

Financials

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Commitment to long-term value creation

Through topline growth, simplification, improved earnings, disciplined capital allocation and cash generation

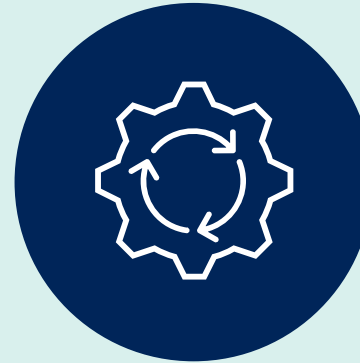
Focus on attractive markets and products



Driving efficiencies and reducing complexity



Disciplined capital allocation

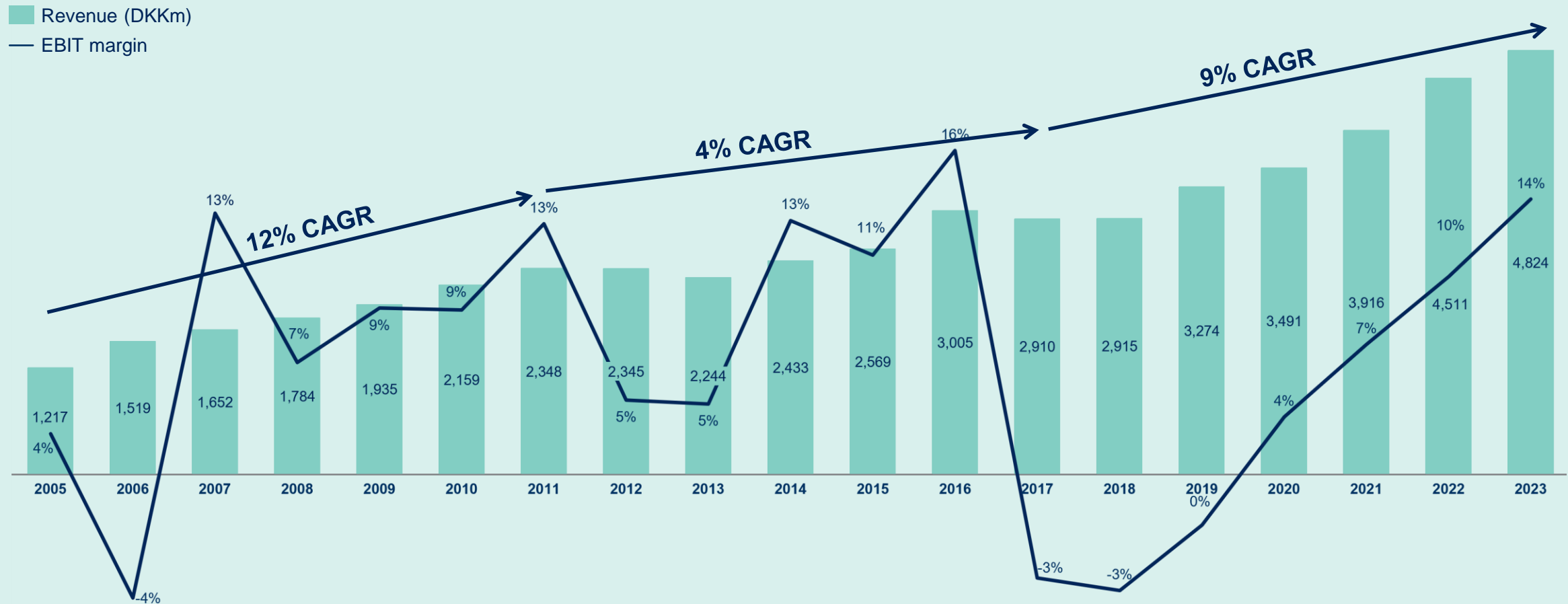


Increasing earnings & cash generation



ALK is a growth company

Accelerating revenue growth and sustainable, improving profitability since 2019

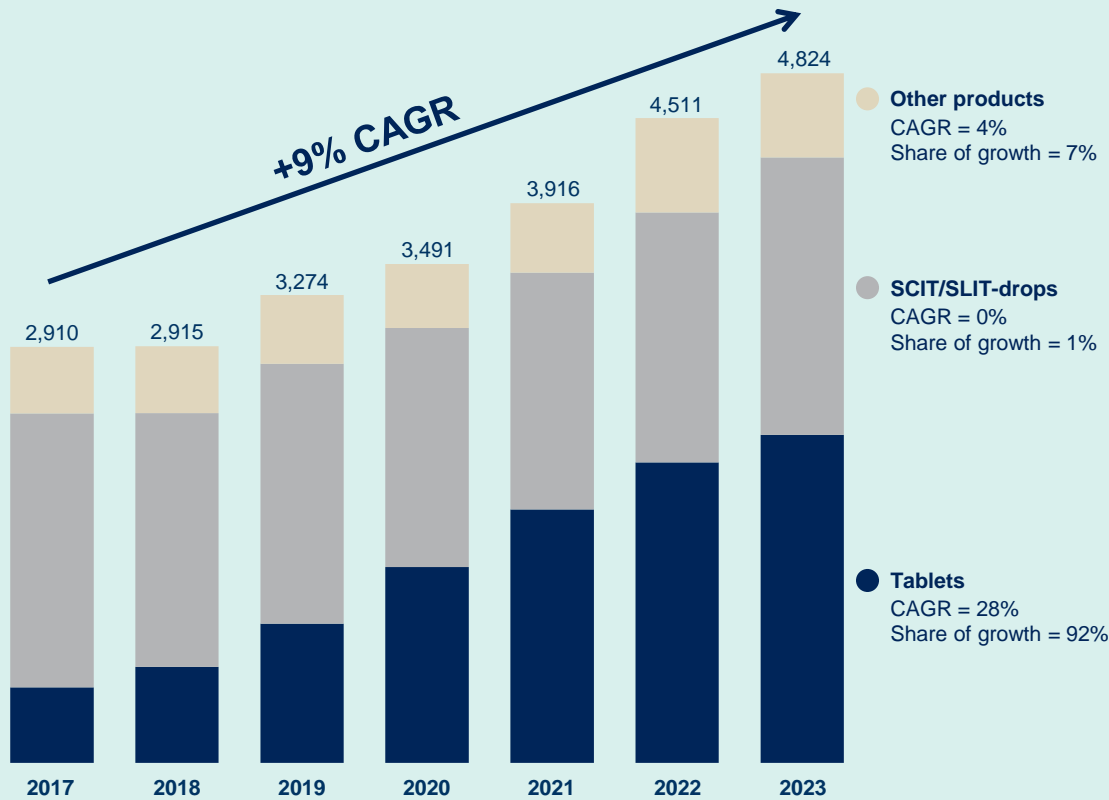


Note: Amounts in reported DKK m

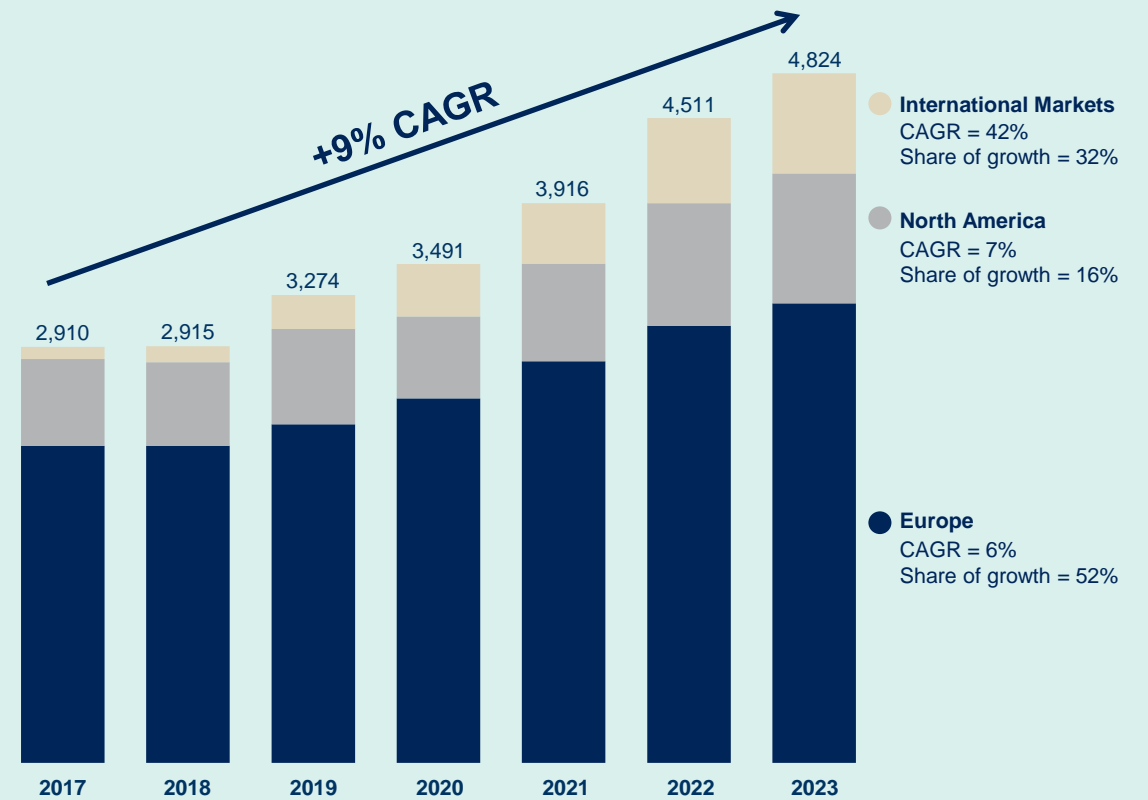
Steady revenue growth since 2018 fuelled by tablets

Especially in Europe and International Markets (Japan)

