

ALK reports Q2 revenue up 17%, EBITDA up 123%, and full-year outlook upgraded

Performance in Q2 was better than expected with double-digit growth in all regions and ALK reported its best-ever Q2 results. Total revenue was up 17% led by sales growth from tablets and Jext[®]. In Europe, ALK's largest region, sales were up 14% and bounced back strongly after the COVID-led headwinds of Q1. Operating profit (EBITDA) increased 123% on sales growth and improved gross margin. Based on the strong sales momentum, ALK has upgraded its financial outlook for 2022.

Q2 2022 financial highlights

- ▶ Total revenue was up 17% in local currencies to DKK 1,045 million (868). Currencies had a positive effect of 3 percentage points, resulting in reported growth of 20%. Revenue for the first six months was up 14% in local currencies (16% reported growth) with tablet sales growth of 21%.
- ▶ Tablet sales grew 18% to DKK 480 million (401) on increasing uptake in Europe, where sales were up 21%. Global growth was softened by the phasing of product shipments to Japan.
- ▶ Combined SCIT and SLIT-drops sales grew 4% on the recovery in Europe and higher revenue from China, while sales of other products grew due to significantly improved Jext[®] sales.
- ▶ Gross margin improved to 61% (58) primarily on sales growth and efficiencies.
- ▶ Operating profit (EBITDA) increased 123% in reported currency to DKK 107 million (48), on strong sales growth and improved gross margin, while R&D and sales and marketing expenses were largely as planned. EBITDA for the first six months was up 38% at DKK 379 million (274).

Key events and strategic progress

ALK continued to make good progress on its strategic priorities and remained resilient to other challenges. In Q2:

- ▶ ALK initiated a Phase I clinical trial with its SLIT-tablet for the treatment of peanut allergy. The trial will assess the tolerability and safety of dosing with a SLIT-tablet against peanut allergy taken once daily.
- ▶ ALK's two pivotal, Phase III paediatric trials of its house dust mite and tree tablets remain on course for completion in 2023.
- ▶ ALK signed an expanded agreement with contract manufacturer Catalent, which secures long-term manufacturing capacity for the SLIT-tablet portfolio to accommodate ALK's strategic growth ambitions towards 2030.

2022 financial outlook

As announced on 4 August 2022, based on a strong sales momentum and the outlook for the remainder of the year, ALK has upgraded its full-year outlook:

- ▶ Revenue is now expected to grow 10-13% in local currencies (previously: 8-12%).
- ▶ EBITDA is now expected to increase to DKK 675-750 million (previously: 625-725).

Hørsholm, 11 August 2022

ALK-Abelló A/S

Comparative figures for 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated

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Today, ALK is hosting a conference call for analysts and investors at 1.30 p.m. (CEST) at which Management will review the financial results and the outlook. The conference call will be audio cast on <https://ir.alk.net> where the relevant presentation is available shortly before the call begins. Please call in before 1.25 p.m. (CEST). Danish participants should call in on tel. +45 7877 4197 and international participants should call in on tel. +44 808 101 1183 or +1 785 424 1226. Please use the Participant Pin Code: 35630#

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE ALK GROUP

Amounts in DKKm	H1 2022	H1 2021	Q2 2022	Q2 2021	Full year 2021
Income statement					
Revenue	2,200	1,889	1,045	868	3,916
Operating profit before depreciation (EBITDA)	379	274	107	48	534
Operating profit/(loss) (EBIT)	264	158	49	(8)	292
Net financial items	9	(7)	7	(13)	(13)
Profit/(loss) before tax (EBT)	273	151	56	(21)	279
Net profit/(loss)	205	106	42	(21)	219
Average number of employees (FTE)	2,587	2,469	2,617	2,481	2,492
Balance sheet					
Total assets	6,207	5,575	6,207	5,575	5,830
Invested capital	3,155	2,803	3,155	2,803	2,931
Equity	3,786	3,249	3,786	3,249	3,480
Cash flow and investments					
Depreciations, amortisation and impairment	115	116	58	56	242
Cash flow from operating activities	236	211	145	84	468
Cash flow from investing activities	(143)	(83)	(90)	(42)	(266)
- of which investment in intangible assets	(18)	(11)	(10)	(4)	(45)
- of which investment in tangible assets	(129)	(69)	(82)	(38)	(218)
Free cash flow	93	128	55	42	202
Information on shares					
Share capital	111	111	111	111	111
Shares in thousands of DKK 0.5 each *	222,824	222,824	222,824	222,824	222,824
Share price, end of period *	123	150	123	150	172
Net asset value per share *	17	15	17	15	16
Key figures					
Gross margin – %	63	60	61	58	61
EBITDA margin – %	17	15	10	6	14
Equity ratio – %	61	58	61	58	60
Earnings per share (EPS) *	0.93	0.49	0.19	(0.10)	1.00
Earnings per share (DEPS), diluted *	0.93	0.48	0.19	(0.10)	0.99
Share price/Net asset value *	7.3	10.3	7.3	10.3	11.0

