Lundbeck

Reason: Post-results comment

BUY HOLD SELL

Vyepti is now basically all of Group growth

- Another solid quarter from LUN, +12% CER growth
- Vyepti strength limits near-term patent worries
- 15% FCF yield despite LUN working through patent issues? BUY

Solid Q2 in numbers

Lundbeck delivered a healthy (as usual) Q2, with 12% CER sales growth. Vyepti is now the second-largest drug after growing 46% CER. Product and channel mix as well as high R&D costs worked against Lundbeck in the quarter, taking adjusted EBITDA to DKK 1,982m (+2% vs company-collected consensus DKK 1,945m) for 6% CER growth. LUN generated DKK 1,833m in Q2 free cash flow, eroding net debt to DKK 7.4bn for 1.0x EBITDA (1.8x 1y ago). Guidance was maintained.

Cautious guidance

Lundbeck's core Strategic Brands franchise kept up a brisk pace: +14% CER growth in Q2 and +17% in H1, but with the interesting factor that Vyepti's success sees it now basically contributing all the sales growth. Vyepti added DKK 438m to Q2 sales y-o-y while all the Stratregic Brands added DKK 523m. This leaves the investment increasingly one-legged, but also somewhat de-risked as Vyepti's long patent life and product uniqueness provides bigger moats. Group revenues grew 16% CER in H1, so we see the 7-9% FY'26 guidance as cautious. Management highlighted tailwinds in H1, e.g. shipment and inventory phasing. We see a cautious company that wants to allow flexibility into 2027 and new medium-term targets (beyond 2027) due late '26 or early '27.

Plenty of cash

We make only limited changes to our '26 and '27 estimates, though we make cuts to some of our longer product forecasts (compensated, however, by continued solid operational momentum and cost focus). Although these changes show a Lundbeck that is moving into negative sales growth territory in '28e, it is also a stock that screens very attractively, both on absolute multiples and relative to close peers, at 9x '26e P/E and 15% free cash flow yield. With Lundbeck a likely buyer of near-market products and projects, we choose to value the company at 12x '26e, for a TP of DKK 55. BUY.

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Healthcare

Estimate changes (%)

	2026e	2027e
Sales	-1.3	-6.7
EBIT	-3.3	-2.7
EPS	-2.6	-2.7

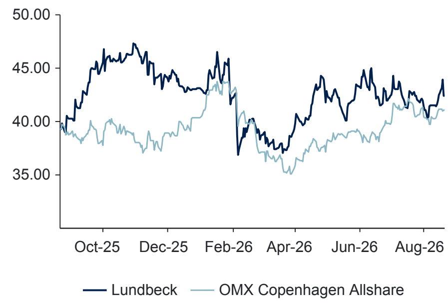
Source: ABG Sundal Collier

HLUN.B-DK/LUN DC

Share price (DKK)	18/8/2026	42.48
Target price		55.00
MCap (DKKm)		42,309
MCap (EURm)		5,659
No. of shares (m)		995.7
Free float (%)		33.9
Av. daily volume (k)		335

Next event Q3 report 11 November 2026

Performance



DKKm	2024	2025	2026e	2027e	2028e
Sales	22,004	24,620	26,139	26,793	26,060
EBITDA	5,146	7,140	7,848	8,413	8,079
EBITDA margin (%)	23.4	29.0	30.0	31.4	31.0
EBIT adj.	3,690	6,244	5,869	6,564	6,307
EBIT adj. margin (%)	16.8	25.4	22.5	24.5	24.2
Pretax profit	3,719	4,487	5,819	6,514	6,357
EPS	3.16	3.21	4.53	5.07	4.95
EPS adj.	3.51	3.90	4.41	5.07	4.95
Sales growth (%)	10.5	11.9	6.2	2.5	-2.7
EPS growth (%)	37.2	1.6	41.3	12.0	-2.4

Source: ABG Sundal Collier, Company Data

	2026e	2027e	2028e
P/E (x)	9.4	8.4	8.6
P/E adj. (x)	9.6	8.4	8.6
P/BVPS (x)	1.52	1.37	1.25
EV/EBITDA (x)	6.1	5.4	5.2
EV/EBIT adj. (x)	8.2	7.0	6.7
EV/sales (x)	1.84	1.71	1.62
ROE adj. (%)	16.7	17.2	15.2
Dividend yield (%)	4.8	0.0	0.0
FCF yield (%)	15.0	14.5	14.2
Le. adj. FCF yld. (%)	15.0	14.5	14.2
Net IB debt/EBITDA (x)	0.7	0.4	-0.0
Le. adj. ND/EBITDA (x)	0.7	0.4	-0.1

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Company description

Lundbeck is a mid-sized pharmaceutical company focusing on diseases in the central nervous system including depression, schizophrenia, Alzheimer's and Parkinson's. Lundbeck is headquartered in Copenhagen, Denmark, and spans the entire globe with its 5,000 employees. Lundbeck is active in the whole pharmaceutical value chain from research, development, production and marketing of drugs.

