Argenx (ARGX)

Belgium | Health Care | 41,98B

Date: 7 April 2025

Recommendation: Long

Target Price: 1202,23
Current Price: 746,42
Upside: 61%

High growth biomedical innovator with established income streams.

Argenx operates as a biopharmaceutical company focused on providing antibody-based therapy to patients with rare autoimmune diseases. Their current main source of revenue comes from the successful efgartigimod, commercialized under the brand name VYVGART. It is used to treat myasthenia gravis (gMG), a rare but long-term neuromuscular junction disease which require continuous treatment. Argenx are also in late-stage development of two more immunology treatments. Empasiprubart and Adimanebart are registrational but not yet commercialized. Empasiprubart targets the complement pathway (C2) and reduces harmful immune activity. Adimanebart target MuSK antibodies to treat MuSK-related myasthenia gravis (gMG). Besides these, Argenx has six more immunology solutions in the clinical pipeline.

Expectations appear high, trading at slightly higher EBITDA, revenue and earnings multiples than peers. However, the premiums appear justified as margins are good and steadily growing. Argenx projected revenue growth significantly exceeds both the peer mean and median. EBITDA and Profit margins are also ahead of peers.

Cash flows in recent years are solid. With VYVGART, the main product, having its R&D and regulatory phases completed, cash flows are expected to increase in the near term. Sensitivity analysis and sum-of-the parts has been conducted to account for value from the current research pipeline, adjusted for regulatory risk.

Analyst
Måns Falk

Market Data, USD	
Exchange NASDAQ	
1Y High/Low	510,1 / 934,6
Shares (m)	61,3
Market Cap	43,32B
Enterprise Value	41,97B

Metrics & Drivers	25	26E	27E
EV/Revenue	12,3	6,7x	5,6x
EV/EBITDA	55,8x	20,3x	15,6x
P/E	28,7x	25,4x	18,8x
Beta	0,79		

Forecast, USD (m)	25	26E	27E
Net Sales	4151	5877	7013
YoY Sales Growth	89,5%	41,6%	19,3%
EBIT	1054	1864	2524
YoY EBIT Margin	25,4%	31,7%	36.0%

Major Shareholders	Shares	Votes
FMR LLC	10,00%	9,99%
T. Rowe Price Group	9,95%	9,81%
BlackRock, Inc.	5,04%	5,99%
Artisan Investments	4,89%	4,89%
Vanguard Group	4,16%	-

Key takeaways

- VYVGART has demonstrated strong commercial traction with ~118% revenue CAGR and continues to scale through increased penetration, new formulations, and geographic expansion, providing a solid and growing cash flow base

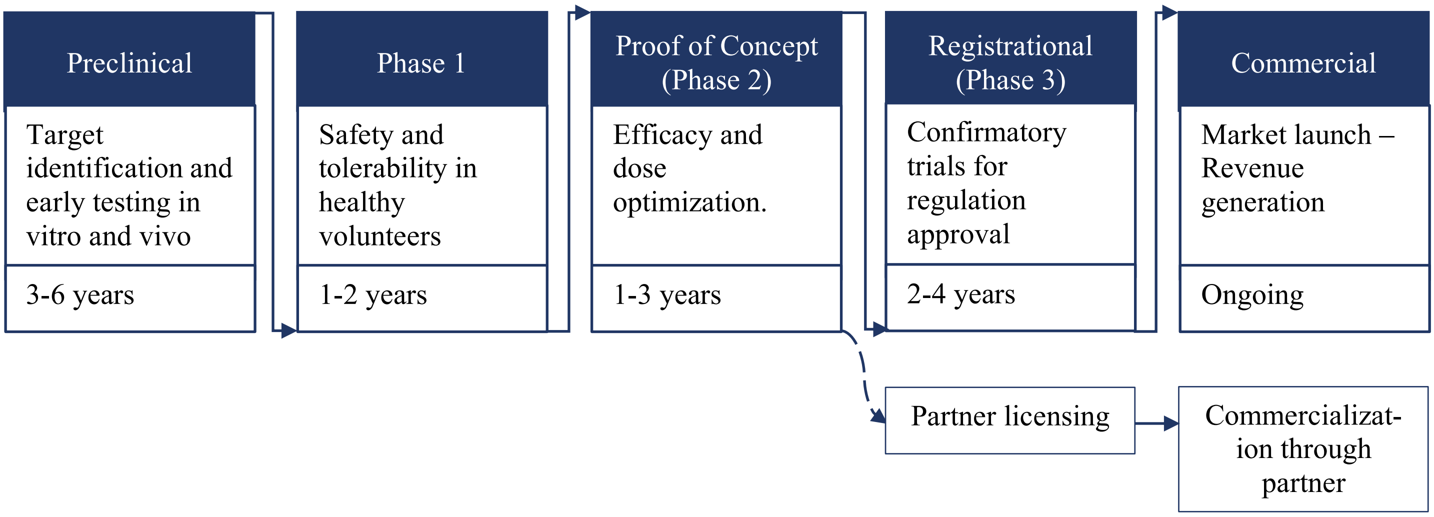
- At current valuation investors seem to primarily project cash flows from the current project line and giving limited value to the pipeline. Even at conservative estimates and discount rate Argenx looks undervalued from multiple DCF analysis.

- Argenx combines superior revenue growth with expanding margins, outperforming peers across key financial metrics, supporting its premium valuation and long-term earnings potential.