Revenue by products



Revenue by geography

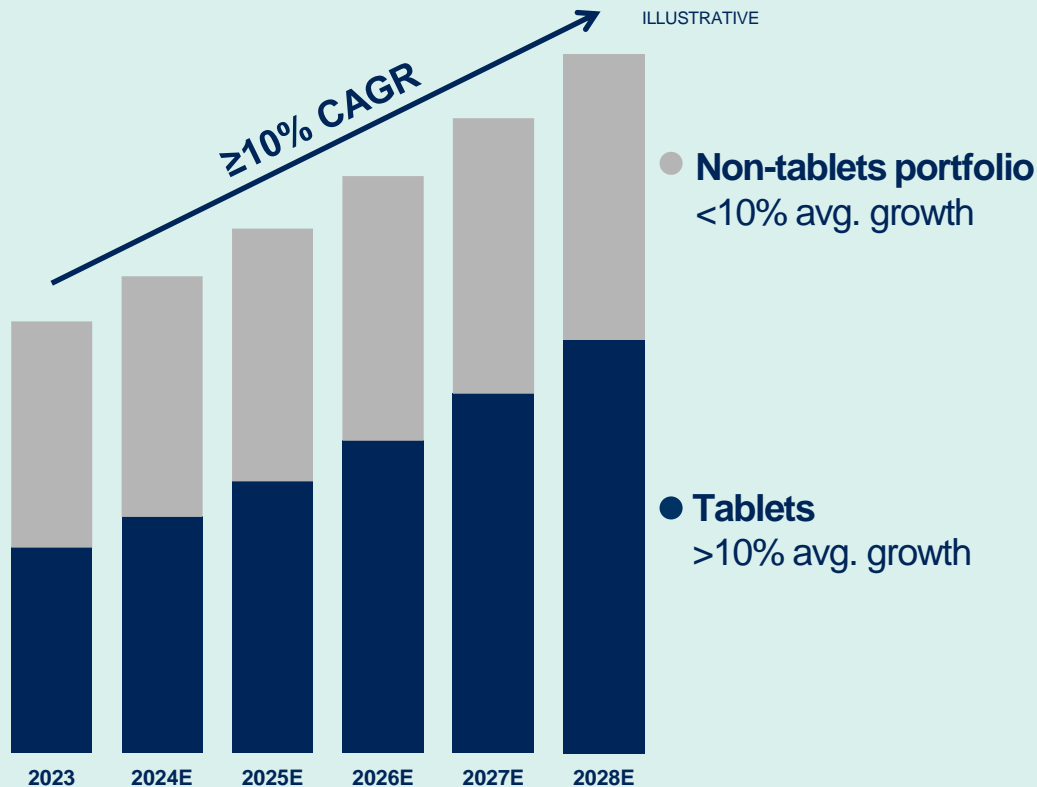


Note: Amounts in reported DKKm

Sustained high revenue growth towards 2028

Tablets remain key to growth, as we broaden our patient reach and achieve full paediatric coverage

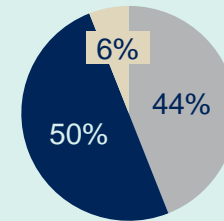
Revenue growth aspiration (CAGR)



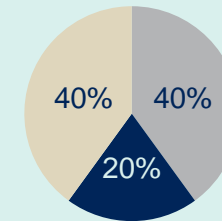
Share of revenue 2023

● Tablets ● SCIT/SLIT-drops ● Other

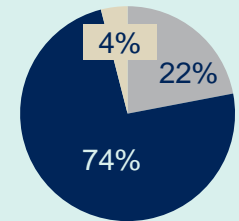
Europe



North America



International Markets



Growth drivers towards '28