Sustainability information

Risks

Our main worries are: 1) Failures within R&D into new drugs. LUN is focused on the central nervous system, which is one of the hardest areas to develop new innovative drugs for, due to its lower than industry-average success rates and high number of good enough products already on the market. 2) LUN's ability to monetize its R&D innovation in increasingly cost-focused healthcare systems, 3) Being a mid-sized pharma company requires LUN to regularly have new drugs approved, which is demanding when R&D budgets are higher at Big Pharma competitors.

Exhibit 1 - Lundbeck pipeline

Source: Lundbeck

Table 1 - Lundbeck 2026 guidance

(DKKm)	4 Feb 2026 Company guidance	12 May 2026 Company guidance	19 Aug 2026 Company guidance
Revenue growth, CER	5 - 8%	7 - 9%	7 - 9%
Adj EBITDA growth, CER	4 - 12%	8 - 14%	8 - 14%
Revenue growth, DKK	Around 4pp lower the CER	Around 4pp lower the CER	Around 4pp lower the CER
Adj EBITDA growth, DKK	Around 9pp lower than CER	Around 9pp lower than CER	**Around 8pp lower than CER**
Adj gross margin	Around 88%	Around 88%	Around 87%
R&D costs	DKK 5.5-5.9bn	DKK 5.6-5.9bn	DKK 5.6-5.9bn
Depreciation & Amortization	DKK 1.7-1.9bn	DKK 1.7-1.9bn	DKK 1.8-1.9bn
Net Financials	DKK neg 300-400m	Around DKK 300m	Around DKK 200m
Hedging	DKK -10 to -50m	DKK -10 to -50m	**Around DKK -150m**
Tax rate	20-23%	20-24%	20-24%
Net cash (net debt)	DKK neg 4-5bn	DKK neg 4.0-5.0bn	DKK neg 4.0-5.0bn

Source: Lundbeck

Table 2 - Lundbeck, changes to ABGSC estimates

	New			Old			Change		
(DKKm)	2026e	2027e	2028e	2026e	2027e	2028e	2026e	2027e	2028e
Revenue	**26,139**	**26,793**	**26,060**	**26,473**	**28,704**	**30,700**	**-1%**	**-7%**	**-15%**
growth	6.2%	2.5%	-2.7%	6.7%	8.4%	7.0%	-0.5%p	-5.9%p	-9.7%p
Revenue by product									
Strategic brands	20,949	21,770	21,227	21,601	24,156	26,452	-3%	-10%	-20%
- Brintellix/Trintellix	4,190	3,310	2,648	3,989	3,590	3,231	5%	-8%	-18%
- Abilify Maintena	3,908	3,283	2,626	3,953	4,151	4,358	-1%	-21%	-40%
- Rexulti	6,763	7,507	7,132	7,454	8,349	9,184	-9%	-10%	-22%
- Vyepti	6,087	7,670	8,821	6,205	8,066	9,679	-2%	-5%	-9%
Old brands									
- Cipralex	2,064	1,837	1,654	1,740	1,566	1,409	19%	17%	17%
COGS	(5,019)	(5,091)	(4,899)	(4,712)	(5,023)	(5,373)	7%	1%	-9%
Gross profit	**21,120**	**21,702**	**21,161**	**21,761**	**23,680**	**25,328**	-3%	-8%	-16%
Gross margin	80.8%	81.0%	81.2%	82.2%	82.5%	82.5%	-1.4%p	-1.5%p	-1.3%p
SG&A	(9,201)	(9,110)	(8,861)	(9,716)	(10,477)	(10,991)	-5%	-13%	-19%
% of sales	35.2%	34.0%	34.0%	36.7%	36.5%	35.8%	-1.5%p	-2.5%p	-1.8%p
R&D	(5,751)	(6,028)	(5,994)	(5,824)	(6,458)	(7,061)	-1%	-7%	-15%
% of sales	22.0%	22.5%	23.0%	22.0%	22.5%	23.0%	0.0%p	0.0%p	0.0%p
EBITDA, Adj	**8,008**	**8,413**	**8,079**	**8,101**	**8,755**	**9,394**	-1%	-4%	-14%
margin	30.6%	31.4%	31.0%	30.6%	30.5%	30.6%			
Reported EBIT	**6,019**	**6,564**	**6,307**	**6,221**	**6,745**	**7,276**	-3%	-3%	-13%
growth	*14%*	*9%*	*-4%*	*6%*	*8%*	*8%*			
margin	23.0%	24.5%	24.2%	23.5%	23.5%	23.7%	-0.5%p	1.0%p	0.5%p
Net financials	(200)	(50)	50	(250)	(50)	50			
Profit before income taxes	5,819	6,514	6,357	5,971	6,695	7,326	-3%	-3%	-13%
Tax	(1,309)	(1,466)	(1,430)	(1,344)	(1,506)	(1,648)	-3%	-3%	-13%
Tax rate	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%			
Net profit	**4,510**	**5,049**	**4,926**	**4,628**	**5,189**	**5,678**	-3%	-3%	-13%
growth	*41%*	*12%*	*-2%*	*16%*	*12%*	*9%*			

