can better understand NVIDIA's fair value, independent of market fluctuations. This approach is particularly suited for NVIDIA, given its leadership in AI, semiconductors, and cutting-edge technologies, where future growth may not

always be accurately reflected in current market prices. The DCF model allows us to capture the long-term drivers of value, making it a more comprehensive and reliable tool for our analysis.

To build our DCF model, we begin by projecting NVIDIA's revenues over two periods of three years each. This two-part, 3-year period structure is tailored for the technology sector, where rapid innovation and market shifts typically play out over three-year cycles. Given that the AI sector's Compound Annual Growth Rate (CAGR) is projected to be stable at 36% until 2030, and with NVIDIA capturing around 80% of data center benefits from this growth, we linked NVIDIA's revenue growth to the AI sector's expansion as it aligns with the market.

For the terminal period, we apply a long-term growth rate across all scenarios, although the rate varies slightly between the conservative and optimistic cases by around 1%, with all rates generally inflation-based to reflect more stable, natural growth expectations.

Finally, we developed three discount rates or Weighted Average Cost of Capital (WACC) scenarios to account for different economic conditions and risk factors. This approach captures a broad range of potential outcomes, providing a flexible and comprehensive valuation of NVIDIA.

Valuation assumptions

Growth assumption

Our growth assumptions for NVIDIA are primarily based on its main segment—artificial intelligence (AI). We applied the projected Compound Annual Growth Rate (CAGR) of 36% for the AI sector, as reported by Grand View Research. This growth rate is driven by the rising demand for advanced AI technologies, especially in building new data centers. As various industries enhance their AI capabilities, NVIDIA is well-positioned to benefit from this trend due to its strong market presence and product offerings. The accompanying graph shows the projected growth rate and absolute revenue growth for NVIDIA, illustrating its potential for significant financial gains in the coming years.

Margin Improvements and Financial Ratios

In the past two years, NVIDIA has made significant improvements in its financial margins, reflecting its operational efficiency and pricing power. Currently, the company has a gross margin of 75%, an EBITDA margin of 54%, and a net income margin of 45%. These figures are among the highest in the technology sector, indicating solid profitability. However, since there are no clear signs that these margins will improve further—and the possibility that they could decline due to competitive pressures—we have decided to keep these margins in our projections.

Historical and forcasted marginalities for NVIDIA
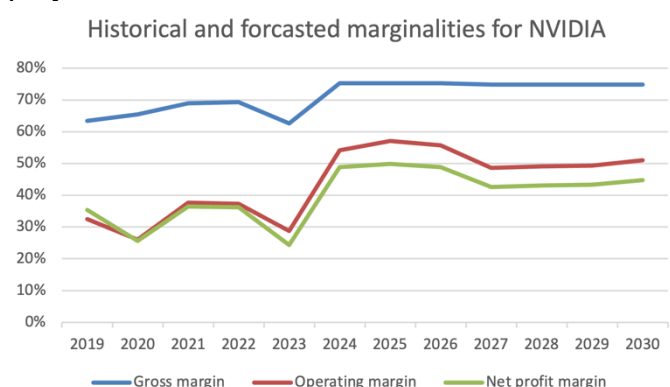
It is also important to note the geographical concentration of the semiconductor industry, particularly in Taiwan and South Korea. These regions are critical to global supply chains, and any disruptions could affect NVIDIA's operations. NVIDIA invests heavily in research and development (R&D), allocating an average of around 20% of its total revenue to this area based on a weighted average from 2017 to 2024. This level of investment is essential for supporting its innovation and long-term growth.

Capex

Regarding capital expenditures (Capex), NVIDIA has historically spent a weighted average of 6.8% of its revenue from 2015 to 2024. This investment reflects the company's commitment to expanding production capacity and enhancing technological capabilities. As demand for AI and data center solutions grows, NVIDIA is likely to increase its Capex both in absolute terms and as a percentage of revenue to maintain its competitive edge. The graph below shows NVIDIA's historical and projected marginalities

expenditures that provide further context for understanding its financial strategies and long-term planning.