- Higher tablet sales fuelled by paediatric launches
- Market transition to evidence-based medicines
- Prescriber expansion
- Capital allocation between low-growth and high-growth markets
- Higher tablet sales fuelled by paediatric launches
- Growth level in other products pending new product launches towards the end of the strategy period
- Increasing tablets sales in Japan via Torii partnership
- Tablets sales in China subject to approval

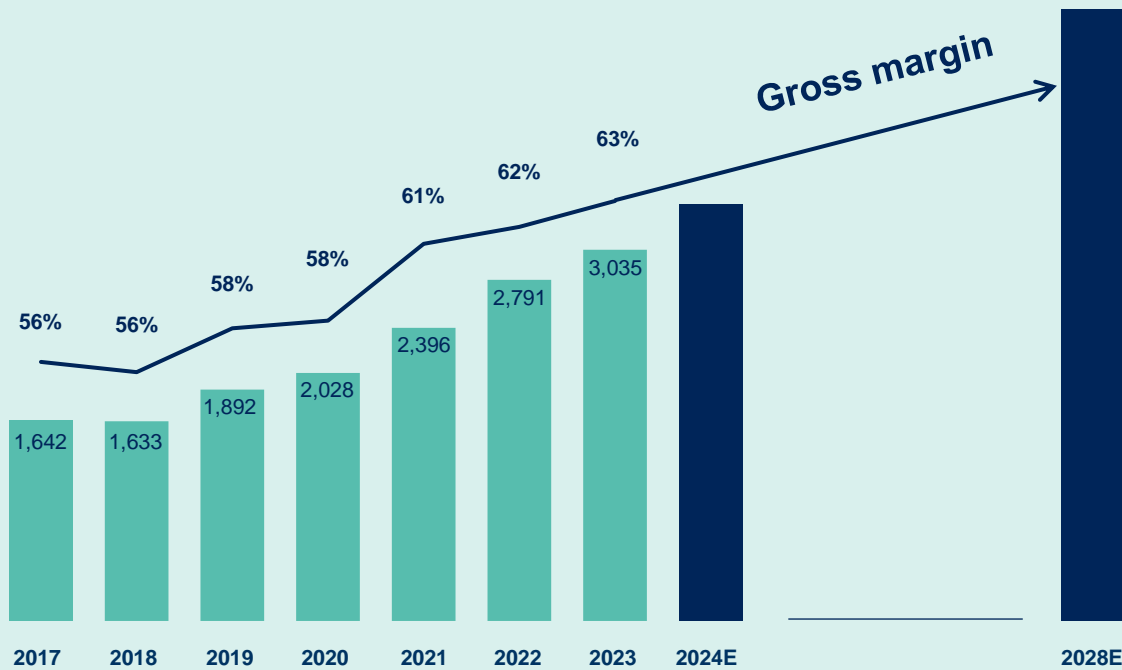
Note: Amounts in reported DKKm. Projections in current exchange rates