Source: ABG Sundal Collier

Table 3 - Lundbeck P&L

(DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	New 2027e	2028e
Revenue	**17,036**	**17,672**	**16,299**	**18,246**	**19,912**	**22,004**	**24,620**	**26,139**	**26,793**	**26,060**
growth	-6.0%	3.7%	-7.8%	11.9%	9.1%	10.5%	11.9%	6.2%	2.5%	-2.7%
Revenue by product										
Strategic brands	7,057	8,086	9,287	12,135	13,733	16,462	19,011	20,949	21,770	21,227
- Brintellix/Trintellix	2,826	3,102	3,526	4,277	4,324	4,847	4,554	4,190	3,310	2,648
- Abilify Maintena	1,961	2,271	2,420	2,964	3,187	3,504	3,776	3,908	3,283	2,626
- Rexulti	2,270	2,620	2,849	3,890	4,525	5,202	6,205	6,763	7,507	7,132
- Vyepti		93	492	1,004	1,697	2,909	4,476	6,087	7,670	8,821
Old brands										
- Cipralex	2,314	2,380	2,346	2,360	2,135	2,048	1,966	2,064	1,837	1,654
COGS	(3,840)	(4,166)	(3,648)	(3,951)	(4,485)	(4,230)	(4,255)	(5,019)	(5,091)	(4,899)
Gross profit	**13,196**	**13,506**	**12,651**	**14,295**	**15,427**	**17,774**	**20,365**	**21,120**	**21,702**	**21,161**
Gross margin	77.5%	76.4%	77.6%	78.3%	77.5%	80.8%	82.7%	80.8%	81.0%	81.2%
SG&A	(6,413)	(6,912)	(6,818)	(7,689)	(8,775)	(9,583)	(9,226)	(9,201)	(9,110)	(8,861)
% of sales	37.6%	39.1%	41.8%	42.1%	44.1%	43.6%	37.5%	35.2%	34.0%	34.0%
R&D	(3,116)	(4,545)	(3,823)	(3,754)	(3,457)	(4,501)	(4,895)	(5,751)	(6,028)	(5,994)
% of sales	18.3%	25.7%	23.5%	20.6%	17.4%	20.5%	19.9%	22.0%	22.5%	23.0%
EBITDA, Adj					**5,652**	**6,347**	**7,881**	**8,008**	**8,413**	**8,079**
margin					28.4%	28.8%	32.0%	30.6%	31.4%	31.0%
Reported EBIT	**3,153**	**1,990**	**2,010**	**2,852**	**3,195**	**3,270**	**5,275**	**6,019**	**6,564**	**6,307**
growth	*-35%*	*-37%*	*1%*	*42%*	*12%*	*2%*	*61%*	*14%*	*9%*	*-4%*
margin	18.5%	11.3%	12.3%	15.6%	16.0%	14.9%	21.4%	23.0%	24.5%	24.2%
Net financials	(127)	(48)	(429)	(378)	(202)	449	(788)	(200)	(50)	50
Profit before income taxes	3,026	1,942	1,581	2,474	2,993	3,719	4,487	5,819	6,514	6,357
Tax	(713)	(325)	(263)	(558)	(703)	(576)	(1,295)	(1,309)	(1,466)	(1,430)
Tax rate	23.6%	16.7%	16.6%	22.6%	23.5%	15.5%	28.9%	22.5%	22.5%	22.5%
Net profit	**2,313**	**1,617**	**1,318**	**1,916**	**2,290**	**3,143**	**3,192**	**4,510**	**5,049**	**4,926**
growth	*-41%*	*-30%*	*-18%*	*45%*	*20%*	*37%*	*2%*	*41%*	*12%*	*-2%*