Discount Factor Data for Baseline Plan

Cost of Equity

For NVIDIA's cost of equity of the base scenario, we applied a levered beta of 1.68 (sourced from Damoderan data) with a 4.1% market risk premium (Damodaran), leading to a 6.8% company-specific risk premium. With a 4.3% risk-free rate, this gives an initial cost of equity of 13.2%. Given NVIDIA's dominant AI position, we added a 2% risk premium to account for sector-specific risks, such as the Department of Justice's ongoing antitrust investigation, which has included subpoenas to examine potential competitive practices that might limit customer options. Other risks include potential new competitors impacting NVIDIA's leadership position. Together it brings the cost of equity to 12.3%.

Cost of Debt

For debt costs, NVIDIA's pre-tax cost of debt is 4.3% which is only the risk-free rate, the credit spread being too small to be counted. NVIDIA's effective after-tax cost of debt is 3.8%, accounting for its marginal tax rate of 12%.

WACC

With NVIDIA's capital structure at 94.7% equity and 5.3% debt, we calculate a weighted average cost of capital (WACC) of 12.7%. This serves as our discount rate for the valuation analysis, ensuring that the estimate reflects NVIDIA's unique risk and capital structure components.

WACC for basic scenario
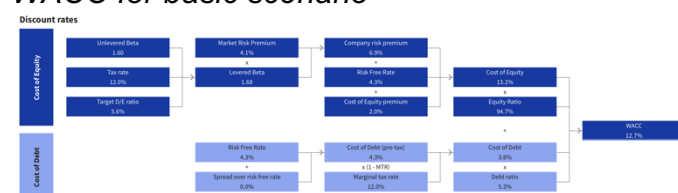
Scenarios for DCF Valuation

To improve our DCF valuation, we consider different scenarios that adjust key inputs. There are two main ways to enhance the valuation: increasing free cash flow (numerator) or decreasing the weighted average cost of capital (WACC) (denominator).

Conservative Scenario: we use the WACC calculated by Gurufocus, based on NVIDIA's market capitalization. The terminal growth rate is set to align with inflation, reflecting a cautious outlook that acknowledges potential market challenges and economic uncertainties.

Optimistic Scenario: we utilize Damodaran's sector-specific data to calculate the Weighted Average Cost of Capital (WACC), which reflects a more positive growth outlook for NVIDIA. The terminal growth rate is set slightly above the inflation rate, indicating optimism about NVIDIA's capacity to sustain strong growth through innovation and market demand.

	Conservative	Base	Optimistic
COST OF EQUITY	18.56%	13.20%	11.20%
E/D+E	99,99%	94.70%	94.70%
COST OF DEBT (After tax)	2,26%	3.80%	3.80%
D/D+E	0,004%	5.30%	5.30%
WACC	18,49%	12.70%	10.80%
TERMINAL GROWTH RATE	3.00%	3.50%	4.00%

By examining these scenarios, we can understand how variations in our assumptions affect NVIDIA's valuation. This analysis allows us to identify potential risks and opportunities for the company. Considering different outcomes helps us gain a clearer understanding of the possible range of valuations based on NVIDIA's market position and overall conditions.

Valuation Results

Our DCF model projects strong growth for NVIDIA's revenue, increasing from about $125 billion in 2025 to nearly $580 billion by 2030—a total rise of 464% over six years. This growth relies on NVIDIA's ability to continuously produce high-performance chips that outpace competitors.

In addition, NVIDIA's free cash flow (FCF) is expected to expand significantly, from an estimated $25 billion in 2025 to about $210 billion in 2030, reflecting a total growth of 777%. This increase in FCF would result from NVIDIA's expanding market share and the rapid growth of the AI industry, projecting to grow around 36% annually.

These estimates assume NVIDIA will maintain its technological edge in data center and AI chip development, benefiting from the fast-growing demand for AI infrastructure worldwide.