Company Overview

Argenx, founded 2008 and headquartered in Belgium, is a biotechnical researcher and producer of antibody-based therapy for auto-immune diseases. The company was initially listed on the Euronext Brussels exchange in 2014 and subsequently on on NASDAQ in May 2017.

Argenx's business model starts in their R&D Immunology Innovation Program (IIP), which has created an assortment of medicines. The innovation creates a pipeline of potential medicines, but which must first pass clinical trials, from Preclinical research to commercialization. In addition to the core pipeline, Argenx also hold the rights to assets which has emerged from the research and is currently outlicensed through partner program. In exchange for the rights, Argenx gets milestone payments and royalties from sales.



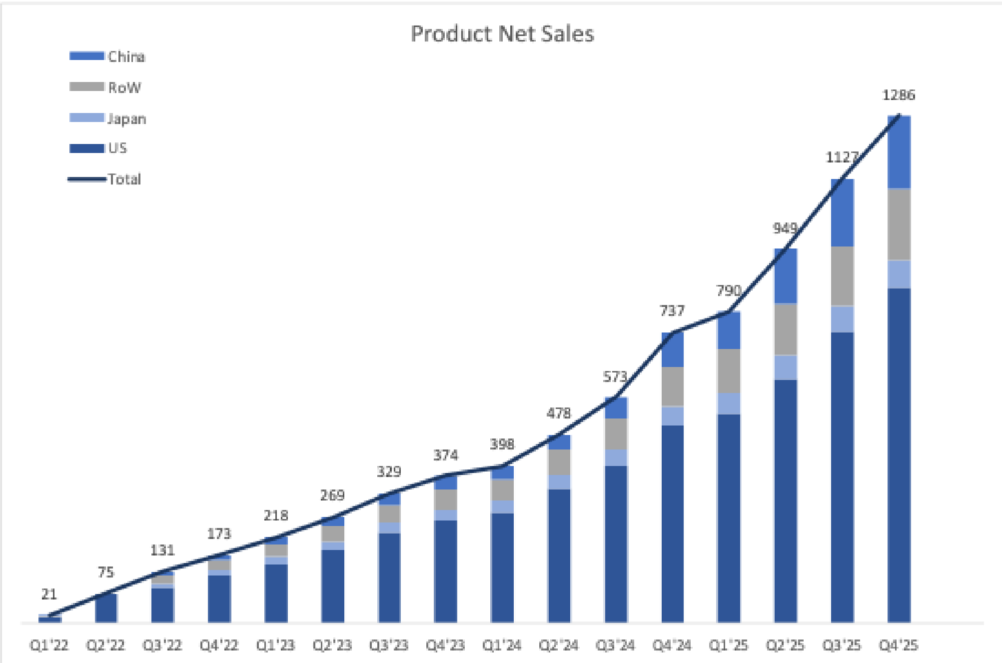
Argenx research pipeline

The company's primary product is VYVGART (efgartigimod), approved by the FDA in December 2021. It is used to treat generalized myasthenia gravis (gMG); a rare chronic autoimmune disease which symptoms include double vision, droopy eyes and intense muscular weakness. Being an FcRn antagonist, it reduces pathogenic IgG antibodies to address underlying issues of several autoimmune diseases, this also supports the scalability of Argenx's immunology platform.

Since launch, sales of VYVGART have risen steadily to a ~118% three-year CAGR to the end of 2025. Globally there are currently 19 000 patients on VYVGART, management sees potential for 50 000 patients until 2030.

Further growth is expected through new dosage forms of VYVGART, which has also been stated as the biggest growth factor by management. There is yet more potential for sales growth on VYVGART new dosage forms, the biggest drivers being the largely unaddressed European market, bigger penetration in Asia.

The new dosage formulations include subcutaneous administration prefilled syringes, leading to better patient convenience and easier adaptation.

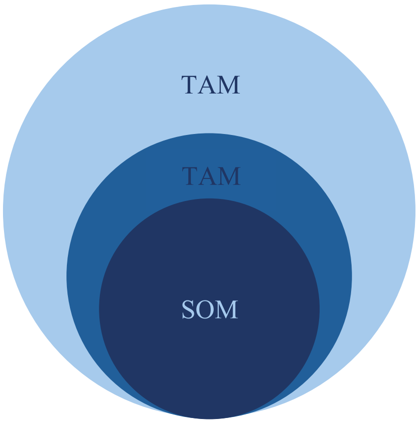


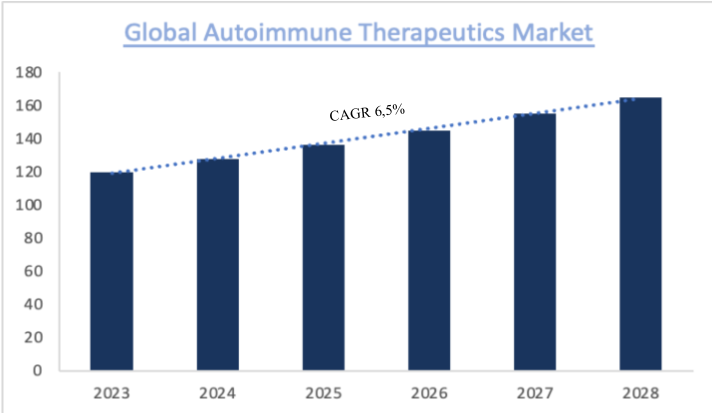
Product Net sales by quarter and geographic segment

Argenx hold patent protection for efgartigimod (VYVGART) until 2028. However, Argenx benefit from layered protection through additional patents for formulation, usage and further development. This could extend the patent protection period. More importantly VYVGART is protected from biosimilars in US and EU until 2033, limiting competition.