Source: ABG Sundal Collier

Table 4 - Lundbeck , quarterly estimates

(DKKm)	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26e	Q4'26e
Total revenue	**5,288**	**5,453**	**5,722**	**5,541**	**6,235**	**6,023**	**6,279**	**6,083**	**7,125**	**6,463**	**6,391**	**6,160**
growth	*4.8%*	*10.4%*	*15.5%*	*8.9%*	*17.9%*	*10.5%*	*9.7%*	*9.8%*	*14.3%*	*7.3%*	*1.8%*	*1.3%*
Sales by product (DKK)												
Strategic brands	**3,759**	**4,040**	**4,317**	**4,346**	**4,801**	**4,635**	**4,824**	**4,751**	**5,305**	**5,158**	**5,263**	**5,223**
- Brintellix/Trintellix	1,168	1,183	1,225	1,271	1,254	1,136	1,063	1,101	1,296	1,035	925	934
- Abilify Maintena	859	866	893	886	1,014	888	956	918	1,033	937	975	963
- Rexulti	1,115	1,266	1,425	1,396	1,491	1,548	1,656	1,510	1,612	1,685	1,788	1,678
- Vyepti	617	725	774	793	1,042	1,063	1,149	1,222	1,364	1,501	1,574	1,648
Old brands												
- Cipralex	618	498	511	421	622	468	483	393	752	509	440	364
Other	**70**	**87**	**130**	**79**	**50**	**73**	**162**	**37**	**128**	**128**	**75**	**75**
Hedging	(9)	(26)	(8)	(9)	(71)	90	80	201	100	(56)	(50)	(144)
COGS	(1,009)	(1,056)	(1,094)	(1,071)	(1,084)	(1,091)	(846)	(1,234)	(1,301)	(1,267)	(1,278)	(1,173)
Gross profit	**4,279**	**4,397**	**4,628**	**4,470**	**5,151**	**4,932**	**5,433**	**4,849**	**5,824**	**5,196**	**5,113**	**4,987**
Gross margin	80.9%	80.6%	80.9%	80.7%	82.6%	81.9%	86.5%	79.7%	81.7%	80.4%	80.0%	81.0%
SG&A	(2,048)	(2,484)	(2,294)	(2,757)	(2,231)	(2,300)	(2,261)	(2,434)	(2,134)	(2,283)	(2,261)	(2,523)
% of sales	*39%*	*46%*	*40%*	*50%*	*36%*	*38%*	*36%*	*40%*	*30%*	*35%*	*35%*	*41%*
R&D	(953)	(909)	(1,523)	(1,116)	(1,222)	(1,061)	(1,156)	(1,456)	(1,383)	(1,426)	(1,406)	(1,536)
% of sales	*18%*	*17%*	*27%*	*20%*	*20%*	*18%*	*18%*	*24%*	*19%*	*22%*	*22%*	*25%*
EBIT	**1,278**	**1,004**	**811**	**177**	**1,698**	**1,571**	**1,631**	**375**	**2,155**	**1,498**	**1,446**	**920**
margin	*24.2%*	*18.4%*	*14.2%*	*3.2%*	*27.2%*	*26.1%*	*26.0%*	*6.2%*	*30.2%*	*23.2%*	*22.6%*	*14.9%*
Net financials	29	(4)	(79)	503	(221)	(333)	(219)	(15)	(29)	(27)	(50)	(94)
Net profit	**1,006**	**770**	**777**	**590**	**1,152**	**966**	**1,101**	**-27**	**1,658**	**1,148**	**1,075**	**629**
EPS	1.0	0.8	0.8	0.6	1.2	1.0	1.1	0.0	1.7	1.2	1.1	0.6

