Annual report 2023: ALK delivers 9% sales growth with profits up 50%

February 08, 2024

08 February 2024

ALK's (*ALKB:DC / OMX: ALK B / AKBLF*) Board of Directors has approved the company's 2023 annual report. Following a robust performance in Q4, full-year results were in line with the latest outlook. ALK expects to continue its growth trajectory and earnings improvement in 2024.

(Revenue and earnings growth rates are stated in local currencies. Comparative figures for 2022 are shown in brackets.)

Q4 2023 financial highlights

- Revenue increased by 10% to DKK 1,345 million (1,249) with growth in all sales regions.
- Tablet sales increased by 19% to DKK 677 million (581), while SCIT/SLIT-drops sales increased by 3% to DKK 522 million (512). Sales of other products were down 3% to DKK 146 million (156).
- EBIT increased to DKK 194 million (138) on higher sales, improved gross margin and efficiencies.

		Growth			Growth	
In DKKm	**Q4 2023**	**l.c.**	**r.c.**	**FY 2023**	**l.c.**	**r.c.**
Revenue	**1,345**	**10%**	**8%**	**4,824**	**9%**	**7%**
EBIT	**194**	**37%**	**41%**	**666**	**50%**	**42%**
EBIT margin – %	**14%**			**14%**		

l.c.: local currency; r.c.: reported currency

Full-year 2023 financial highlights

- Revenue increased by 9% to DKK 4,824 million (4,511) based on growth in all sales regions. Exchange rates impacted reported growth negatively by 2 p.p.
- Tablet sales increased by 11% to DKK 2,296 million (2,102). European tablet sales regained momentum in the second half-year with 13% growth.
- Sales of SCIT and SLIT-drops increased by 12% to DKK 1,939 (1,748), while sales of other products and services decreased 9% to DKK 589 million (661) as supply shortages affected sales of Jext® adrenaline auto-injectors.
- EBIT increased by 50% to DKK 666 million (470), corresponding to a 14% EBIT margin (10) on higher sales, improved gross margin and a lower capacity cost to revenue ratio.
- Free cash flow was positive at DKK 292 million (65).

2024 financial outlook
ALK expects broad-based growth across sales regions and product groups in 2024 with tablet sales being key to growth. Profitability is expected to further improve, driven by revenue growth, benefits of scale and a reduction in external costs for clinical trials.

- Revenue is expected to grow by 9-12% in local currencies.
- The EBIT margin is expected at 17-19% against 14% in 2023.

ALK's CEO Peter Halling says: *"We are pleased with the strategic and financial progress made in 2023, allowing us to deliver a solid set of results despite a challenging market environment. We now build on the momentum established in the second half of 2023, particularly in European tablet sales, and we expect that 2024 will mark the sixth consecutive year of revenue growth and improved earnings."*

ALK-Abelló A/S

The comprehensive annual report continues on the subsequent pages.

For further information please contact:

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

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

Webcast
Today, ALK is hosting a conference call for analysts and investors at 4.00pm (CET) at which Management will review the financial results and the outlook. The conference call will be webcast live on https://ir.alk.net where the accompanying presentation will be available.

To register for the conference call, please use this link https://dpregister.com/sreg/10185513/fb5a5565cd 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.

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 2,900 people worldwide and is listed on Nasdaq Copenhagen. Find more information at www.alk.net.

Attachments

- ALK_AR-2023_appron
- alk-2023-12-31-en