Gross margin expansion expected due to favorable product mix

Tablets remain key to growth and have the highest gross margins

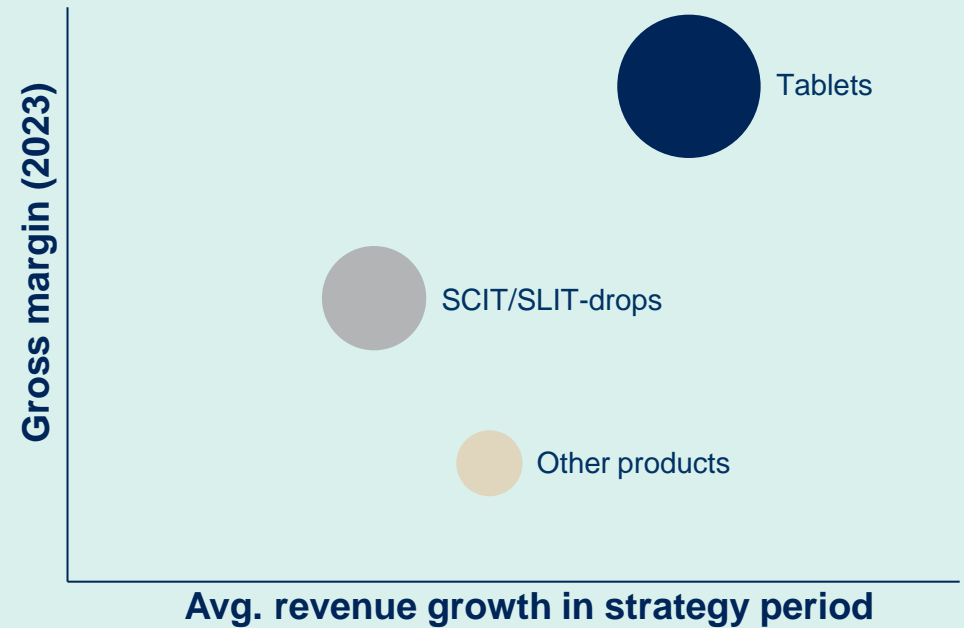
Gross profit

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Gross profit by product group

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Gross margin expansion 2017-2023

- Sales mix (increasing tablet sales)
- Portfolio rationalisation
- Efficiency improvements

Primary gross margin drivers towards 2028

- Sales mix (increasing tablet sales, especially in Europe)
- Continuous improvements in product pricing and operational performance

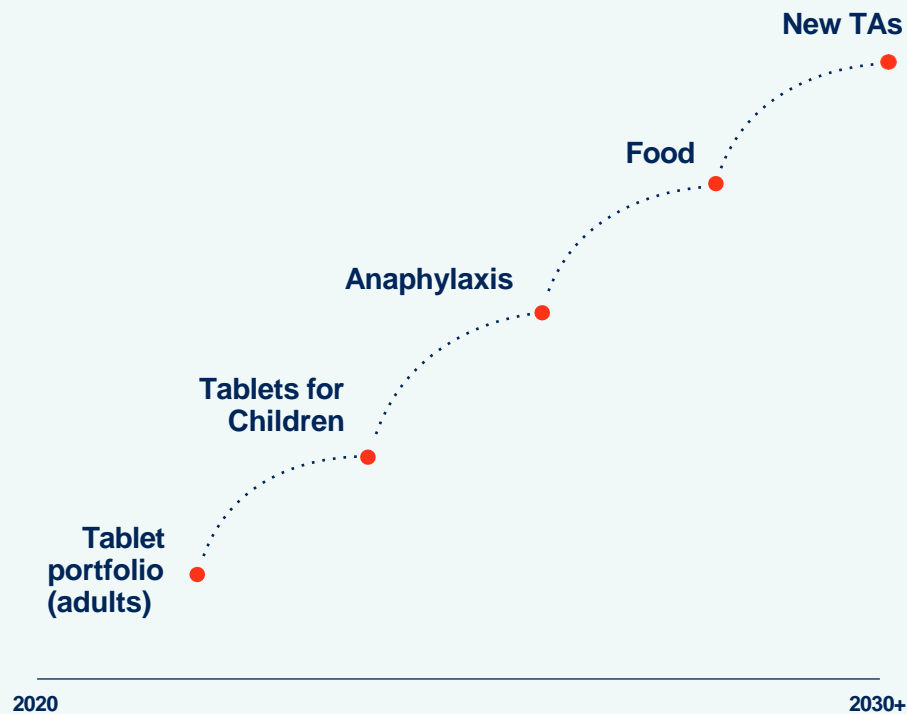
Note: Amounts in reported DKKm. Projections in current exchange rates

