



Nine-month interim report (Q3) 2021

November 11, 2021

Bemærk venligst, at rapporten udelukkende findes på engelsk

ALK delivers Q3 sales growth of 20%, with tablet sales up 41% (unaudited)

ALK's revenue grew strongly during Q3 following broad-based growth in all of its regions. Total revenue increased 20% for the quarter, as tablet sales growth surged to 41% and legacy products continued their sales recovery as allergy markets normalised further. These positive results contributed to an EBITDA increase of 114% in reported currency. The outlook has been updated to reflect the year-to-date performance.

Q3 2021 financial highlights

- Total revenue was up 20% in local currencies at DKK 928 million (772).
- Tablet sales increased 41% to DKK 398 million (281) after strong growth in all regions, while combined SCIT and SLIT-drops sales grew 5%.
- Revenue growth in Europe increased to 15%, with North America up 23% and International markets up 51%.
- Operating profit (EBITDA) was ahead of expectations and increased 114% in reported currency to DKK 124 million (58), largely on the strong sales growth and improved gross margin, while R&D and sales and marketing costs increased as planned.
- Revenue for the first nine months was up 14% in local currencies, and EBITDA was up 20% in reported currency at DKK 398 million (331). Free cash flow improved to DKK 149 million (minus 67) driven by the earnings development, a milestone payment and other changes to working capital.

Key events and strategic progress

ALK continues to make good progress on its strategic priorities with highlights in Q3 including:

- In ALK's biggest market, Germany, ALK's position was further strengthened by the latest update to national drug prescription guidelines, reinforcing the recommendation to initiate new patients on registered AIT products.
- Early in Q4, ALK successfully completed a formulation feasibility study, confirming the suitability of the Zydys™ fast dissolving tablet technology for use in the clinical development of a peanut allergy product.
- ALK's supply chain, inventory levels and distribution channels remained robust despite the raw materials and logistical challenges that have been reported by multiple industries.

2021 financial outlook

Based on its performance in the first nine months, ALK has updated its full-year financial outlook to reflect improvement to both sales and gross margin. As a result:

- Revenue is now expected to grow 11-12% in local currencies (previously: 10-12).
- EBITDA is now expected to increase to DKK 500-550 million (previously: 450-500) with a gross margin improvement over last year of ~2 p.p. (previously: 1-2 p.p.). ALK still expects an unchanged increase in R&D expenses and a gradual normalisation of sales and marketing activities compared to last year, which was affected by COVID.
- Free cash flow is now expected to be positive at ~DKK 200 million (previously: ~minus 100) mainly reflecting the revised earnings outlook and timing of repayment of accrued rebates.

Hørsholm, 11 November 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. (CET)** 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. (CET)**. 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: 25705608#. 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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