* In March 2022, ALK-Abelló A/S has completed a share split at a ratio of 1:20, each existing share of a nominal value of DKK 10 has been split into 20 new shares of a nominal value of DKK 0.50 each. The company's share capital remains DKK 111,411,960. As a result of the share split, comparison figures for EPS, DEPS, share price, share number, net asset value per share and Share price/Net asset ratio have been restated accordingly.

INCOME STATEMENT

Q2 2022	%	Q2 2021	%	Amounts in DKKm	H1 2022	%	H1 2021	%
1,045	100	868	100	Revenue	2,200	100	1,889	100
404	39	362	42	Cost of sales	820	37	753	40
641	61	506	58	Gross profit	1,380	63	1,136	60
162	16	172	20	Research and development expenses	319	15	305	16
430	41	343	39	Sales, marketing and administrative expenses	797	36	674	36
-	-	1	0	Other operating income and expenses	-	-	1	0
49	4	(8)	(1)	Operating profit/(loss) (EBIT)	264	12	158	8
7	1	(13)	(1)	Net financial items	9	0	(7)	(0)
56	5	(21)	(2)	Profit/(loss) before tax (EBT)	273	12	151	8
14	1	-	-	Tax on profit	68	3	45	2
42	4	(21)	(2)	Net profit/(loss)	205	9	106	6
107	10	48	6	Operating profit before depreciation and amortisation (EBITDA)	379	17	274	15

PROGRESS ON THE STRATEGIC PRIORITIES

ALK continued to advance the work on its strategic priorities in Q2 – succeed in North America, complete and commercialise the tablet portfolio, consumer engagement and new horizons, and optimise for excellence:

In North America, long-established market barriers remain a challenge for the adoption of tablets in the USA, however, ALK remains committed to working with prescribers and to engaging digitally with consumers, in order to mobilise allergy patients, and to drive tablet sales. ALK is also working to secure paediatric and adolescent indications for ACARIZAX[®]/ODACTRA[®]. In addition, ALK continues to assess new business models for its tablets in the USA.

Clinical development of the tablet portfolio continued, and ALK's two pivotal, Phase III paediatric trials remain on course for completion in 2023. The paediatric Phase III trial in allergic rhinitis in Europe and North America for the house dust mite tablet includes a number of participants from Ukraine and Russia. Patient recruitment was completed earlier this year and the number of patient dropouts has been minimal. The same is true for the paediatric Phase III trial of the tree pollen tablet in Europe and Canada, which has no Ukraine-based participants, but does have some in Russia. This trial has now completed randomisation of its first cohort of patients and begun screening for the second cohort.

In China, following the clinical trial waiver secured in Q1, ALK continued its preparations ahead of a regulatory submission of a Biologics Licence

Application (BLA) for the house dust mite tablet. The submission is still expected in late 2022.

As previously reported, the paediatric Phase III trial of ALK's house dust mite tablet in allergic asthma was affected by a significant reduction in the frequency of asthma exacerbations during COVID versus pre-pandemic levels. Following dialogue with authorities, ALK has decided to end the trial. Next step will be to analyse and report the study results.

Initiatives on the 'New horizons' priority progressed well, and in Q2 ALK launched a Phase I trial of its peanut allergy tablet. The trial, which takes place in North America, will assess the tolerability and safety of dosing with a SLIT-tablet against peanut allergy taken once daily, and has an expected completion date in 2023. Meanwhile, work continued on the two parallel adrenaline auto-injector (AAI) projects – one in-house, and one in partnership with Windgap – as they advance towards a planned submission to the US FDA in 2024.