Industry Overview

Argenx acts in the global market of innovative medicines for autoimmune diseases. The market size (TAM) is possibly larger than $150 billion, and yet expanding, based accounts from management. In terms of possible patients there are roughly 174 000. It comes partly as a broader trend of an aging population. The more directly addressable market (SAM) is commercialization focus of gMG, CIDP and ITP in Japan and America, this market is approximately consists of 84 000 patients.





Patient-based TAM/SAM/SOM framework for argenx: TAM ~174k patients, SAM ~84k patients, SOM ~50k. Three year CAGR market growth ~6,5%

The biggest growth drivers are remaining high levels of missing treatment for patients, and patients who would benefit from switching treatment type. Within the broader biomedical market, biological and precision treatment are getting more widely used and Argenx is looking to catch this tailwind.

A broad trend seen within the industry is using different treatment types as means of competition. The competitiveness landscape is intense and driven by different actors trying to offer different solutions for the same problems. In practice this could also mean that another class of medicine is created which would compete for the same customers as those using existing treatments. Thus, the competition exists on multiple stages, from best clinical effectiveness, safety, acceptance from doctors to ease of use, cost and speed of development.

Argenx's main competitors include established immunology companies such as Roche, Novartis, GSK and UCB. They also compete with more mechanism specific companies within myasthenia gravis and pemphigus vulgaris.

Investment Thesis

➔ The market underestimates VYVGART growth durability

With current valuation, the market appears to price in a relatively short growth period for VYVGART. We however see a reasonable scenario where VYVGART can penetrate existing markets simply by getting recognition from doctors with time but more importantly reaching more patients via alternative dosage forms. The total market is largely untapped and direct completion remain limited supported by strong IP protection.

➔ Undervalued pipeline despite late-stage progress

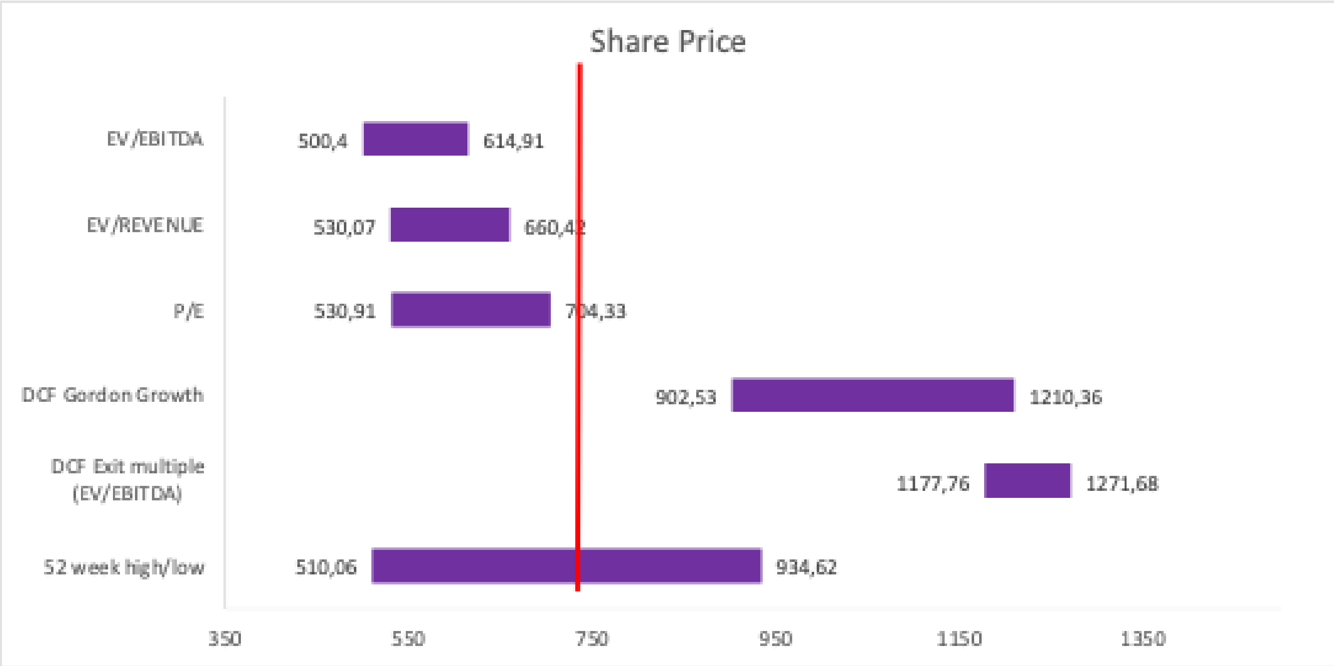
The development pipeline holds multiple late-stage assets which appear to be significantly undervalued. Today's consensus estimated apply very limited value to these assets despite there being advance clinical development some even showing great commercial potential.

➔ Hidden upside from milestones and partner programs

The free upside from milestone payments and sales royalties appear mostly unaccounted for at current valuation.

Valuation

Our broader fair value analysis takes DCF and comparable company's trading multiples into account, showcased in the football field below. While the current share price falls within this range, it is still within the overall lower spectrum and fall well below even pessimistic DCF scenarios.



Valuation Football field, current share price at red line.

