



Three-month interim report (Q1) 2023

May 9, 2023

Revenue up 7%, full-year outlook maintained (unaudited)

ALK's overall results in Q1 2023 were largely as expected, with 7% organic revenue growth in local currencies and increased operating profit with an EBIT margin of 18%. Combined SCIT and SLIT-drops sales exceeded expectations, while tablet sales were around DKK 35 million lower than planned on slower growth in new patient initiations. The full-year revenue and earnings outlook remains unchanged.

Q1 2023 financial highlights

Comparative figures for Q1 2022 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated

- Revenue increased 7% to DKK 1,234 million (1,155) on high, single-digit growth from all sales regions. The one-year, mandatory rebate increase of 5 percentage points in Germany lowered revenue growth by approximately 1 percentage point. Currencies had a minor negative effect on reported growth.
- Sales in Europe grew by 7%. Sales were up 9% in North America and 8% in International markets.
- Combined SCIT and SLIT-drops sales increased by 13% to DKK 510 million (449) driven by solid growth in Europe and China.
- Tablet sales increased overall by 1% to DKK 581 million (583), reflecting 0% growth in Europe, 23% growth in North America and a 4% decline in International markets. Sales in North America and International markets were as expected, the latter reflecting the phasing of tablet shipments to Japan, where ALK's partner continued to record double-digit growth from in-market sales. Sales in Europe were lower than expected, most notably in Germany and the Nordics following the initiation of only approximately 95% of the expected number of new patients. Initiatives have been launched to restore momentum in both markets, while at the same time unlocking further countries as meaningful growth contributors.
- Sales of Other products were up by 14% to DKK 143 million (123).
- Operating profit (EBIT) increased on sales growth, margin improvements and efficiencies, partly offset by higher sales and marketing expenses. EBIT was DKK 228 million (215), corresponding to an EBIT margin of 18%.

Strategic progress

- ALK continued to make progress on its strategic priorities in the quarter.
- Top-line results from the paediatric MT-12 Phase III trial with the house dust mite tablet are now expected in mid-2023, while top-line results from the TT-06 paediatric trial with the tree tablet are still expected in Q4 2023.
- First readouts from the Phase I trial with the SLIT-tablet treatment for peanut allergy are expected in 2023, as planned.

Unchanged 2023 revenue and earnings outlook

As announced on 17 April, ALK confirms its full-year revenue and earnings outlook, albeit with changes in the anticipated product mix, where SCIT and SLIT-drops sales are now expected to exceed the original expectations, while tablet sales are now expected to grow by 9-14% (previously: up to 15%).

- Total revenue is still expected to grow by 7-11% organically in local currencies, corresponding to 8-12% growth, disregarding the one-year temporary mandatory rebate increase for prescription drugs in ALK's largest market, Germany.
- The operating margin (EBIT) is still expected to increase on sales growth, efficiencies, economies of scale and lower R&D costs, despite tougher market conditions. The EBIT margin is still expected at 13-15%.

Hørsholm, 9 May 2023

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

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> where the relevant presentation is available shortly before the call begins. Please call in before 1.25 p.m. (CEST). Danish participants should call in on tel. +45 7877 4197 and international participants should call in on tel. +44 0 808

101 1183 or +1 785 424 1102. Please use the Participant Pin Code: 65699#

Attachment

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