Discounted, those cashflows have a net present value, depending on the scenario:
- Base scenario: Equity value at $1,811,004 million with an implied share price at $74
- Conservative: equity value: $1,025,024 million with an implied share price at $42
- Optimistic: equity value close to $2,335,066 million and implied share price at $95

Even when predicting strong growth for Nvidia and assuming it maintains high-profit margins, the company's current market value of about $3,000 billion is much higher than any of the values estimated is nearly 1.5 times more than your highest estimate.

P/E Ratio Comparison

Peers like AMD (P/E of 192) and Intel (P/E of 99) also have high ratios, indicating the market's belief in fast growth for this sector. Qualcomm's lower P/E of 23 suggests more moderate expectations. Considering Nvidia's leading position, a fair P/E would be slightly higher than Qualcomm's, around 35. With a net income of $53 billion (TTM), this suggests an equity value of about $1,855 billion, similar to our base case.

SUMMARY

QUICK RECAP

It is becoming increasingly clear that NVIDIA's stock is overvalued by the market. According to our DCF model, the fair value of the stock should be around $74 However, considering that a company's value is not determined solely by its free cash flow, we can reasonably estimate that the fair value of NVIDIA's stock lies between the base case and the optimistic scenario—around $100 per share.

Furthermore, it is important to note that the growth of the artificial intelligence sector is relatively recent. While NVIDIA has benefited from this trend over the past two years, there are many events that could influence our analysis, such as changes in market conditions, regulatory shifts, or the emergence of potential competitors like Huawei entering the market, all of which could significantly alter the outcome of our valuation.

DISCLAMER

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ANNEX

Income Statement   Dollars millions

Fiscal years ending on the 31th of January	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenues	**26 914**	**26 974**	**60 922**	**124 905**	**169 870**	**231 024**	**314 192**	**427 301**	**581 130**
Other Operating Revenues	0	0	0	0	0	0	0	0	0
Cost of Goods Sold	(8 265)	(10 074)	(15 113)	(30 985)	(42 140)	(58 218)	(79 176)	(107 680)	(146 445)
Selling, Gen & Admin Expenses	(2 166)	(244)	(2 654)	(5 995)	(8 154)	(11 089)	(15 081)	(20 510)	(27 894)
Other Oper Expense	(5 268)	(7 339)	(8 675)	(14 989)	(20 384)	(41 797)	(53 995)	(71 733)	(87 465)
EBITDA	**11 215**	**9 317**	**34 480**	**72 935**	**99 192**	**119 919**	**165 939**	**227 378**	**319 326**
EBITDA %	42%	35%	57%	58%	58%	52%	53%	53%	55%
Depreciation Expense	(1 174)	(1 544)	(1 508)	(1 578)	(4 477)	(7 720)	(11 642)	(16 633)	(23 180)
Amortization of Intangibles	0	0	0	0	0	0	0	0	0
Special Items	0	0	0	0	0	0	0	0	0
EBIT	**10 041**	**7 773**	**32 972**	**71 357**	**94 715**	**112 199**	**154 297**	**210 745**	**296 147**
Interest Income	136	(1 134)	1 103	0	0	0	0	0	0
Interest Expense	(236)	(262)	(257)	(541)	(485)	(429)	(373)	(318)	(262)
Earnings Before Taxes	**9 941**	**6 377**	**33 818**	**70 817**	**94 230**	**111 770**	**153 924**	**210 428**	**295 885**
Income Taxes	(189)	187	(4 058)	(8 498)	(11 308)	(13 412)	(18 471)	(25 251)	(35 506)
Net Income	**9 752**	**6 564**	**29 760**	**62 319**	**82 923**	**98 358**	**135 453**	**185 177**	**260 379**
Common dividends	(399)	(398)	(395)	(1 246)	(1 658)	(1 967)	(2 709)	(3 704)	(5 208)
Retained profit	**9 353**	**6 166**	**29 365**	**61 073**	**81 264**	**96 390**	**132 744**	**181 473**	**255 171**