Strategic resource allocation to bolster long-term growth

Prioritisation of investments in Sales & Marketing and R&D towards highest long-term potential

Long-term growth runway

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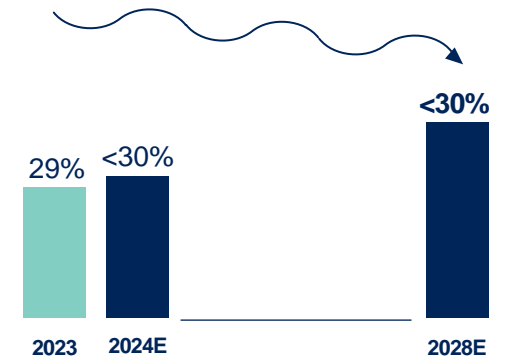


S&M investments in:

- High-potential, profitable growth markets
- Tablets for children
- Existing and new sales channels
- New launches

S&M costs & ratio

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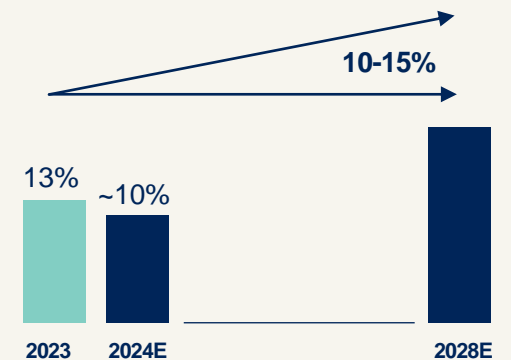


R&D investments in:

- Strengthening evidence for core products
- Food allergy portfolio
- Anaphylaxis portfolio
- Adjacent disease areas

R&D costs & ratio

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Note: Amounts in reported DKKm. Projections in current exchange rates
 Note: TAs = therapeutic areas

Driving efficiencies and reducing complexity

Ongoing optimisations to support strong capital allocation & scale

Governance and operating model

Optimise interfaces across value chain and ensure clear ownership



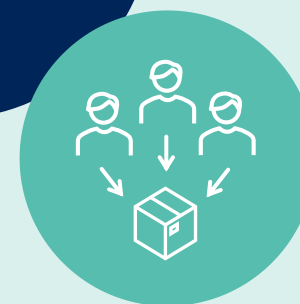
Supply chain and portfolio

Reduce product waste, optimise SKUs, and ensure we have the right products at the right time