In Q2, ALK continued to develop and leverage its digital ecosystem for consumers, patients and healthcare professionals and is using its behavioural analysis tool with the intent of identifying and prioritising consumers most likely to be suitable for, and to seek, allergy immunotherapy treatment. In addition, Q2 saw new launches of the klarify digital engagement ecosystem in Austria, Czechia, Slovakia and Switzerland and a strong increase in the number of mobilised consumers, illustrating the continuing demand for ALK's consumer-focused engagement efforts.

ALK also signed an expanded agreement with contract manufacturer Catalent, which secures long-term manufacturing capacity for the SLIT-tablet portfolio to accommodate ALK's strategic growth ambitions towards 2030. Under the agreement, ALK will make payments to Catalent over the next 12 months totalling USD 19 million, which will be set against future royalty payments for the use of Catalent's Zydis™ tablet formulation technology.

Q2 SALES AND MARKET TRENDS

(Comparative figures for Q2 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

Revenue by geography

DKKm	Q2 2022	Growth*	Share of revenue	Q2 2021
Europe	713	14%	68%	621
North America	217	19%	21%	161
Int'l markets	115	30%	11%	86
Revenue	1,045	17%	100%	868

* In local currencies

Europe

Revenue in Europe was up 14% to DKK 713 million (621). With 21% growth, the tablet portfolio continued to be the main driver of growth, mainly driven by GRAZAX® and ITULAZAX®. This was largely on the back of strong sales in key markets as they recovered from the COVID-led disruption seen in Q1 allowing visits to allergy clinics to return to normal in May and June.

Combined sales of SCIT and SLIT-drops also improved and were unchanged at DKK 267 million (267). In general, clinics across Europe returned to 'business as usual' during the quarter, although in France, sales were affected by the knock-on effect of the Q1 COVID resurgence, which restricted the ability of some allergy patients to visit clinics. This, in turn, reduced the number of new patients initiated onto treatments at the start of the year, and hence, the number of maintenance prescriptions seen in Q2. The distribution and release issue with some of ALK's SCIT venom products has now been resolved and supply is now being re-established.

Sales of other products were up 54% on increased Jext® sales, as replacement rates for Jext® pens returned to normal, while intermittent supply issues for competing products, boosted sales further.

Revenue growth in Europe was once again led by the important markets of Central and Northern Europe, which recorded double-digit sales increases. In Germany, ALK continues to increase its capture rate of new allergy immunotherapy prescriptions.

North America

Revenue in North America was up 19% in local currencies to DKK 217 million (161). Tablet sales

increased 19%, driven equally by the USA and Canada.

Meanwhile, sales growth of bulk SCIT was 6% and was also up versus Q1. Sales of other products increased by 35%, as sales of diagnostic products and non-allergy-related life science products grew strongly.

International markets

Revenue from International markets was up 30% to DKK 115 million (86), helped by shipments of SCIT products to China. Tablet revenue was up 5% and was as expected impacted by the phasing of product shipments to Japan. In-market sales growth continued to be strong in the International region's main markets of Japan and China, despite both saw COVID-related lockdowns in Q2. In Japan, this restricted patient access to allergy clinics generally, while in China, the effect was more localised to specific cities. In addition, ALK made an agreement with Torii for the Japanese development and licensing of a skin prick diagnostic test, which resulted in a minor one-off payment to ALK, which has been recognised under 'other products'.

Global revenue by product line

DKKm	Q2 2022	Growth*	Share of revenue	Q2 2021
SCIT and SLIT-drops	380	4%	36%	351
SLIT-tablets	480	18%	46%	401
Other products and services	185	50%	18%	116
Revenue	1,045	17%	100%	868

* In local currencies

6M FINANCIAL REVIEW

(Comparative figures for 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

6M revenue increased by 14% in local currencies to DKK 2,200 million (1,889). Exchange rate fluctuations increased reported revenue growth for the first half year by 2 percentage points.

Cost of sales increased 6% in local currencies to DKK 820 million (753). The gross profit of DKK 1,380 million (1,136) yielded an improved gross margin of 63% (60%), mainly reflecting increasing tablet sales and production efficiencies – although the gross margin was reduced somewhat by increased shipments to Torii in Japan, which yield lower gross margins. ALK continues to see significant costs for compliance efforts to secure robustness in product supply, as well as the implementation of the product and site strategy.

