Annual report 2021: ALK delivers strong sales growth of 12% with tablet sales up 29% and EBITDA up 35%

February 08, 2022

ALK's (*ALKB:DC / OMX: ALK B / AKABY / AKBLF*) Board of Directors has approved the company's annual report (ESEF-version ALK-2021-12-31-en attached): Following a solid Q4, ALK ended 2021 at top of its most recent revenue guidance, with double-digit sales growth in all regions with tablets as the main driver of growth. For 2022, ALK expects revenue growth of 8-12% and a further improvement in profitability.

ALK's President and CEO, Carsten Hellmann said: *"2021 represented another important stepping stone towards fulfilling ALK's goals of continuous growth and improved profitability, and we expect to build on this progress with 8-12% revenue growth in 2022, as we continue to pursue our targets for 2025. At the same time, we are also investing in a number of potential sales- and profit growth accelerators which look to the longer term."*

(*Revenue growth rates are stated in local currencies. Comparative figures for 2020 are shown in brackets.)*

Q4 2021 highlights

- Revenue in Q4 increased 9% in local currencies to DKK 1,099 million (991), driven by tablet sales growth of 23%. This was despite a Q4 in 2020 that saw extraordinarily high revenue growth, in part fuelled by a high number of product shipments to Japan.
- EBITDA more than doubled to DKK 136 million (64), reflecting higher sales, improved gross margins and a modest increase in capacity costs.

Full-year 2021 highlights

- Full-year revenue increased by 12% to an all-time high of DKK 3,916 million (3,491), based on double-digit growth in all sales regions.
- Tablet sales grew 29% on market expansion and market share gains and now represent 45% of total revenue (39). Sales of SCIT and SLIT-drops were largely unchanged, while sales of other products increased 10%.
- EBITDA was up 35% to DKK 534 million (395), driven by higher sales and an improving gross margin. Earnings improved despite a planned 23% increase in R&D expenses to support clinical trials.
- Free cash flow was positive at DKK 202 million (56), mainly on higher earnings.
- ALK made further progress on its long-term strategy, despite the ongoing impact of COVID, most notably on certain clinical trials.

2022 financial outlook
ALK expects sales growth across all regions in 2022 and improved earnings, in line with its long-term ambitions.

- Revenue is expected to grow 8-12% in local currencies. Tablets will remain key to overall growth with sales estimated to grow by around 20%.
- EBITDA is expected to increase to DKK 625-725 million (2021: DKK 534 million), benefiting from higher sales, an improved gross margin and efficiencies. R&D costs are expected to increase to DKK 650-700 million (2021: DKK 631 million). Sales and marketing costs are also expected to increase, reflecting investments in current and future growth drivers, including China.

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

Audio cast
Today, ALK is hosting a conference call for analysts and investors at 12.00 noon (CET) 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 is available shortly before the call begins. Participants are kindly requested to call in before11.55am (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: 58470902#.

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 2,600 people worldwide and is listed on Nasdaq Copenhagen. Find more information at www.alk.net.

Attachments

- alk-2021-12-31-en
- FM_01_2022UK_combined