Supplier landscape

Streamline the number of suppliers and optimise handling



Infrastructure

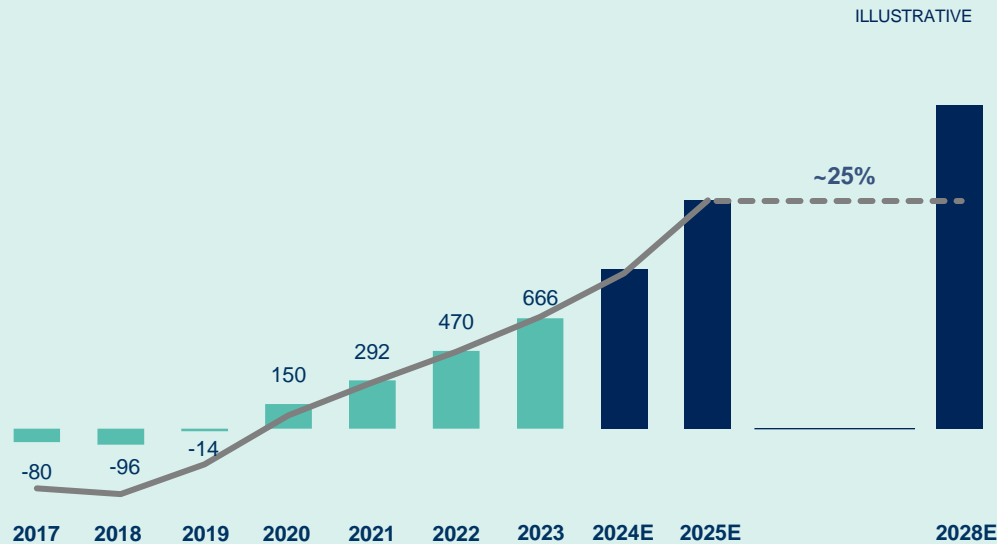
Invest in infrastructure and processes to scale and ensure profitable growth



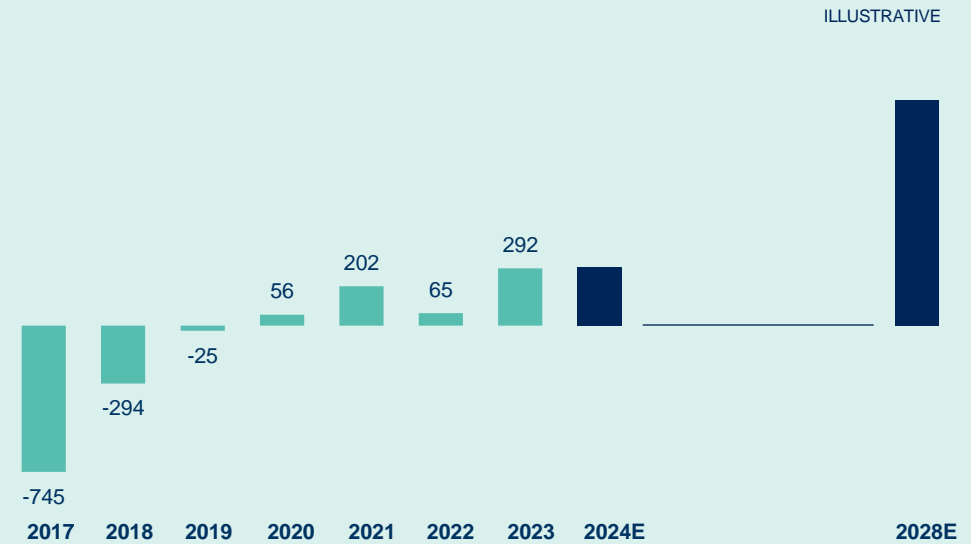
EBIT margin expected to increase to ~25% in 2025-28

ALK expects to generate increasing free cash flow

EBIT & EBIT margin



Free cash flow



- Revenue growth key driver for EBIT growth
- Saving initiatives implemented to free up DKK 250 million in 2025 to support growth investments and 2025 earnings ambition
- Investments in strategic initiatives to bolster long-term growth and profitability trajectory

- CAPEX expected at 400-600 DKKm in 2025-28 based on current plans to support ongoing maintenance, capacity expansion, R&D projects and IT
- Net working capital expected to increase broadly in line with sales growth, including continued inventory build-up to safeguard growth
- Excludes potential business development and licensing opportunities

Note: Amounts in reported DKKm. Projections in current exchange rates

Expected margin developments towards 2028

Increasing gross margin partly counterbalanced by increasing investments in Sales & Marketing and R&D



Gross margin

Increasing due to sales mix and efficiencies



R&D cost ratio

Increasing due to investments in food allergy, anaphylaxis, and new innovation



Sales & Marketing cost ratio

Increasing in absolute terms due to children indications, but decreasing relative to revenue



