ALK and Grandpharma team up to market the first adrenaline autoinjector in China

July 30, 2021

- ALK (*ALKB:DC / OMX: ALK B / AKABY / AKBLF*) to launch its adrenaline autoinjector (AAI), Jext®, in China via a partnership with leading supplier of adrenaline, Grandpharma.
- Jext® is expected to be the first AAI to market in China. Prior to registration in mainland China, Grandpharma plans to start selling Jext® in southern China under a special licence linked to the existing registration of Jext® in Hong Kong.
- ALK will receive upfront and registration milestone payments totalling EUR 12 million (~DKK 90 million) in return for granting Grandpharma the exclusive rights to Jext® in China. ALK will also manufacture and supply Jext® and receive revenue from the sale of products to Grandpharma.
- Agreement is expected to accelerate ALK's long-term growth and supports its earnings aspirations.

ALK and the pharmaceutical company China Grand Pharmaceutical and Healthcare Holdings Limited ("Grandpharma") today announced an exclusive licensing agreement that will see ALK's AAI Jext ® registered and launched in China, and will expand ALK's presence in the country.

Grandpharma is the leading supplier of adrenaline ampoules in China today and the company has extensive commercial reach within clinics and emergency care. Under the long-term agreement, Grandpharma will be responsible for the registration, import and commercialisation of ALK's AAI Jext® in Mainland China, Macau and Taiwan, while ALK will be responsible for product supply and will offer marketing support based on its extensive experience in Europe and other markets.

Carsten Hellmann, President and CEO, at ALK said: *"ALK's affiliate in China, has consistently delivered strong, year-on-year growth for the company. This collaboration will allow us to accelerate our long-term growth in China by allowing Jext® to benefit from Grandpharma's established position in respiratory medicine and emergency care, as well as building AAI advocacy and generating real-world-evidence to support a future Jext® registration in greater China."*

AAIs are used for the emergency treatment of acute allergic reactions – also known as anaphylaxis – which can be triggered by exposure to certain foods such as egg, cow's milk, shellfish and nuts or by exposure to venom from bee and wasp stings. Currently, there are no AAIs registered in China. Jext® is, however, already registered in Hong Kong, which creates an opportunity for accelerated access to the southern region of China prior to formal registration under a newly established special import scheme, provided certain criteria are fulfilled.

Dr. Tang Weikun, Chairman, China Grand Pharmaceutical and Healthcare Holdings Limited, said: *"This agreement with ALK advances our strategy of cooperation with leading global companies in order to bring innovative, high-quality products to patients in China. Anaphylaxis is an area of significant unmet medical need in China, which we believe we can help address through the successful registration and commercialisation of Jext®, which has a proven track-record of success with ALK in Europe."*

Xian Ji, General Manager, ALK Greater China, said: *"Anaphylaxis is an increasing health concern in China. Today patients in risk of life-threatening reactions to food rely on strict avoidance or immediate treatment by a trained healthcare professional. By introducing an AAI, we ensure patients receive timely treatment without the need for trained personnel. Grandpharma's existing franchises will provide a broad and a strong launch platform for Jext®, and we look forward to a long and successful collaboration."*

ALK's existing business in China is centred around its subcutaneous treatment for house dust mite (HDM) allergy, Alutard ® HDM, as well as Soluprick SQ® skin prick diagnostic tests. China is already one of the world's largest markets for HDM allergy immunotherapy treatments but has the potential to become significantly larger, and ALK is working towards a market introduction of its HDM tablet, ACARIZAX®.

Under the terms of the new agreement ALK will receive upfront and registration milestone payments totalling DKK 90 million in return for granting Grandpharma the exclusive rights to Jext® in China. In addition, ALK will also manufacture and supply Jext® and receive revenue from the sale of products to Grandpharma.

The agreement with Grandpharma is expected to accelerate ALK's long-term growth and support its earnings aspirations. According to the agreement ALK will receive an upfront payment, milestone payment according to the progress of registration activities for greater China, as well as revenue from the sale of products to Grandpharma. There will be no material effect on ALK's 2021 revenue and earnings outlook as the upfront and milestone payments will be recognised in relation to the future delivery of goods according to IFRS requirements. The upfront payment from Grandpharma is expected to result in a slight improvement to ALK's 2021 full-year free cash flow outlook.

ALK-Abelló A/S

For further information please contact:

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

Media: Jeppe Ilkjær, mobile +45 3050 2014

This information is information that ALK-Abelló A/S is obliged to make public pursuant to the EU Market Abuse Regulation.

About ALK
ALK is a global specialty pharmaceutical company focused on allergy and allergic asthma. It markets allergy immunotherapy treatments and other products and services for people with allergy and allergy doctors. Headquartered in Hørsholm, Denmark, ALK employs around 2,500 people worldwide and is listed on Nasdaq Copenhagen. Find more information at www.alk.net.

About Grandpharma
China Grand Pharmaceutical and Healthcare Holdings Limited (512.HK) is an international pharmaceutical company of technological innovation. The core products of the Group cover several major businesses represented by the anti-tumour, cardiovascular emergency pharmaceutical products and advanced cerebro-cardiovascular intervention advanced medical devices, anti-virus and anti-infection, respiratory and ENT, bio-health products and specialised pharmaceutical ingredients. The Group has mainly focused on four business scopes, namely "innovative drugs with high entry barriers", "branded drugs", "integration of raw materials", and "nutrition products". There are three major segments of global innovation and technology leadership, namely precision interventional therapy, Radionuclide–drug conjugate ("RDC") and immunotherapy, to be carried out with a forward-looking view by the Group. Find more information at http://chinagrandpharm.com.

Attachment

- FM_13_21UK_30072021