Source: Lundbeck

Income Statement (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Sales	17,036	17,672	16,299	18,246	19,912	22,004	24,620	26,139	26,793	26,060
COGS	-3,840	-4,166	-3,648	-3,951	-4,485	-4,230	-4,255	-5,019	-5,091	-4,899
Gross profit	13,196	13,506	12,651	14,295	15,427	17,774	20,365	21,120	21,702	21,161
Other operating items	-8,373	-8,723	-8,931	-9,632	-10,220	-12,628	-13,225	-13,272	-13,289	-13,082
EBITDA	**4,823**	**4,783**	**3,720**	**4,663**	**5,207**	**5,146**	**7,140**	**7,848**	**8,413**	**8,079**
Depreciation and amortisation	-1,670	-2,793	-1,710	-1,811	-2,012	-1,876	-1,865	-1,830	-1,849	-1,772
of which leasing depreciation	-70	-85	-83	-89	-90	-89	-89	-89	-89	-89
EBITA	**3,153**	**1,990**	**2,010**	**2,852**	**3,195**	**3,270**	**5,275**	**6,019**	**6,564**	**6,307**
EO Items	-514	-59	0	0	0	-420	-969	150	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	**3,153**	**1,990**	**2,010**	**2,852**	**3,195**	**3,270**	**5,275**	**6,019**	**6,564**	**6,307**
Net financial items	-127	-48	-429	-378	-202	449	-788	-200	-50	50
Pretax profit	**3,026**	**1,942**	**1,581**	**2,474**	**2,993**	**3,719**	**4,487**	**5,819**	**6,514**	**6,357**
Tax	-713	-325	-263	-558	-703	-576	-1,295	-1,309	-1,466	-1,430
Net profit	**2,313**	**1,617**	**1,318**	**1,916**	**2,290**	**3,143**	**3,192**	**4,510**	**5,049**	**4,926**
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	**2,313**	**1,617**	**1,318**	**1,916**	**2,290**	**3,143**	**3,192**	**4,510**	**5,049**	**4,926**
EPS	11.61	8.12	6.62	1.92	2.30	3.16	3.21	4.53	5.07	4.95
EPS adj.	13.59	8.37	6.62	1.92	2.30	3.51	3.90	4.41	5.07	4.95
Total extraordinary items after tax	-393	-49	0	0	0	-355	-689	116	0	0
Leasing payments	-70	-85	-83	-89	-90	-89	-89	-89	-89	-89
Tax rate (%)	*23.6*	*16.7*	*16.6*	*22.6*	*23.5*	*15.5*	*28.9*	*22.5*	*22.5*	*22.5*
Gross margin (%)	*77.5*	*76.4*	*77.6*	*78.3*	*77.5*	*80.8*	*82.7*	*80.8*	*81.0*	*81.2*
EBITDA margin (%)	*28.3*	*27.1*	*22.8*	*25.6*	*26.2*	*23.4*	*29.0*	*30.0*	*31.4*	*31.0*
EBITA margin (%)	*18.5*	*11.3*	*12.3*	*15.6*	*16.0*	*14.9*	*21.4*	*23.0*	*24.5*	*24.2*
EBIT margin (%)	*18.5*	*11.3*	*12.3*	*15.6*	*16.0*	*14.9*	*21.4*	*23.0*	*24.5*	*24.2*
Pre-tax margin (%)	*17.8*	*11.0*	*9.7*	*13.6*	*15.0*	*16.9*	*18.2*	*22.3*	*24.3*	*24.4*
Net margin (%)	*13.6*	*9.2*	*8.1*	*10.5*	*11.5*	*14.3*	*13.0*	*17.3*	*18.8*	*18.9*
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	*-6.0*	*3.7*	*-7.8*	*11.9*	*9.1*	*10.5*	*11.9*	*6.2*	*2.5*	*-2.7*
EBITDA growth (%)	*-25.6*	*-0.8*	*-22.2*	*25.3*	*11.7*	*-1.2*	*38.7*	*9.9*	*7.2*	*-4.0*
EBITA growth (%)	*-34.9*	*-36.9*	*1.0*	*41.9*	*12.0*	*2.3*	*61.3*	*14.1*	*9.1*	*-3.9*
EBIT growth (%)	*-34.9*	*-36.9*	*1.0*	*41.9*	*12.0*	*2.3*	*61.3*	*14.1*	*9.1*	*-3.9*
Net profit growth (%)	*-34.9*	*-30.1*	*-18.5*	*45.4*	*19.5*	*37.2*	*1.6*	*41.3*	*12.0*	*-2.4*
EPS growth (%)	*-34.9*	*-30.1*	*-18.5*	*-70.9*	*19.5*	*37.2*	*1.6*	*41.3*	*12.0*	*-2.4*
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	*13.8*	*9.6*	*7.5*	*9.8*	*10.7*	*13.4*	*12.8*	*17.1*	*17.2*	*15.2*
ROE adj. (%)	*16.1*	*9.9*	*7.5*	*9.8*	*10.7*	*14.9*	*15.6*	*16.7*	*17.2*	*15.2*
ROCE (%)	*14.8*	*8.8*	*8.3*	*11.8*	*12.4*	*11.5*	*13.9*	*15.4*	*14.8*	*13.0*
ROCE adj. (%)	*17.1*	*9.0*	*8.3*	*11.8*	*12.4*	*12.8*	*16.4*	*15.0*	*14.8*	*13.0*
ROIC (%)	*14.5*	*7.5*	*8.0*	*10.1*	*11.3*	*9.6*	*10.8*	*14.1*	*15.0*	*14.4*
ROIC adj. (%)	*16.8*	*7.7*	*8.0*	*10.1*	*11.3*	*10.8*	*12.8*	*13.7*	*15.0*	*14.4*
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	5,337	4,842	3,720	4,663	5,207	5,566	8,109	7,698	8,413	8,079
EBITDA adj. margin (%)	*31.3*	*27.4*	*22.8*	*25.6*	*26.2*	*25.3*	*32.9*	*29.5*	*31.4*	*31.0*
EBITDA lease adj.	5,267	4,757	3,637	4,574	5,117	5,477	8,020	7,609	8,324	7,990
EBITDA lease adj. margin (%)	*30.9*	*26.9*	*22.3*	*25.1*	*25.7*	*24.9*	*32.6*	*29.1*	*31.1*	*30.7*
EBITA adj.	3,667	2,049	2,010	2,852	3,195	3,690	6,244	5,869	6,564	6,307
EBITA adj. margin (%)	*21.5*	*11.6*	*12.3*	*15.6*	*16.0*	*16.8*	*25.4*	*22.5*	*24.5*	*24.2*
EBIT adj.	3,667	2,049	2,010	2,852	3,195	3,690	6,244	5,869	6,564	6,307
EBIT adj. margin (%)	*21.5*	*11.6*	*12.3*	*15.6*	*16.0*	*16.8*	*25.4*	*22.5*	*24.5*	*24.2*
Pretax profit Adj.	3,540	2,001	1,581	2,474	2,993	4,139	5,456	5,669	6,514	6,357
Net profit Adj.	2,706	1,666	1,318	1,916	2,290	3,498	3,881	4,393	5,049	4,926
Net profit to shareholders adj.	2,706	1,666	1,318	1,916	2,290	3,498	3,881	4,393	5,049	4,926
Net adj. margin (%)	*15.9*	*9.4*	*8.1*	*10.5*	*11.5*	*15.9*	*15.8*	*16.8*	*18.8*	*18.9*