Balance Sheet   Dollars millions

Fiscal years ending on the 31th of January	2022	2023	2024	2025	2026	2027	2028	2029	2030
Operating Cash	21 208	13 296	25 984	53 334	72 535	98 647	134 160	182 458	248 143
Excess Marketable Securities	0	0	0	21 723	83 000	153 523	249 642	383 924	578 228
Accounts Receivable	4 650	3 827	9 999	20 484	23 782	32 343	43 987	59 822	81 358
Inventories	2 605	5 159	5 282	10 867	16 987	20 792	28 277	38 457	52 302
Other Current Assets	366	791	3 080	6 370	8 663	11 782	16 024	21 792	29 638
Total Current Assets	**28 829**	**23 073**	**44 345**	**112 778**	**204 967**	**317 088**	**472 090**	**686 453**	**989 668**
Net Property Plant and Equipment	3 607	4 845	5 260	14 923	25 735	38 806	55 442	77 266	106 388
Goodwill	4 349	4 372	4 430	4 430	4 430	4 430	4 430	4 430	4 430
Acquired Intangible Assets	7 136	8 593	10 147	11 701	13 255	14 809	16 363	17 917	19 471
Investments	266	299	1 546	2 793	4 040	5 287	6 534	7 781	9 028
Total Non current Assets	**15 358**	**18 109**	**21 383**	**33 847**	**47 460**	**63 332**	**82 769**	**107 394**	**139 317**
Total Assets	**44 187**	**41 182**	**65 728**	**146 626**	**252 426**	**380 420**	**554 859**	**793 848**	**1 128 985**
Accounts Payable	1 783	1 193	2 699	5 496	7 474	10 165	13 824	18 801	25 570
Other Current Liabilities	1 976	3 123	5 394	11 117	15 118	20 561	27 963	38 030	51 721
Tax payable	432	821	1 060	13 616	33 422	58 142	90 025	133 747	194 505
Total Current Liabilities	**4 191**	**5 137**	**9 153**	**30 228**	**56 014**	**88 868**	**131 813**	**190 578**	**271 795**
Balancing Debt	0	0	0	0	0	0	0	0	0
Short Term Debt	144	1 426	1 478	1 478	1 478	1 478	1 478	1 478	1 478
Long Term Debt	13 240	12 518	12 119	10 869	9 619	8 369	7 119	5 869	4 619
Retirement Related Liabilities	0	0	0	0	0	0	0	0	0
Total Common Equity	26 612	22 101	42 978	104 051	185 315	281 705	414 449	595 922	851 093
Total Liabs and Equity	**44 187**	**41 182**	**65 728**	**146 626**	**252 426**	**380 420**	**554 859**	**793 848**	**1 128 985**

Cash flow   Dollars millions

Fiscal years ending on the 31th of January	2022	2023	2024	2025	2026	2027	2028	2029	2030
EBITDA	**11 215**	**9 317**	**34 480**	**72 935**	**99 192**	**119 919**	**165 939**	**227 378**	**319 326**
Less investment in working capital	(11 653)	6 313	(17 495)	(38 191)	(24 931)	(33 464)	(47 822)	(65 038)	(88 451)
Operating cashflow	**(438)**	**15 630**	**16 985**	**34 744**	**74 261**	**86 455**	**118 117**	**162 340**	**230 875**
Less tax paid	(45)	576	(3 819)	4 058	8 498	11 308	13 412	18 471	25 251
Less capex	(1 925)	(2 782)	(1 923)	(11 241)	(15 288)	(20 792)	(28 277)	(38 457)	(52 302)
Less investment	(122)	(33)	(1 247)	(1 247)	(1 247)	(1 247)	(1 247)	(1 247)	(1 247)
Less goodwill & intangibles acquired	(1 749)	(1 480)	(1 612)	(1 554)	(1 554)	(1 554)	(1 554)	(1 554)	(1 554)
Total capital investments	**(3 841)**	**(3 719)**	**(8 601)**	**(9 984)**	**(9 591)**	**(12 285)**	**(17 666)**	**(22 787)**	**(29 851)**
Interest Income	136	(1 134)	1 103	0	0	0	0	0	0
Interest Expense	(236)	(262)	(257)	(541)	(485)	(429)	(373)	(318)	(262)
Retirement Related Liabilities	0	0	0	0	0	0	0	0	0
Debt raised/repaid	4 412	560	(347)	(1 250)	(1 250)	(1 250)	(1 250)	(1 250)	(1 250)
Total finance payments	**4 312**	**(836)**	**499**	**(1 791)**	**(1 735)**	**(1 679)**	**(1 623)**	**(1 568)**	**(1 512)**
Special Items	0	0	0	0	0	0	0	0	0
Total non operating items	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Less dividends paid	(399)	(398)	(395)	(1 246)	(1 658)	(1 967)	(2 709)	(3 704)	(5 208)
Equity raised/repaid	366	(10 677)	(8 488)	0	0	0	0	0	0
Total equity cash payments	**(33)**	**(11 075)**	**(8 883)**	**(1 246)**	**(1 658)**	**(1 967)**	**(2 709)**	**(3 704)**	**(5 208)**
Net Cashflow	**0**	**0**	**0**	**21 723**	**61 277**	**70 523**	**96 119**	**134 282**	**194 304**