Argenx is trading at a premium compared to its peers in terms of EV/EBITDA, EV/Revenue and P/E. However, we believe this premium is justified given its higher growth. Substantially higher revenue growth, above average EBITDA margin and among the top for profit margin, this is showcased in the colored table. Adjusting for growth, Argenx's valuation instead appears attractive with a PEG of 0,81x to 0,54x for the projected period.

								Trading Multiples					
		Revenue Growth		EBITDA Margin		Profit Margin		EV / Revenue		EV / EBITDA		P / E	
Ticker	Company Name	25-26	26-27	26E	27E	26E	27E	26	27	26	27	26	27
ARGX	Argenx	42%	19%	33%	36%	29%	33%	6,7x	5,6x	20,3x	15,6x	25,4x	18,8x
CSL	CSL Limited	1%	4%	35%	35%	21%	22%	4,9x	4,7x	14,2x	13,3x	20,3x	19,0x
UCB.BR	UCB	7%	13%	35%	38%	24%	27%	5,9x	5,2x	17,0x	13,8x	23,9x	18,8x
Sobi	Swedish Orphan Biovitru	10%	14%	37%	38%	21%	22%	4,7x	4,1x	12,7x	10,9x	20,7x	17,2x
REGN	Regeneron	9%	10%	28%	36%	32%	34%	4,7x	4,3x	16,7x	12,0x	16,0x	13,7x
RO	Roche	(1%)	3%	41%	41%	26%	27%	4,2x	4,1x	10,4x	9,9x	15,3x	14,4x
NOVN.SW	Novartis	2%	5%	40%	42%	29%	31%	5,6x	5,4x	13,9x	12,9x	17,8x	16,1x
ALNY	Alnylam	50%	30%	21%	25%	24%	28%	7,4x	5,7x	35,2x	22,6x	32,3x	21,1x
INCY	Incyte	9%	11%	32%	33%	27%	29%	2,7x	2,5x	8,6x	7,4x	12,0x	10,1x
Mean		11%	11%	33%	36%	26%	27%	5,0x	4,5x	16,1x	12,8x	19,8x	16,3x
Median		8%	10%	35%	37%	25%	28%	4,8x	4,5x	14,0x	12,4x	19,0x	16,7x

Peer Financial performance and Valuation Multiple

To derive our final target price, we apply a sum-of-the-parts framework (SOTP) DCF analysis dividing Argenx into three parts. This is done to better represent the value of Argenx's pipeline, both current products and pipeline assets, whose value is accounted for with regards to their likelihood of success (PoS), thus giving us a better risk adjustment for each segment. The three parts are:

1. Core assets (VYVGART, including its approved formulations and indications). PoS: 100%

2. Late-stage bucket (empasiprubart & MuSK-program). PoS: ~50% (indicative).

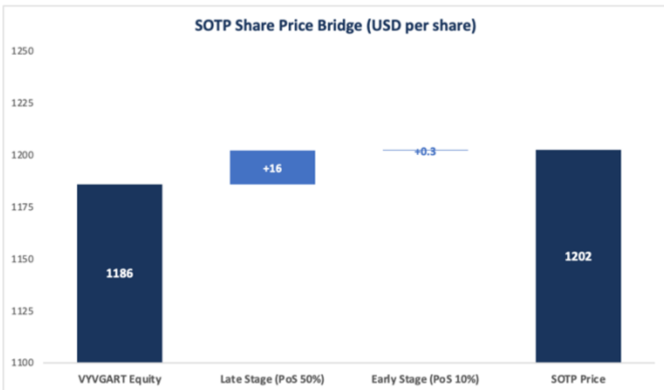
3. Early-stage bucket (innovations in preclinical pipeline). PoS: ~10% (indicative).

With these assumptions, the current EV of the late-stage pipeline is estimated at 990,31 million, and early-stage at 18,77 million. In addition to the core assets the estimated total EV of Argenx is 64 176 million and gives us an implied share price of 1202,23. Below is a sensitivity analysis to show for different PoS-rates for Argenx's pipeline assets.

		Early Stage				
		5%	10%	15%	20%	25%
Late Stage	30%	1195,61	1195,77	1195,92	1196,07	1196,23
	40%	1198,84	1199,00	1199,15	1199,30	1199,46
	50%	1202,08	1202,23	1202,38	1202,53	1202,69
	60%	1205,31	1205,46	1205,61	1205,77	1205,92
	70%	1208,54	1208,69	1208,84	1209,00	1209,15

Sensitivity table based on PoS for Late and early-stage buckets for a SOTP DCF valuation.

SOTP EQUITY BRIDGE	
VYVGART EV (Core Business)	63 167
Late Stage Pipeline EV (PoS 50%)	990
Early Stage Pipeline EV (PoS 10%	19
TOTAL SOTP EV	64 176
(+) Cash	10 000
(-) Debt	479
TOTAL EQUITY VALUE	73 697
Shares Outstanding (M)	61,3
IMPLIED SHARE PRICE	1 202,23
Share Price Breakdown (per share)	
VYVGART Equity (EV + Cash – D	1 185,77
Late Stage Pipeline (PoS 50%)	16,16
Early Stage Pipeline (PoS 10%)	0,31
IMPLIED SHARE PRICE	1 202,23



SOTP summation and Pipeline contribution to share price.

In conclusion, our valuation suggests that Argenx is currently undervalued relative to its fundamentals. Our cashflow based fair value of **1202,23** represents an approximate upside of **61%**. We therefore set a Buy recommendation.

