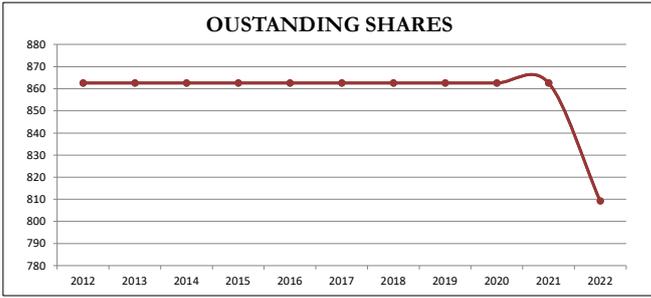


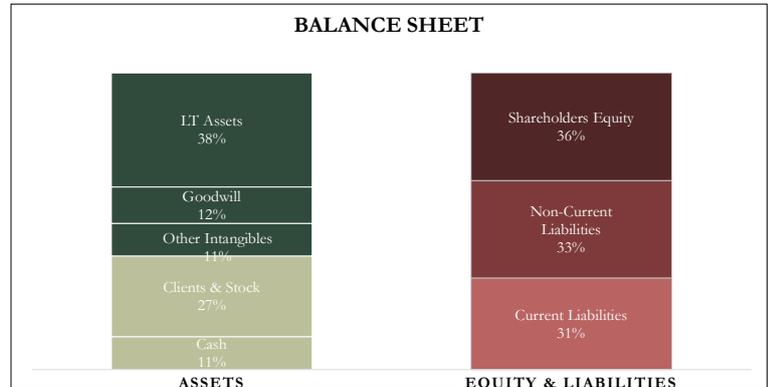
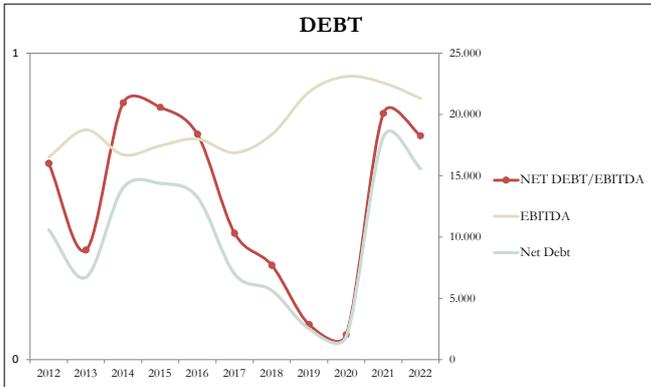
Report Date: 30/07/2023
 Fical Year End Date: 31 December



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(Fiscal Year End date)
863	863	863	863	863	863	863	863	863	863	809	809	Ousting Shares (Millions) Δ Ousting Shares vs Last Year CAGR
	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	-6,18%	-0,64%	
186,90	247,40	267,75	276,75	238,00	246,20	239,40	307,60	310,00	408,80	358,40	290,00	Share Price (\$) Market Cap. (\$ Millions)
161.213	213.398	230.951	238.714	205.290	212.363	206.498	265.324	267.394	352.616	290.037	234.684	