Value of Operations: DCF approach

Year	Free Cash Flow	Discount Factor	PV of FCF
2025	26 007	0,844	21 949
2026	65 917	0,712	46 950
2027	75 417	0,601	45 334
2028	101 698	0,507	51 593
2029	140 800	0,428	60 283
2030	202 271	0,361	73 087
2031	314 908	0,305	96 031
2032	300 635	0,257	77 372
2033	310 579	0,217	67 458
2034	320 849	0,183	58 814
2035	331 455	0,155	51 277
2036	342 409	0,131	44 706
2037	353 722	0,110	38 976
2038	365 406	0,093	33 981
2039	377 473	0,078	29 625
2040	389 934	0,066	25 828
Cont. Value	1 951 256	0,066	129 243
Operating Value			952 507
Mid -Year Adjustment Factor			1,089
Operating Value (Adjusted)			1 037 075
Financial adjustments			(12 051)
Equity Value			**1 025 024**

Value of Operations: DCF approach

Year	Free Cash Flow	Discount Factor	PV of FCF
2025	26 007	0,903	23 472
2026	65 917	0,815	53 693
2027	75 417	0,735	55 443
2028	101 698	0,664	67 477
2029	140 800	0,599	84 315
2030	202 271	0,540	109 319
2031	315 344	0,488	153 818
2032	304 310	0,440	133 967
2033	317 739	0,397	126 245
2034	331 756	0,359	118 966
2035	346 386	0,324	112 105
2036	361 656	0,292	105 638
2037	377 593	0,264	99 542
2038	394 226	0,238	93 797
2039	411 586	0,215	88 382
2040	429 703	0,194	83 278
Cont. Value	3 715 221	0,194	720 027
Operating Value			2 229 482
Mid -Year Adjustment Factor			1,053
Operating Value (Adjusted)			2 347 117
Financial adjustments			(12 051)
Equity Value			**2 335 066**

Value of Operations: DCF approach

Year	Free Cash Flow	Discount Factor	PV of FCF
2025	26 007	0,887	23 076
2026	65 917	0,787	51 898
2027	75 417	0,699	52 686
2028	101 698	0,620	63 040
2029	140 800	0,550	77 443
2030	202 271	0,488	98 716
2031	315 126	0,433	136 464
2032	302 471	0,384	116 223
2033	314 146	0,341	107 107
2034	326 269	0,303	98 704
2035	338 856	0,268	90 960
2036	351 923	0,238	83 823
2037	365 491	0,211	77 244
2038	379 577	0,188	71 181
2039	394 201	0,166	65 593
2040	409 384	0,148	60 443
Cont. Value	2 996 276	0,148	442 384
Operating Value			1 716 986
Mid -Year Adjustment Factor			1,062
Operating Value (Adjusted)			1 823 055
Financial adjustments			(12 051)
Equity Value			**1 811 004**