Risks

• Side effects or safety concerns

Although VYVGART has been thoroughly tested and commercialized for a few years, it is still a rather new technique. A risk is that there could still be unknown side effects which would cause problems later on. While unlikely, in the event of unknown side effects appearing from VYVGART, Argenx might have to significantly reduce its sales temporarily or long term.

• Lower growth than expected

Since the case revolves around a continued growth, both in terms of VYVGART sales but also in regard to research findings, a major risk is of course that Argenx does not manage to uphold the expansion as planned. This risk could become actualized If major breakthroughs are made by competitors, changing the dynamic of the competitive landscape. The competitive free market suddenly becomes much tougher. Regulatory risk could also hinder growth as well as the level of success in new markets. It should be noted though that modest growth rates are assumed in our valuation models.

• Production and supply chain bottleneck

Also leading back to growth potential, real bottleneck issues could appear from Argenx's ability to expand and withstand production and supply chain needs. Raw material shortage and natural disasters have been stated by management as external yet real risks to production which are hard to mitigate.

Catalysts

• Continued strong VYVGART execution

If the growth expansion stays steady and Argenx demonstrate good financial reports in the near term, investors would be more inclined to pay for the growth premium.

• Partnership activity

Announcements of partnerships, milestone payments and licensing activity provide additional upside.

• Late-stage pipeline milestones

As pipeline assets reaches their finals steps, the value of them should increase, as risk decrease. This will call for a revaluation of the assets and in turn Argenx as a whole.

Appendix

DCF	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD				1	2	3	4	5
Revenue	1226	2190	4151	5877	7013	8487	9500	10150
%growth	178,86%	78,60%	89,54%	41,57%	19,33%	21,02%	11,94%	6,84%
EBIT	**-424**	**-21**	**1054**	**1864**	**2524**	**3513**	**5097**	**7095**
%margin	-34,58%	-0,96%	25,39%	31,72%	35,99%	41,39%	53,65%	69,90%
Taxes	-10	-23	-14	237	369	605	772,65	1068
% of EBIT	2,36%	109,52%	-1,33%	12,71%	14,62%	17,22%	15,16%	15,05%
NOPAT	**-410,05263**	**-26,75**	**1065,54617**	**1472,56**	**1993,96**	**2775,27**	**4026,63**	**5605,05**
D&A (+)	228,3	122,8	245	24,0	28,0	33,0	168,6	75,4
%of sales	18,6%	5,6%	5,9%	0,4%	0,4%	0,4%	1,8%	0,7%
CapEx (-)	43,8	68,3	111	55,00	83,00	108,00	190,00	150,76
%of sales	3,57%	3,12%	2,67%	0,94%	1,18%	1,27%	2,00%	1,49%
Change in NWC (-)	241,528	313,461	304,518	513,10	534,01	627,30	706,41	751,12
%of sales	19,70%	14,31%	7,34%	8,73%	7,61%	7,39%	7,44%	7,40%
Unlevered FCF	**- 467,08**	**- 285,71**	**895,028166**	**928,46**	**1404,95**	**2072,97**	**3298,80**	**4778,56**
Present Value of FCF				**855,51**	**1192,87**	**1621,76**	**2378,02**	**3174,10**
Terminal Value								81 276,50
Present Value of Terminal Value								53986,9
EV								63209,19
(+) cash								10000
(-) debt								479,00
Equity Value								72730,19
Shares								61,3
Implied Share Price								1186,46

Assumptions	
WACC	8,53%
Perpetual Growth Rate	2,50%

DCF base line (Gordon growth)

DCF (Exit Multiple Method)		
Assumptions		
Exit EV/EBITDA Multiple	12,4x	Median from Trading Com
Terminal Year (2030E)		
EBIT	7 095,00	
(+) D&A	75,39	
EBITDA	**7 170,39**	
Terminal Value	**89 020,33**	
PV of Terminal Value	59 130,68	
Sum PV of FCFs	9 222,26	
(+) PV of Terminal Value	59 130,68	
Enterprise Value	**68 352,94**	
(+) Cash	10 000,00	
(-) Debt	479,00	
Equity Value	***77 873,94***	
Shares Outstanding	61,3	
Implied Share Price	**1 270,37**	

WACC Calculation	
Risk-Free Ra	4,27%
Beta	0,79
Equity Risk P	5,50%
Cost of Equit	8,62%
Cost of Debt	4,00%
Tax Rate	21,00%
Market Cap (	43460
Debt (MUSD	718
Equity Weigl	98,38%
Debt Weight	1,62%
WACC	**8,53%**

DCF (*Exit Multiple from Trading comps*), *WACC CAPM Calculation*

	TGR				
WACC	1,50%	2,00%	2,50%	3,00%	3,50%
11,00%	1155,82	1155,82	1155,82	1155,82	1155,82
10,50%	1177,76	1177,76	1177,76	1177,76	1177,76
9,00%	1247,24	1247,24	1247,24	1247,24	1247,24
8,50%	1271,68	1271,68	1271,68	1271,68	1271,68
8,00%	1296,79	1296,79	1296,79	1296,79	1296,79

DCF Sensitivity analysis (Gordon Growth)

	TGR				
WACC	1,50%	2,00%	2,50%	3,00%	3,50%
11,00%	788,27	818,30	851,86	889,62	932,41
10,50%	829,91	864,09	902,53	946,10	995,90
9,00%	989,06	1041,66	1102,35	1173,15	1256,82
8,50%	1057,61	1119,43	1191,54	1276,77	1379,04
8,00%	1136,90	1210,36	1297,18	1401,36	1528,69