Capacity costs increased 11% in local currencies to DKK 1,116 million (979). As planned, R&D expenses

were slightly above the level of 2021, reflecting ongoing clinical trial activities. Sales and marketing expenses increased by 13% in local currencies, and reflected investments in market expansion in China, a generally high activity level including medical events and congresses, and restructuring costs associated with closing down activities in Turkey due to unsustainable market conditions for ALK's product portfolio. Administrative expenses increased mainly due to organisational development activities.

EBITDA (operating profit before depreciation and amortisation) increased 38% in reported currency to DKK 379 million (274), driven by the higher sales and improved gross margin. Exchange rates had only a minor effect on operating profit. ALK's exposure to Russia and Ukraine and the ongoing inflationary pressures remained limited.

Net financials were a gain of DKK 9 million (a loss of 7). **Tax on the profit** totalled DKK 68 million (45), and **net profit** increased 93% in reported currencies to DKK 205 million (106).

Cash flow from operating activities was DKK 236 million (211) driven by higher earnings which were partly offset by changes in working capital due to the timing of payments. **Cash flow from investment activities** was DKK minus 143 million (minus 83), on the build-up of additional capacity for SLIT-tablet production, upgrades to legacy production, and investments for the in-house next generation adrenaline auto-injector, currently in development. **Free cash flow** was positive at DKK 93 million (128).

Cash flow from financing activities was DKK minus 90 million (minus 225), mainly relating to the repayment of borrowings.

At the end of June, ALK held 2,252,066 of its **own shares**, or 1.0% of the share capital, versus 1.3% at the end of 2021, and 1.5% at the end of June 2021.

Following the Annual General Meeting in March 2022, ALK completed a share split at a ratio of 1:20, so that each existing share, with a nominal value of DKK 10, was split into 20 new shares with a nominal value of DKK 0.50 each. Following the share split, the company's share capital of DKK 111,411,960 was divided into 18,415,200 A shares, 1,841,520 AA shares and 202,567,200 B shares, each having a nominal value of DKK 0.50.

Equity totalled DKK 3,786 million (3,249) at the end of June, and the equity ratio was 61% (58%).

Outlook for 2022

Based on a strong sales momentum and the outlook for the remainder of the year, ALK has upgraded its full-year outlook:

- ▶ Revenue is now expected to grow 10-13% in local currencies (previously: 8-12%) with tablet sales up by 20% or more (previously: approximately 20%) and a stronger than expected performance of the non-tablet portfolio.
- ▶ EBITDA is now expected to increase to DKK 675-750 million (previously: 625-725) primarily on the improved sales outlook.

The updated financial outlook is based on the following assumptions:

Revenue

Revenue growth is expected to be broad-based across all sales regions. The mid-point of the projected revenue range assumes that sales in Europe will now increase by approximately 10% (previously: high-single digit). Sales growth in North America is still expected at around 10%, and growth in International markets is still expected to exceed 10%.

Tablets remain key to growth, and ALK now expects global sales growth of 20% or more in 2022. In addition, ALK expects mid single-digit growth (previously: low single-digit) from the remaining non-tablet portfolio, mainly driven by SCIT products and the adrenaline auto-injector, Jexti[®].

The higher end of the revenue range assumes continued strong revenue growth, especially in Europe, with tablets leading the way, as well as improved sales of legacy products. The lower end of the range incorporates pricing pressures, particularly in selected markets in Europe, further negative effects from COVID, and/or impact from inability to meet market demand for certain legacy products in North America.

Margins

The gross margin is still expected to improve by 1-2 percentage points from 61% in 2021, driven by efficiencies and higher sales – especially from tablets.

Capacity costs

R&D costs are still expected at DKK 650-700 million. Sales and marketing costs are still expected to increase, reflecting investments in current and future growth drivers, including China. The ratio to revenue is still expected to improve versus 2021.

Other assumptions

- ▶ The outlook assumes that COVID will not affect home-based tablet treatments, and that patients in general will remain able and willing to visit healthcare professionals without significant limitations, although fluctuations may occur in some markets.