EBIT margin

Increasing to ~25% in 2025 and maintained until 2028*, to allow for strategic investments

* This does not rule out that margins can be higher or lower in the strategy period subject to market conditions and the timing of strategic initiatives

Strong commitment to efficient capital structure

Disciplined capital allocation that allow for investments in long-term growth and attractive shareholder returns

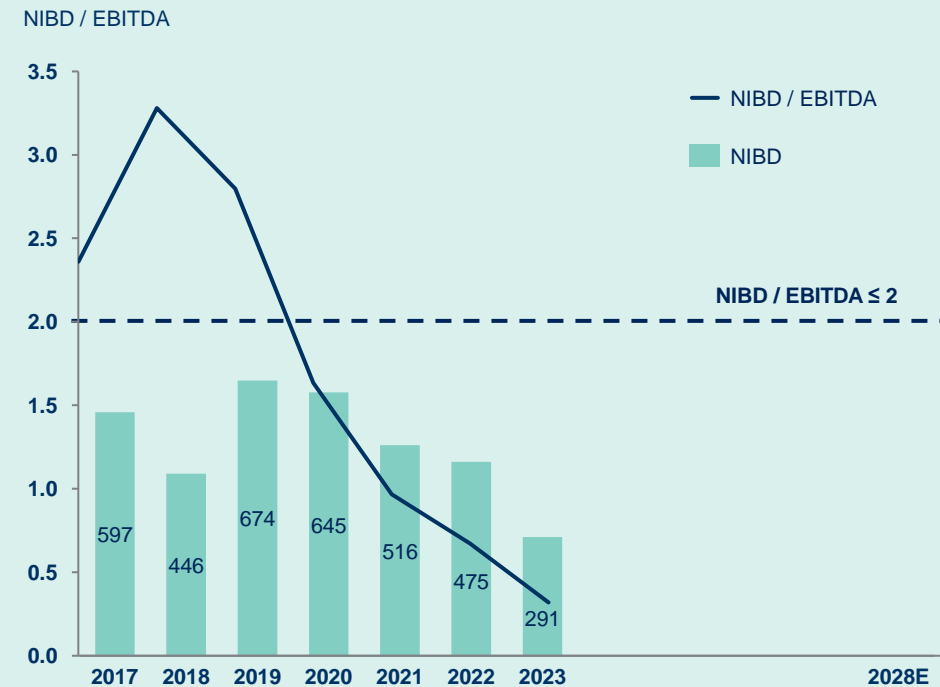
Efficient capital structure

$$\text{NIBD} / \text{EBITDA} \leq 2$$

Strategic capital allocation priorities



Net interest-bearing debt (NIBD)



Note: Amounts in reported DKKm

2028 financial aspirations

Financial outlook for current year unchanged

	2024	Growth aspirations towards 2028
Revenue growth	10-13%	≥10% CAGR (2023-28*)
EBIT margin	17-19%	~25%**
NIBD/EBITDA	< 1	≤ 2



*) In local currencies and excluding sizeable effects from M&As or potential divestments

**) This does not rule out that margins can be higher or lower in the strategy period subject to market conditions and the timing of strategic initiatives

Key upsides and downsides to our strategy

Tablets in Europe remain the key growth driver

Potential upsides



- Accelerated uptake of respiratory tablet portfolio in key European markets
- Faster adoption of tablets by paediatricians in Europe and North America
- Fast-tracked market transition towards registered, evidence-based AIT
- Advanced commercial partnerships and licensing activities

Potential downsides



- Significant changes to reimbursement and/or pricing in key European markets
- Delay of ACARIZAX[®] launch in China
- Delay of Anaphylaxis launches
- Macroeconomic and geopolitical situations, e.g. continued inflationary pressure on input costs

Closing remarks

- Our road to value creation: High growth, increasing profitability and cash generation
 - Focus on attractive markets and products
 - Driving efficiencies and reducing complexities
 - Strategic capital allocation to support long-term growth incl. R&D and production capacity
 - Higher profitability and cash generation
- We will invest in organic growth, while maintaining an efficient capital structure