DCF Sensitivity analysis (Exit multiple)

VYVGART	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD								
Revenue	1 226	2 190	4 151	5 877	7 013	8 487	9 500	10 150
%growth	178,9%	78,6%	89,5%	41,6%	19,3%	21,0%	11,9%	6,8%
EBIT	**-424**	**-21**	**1 054**	**1 864**	**2 524**	**3 513**	**5 097**	**7 095**
%margin	-34,6%	-1,0%	25,4%	31,7%	36,0%	41,4%	53,7%	69,9%
Taxes	-10	-23	-14	237	369	605	773	1 068
% of EBIT	2,4%	109,5%	-1,3%	12,7%	14,6%	17,2%	15,2%	15,1%
NOPAT	**-410**	**-27**	**1 066**	**1 473**	**1 994**	**2 775**	**4 027**	**5 605**
D&A (+)	228	123	245	24	28	33	169	75
%of sales	18,6%	5,6%	5,9%	0,4%	0,4%	0,4%	1,8%	0,7%
CapEx (-)	44	68	111	55	83	108	190	151
%of sales	3,6%	3,1%	2,7%	0,9%	1,2%	1,3%	2,0%	1,5%
Change in NWC (-)	242	313	305	513	534	627	706	751
%of sales	19,7%	14,3%	7,3%	8,7%	7,6%	7,4%	7,4%	7,4%
Unlevered FCF	**-467**	**-286**	**895**	**928**	**1 405**	**2 073**	**3 299**	**4 779**
Present Value of FCF				**855**	**1 193**	**1 622**	**2 378**	**3 174**
Terminal Value								81 228
Present Value of Terminal Value								53 945
EV								**63 167**
Assumptions								
WACC	8,53%							
Prepetual Growth Rate	2,50%							

Late Stage Pipeline	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD								
Revenue	0	0	0	0	0	50	250	600
%growth	0,0%	0,0%	0,0%	0,0%	0,0%	21,0%	11,9%	6,8%
EBIT	**0**	**0**	**0**	**0**	**0**	**10**	**75**	**240**
%margin	0,0%	0,0%	0,0%	0,0%	0,0%	20,0%	30,0%	40,0%
Taxes	0	0	0	0	0	2	11	36
% of EBIT	0,0%	0,0%	0,0%	0,0%	0,0%	15,0%	15,0%	15,0%
NOPAT	**0**	**0**	**0**	**0**	**0**	**9**	**64**	**204**
D&A (+)	0	0	0	0	0	3	13	30
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	5,0%	5,0%	5,0%
CapEx (-)	0	0	0	0	0	3	13	30
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	5,0%	5,0%	5,0%
Change in NWC (-)	0	0	0	0	0	4	16	28
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	8,0%	6,4%	4,7%
Unlevered FCF	**0**	**0**	**0**	**0**	**0**	**5**	**48**	**176**
Probability of Success (PoS)	**50,0%**							
Risk-Adjusted FCF	**0**	**0**	**0**	**0**	**0**	**2**	**24**	**88**
Present Value of FCF				**0**	**0**	**2**	**17**	**58**
Terminal Value								1 375
Present Value of Terminal Value								913
EV								**990,31**
Assumptions								
WACC	8,53%							
Perpetual Growth Rate	2,00%							

Early Stage Pipeline	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD								
Revenue	0	0	0	0	0	0	10	100
%growth	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	11,9%	6,8%
EBIT	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**30**
%margin	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	10,0%	30,0%
Taxes	0	0	0	0	0	0	0	5
% of EBIT	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	15,0%	15,0%
NOPAT	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**26**
D&A (+)	0	0	0	0	0	0	1	5
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	5,0%	5,0%
CapEx (-)	0	0	0	0	0	0	1	5
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	5,0%	5,0%
Change in NWC (-)	0	0	0	0	0	0	1	7
%of sales	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	8,0%	7,2%
Unlevered FCF	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**18**
Probability of Success (PoS)	**10,0%**							
Risk-Adjusted FCF	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2**
Present Value of FCF				**0,0**	**0,0**	**0,0**	**0,0**	**1,2**
Terminal Value								26,4
Present Value of Terminal Value								17,5
EV								**18,77**
Assumptions								
WACC	8,53%							
Perpetual Growth Rate	1,50%							

Sum-of-the-parts DCF analysis

Precedent Transactions	MUSD			Transaction			Valuation Multiples	
		Announcement	Percentage	Enterprise	LTM	LTM	TEV / LTM	TEV / LTM
Acquirer Name	Target name	Date	Acquired	Value	Revenue	EBITDA	Revenue	EBITDA
Johnson & Johnson	Ambrx Biopharma		100%	2000	26	-90	77x	NM
AbbVie	ImmunoGen		100%	10100	110	-140	92x	NM
Pfizer	Seagen		100%	43000	2000	470	22x	91x
Merck & Co.	Prometheus Biosciences		100%	10800	60	-200	180x	NM
Sanofi	Kadmon Holdings		100%	1900	23	-90	83x	NM
Sanofi	Principia Biopharma		100%	3700	0	-120	NM	NM
AstraZeneca	Alexion Pharmaceuticals		100%	39000	5900	2600	7x	15x
Maximum							180x	91x
75th Percentile							114x	72x
Median							80x	53x
25th Percentile							18x	34x