Source: ABG Sundal Collier, Company Data

Cash Flow (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
EBITDA	4,823	4,783	3,720	4,663	5,207	5,146	7,140	7,848	8,413	8,079
Net financial items	-127	-48	-429	-378	-202	449	-788	-200	-50	50
Paid tax	-713	-325	-263	-558	-703	-576	-1,295	-1,309	-1,466	-1,430
Non-cash items	-987	-152	-1,401	1,944	400	-2,220	1,147	0	0	0
Cash flow before change in WC	2,996	4,258	1,627	5,671	4,702	2,799	6,204	6,339	6,897	6,698
Change in working capital	-387	-421	645	-2,152	-622	527	-723	870	111	152

Cash Flow (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Operating cash flow	**2,609**	**3,837**	**2,272**	**3,519**	**4,080**	**3,326**	**5,481**	**7,209**	**7,008**	**6,851**
Capex tangible fixed assets	-352	-363	-408	-367	-274	-503	-547	-588	-603	-586
Capex intangible fixed assets	3,093	-104	-202	-1,525	-224	921	-64	-261	-268	-261
Acquisitions and Disposals	-10,496	0	0	0	0	-15,704	0	0	0	0
Free cash flow	**-5,146**	**3,370**	**1,662**	**1,627**	**3,582**	**-11,960**	**4,870**	**6,359**	**6,138**	**6,004**
Dividend paid	-2,384	-815	-497	-397	-576	-694	-943	-1,578	-2,019	-1,971
Share issues and buybacks	-20	-29	-34	-45	-43	-46	-20	0	0	0
Leasing liability amortisation	-67	-83	-82	-93	-89	-89	-85	0	0	0
Other non-cash items	-8,398	785	716	-529	-361	-4,356	839	-2,637	-1,947	-291