- ▶ CAPEX is still projected at around DKK 400 million, and free cash flow is now expected to be around DKK zero, influenced by strategic investments and changes in working capital, including timing of payments. The one-off repayment of up to DKK 175 million in accrued rebates, anticipated in the annual report as due for payment in 2022, is now only expected to be paid partially in 2022.
- ▶ The impact from the ongoing inflationary pressure on gross margin and capacity costs is projected to be modest in 2022.
- ▶ The outlook does not include any revenue from acquisitions, new partnerships or the in-licensing of adjacent products and services, nor does it include any sizeable payments related to M&As or in-licensing activities.
- ▶ The outlook is based on current exchange rates, resulting in a positive effect of approximately 2 percentage points on reported revenue growth and an immaterial effect on reported EBITDA.

RISK FACTORS

This interim report contains forward-looking statements, including forecasts of future revenue, operating profit and cash flow, as well as expected business-related events. Such statements are, by their very nature, subject to risks and uncertainties, as various factors, some of which are beyond the control of ALK, may cause actual results and performance to differ materially from the forecasts made in this report. Without being exhaustive, such factors include, e.g., consequences of the global COVID pandemic, general economic and business-related conditions, including: legal issues, uncertainty relating to demand, pricing, reimbursement rules, partners' plans and forecasts, fluctuations in exchange rates, competitive factors and reliance on suppliers. Additional factors include the risks associated with the sourcing and manufacturing of ALK's products as well as the potential for side effects from the use of ALK's existing and future products, as allergy immunotherapy may be associated with allergic reactions of differing extents, durations and severities.

Financial calendar

Silent period 13 October 2022
Nine-month interim report (Q3) 2022 10 November 2022

R&D PIPELINE STATUS

ALK aims to globalise a portfolio of SLIT-tablets for all relevant ages, covering five of the most common respiratory allergies: house dust mite, grass, tree, ragweed and Japanese cedar and the most common food allergy.

	Phase I	Phase II	Phase III	Filing	Marketed
GRAZAX® / GRASTEK® Europe, North America & International markets Adults and children – Allergic rhinitis (grass)					2007-17
RAGWIZAX® / RAGWITEK® Europe, North America & International markets Adults and children – Allergic rhinitis (ragweed)					2014-21
ACARIZAX® Europe & International markets Adults – Allergic rhinitis and allergic asthma (HDM) Adolescents – Allergic rhinitis (HDM)					2016-21
ACARIZAX® / ODACTRA® North America Adults – Allergic rhinitis (HDM)					2017-18
MITICURE™ Japan* Adults and children – Allergic rhinitis (HDM)					2015-18
ACARIZAX® China Adults – Allergic rhinitis (HDM)					
ACARIZAX® / ODACTRA® Europe & North America Children – Allergic asthma (HDM)					
ACARIZAX® / ODACTRA® Europe & North America Children – Allergic rhinitis (HDM)					
ODACTRA® North America Adolescents – Allergic rhinitis (HDM)					
CEDARCURE™ Japan* Adults and children – Allergic rhinitis (Japanese cedar)					2018
ITULAZAX® / ITULATEK™ Europe & Canada Adults – Allergic rhinitis (tree: birch family)					2019-20
ITULAZAX® / ITULATEK™ Europe & Canada Children – Allergic rhinitis (tree: birch family)					
Peanut SLIT-tablet North America & Europe Adults, adolescents and children – food allergy (accidental peanut exposure)					

* Licensed to Torii for Japan

STATEMENT BY MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 30 June 2022. The interim report has not been audited or reviewed by the company's independent auditor.

The consolidated interim report has been prepared in accordance with IAS 34 'Interim financial reporting' and additional Danish disclosure requirements for the presentation of quarterly interim reports by listed companies.

In our opinion, the interim report gives a true and fair view of the ALK Group's assets, equity and liabilities, financial position, results of operations and cash flow for the period 1 January to 30 June 2022. We further consider that the Management review in the preceding pages gives a true and fair statement of the development in the ALK Group's activities and business, the profit for the period and the ALK Group's financial position as a whole, and a description of the most significant risks and uncertainties to which the ALK Group is subject. Besides what has been disclosed in the interim report, no changes in the ALK Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated annual report 2021.

