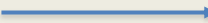
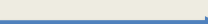


Novo Nordisk						05-feb-25
Outstanding biotechnology healthcare company with foreseeable continued growth						
<p>In this scenario the outlook for 2025 made by Novo Nordisk is incorporated as well as my assumption that due to introduction of coming drugs and the acquisition of large scale production facilities Novo Nordisk will keep a declining but still competitive advantage in the future notably illustrated by the Return On Capital (ROC) set at 15 % after year 10. The revenues are expected to grow at 18 % from year 2-5 and at a slower pace in year 6-10. The global industry revenue growth level are currently at 20 % a year. The operating margins and reinvestments are higher than seen in the companys reported financial statement because R&D expenses are capitalized. This also creates a lower level for the ROC than can be seen from the financial statements. Margins are conservatively expected to decline year by year from the current level. In this scenario the stock is traded at 57 % of the calculated intrinsic value.</p>						
The Assumptions						
	<i>Base year</i>	<i>Next year</i>	<i>Years 2-5</i>	<i>Years 6-10</i>	<i>After year 10</i>	<i>Link to story</i>
Revenues	290.403 DKK	23,0%	18,00%	16,20%	4,59%	Growth starting in line with company outlook, then normalizing at lower level
Operating margin	54,73%	56,0%	52,50%	48,00%	46,00%	Margins slowly declining
Taxes	20,60%	20,60%	20,60%		22,00%	Moves towards the marginal tax rate
Reinvestment Rate (RIR)	53,24%	52,57%	45,92%	46,09%	30,60%	Reinvestments in line with company outlook
Return on capital (ROC)	35,08%	35,84%	36,12%		15,00%	ROC levels kept high
Cost of capital (COC)			9,50%		8,66%	Moving towards stable level
The Cash Flows						
	<i>Revenues</i>	<i>Operating Margin</i>	<i>EBIT</i>	<i>EBIT (1-t)</i>	<i>Reinvestment</i>	<i>FCFF</i>
1	357.196 DKK	56,00%	200.030 DKK	158.821 DKK	83.491 DKK	75.330 DKK
2	421.491 DKK	54,00%	227.605 DKK	180.715 DKK	80.369 DKK	100.346 DKK
3	497.359 DKK	53,00%	263.600 DKK	209.295 DKK	94.835 DKK	114.460 DKK
4	586.884 DKK	52,00%	305.180 DKK	242.309 DKK	111.906 DKK	130.403 DKK
5	692.523 DKK	51,00%	353.187 DKK	280.426 DKK	132.049 DKK	148.377 DKK
6	813.022 DKK	50,00%	406.511 DKK	321.627 DKK	150.624 DKK	171.004 DKK
7	949.610 DKK	49,00%	465.309 DKK	366.846 DKK	170.735 DKK	196.111 DKK
8	1.103.447 DKK	48,00%	529.654 DKK	416.094 DKK	192.296 DKK	223.798 DKK
9	1.275.584 DKK	47,00%	599.525 DKK	469.306 DKK	215.172 DKK	254.134 DKK
10	1.466.922 DKK	46,00%	674.784 DKK	526.332 DKK	239.172 DKK	287.160 DKK
Terminal year	1.534.254 DKK	46,00%	705.757 DKK	550.490 DKK	168.450 DKK	382.040 DKK
The Value						
Terminal value			9.386.737 DKK			
PV(Terminal value)			3.876.528 DKK			
PV (CF over next 10 years)			970.317 DKK			
Value of operating assets			4.846.845 DKK			
Adjustment for distress			0 DKK	Probability of failure = 0,00%		
- Debt & Minority Interests			102.787 DKK			
+ Cash & Other Non-operating assets			26.308 DKK			
Value of equity			4.770.366 DKK			
- Value of equity options			6.101 DKK			
+ Outstanding dividends			0 DKK			
Number of shares			4.441,00			
Value per share			1.073,00 DKK	Stock was trading at = 610,00 DKK		