Financials		NOSH	Net debt	Implied EV		Equity value		Implied Share price	
Revenue	EBITDA	(number of shares)	(debt-cash)	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
7 013	2 525	61,3	-3722,2	1262340	231010,6	1266062,2	234732,8	20653,54	3829,247
				798525,6818	182726,7	802247,8818	186448,9	13087,24	3041,581
				559398,1605	134442,8	563120,3605	138165	9186,303	2253,915
				124673,9047	86158,91	128396,1047	89881,11	2094,553	1466,25

Precedent Transactions

Date	2026-03-17
Currency	USD

Ticker	Company Name	Current Price	Share Count	Enterprise Value	Market Cap	Revenue 25	Revenue 26	Revenue 27	EBITDA 26	EBITDA 27	Net Income 26	Net Income 27
ARGX	Argenx	703,3	61,3	39390,09	43112,29	4151,316	5877	7013	1945	2525	1699	2290
CSL	CSL Limited	141,15	485,15	77459,92	68478,92	15558	15770	16412	5468	5804	3379	3596
UCB.BR	UCB	297,428333	190,1	57044,13	56541,13	9117	9727	10972	3365	4140	2361	3009
Sobi	Swedish Orphan Biovitru	41,24373816	357,4	15940,51	14740,51	3118	3415	3881	1251	1456	711	856
REGN	Regeneron	759,25	104,6	73518,55	79417,55	14343	15630	17219	4411	6145	4950	5812
RO	Roche	410,5418724	769	336816,7	315706,7	80358	79639	82385	32332	34185	20581	21933
NOVN.SW	Novartis	155,1219026	1939	324648,4	300781,4	56674	57769	60450	23354	25233	16930	18634
ALNY	Alnylam	325,36	131	40996,16	42622,16	3714	5569	7240	1166	1811	1318	2018
INCY	Incyte	94,23	195,2	15295,7	18393,7	5141	5602	6191	1770	2067	1528	1816
Mean												
Median												

Ticker	Revenue Growth 25-26	Revenue Growth 26-27	EBITDA Margin 26E	EBITDA Margin 27E	Profit Margin 26E	Profit Margin 27E	Trading Multiples EV / Revenue 26	EV / Revenue 27	EV / EBITDA 26	EV / EBITDA 27	P / E 26	P / E 27
ARGX	42%	19%	33%	36%	29%	33%	6,7x	5,6x	20,3x	15,6x	25,4x	18,8x
CSL	1%	4%	35%	35%	21%	22%	4,9x	4,7x	14,2x	13,3x	20,3x	19,0x
UCB.BR	7%	13%	35%	38%	24%	27%	5,9x	5,2x	17,0x	13,8x	23,9x	18,8x
Sobi	10%	14%	37%	38%	21%	22%	4,7x	4,1x	12,7x	10,9x	20,7x	17,2x
REGN	9%	10%	28%	36%	32%	34%	4,7x	4,3x	16,7x	12,0x	16,0x	13,7x
RO	(1%)	3%	41%	41%	26%	27%	4,2x	4,1x	10,4x	9,9x	15,3x	14,4x
NOVN.SW	2%	5%	40%	42%	29%	31%	5,6x	5,4x	13,9x	12,9x	17,8x	16,1x
ALNY	50%	30%	21%	25%	24%	28%	7,4x	5,7x	35,2x	22,6x	32,3x	21,1x
INCY	9%	11%	32%	33%	27%	29%	2,7x	2,5x	8,6x	7,4x	12,0x	10,1x
Mean	11%	11%	33%	36%	26%	27%	5,0x	4,5x	16,1x	12,8x	19,8x	16,3x
Median	8%	10%	35%	37%	25%	28%	4,8x	4,5x	14,0x	12,4x	19,0x	16,7x

Calculating Implied Share Price	2027 Trading Multiple EV/ Revenue	EV/ EBITDA	P/E	2027 Financial Metric Revenue	EBITDA	EPS	Enterprise Value Revenue	EBITDA	Net Income	Cash	Debt	Shares	Equity Value Revenue	EBITDA	Net Income	Implied Share Price Revenue	EBITDA	Net Income
25th percentile	4,1x	10,7x	14,2x	7 013	2 525	37,36	28 771	26 953	--	4 440	718	61,30	32 494	30 675	32 545	$ 530,07	$ 500,40	$ 530,91
Mean	4,5x	12,8x	16,3x	7 013	2 525	37,36	31 460	32 444	--	4 440	718	61,30	35 182	36 166	37 357	$ 573,93	$ 589,99	$ 609,41
Median	4,5x	12,4x	16,7x	7 013	2 525	37,36	31 521	31 348	--	4 440	718	61,30	35 243	35 070	38 199	$ 574,93	$ 572,11	$ 623,15
75th perceltile	5,2x	13,5x	18,9x	7 013	2 525	37,36	36 762	33 972	--	4 440	718	61,30	40 484	37 694	43 175	$ 660,42	$ 614,91	$ 704,33