SHARE REPURCHASE - SCORE

Share Repurchase 4



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
31.371	29.164	31.114	28.182	28.670	31.572	32.244	31.254	32.942	35.627	33.816		SHORT TERM ASSETS
13.991	11.935	11.703	8.871	9.107	11.997	13.118	11.858	12.334	13.031	9.767		
5.542	5.906	7.743	7.648	7.928	7.407	6.621	6.055	7.194	7.715	8.605		Cash
11.838	11.323	11.668	11.663	7.928	12.168	12.505	13.341	13.414	14.881	15.444		Stock & Clients
33.437	33.003	44.426	47.581	48.149	45.104	46.273	51.837	53.196	56.690	54.335		Other Short Term Assets
7.480	7.154	9.930	11.082	11.282	10.077	8.948	10.295	9.249	10.809	10.820		LONG TERM ASSETS
4.214	3.944	12.799	13.861	12.046	8.368	9.346	10.751	12.017	12.117	9.685		Goodwill
18%	18%	30%	33%	30%	24%	25%	25%	25%	25%	23%		Other Intangibles
64.808	62.167	75.540	75.763	76.819	76.676	78.517	83.091	86.138	92.317	88.151		% INTANGIBLES / TOTAL ASSETS
20.209	15.760	23.108	23.768	22.600	22.160	23.033	24.119	25.401	38.416	27.239		TOTAL ASSETS
6.730	2.220	6.367	6.151	5.363	3.121	2.693	1.695	3.996	15.122	3.960		CURRENT LIABILITIES
13.479	13.540	16.741	17.617	17.237	19.039	20.340	22.424	21.405	23.294	23.279		Short Term Debt
27.849	25.166	30.874	28.695	27.817	25.509	25.118	23.105	20.964	25.556	28.897		Other Current Liabilities
17.860	16.423	19.347	17.100	16.992	15.839	16.077	12.668	10.220	16.076	21.391		NON-CURRENT LIABILITIES
48.058	40.926	53.982	52.463	50.417	47.669	48.151	47.224	46.365	63.972	56.136		Long Term Debt
16.750	21.241	21.558	23.300	26.402	29.007	30.366	35.867	39.773	28.345	32.015		TOTAL LIABILITIES
20.041	25.643	26.152	28.591	31.092	33.266	34.935	40.524	45.571	34.161	38.937		TOTAL EQUITY
2.236	1.947	1.972	2.321	2.491	2.566	2.744	3.120	3.432	3.856	4.023		Retained Earnings
26%	34%	29%	31%	34%	38%	39%	43%	46%	31%	36%		Minority Interests
1,55	1,85	1,35	1,19	1,27	1,42	1,40	1,30	1,30	0,93	1,24		FINANCIAL AUTONOMY
0,69	0,76	0,51	0,37	0,40	0,54	0,57	0,49	0,49	0,34	0,36		LIQUIDITY RATIO
10.599	6.708	14.011	14.380	13.248	6.963	5.652	2.505	1.882	18.167	15.584		CASH RATIO
74%	66%	71%	69%	66%	62%	61%	57%	54%	69%	64%		Net Debt
42%	39%	43%	45%	45%	46%	48%	51%	55%	60%	49%		Debt Ratio
0,64	0,36	0,84	0,82	0,74	0,41	0,31	0,11	0,08	0,80	0,73		Debt Quality
												NET DEBT/EBITDA

BALANCE SHEET - SCORE

Intangibles 5

Debt 4

Liquidity 3

Retained Earnings 4

Financial Autonomy 4

Very solid Balance Sheet, even after share repurchase to Novartis in 2021.

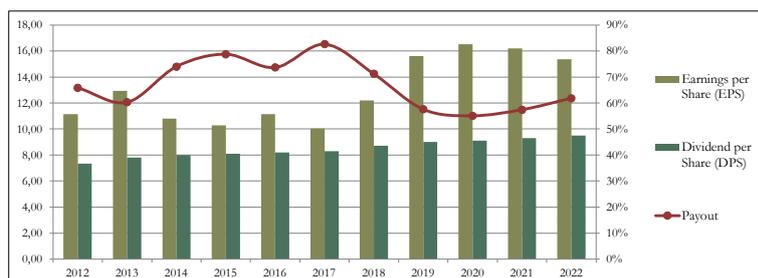
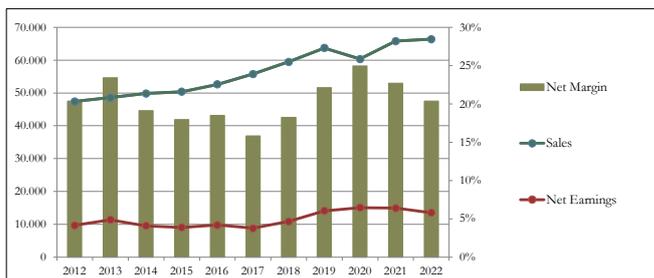
INCOME STATEMENT

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
47.444	48.612	49.866	50.403	52.636	55.746	59.497	63.751	60.343	65.850	66.426		Sales
	2,5%	2,6%	1,1%	4,4%	5,9%	6,7%	7,1%	-5,3%	9,1%	0,9%		Δ Sales vs Last Year
											3,42%	CAGR
16.546	18.757	16.713	17.461	18.010	16.890	18.355	21.840	23.101	22.598	21.320	27.500	EBITDA
14.125	16.376	14.090	13.821	14.069	13.003	14.769	17.548	18.543	18.155	17.476		EBIT
12.159	14.677	12.515	11.987	13.007	12.248	14.148	16.614	17.965	17.398	16.327		EBT
9.660	11.373	9.535	9.056	9.733	8.825	10.865	14.108	15.068	14.935	13.531		Net Earnings
30%	34%	28%	27%	27%	23%	25%	28%	31%	28%	26%		Operating Margin
20%	23%	19%	18%	18%	16%	18%	22%	25%	23%	20%		Net Margin
15%	18%	13%	12%	13%	12%	14%	17%	17%	16%	15%		ROA
58%	54%	44%	39%	37%	30%	36%	39%	38%	53%	42%		ROE
52%	59%	40%	37%	35%	36%	41%	46%	45%	39%	37%		ROCE

INCOME STATEMENT - SCORE

Sales	3
Net Margin	4
ROE/ROCE/ROA	5

Good profitability, but with a low Sales growth.