Hørsholm, 11 August 2022

Board of Management

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President & CEO

Henrik Jacobi
Executive Vice President
Research & Development

Søren Jelert
CFO & Executive Vice President

Søren Daniel Niegel
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Bertil Lindmark

Alan Main

Jakob Riis

Johan Smedsrud

INCOME STATEMENT FOR THE ALK GROUP

Q2 2022	Q2 2021	Amounts in DKKm	H1 2022	H1 2021
1,045	868	Revenue	2,200	1,889
404	362	Cost of sales	820	753
641	506	Gross profit	1,380	1,136
162	172	Research and development expenses	319	305
358	291	Sales and marketing expenses	664	568
72	52	Administrative expenses	133	106
-	1	Other operating items, net	-	1
49	(8)	Operating profit/(loss) (EBIT)	264	158
7	(13)	Net financial items	9	(7)
56	(21)	Profit/(loss) before tax (EBT)	273	151
14	-	Tax on profit	68	45
42	(21)	Net profit/(loss)	205	106
		Earnings per share (EPS)		
0.19	(0.10)	Earnings per share (EPS)	0.93	0.49
0.19	(0.10)	Earnings per share (DEPS), diluted	0.93	0.48

In March 2022, ALK-Abelló A/S has completed a share split at a ratio of 1:20, each existing share of a nominal value of DKK 10 has been split into 20 new shares of a nominal value of DKK 0.50 each. The company's share capital remains DKK 111,411,960. As a result of the share split, comparison figures for EPS and DEPS have been restated accordingly.

STATEMENT OF COMPREHENSIVE INCOME

Q2 2022	Q2 2021	Amounts in DKKm	H1 2022	H1 2021
42	(21)	Net profit/(loss)	205	106
		Other comprehensive income		
		<i>Items that will subsequently be reclassified to the income statement, when specific conditions are met:</i>		
69	(13)	Foreign currency translation adjustment of foreign affiliates	93	32
111	(34)	Total comprehensive income	298	138

CASH FLOW STATEMENT FOR THE ALK GROUP

Amounts in DKKm	H1 2022	H1 2021
Net profit	205	106
Adjustments for non-cash items (note 3)	189	210
Changes in working capital	(83)	(5)
Financial income, received	2	-
Financial expenses, paid	(8)	(16)
Income taxes, paid (net)	(69)	(84)
Cash flow from operating activities	236	211
Investments in intangible assets	(18)	(11)
Investments in tangible assets	(129)	(69)
Investments in other financial assets	4	(3)
Cash flow from investing activities	(143)	(83)
Free cash flow	93	128
Sale of treasury shares	19	17
Exercised share options, paid	(10)	(71)
Repayment of lease liabilities	(16)	(13)
Proceeds from borrowings	-	297
Repayment of borrowings	(83)	(455)
Cash flow from financing activities	(90)	(225)
Net cash flow	3	(97)
Cash beginning of year	194	298
Unrealised gains/(losses) on cash held in foreign currency and financial assets carried as cash	4	2
Net cash flow	3	(97)
Cash end of period	201	203

The consolidated statement of cash flow is compiled using the indirect method. As a result, the individual figures in the cash flow statement cannot be reconciled directly to the income statement and the balance sheet.

BALANCE SHEET - ASSETS FOR THE ALK GROUP

Amounts in DKKm	30 Jun 2022	30 Jun 2021	31 Dec 2021
Non-current assets			
Intangible assets			
Goodwill	462	454	457
Other intangible assets	169	164	165
	631	618	622
Tangible assets			
Land and buildings	1,006	946	958
Plant and machinery	447	458	451
Other fixtures and equipment	79	72	80
Property, plant and equipment in progress	407	229	325
	1,939	1,705	1,814
Other non-current assets			
Receivables	27	33	29
Deferred tax assets	771	747	790
Income tax receivables	181	162	172
	979	942	991
Total non-current assets	3,549	3,265	3,427
Current assets			
Inventories	1,261	1,152	1,204
Trade receivables	727	525	583
Receivables from group companies	47	20	12
Income tax receivables	40	47	14
Other receivables	69	67	82
Prepayments	313	296	314
Cash	201	203	194
Total current assets	2,658	2,310	2,403
Total assets	6,207	5,575	5,830