DATABASE

Ticker	Company Name	Current Price	Share Count	Enterprise Value	Market Cap	Revenue 25A	Revenue 26E	Revenue 27E	EBITDA 26E	EBITDA 27E	Net Income 26E	Net Income 27E	net debt Debt	Cash	EPS (27E)	Ccy	FX Rates	Rate	Local Price	USD Price
ARGX	Argenx	703,3	61,3	39390,09	43112,29	4151,316	5877	7013	1945	2525	1699	2290	717,8	4440	37,35726	USD	EUR/USD	1,15327	703,3	703,3
CSL	CSL Limited	141,15	485,15	77459,92	68478,92	15558	15770	16412	5468	5804	3379	3596	8981		7,412141	AUD	AUD/USD	0,710495	141,15	141,15
UCB.BR	UCB	297,43	190,1	57044,13	56541,13	9117	9727	10972	3365	4140	2361	3009	503		15,82851	CHF	CHF/USD	1,273788	257,9	297,4283
Sobi	Swedish Orphan	41,24	357,4	15940,51	14740,51	3118	3415	3881	1251	1456	711	856	1200		2,395076	SEK	SEK/USD	0,1077986	382,6	41,24374
REGN	Regeneron	759,25	104,6	73518,55	79417,55	14343	15630	17219	4411	6145	4950	5812	-5899		55,56405	USD			759,25	759,25
RO	Roche	410,54	769	336816,7	315706,7	80358	79639	82385	32332	34185	20581	21933	21110		28,52146	CHF			322,3	410,5419
NOVN.SW	Novartis	155,12	1939	324648,4	300781,4	56674	57769	60450	23354	25233	16930	18634	23867		9,610108	CHF			121,78	155,1219
ALNY	Alnylam	325,36	131	40 996	42 622	3 714	5 569	7 240	1 166	1 811	1 318	2 018	-1626		15,40458	USD			325,36	325,36
INCY	Incyte	94,23	195	15 296	18 394	5 141	5 602	6 191	1 770	2 067	1 528	1 816	-3098		9,303279	USD			94,23	94,23

Comparable Companies

Profit growth 25-26	Profit growth 26-27	PEG 26	PEG 27
31,50%	34,15%	0,81	0,55
12,63%	6,42%	1,60	2,97
31,75%	27,45%	0,75	0,68
15,19%	20,39%	1,36	0,84
10,00%	17,41%	1,60	0,78
17,43%	6,57%	0,88	2,19
20,93%	10,06%	0,85	1,60
319,75%	53,11%	0,10	0,40
18,73%	18,85%	0,64	0,54
55,80%	**20,03%**	**0,98**	**1,25**
18,08%	**18,13%**	**0,86**	**0,81**

Growth adjusted comps table

Other Data	
MUSD	
Debt	717,8
Cash	4440
Tax rate	21%
NOSH (m)	61,3
EPS LTM	21,08
Beta	0,79

Other Company and Stock Information

Income Statement	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD								
Net Sales	1226	2190	4151	5877	7013	8487	9500	10150
y-o-y change	178,9%	78,6%	89,5%	41,6%	19,3%	21,0%	11,9%	6,8%
COGS	117,8	227,3	450,7	637,0	750,0	967,0	1000,0	1110,0
% of sales	9,6%	10,4%	10,9%	10,8%	10,7%	11,4%	10,5%	10,9%
Grosss Profit	**1108,481**	**1962,942**	**3700,651**	**5240**	**6263**	**7520**	**8500**	**9040**
Gross margin	90,4%	89,6%	89,1%	89,2%	89,3%	88,6%	89,5%	89,1%
SG&A + Other OpEx	1422,5	1966,9	2523,7	3295,0	3738,0	4240,0	3908,0	2519,4
% of sales	116,00%	89,81%	60,79%	56,1%	53,3%	50,0%	41,1%	24,8%
EBITDA	**-314,0**	**-4,0**	**1177,0**	**1945,0**	**2525,0**	**3280,0**	**4592,0**	**6520,6**
EBITDA Margin	-25,6%	-0,2%	28,4%	33,1%	36,0%	38,6%	40,0%	42,0%
D&A	228,3	122,8	245,0	24,0	28,0	33,0	168,6	75,4
% of sales	18,6%	5,6%	5,9%	0,4%	0,4%	0,4%	1,8%	0,7%
EBIT	**-424**	**-21**	**1054**	**1864**	**2524**	**3513**	**5097**	**7095**
EBIT Margin	-34,6%	-1,0%	25,4%	31,7%	36,0%	41,4%	45,1%	39,2%
Net financial Items	120	105	224	72	135	77	54	25
EBT	**-304**	**84**	**1278**	**1936,0**	**2659,0**	**3590,0**	**5151,0**	**7120,0**
Taxes	-10	-23	-14	237	369	605	772,65	1068
Net Income	**-294**	**107**	**1292**	**1699**	**2290**	**2985**	**4378,4**	**6052,0**
Net income margin	-24,0%	4,9%	31,1%	28,9%	32,7%	35,2%	46,1%	59,6%

Cashflow	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
MUSD								
NOPAT	-410	-27	1066	1473	1994	2775	4027	5605
D&A	228,3	122,8	245	24,0	28,0	33,0	168,6	75,4
% of sales	18,6%	5,6%	5,9%	0,4%	0,4%	0,4%	1,8%	0,7%
CapEX	43,8	68,3	111	55	83	108	190	151
% of sales	4%	3%	3%	1%	1%	1%	2%	1%
ΔNWC	241,5	313,5	304,5	513,1	534,0	627,3	706,4	751,1
% of sales	19,70%	14,31%	7,34%	8,73%	7,61%	7,39%	7,44%	7,40%
Unlevered FCF	-467,1	-285,7	895,0	928,5	1405,0	2073,0	3298,8	4778,6

Report data and Estimates

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Other