DIVIDEND

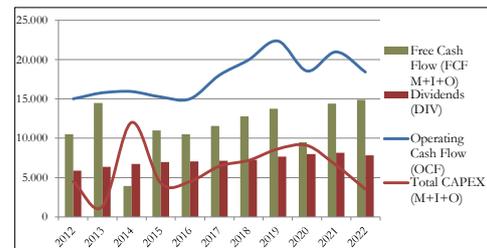
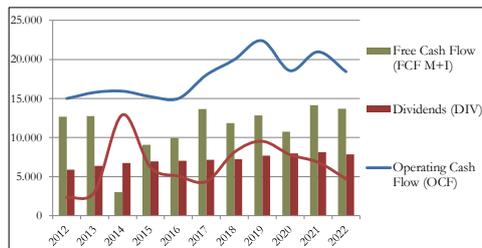
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
11,16	12,93	10,81	10,28	11,13	10,04	12,21	15,62	16,52	16,20	15,37	21,00	Earnings per Share (EPS)
	15,9%	-16,4%	-4,9%	8,3%	-9,8%	21,6%	27,9%	5,8%	-1,9%	-5,1%		Δ EPS vs Last Year
											3,25%	CAGR
7,35	7,80	8,00	8,10	8,20	8,30	8,70	9,00	9,10	9,30	9,50		Dividend per Share (DPS)
	6,12%	2,56%	1,25%	1,23%	1,22%	4,82%	3,45%	1,11%	2,20%	2,15%		Δ DPS vs Last Year
66%	60%	74%	79%	74%	83%	71%	58%	55%	57%	62%		Payout
3,93%	3,15%	2,99%	2,93%	3,45%	3,37%	3,63%	2,93%	2,94%	2,27%	2,65%		Dividend Yield
											3,72%	Expected Dividend Yield in 5Y
											4,23%	Expected Dividend Yield in 10Y
											2,60%	CAGR

DIVIDEND - SCORE

Dividend	0
Growth	0
Payout	3

Reasonabel Initial Yield.
CAGR very low.

CASH FLOW

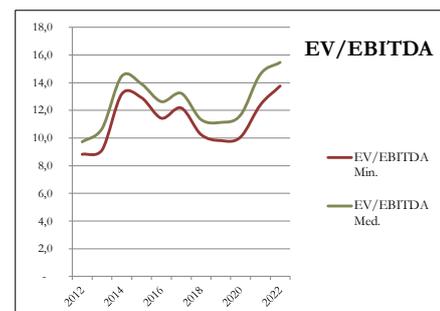
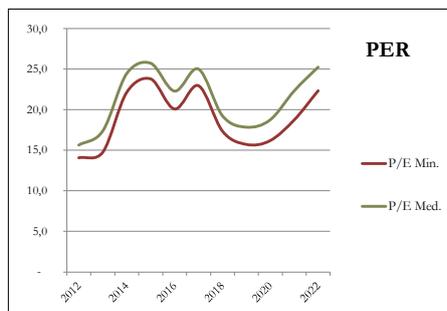
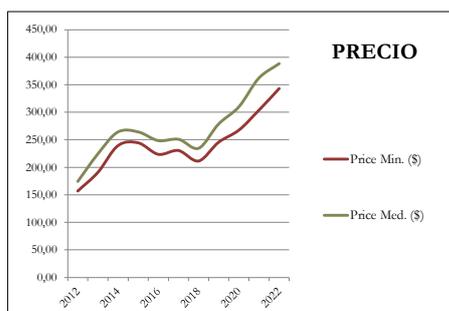