BALANCE SHEET - EQUITY AND LIABILITIES FOR THE ALK GROUP

Amounts in DKKm	30 Jun 2022	30 Jun 2021	31 Dec 2021
Equity			
Share capital	111	111	111
Currency translation adjustment	52	(93)	(41)
Retained earnings	3,623	3,231	3,410
Total equity	3,786	3,249	3,480
Liabilities			
Non-current liabilities			
Mortgage debt	212	231	222
Pensions and similar liabilities	330	349	324
Lease liabilities	227	202	207
Deferred tax liabilities	1	-	1
Deferred income	50	-	42
Income taxes	169	152	169
	989	934	965
Current liabilities			
Mortgage debt	18	18	18
Bank loans	149	298	226
Trade payables	153	102	115
Lease liabilities	39	33	37
Deferred income	4	1	4
Provisions	2	2	12
Income taxes payables	79	37	23
Other payables	988	901	950
	1,432	1,392	1,385
Total liabilities	2,421	2,326	2,350
Total equity and liabilities	6,207	5,575	5,830

EQUITY FOR THE ALK GROUP

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2022	111	(41)	3,410	3,480
Net profit	-	-	205	205
Other comprehensive income	-	93	-	93
Total comprehensive income	-	93	205	298
Share-based payments	-	-	13	13
Share options settled	-	-	(10)	(10)
Sale of treasury shares	-	-	19	19
Tax related to items recognised directly in equity	-	-	(14)	(14)
Other transactions	-	-	8	8
Equity at 30 June 2022	111	52	3,623	3,786
Equity at 1 January 2021	111	(125)	3,167	3,153
Net profit	-	-	106	106
Other comprehensive income	-	32	-	32
Total comprehensive income	-	32	106	138
Share-based payments	-	-	17	17
Share options settled	-	-	(71)	(71)
Sale of treasury shares	-	-	17	17
Tax related to items recognised directly in equity	-	-	(5)	(5)
Other transactions	-	-	(42)	(42)
Equity at 30 June 2021	111	(93)	3,231	3,249

NOTES

1 ACCOUNTING POLICIES

This non-audited interim report for the first six months of 2022 has been prepared in accordance with IAS 34 and the additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report for the first six months of 2022 follows the same accounting policies as the annual report for 2021, except for new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2022. These IFRSs have not had any impact on the Group's interim report.

2 REVENUE AND SEGMENT INFORMATION

Amounts in DKKm	Europe		North America		International Markets		Total	
	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021
SCIT/SLIT-drops	593	614	165	142	71	28	829	784
SLIT-tablets	784	662	78	58	201	147	1,063	867
Other products and services	127	98	160	121	21	19	308	238
Total revenue	1,504	1,374	403	321	293	194	2,200	1,889
Sale of goods							2,151	1,855
Royalties							42	34
Services							7	-
Total revenue							2,200	1,889

Growth, H1 2022	Europe		North America		International Markets		Total	
	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth
SCIT/SLIT-drops	-4%	-3%	5%	16%	139%	154%	3%	6%
SLIT-tablets	18%	18%	22%	34%	36%	37%	21%	23%
Other products and services	28%	30%	20%	32%	3%	11%	22%	29%
Total revenue	9%	9%	14%	26%	48%	51%	14%	16%

Geographical markets (based on customer location):

- o Europe comprises the EU, the UK, Norway and Switzerland
- o North America comprises the USA and Canada
- o International Markets comprise Japan, China and all other countries

NOTES

2 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Amounts in DKKm	Europe		North America		International Markets		Total	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
SCIT/SLIT-drops	267	267	86	71	27	13	380	351
SLIT-tablets	366	302	41	31	73	68	480	401
Other products and services	80	52	90	59	15	5	185	116
Total revenue	713	621	217	161	115	86	1,045	868
Sale of goods							1,017	850
Royalties							21	18
Services							7	-
Total revenue							1,045	868

Growth, Q2 2022	Europe		North America		International Markets		Total	
	Growth local currencies	Growth						
SCIT/SLIT-drops	-1%	0%	6%	21%	93%	108%	4%	8%
SLIT-tablets	21%	21%	19%	32%	5%	7%	18%	20%
Other products and services	54%	54%	35%	53%	206%	200%	50%	59%
Total revenue	14%	15%	19%	35%	30%	34%	17%	20%

Geographical markets (based on customer location):

- o Europe comprises the EU, the UK, Norway and Switzerland
- o North America comprises the USA and Canada
- o International markets comprise Japan, China and all other countries

3 ADJUSTMENTS FOR NON-CASH ITEMS

Amounts in DKKm	H1 2022	H1 2021
Tax on profit	68	45
Financial income and expenses	(9)	7
Share-based payments	13	17
Depreciation, amortisation and impairment	115	116
Other adjustments	2	25
Total	189	210