Balance Sheet (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Goodwill	5,278	4,845	5,377	5,667	5,507	7,845	7,008	7,008	7,008	7,008
Other intangible assets	20,977	17,893	17,373	16,833	15,185	33,183	28,772	30,223	30,971	30,133
Tangible fixed assets	2,198	2,277	2,423	2,515	2,499	2,721	2,533	2,714	2,924	3,141
Right-of-use asset	476	456	484	427	382	461	406	431	442	430
Total other fixed assets	166	453	384	598	545	440	552	552	552	552
Fixed assets	29,095	25,924	26,041	26,040	24,118	44,650	39,271	40,928	41,897	41,264
Inventories	2,204	2,163	3,031	4,046	4,427	3,983	4,473	4,358	4,333	4,084
Receivables	3,822	4,018	3,302	3,818	3,852	4,363	4,877	4,905	5,028	4,890
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	3,012	3,924	2,279	3,548	5,010	4,664	3,433	8,214	12,332	16,365
Total assets	**38,133**	**36,029**	**34,653**	**37,452**	**37,407**	**57,660**	**52,054**	**58,405**	**63,590**	**66,603**
Shareholders equity	16,782	16,973	18,279	20,779	22,045	25,010	24,903	27,834	30,863	33,819
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	**16,782**	**16,973**	**18,279**	**20,779**	**22,045**	**25,010**	**24,903**	**27,834**	**30,863**	**33,819**
Long-term debt	7,062	5,397	4,783	5,096	3,714	16,174	11,185	13,822	15,769	16,061
Pension debt	295	288	288	213	216	223	188	188	188	188
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	516	493	539	483	437	519	469	469	469	469
Total other long-term liabilities	3,277	2,943	2,032	2,770	3,091	7,236	6,530	6,530	6,530	6,530
Short-term debt	2,000	2,000	0	0	0	0	0	0	0	0
Accounts payable	7,097	6,261	7,326	6,978	6,969	7,146	7,566	8,349	8,558	8,324
Other current liabilities	1,104	1,674	1,406	1,133	935	1,352	1,213	1,213	1,213	1,213
Total liabilities and equity	**38,133**	**36,029**	**34,653**	**37,452**	**37,407**	**57,660**	**52,054**	**58,405**	**63,590**	**66,603**
Net IB debt	6,695	3,801	2,947	1,646	-1,188	11,812	7,857	5,713	3,542	-200
Net IB debt excl. pension debt	6,400	3,513	2,659	1,433	-1,404	11,589	7,669	5,525	3,354	-388
Net IB debt excl. leasing	6,179	3,308	2,408	1,163	-1,625	11,293	7,388	5,244	3,073	-669
Capital employed	26,655	25,151	23,889	26,571	26,412	41,926	36,745	42,313	47,290	50,537
Capital invested	23,477	20,774	21,226	22,425	20,857	36,822	32,760	33,547	34,406	33,620
Working capital	-2,175	-1,754	-2,399	-247	375	-152	571	-299	-410	-562
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	8,460	8,460	8,460	42,299	42,299	42,299	42,299	42,299	42,299	42,299
Net IB debt adj.	6,695	3,801	2,947	1,646	-1,188	11,812	7,857	5,713	3,542	-200
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	**15,155**	**12,261**	**11,407**	**43,945**	**41,111**	**54,111**	**50,156**	**48,012**	**45,841**	**42,099**
Total assets turnover (%)	53.5	47.7	46.1	50.6	53.2	46.3	44.9	47.3	43.9	40.0
Working capital/sales (%)	-13.9	-11.1	-12.7	-7.3	0.3	0.5	0.9	0.5	-1.3	-1.9
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	39.9	22.4	16.1	7.9	-5.4	47.2	31.6	20.5	11.5	-0.6
Net debt / market cap (%)	79.1	44.9	34.8	3.9	-2.8	27.9	18.6	13.5	8.4	-0.5
Equity ratio (%)	44.0	47.1	52.7	55.5	58.9	43.4	47.8	47.7	48.5	50.8
Net IB debt adj. / equity (%)	39.9	22.4	16.1	7.9	-5.4	47.2	31.6	20.5	11.5	-0.6
Current ratio	0.89	1.02	0.99	1.41	1.68	1.53	1.46	1.83	2.22	2.66
EBITDA/net interest	38.0	99.6	8.7	12.3	25.8	11.5	9.1	39.2	168.3	161.6
Net IB debt/EBITDA (x)	1.4	0.8	0.8	0.4	-0.2	2.3	1.1	0.7	0.4	-0.0
Net IB debt/EBITDA lease adj. (x)	1.2	0.7	0.7	0.3	-0.3	2.1	0.9	0.7	0.4	-0.1
Interest coverage	16.1	7.0	4.6	5.9	11.1	17.8	5.5	24.3	66.1	--

Source: ABG Sundal Collier, Company Data

Share Data (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Actual shares outstanding	199	199	199	996	996	996	996	996	996	996
Actual shares outstanding (avg)	199	199	199	996	996	996	996	996	996	996

Share Data (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
All additional shares	0	0	0	797	0	0	0	0	0	0
Issue month	0.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	4.09	2.50	1.99	0.58	0.70	0.95	1.59	2.03	0.00	-
Reported earnings per share	-	-	-	-	-	-	-	-	-	-