2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
15.005	15.772	15.930	15.251	15.001	18.024	19.979	22.385	18.566	20.976	18.415		Operating Cash Flow (OCF)
2.299	2.789	3.270	4.065	4.994	4.115	4.776	4.823	6.620	4.488	4.470		CAPEX Maintenance (M)
2.327	3.020	12.903	6.205	5.068	4.382	8.149	9.526	7.796	6.842	4.714		CAPEX Maintenance + Investment (M+I)
4.514	1.302	12.004	4.276	4.513	6.459	7.195	8.634	9.067	6.552	3.536		Total CAPEX (M+I+O)
12.706	12.983	12.660	11.186	10.007	13.911	15.203	17.562	11.946	16.488	13.945		Free Cash Flow (FCF M)
12.678	12.752	3.027	9.046	9.933	13.642	11.830	12.859	10.770	14.134	13.701		Free Cash Flow (FCF M+I)
10.491	14.470	3.926	10.975	10.488	11.565	12.784	13.751	9.499	14.424	14.879		Free Cash Flow (FCF M+I+O)
5.888	6.362	6.718	6.954	7.040	7.140	7.255	7.682	7.964	8.132	7.832		Dividends (DIV)
2.421	2.381	2.623	3.640	3.941	3.887	3.586	4.292	4.558	4.443	3.844		Depreciation / Amortization

CASH FLOW - SCORE

Cash Flow	4
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ANALYSIS - VALUATION



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	
16,7	19,1	24,8	26,9	21,4	24,5	19,6	19,7	18,8	25,2	23,3		P/E (Fiscal Year End date)
10,4	11,7	14,7	14,5	12,1	13,0	11,6	12,3	11,7	16,4	14,3		EV / EBITDA (Fiscal Year End date)
191,70	258,50	289,00	284,50	273,00	271,75	258,00	312,20	352,20	420,00	433,00		Price Max. (\$)
157,10	191,20	239,40	244,40	223,50	230,40	211,60	245,40	267,40	303,80	343,00		Price Min. (\$)
174,40	224,85	264,20	264,45	248,25	251,08	234,80	278,80	309,80	361,90	388,00		Price Med. (\$)
15,6	17,4	24,4	25,7	22,3	25,0	19,2	17,8	18,8	22,3	25,2		P/E Med.
14,1	14,8	22,1	23,8	20,1	22,9	17,3	15,7	16,2	18,8	22,3		P/E Min.
146.108	171.630	220.509	225.190	206.031	205.697	188.170	214.178	232.531	280.214	293.158		EV Min.
161.030	200.655	241.900	242.485	227.379	223.531	208.182	242.987	269.104	330.328	329.574		EV Med.
8,8	9,2	13,2	12,9	11,4	12,2	10,3	9,8	10,1	12,4	13,8		EV / EBITDA Min.
9,7	10,7	14,5	13,9	12,6	13,2	11,3	11,1	11,6	14,6	15,5		EV / EBITDA Med.
2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
14.985	15.884	16.837	17.848	18.919	20.054	21.257	22.532	23.884	25.317	26.836		FCF Forecast (\$)
	14.573	14.172	13.782	13.402	13.033	12.675	12.326	11.987	11.657	11.336	11.676	FCF Discounted (\$)

PRICE MULTIPLES VALUATION

By PER Med.	\$434,35
By EV/EBITDA Med.	\$417,02
By Closer Support	\$300,00
By PER Min.	\$379,24
By EV/EBITDA Min.	\$363,21
By Farther Support	\$275,00

PRICES (DISCOUNTED CASH FLOW)

CAGR 10Y	6%
Perpetual CAGR	3%
Discount	9%
Target Price	\$407,02
Security Margin	15%
Security Margin	30%
	\$345,97
	\$284,91

PRICE RANGE

1° TARGET PRICE	\$374,33
2° TARGET PRICE	\$325,59

These prices are calculated based on an average between Discounted Cash Flows and Historical Prices. For discounts, we estimate a free cash flow based on the average of the last 4 years, while the multiples are generated from the average and minimum PER and EV/EBITDA ratios from 2017.

TOTAL SCORE

FINANCIAL HEALTH

Intangibles	5
Debt	4
Liquidity	3
Retained Earnings	4
Financial Autonomy	4

PROFITABILITY

Sales	3
Net Margin	4
Ratios	5
Adjustment	5

DIVIDEND

Dividend	0
Growth	0
Payout	3
Repurchase	4
Cash Flow	4

CONCLUSION

Adjustment of 5: Should have scored more in Dividend, Retained Earnings and Net Margin.

DIVIDEND ST. - FINAL SCORE 3,43