

Novo Nordisk Value Long Term

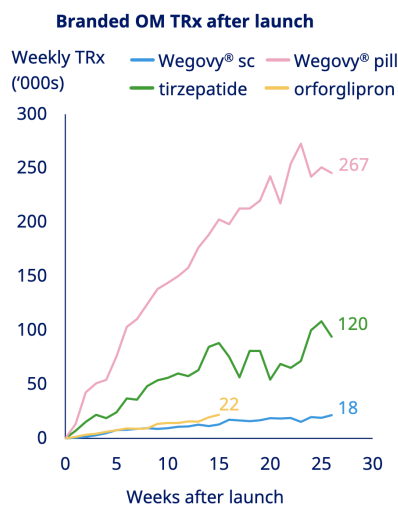
Price at this time is 287.40 DKK with a market cap of 979.75 billion DKK. This is historically an attractive price. One may ask why it could have traded at 1000 DKK, now at 28% of its top price. The idea is simple: it is not a leader in GLP and growth seems uncertain. So the analysis here is to investigate if we can expect a better future than is currently priced in.

		2025	2024	2023
Net profit	DKK million	102,434	100,988	83,683
Average number of shares outstanding ¹	in million shares	4,443.0	4,453.9	4,482.8
Average dilutive effect of restricted stock units	in million shares	4.7	9.1	12.0
Average number of shares outstanding, including dilutive effect	in million shares	4,447.7	4,463.0	4,494.8
Basic earnings per share	DKK	23.06	22.67	18.67
Diluted earnings per share	DKK	23.03	22.63	18.62

¹ Excluding treasury shares

Prices may change, but for now the historical earnings per share is 7.5% of price, this is only the earnings. Another 11 DKK per share by dividend, 3.5% of the cost of shares. Approximately 11% on a yearly basis at the current price.

So can the company grow, or at least not decrease in earning power, to maintain these for the next 9-10 years, for a full payback of the investment?



¹Cumulative prescriptions after launch. OM: Orforglipron. Tirzepatide. Wegovy®. Novo Nordisk

Eli Lilly released “Foundary” Unlike most other GLP-1 pills, it is a non-peptide small molecule.

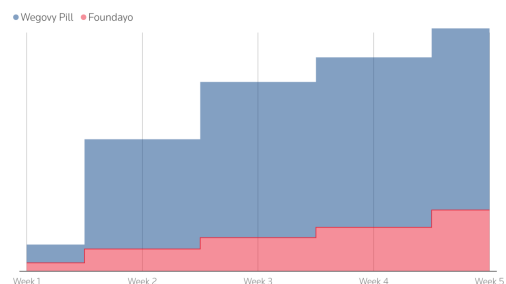
The weight loss is only up 12.4% 72 week, compared to Novo, Wegovy pill with a weight loss of 14% in a 64 weeks trial.

So in short term, this is a positive sign from Novo, many of their previous products may reduce revenue generated.

In the short term, 2-3 years. one of the new strategies need to pan out, with a new market paradigm of high volume cheaper GLP products. One of these that gave a hint of better news is the success of the Wegovy pill. Outpacing the other releases they have, this had a crazy early demand, consumer really waited for a pill form of GLP.

The problem with this is, the price is so much lower than Ozempic injectable was sold for in the past. This will eat some revenue of such highly profitable injectables.

Oral weight-loss drugs from Novo & Lilly are reaching new patients
U.S. doctors report that costs of the pills, which is lower than weight-loss injections, is drawing new patients and enticing some to switch to branded treatments