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (DKKm)	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Shares outstanding adj.	199	199	199	996	996	996	996	996	996	996
Diluted shares adj.	199	199	199	996	996	996	996	996	996	996
EPS	11.61	8.12	6.62	1.92	2.30	3.16	3.21	4.53	5.07	4.95
Dividend per share	4.09	2.50	1.99	0.58	0.70	0.95	1.59	2.03	0.00	-
EPS adj.	13.59	8.37	6.62	1.92	2.30	3.51	3.90	4.41	5.07	4.95
BVPS	84.26	85.23	91.79	20.87	22.14	25.12	25.01	27.95	31.00	33.96
BVPS adj.	-47.57	-28.95	-22.45	-1.73	1.36	-16.09	-10.92	-9.44	-7.15	-3.34
Net IB debt/share	33.62	19.09	14.80	1.65	-1.19	11.86	7.89	5.74	3.56	-0.20
Share price	42.48	42.48	42.48	42.48	42.48	42.48	42.48	42.48	42.48	42.48
Market cap. (m)	8,459	8,460	8,460	42,299	42,299	42,299	42,299	42,299	42,299	42,299
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	3.7	5.2	6.4	22.1	18.5	13.5	13.3	9.4	8.4	8.6
EV/sales (x)	0.9	0.7	0.7	2.4	2.1	2.5	2.0	1.8	1.7	1.6
EV/EBITDA (x)	3.1	2.6	3.1	9.4	7.9	10.5	7.0	6.1	5.4	5.2
EV/EBITA (x)	4.8	6.2	5.7	15.4	12.9	16.5	9.5	8.0	7.0	6.7
EV/EBIT (x)	4.8	6.2	5.7	15.4	12.9	16.5	9.5	8.0	7.0	6.7
Dividend yield (%)	9.6	5.9	4.7	1.4	1.6	2.2	3.7	4.8	0.0	0.0
FCF yield (%)	-60.8	39.8	19.6	3.8	8.5	-28.3	11.5	15.0	14.5	14.2
Le. adj. FCF yld. (%)	-61.6	38.9	18.7	3.6	8.3	-28.5	11.3	15.0	14.5	14.2
P/BVPS (x)	0.50	0.50	0.46	2.04	1.92	1.69	1.70	1.52	1.37	1.25
P/BVPS adj. (x)	0.75	0.71	0.67	2.84	2.60	2.59	2.45	2.06	1.80	1.60
P/E adj. (x)	3.1	5.1	6.4	22.1	18.5	12.1	10.9	9.6	8.4	8.6
EV/EBITDA adj. (x)	2.8	2.5	3.1	9.4	7.9	9.7	6.2	6.2	5.4	5.2
EV/EBITA adj. (x)	4.1	6.0	5.7	15.4	12.9	14.7	8.0	8.2	7.0	6.7
EV/EBIT adj. (x)	4.1	6.0	5.7	15.4	12.9	14.7	8.0	8.2	7.0	6.7
EV/CE (x)	0.6	0.5	0.5	1.7	1.6	1.3	1.4	1.1	1.0	0.8
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	16.1	2.6	3.7	10.4	2.5	1.9	2.5	3.3	3.3	3.3
Capex/depreciation	-1.7	0.2	0.4	1.1	0.3	-0.2	0.3	0.5	0.5	0.5
Capex tangibles / tangible fixed assets	16.0	15.9	16.8	14.6	11.0	18.5	21.6	21.7	20.6	18.7
Capex intangibles / definite intangibles	1,262.4	39.8	73.2	625.0	79.4	114.6	10.4	79.7	81.7	79.5
Depreciation on intang / def. intang	563.3	942.1	496.0	595.1	579.1	187.2	241.5	441.4	447.2	423.8
Depreciation on tangibles / tangibles	10.0	10.9	10.6	10.7	11.6	10.4	11.6	10.8	10.0	9.3

Source: ABG Sundal Collier, Company Data

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	Research Coverage	Investment Banking Clients (IBC)	
	% of	% of	% of
Total of Rating	Total Rating	Total IBC	Total Rating by Type
BUY	60.90%	31%	12.06%
HOLD	34.12%	2%	1.39%
SELL	3.79%	1%	6.25%

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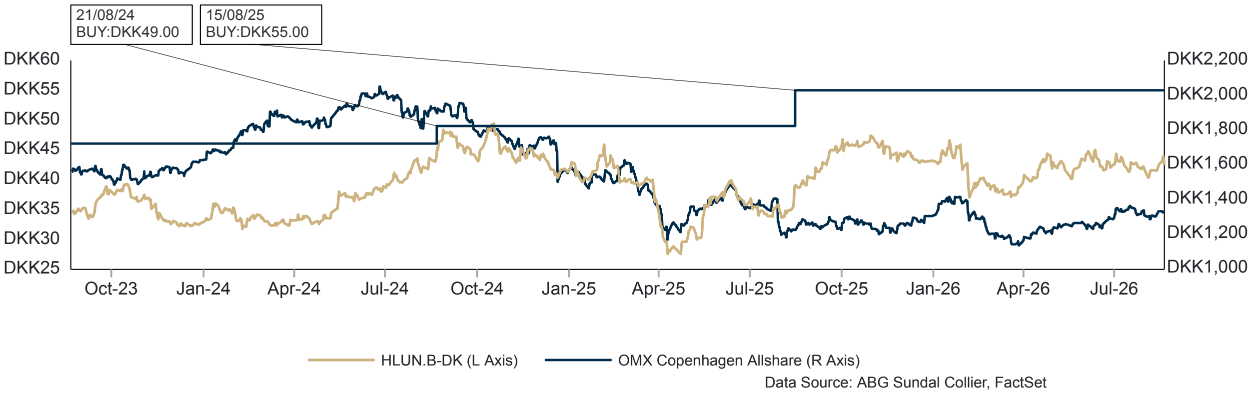
Stock price, company ratings and target price history

Company: Lundbeck **Currency:** DKK **Current Recommendation:** BUY
Date: 19/8/2026 **Current Target price:** 55.00
Current Share price: 42.48



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Production of recommendation: 8/20/2026 05:54.

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