



Three-month interim report (Q1) 2024 (unaudited) - English version only

May 02, 2024

Bemærk venligst, at rapporten udelukkende forefindes på engelsk.

Company release No. 11/2024

ALK delivers 10% organic revenue growth with operating profit up 41% in Q1 and upgrades outlook

The growth in ALK's overall sales was primarily driven by the European tablet sales, which were boosted by the inflow of new patients and improved pricing. Sales outside Europe had a soft start to the year, partly due to temporary sales fluctuations and phasing of product shipments to International markets. Outlook for full-year revenue growth now expected at 10-13% (previously 9-12%).

Performance highlights

Comparative figures for Q1 2023 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated.

- Total revenue increased by 10% in local currencies to DKK 1,351 million (1,234).
- Tablet sales increased by 22% to DKK 706 million (581) on 28% growth in Europe, 20% growth in North America and 1% growth in International markets which was impacted by phasing of shipments to Japan.
- Combined SCIT and SLIT-drops sales decreased 1% to DKK 500 million (510). Robust growth in European sales was offset by fluctuations in SCIT shipments to China and lower SCIT sales in North America.
- Sales of Other products and services increased 1% to DKK 145 million (143). Jext[®] sales increased by 10% and is normalising after the intermittent supply shortages that impacted sales in Q2-Q4 2023.
- Revenue increased 18% in Europe and 2% in North America and decreased 18% in International markets.
- Operating profit (EBIT) increased by 41% in local currencies to DKK 316 million (228), with an EBIT margin of 23% (18%). Progress was driven by sales growth, improved gross margin and prudent costs management leading to largely unchanged capacity costs to R&D, Sales, Marketing and Administration.

Financial performance for the first three months 2024

	3M	3M	Growth	Growth
In DKKm	2024	2023	(local currencies)	(reported)
Revenue	1,351	1,234	10%	9.5%
EBIT	316	228	41%	39%
EBIT margin – %	23%	18%		

Strategic highlights

- ALK made progress with its strategic priorities in Q1. ALK is in the process of securing regulatory approvals to expand the product approvals for its house dust mite and tree pollen allergy tablets to include children. Launch preparations continue to progress as planned ahead of the expected launches in 2024/25.
- The strategy review is still ongoing and ALK will present the updated strategy and new long-term financial aspirations at a Capital Markets Day on June 4, 2024 at the company's headquarters in Denmark.
- ALK is implementing a number of optimisation and prioritisation initiatives in 2024 to free up approximately DKK 250 million in 2025 for strategic growth investments and support of its earnings ambitions. These initiatives are expected to entail one-off costs of approximately DKK 60 million in 2024, that have been included in the earnings outlook which is unchanged.

2024 full-year outlook

With reference to Company Announcement no 10/2024, released earlier today, the full-year financial outlook has been upgraded mainly to reflect the recent development in European tablet sales:

- Revenue is now expected to grow by 10-13% (previously: 9-12%) organically in local currencies on broad-based growth across sales regions and product groups. European tablet sales remain key to growth.

- The EBIT margin is still expected to improve to 17-19% (up from 14% last year) on sales growth, efficiencies, and lower R&D costs. One-off costs of DKK ~60 million to optimisation efforts are now included in this guidance.

Commenting on the Q1 results, CEO Peter Halling said: "2024 started well for ALK. Revenue in Q1 was up 10%, and the operating profit increased significantly on operational leverage and prudent cost management. We are pleased to see European tablet sales continue to rebound adding to the good momentum we established in the second half of 2023. As part of our ongoing strategy review, we are implementing a number of optimisation measures in order to free up resources to reinvest in strategic growth initiatives without compromising our profitability ambitions."

Hørsholm, 02 May 2024

ALK-Abelló A/S

For further information, contact:

Investor Relations: Per Plotnikof, tel. +45 4574 7527, mobile +45 2261 2525

Media: Maiken Riise Andersen, tel. +45 5054 1434

ALK is hosting a conference call for analysts and investors at **12.30 p.m. (CET)** on 3 May 2024 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 will be available shortly before the call begins.

To register for the conference call, please use this link <https://dpregrister.com/sreg/10187885/fc17991254> and follow the registration instructions. You will receive an email from diamondpass@choruscall.com with dial-in details, including a passcode and a pin code. Please make sure to whitelist diamondpass@choruscall.com and/or check your spam filter. We advise you to register well in advance and to call in before **12.25 p.m. (CET)**.

Vedhæftet fil

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