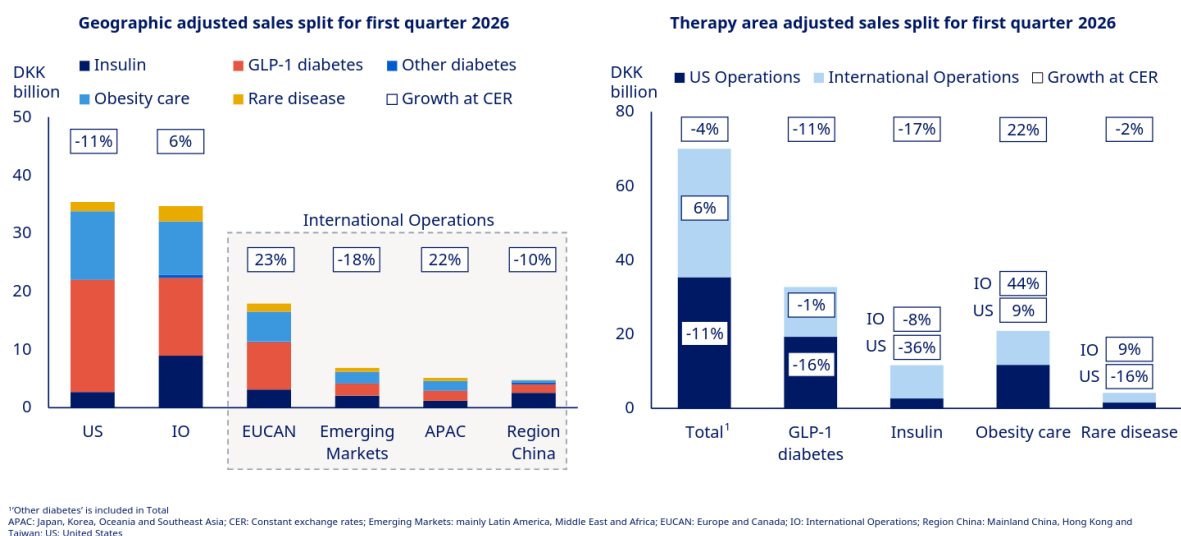


Note: Analysts warn that the data may not capture all of the prescriptions in early launch weeks, including telehealth prescriptions.
Source: IQVIA data shared by analysts | Bharvi Satija
Lilly vs Novo: Prescriptions for oral weight loss drugs in early launch weeks

Reuters

Q1 2026 has hurt future expectations as a clear decline of the year. This was guided for the year before 2025, as the pill and other price pressures would hurt sales monetarily. Remember that the price dropping is a signal not of less demand, but rather a story of supply. This was bound to happen.

Now one could ask if the market size in terms of patients will increase to the extent that volume for Novo and maybe others will be such to offset this pressure.



To confirm these risks, in Q2 the success of the Wegovy pill numbers will be shown. For now the future is hard to predict, making this a more sensible choice of belief. I want to simply understand what the market thinks. To defend the market cap of 979.75 billion DKK, one can use a Discounted Cash Flow (DCF) model, this helps expand the current day value to account for growth, risks, and the inflation time costs of future profit.

Novo Nordisk — Corrected DCF Model									
All figures DKK million unless noted. Blue = input, Black = formula.									
INPUTS									
Stock Price (DKK)	287.4								
Market Cap (DKKm)	979,750								
Implied Current Shares Outstanding (million)	3,409.0								
Note: the ~4,443.7m 'average shares outstanding' used for EPS in the 2025 annual report is a weighted average over the year and doesn't match Price x Shares against today's market cap — Novo's buybacks mean the current count is lower (~3,400m here). Market Cap above uses the reported figure directly to avoid compounding that mismatch.									
Base Year (2025) Net Profit (DKKm)	102,434								
Discount Rate — Cost of Equity	8.0%								
Terminal Growth Rate (post-2032)	2.5%								
Explicit Period Growth Rate (2026-2032 scenario lever)	-10.0%								
EXPLICIT PERIOD PROJECTION (2025 actual, 2026-2032 forecast)									
Year	2025	2026	2027	2028	2029	2030	2031	2032	
Growth Rate Applied		-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	-10.0%	
Net Profit (DKKm)	102,434	92,191	82,972	74,674	67,207	60,486	54,438	48,994	
Discount Factor		0.926	0.857	0.794	0.735	0.681	0.630	0.583	
PV of Net Profit (DKKm)		85,362	71,135	59,279	49,399	41,166	34,305	28,587	
Sum of PV — Explicit Period (2026-2032)									369,233
TERMINAL VALUE									
Terminal Value at end of 2032 (DKKm)									913,067
PV of Terminal Value (DKKm)									532,766
TOTAL INTRINSIC VALUE									
Total Intrinsic Value (DKKm)									901,999
Current Market Cap (DKKm)									979,750
Implied Premium / (Discount) vs. Market									-7.9%

The growth minus risks is 10% YoY with an inflation rate of 3%. The idea is to create a scenario which one thinks the market tries to reflect.

The problem with this is that a stable decrease makes no sense. A company will try to survive by taking on some risks and being opportunistic to fix the bottom line: firing people, taking on expensive debt, finding any way to make the line go up. So this model makes more sense in mature

markets of zero innovation. In pharma, the death of a company would be a far more violent event than this model makes it seem, because it tries to take risk and spread it out.

Conclusion

I believe the value of Novo is underpriced, and the future will not meet the –10% YoY downfall, as this would be a quick death if so. But the short term success of the Wegovy pill, which I think we will see in Q2, simply does not reflect the decline in growth the market expects from Novo. I see a company that needs to learn to play a different game, and maybe not be an epic growth story like before, but not a dead business at all, which is what I think the market is trying to price in. For now they buy shares back and give 50% in dividends of very large profits. It seems to me there is at least a good chance for the longer term value play, to be realized by dividend if the market does not.