



## Three-month interim report (Q1) 2019

May 9, 2019

### Strong sales growth in Q1 (unaudited)

In Q1, ALK had organic growth of 14% and continued to deliver on its growth strategy, which saw accelerated growth in tablet sales of 52% and further stabilisation of its legacy AIT business. Other products also performed well and growth was broad-based across all sales regions.

### Q1 2019 highlights

- Total revenue was up 14% in local currencies at DKK 867 million (752). Currencies positively affected growth by 1 percentage point and reported growth in DKK was therefore 15%.
- SLIT-tablets sales were up 52% to DKK 256 million (168). SCIT/SLIT-drops stabilised and sales were therefore unchanged at DKK 495 million (490) while other products grew 18% to DKK 116 million (94).
- Growth in all regions: Europe up 8%, North America up 11% and International markets up 198%.
- Operating profit (EBITDA) was DKK 133 million (92), equivalent to an EBITDA-margin of 15%.
- Free cash flow for the quarter was negative at DKK 17 million (minus 75).

### Progress on the four strategic priorities

- Commercialisation of the tablet portfolio gained further momentum as ALK continued to take advantage of market expansion and the general transition towards standardised, registered products, particularly in Europe and Japan. ALK continues to make investments in support of the tablet portfolio. Clinical development is progressing, and the European regulatory review of the tree SLIT-tablet is ongoing.
- Long-term efforts to develop the SLIT-tablet opportunity in North America continue and are gradually delivering a growing acceptance among key prescribers along with improved prescription depth.
- Patient engagement and Consumer Care division activities are making positive progress in the test markets of UK and Germany. Patient engagement tools (e.g. klara) are gaining popularity and are proving effective, and work continues to identify further adjacent opportunities through business development work.
- Efficiency programmes continue to show results, and the portfolio and site strategy is progressing as planned.

### 2019 financial outlook

Full-year outlook has slightly improved compared with that stated in the annual report, which was released on 7 February 2019, and is now tracking towards the higher end of the original guidance range. The outlook for free cash flow has been refined.

- Full-year revenue is projected to be DKK 3,100-3,300 million (2018: DKK 2.9 billion).
- Operating profit (EBITDA) is expected at DKK 100-200 million (2018: DKK 136 million).
- ALK will continue its investment programme to support the strategic transformation of the company.
- Free cash flow is now expected at DKK minus 400 million or better (previously: approximately DKK minus 400) (2018: minus DKK 294 million).

Hørsholm, 9 May 2019

**ALK-Abelló A/S**

*Comparative figures for 2018 are shown in brackets. 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>. Participants for the audio cast are kindly requested to 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: 23089148#. The conference call will also be webcast live on our website, where the related presentation will be made available shortly before the call begins.*

### Attachment

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