



Six-month interim report (Q2) 2021

August 11, 2021

Bemærk venligst, at rapporten udelukkende findes på engelsk

ALK reports revenue up 13% with sales growth across its portfolio, outlook updated (unaudited)

ALK's revenue growth increased during Q2 on continued strong momentum for tablet sales and a recovery in sales of legacy products. ALK saw overall revenue growth of 13% for the quarter and tablet sales growth of 23% with better than expected earnings, despite a significant, planned increase in R&D spend. Based on year-to-date results, and improved forecasts for H2, ALK has upgraded its 2021 financial outlook.

Q2 2021 financial highlights

- Total revenue was up 13% in local currencies at DKK 868 million (772). This compares against a Q2 last year that showed flat overall growth due to the negative impact of COVID, especially on legacy products. Currency effects reduced reported growth by 1 percentage point.
- Tablet sales grew by 23% to DKK 401 million (last year: 324 with 25% growth). Growth was held back slightly by the phasing of product shipments to Japan. Combined sales of SCIT and SLIT-drops increased 4%, with other products up 13%.
- Revenue growth in Europe increased to 14%, with North America up 33% and International revenue down 15% on the phasing of product shipments to Japan and China.
- Operating profit (EBITDA) was better than expected at DKK 48 million (75), reflecting an improved gross margin but also a planned DKK 69 million increase in R&D spend.
- Revenue for the first six months was up 11% with tablet sales growth of 28%, while EBITDA was almost unchanged at DKK 274 million (273). Free cash flow was positive at DKK 128 million (27) and the improvement was driven by the phasing of investments and changes to working capital.

Key events and strategic progress

ALK continues to make good progress on its strategic priorities:

- The adolescent safety clinical trial for ODACTRA[®] was completed as planned in support of a future US application to expand its use to include adolescents.
- A further 22 approvals were secured for ALK's tablet portfolio.
- ALK finalised a development and licensing agreement with Catalent on the use of a proprietary tablet formulation technology in ALK's food AIT programme.
- ALK has refinanced its loan facilities so that it now has DKK 1.5 billion in credit facilities, of which, DKK 1.2 billion is currently unused.
- After the quarter ended, ALK and China-based pharmaceutical company Grandpharma announced an agreement that will see ALK's adrenaline autoinjector, Jext[®], registered and launched in China.

2021 financial outlook

As announced on 9 August 2021, based on its H1 performance and latest forecasts for H2 2021, ALK has upgraded its full-year financial outlook especially with regards to increasing earnings to reflect an improved sales forecast, as well as cost savings and a minor adjustment to the anticipated timing of clinical development activities. As a result:

- Revenue is now expected to grow 10-12% in local currencies (previously: 9-12), to reflect an improved sales forecast.
- EBITDA is now increased to DKK 450-500 million (previously: 375-425), benefiting from the improved sales outlook, cost savings and timing of clinical development activities. ALK still expects an increased gross margin, a significant increase in R&D expenses although slightly lower than previously assumed and a gradual normalisation of sales and marketing activities compared to last year, which was affected by COVID.
- Free cash flow is now expected at ~DKK minus 100 million (previously: ~minus 200) mainly reflecting the revised earnings outlook.

Hørsholm, 11 August 2021

ALK-Abelló A/S

Comparative figures for 2020 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>. Please call in before **1.25 p.m. (CEST)**. Danish participants should call in on tel. +45 3544 5577 and international participants should call in on tel. +44 333 300 0804 or +1 631 913 1422. Please use the Participant Pin Code: 91659552#. The conference call will also be webcast live on our website, where the related presentation will be made available shortly before the call begins.

Vedhæftet fil

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