

Three-month interim report (Q1) 2021 (Unaudited)

Company release No. 11/2021

ALK reports 9% sales growth in Q1 fuelled by better than expected tablet growth of 32%

The first three months of 2021 represented ALK's best-ever quarter, with revenue exceeding DKK 1 billion for the first time, despite the continuing effects of COVID. ALK saw revenue growth of 9% and tablet sales growth of 32%, driven by strong performances across the tablet portfolio in Europe and Japan. This comes on top of a strong first quarter last year that was largely unaffected by COVID. Operating profit (EBITDA) increased 14% despite increased activity levels across the organisation. ALK updates its financial outlook for 2021 on stronger tablet sales.

Q1 2021 highlights

- ▶ Total revenue was up 9% in local currencies at DKK 1,021 million (956).
- ▶ Tablet sales grew by 32% to DKK 466 million (356) and continued to be the primary driver of growth. Combined SCIT and SLIT-drops sales were down 10% on the dual effects of COVID and planned product discontinuations.
- ▶ ALK saw revenue growth from all of its regions with sales in Europe up 5%, sales in North America up 16% and revenue from International markets up 29%. Planned product discontinuations impacted growth in Europe by approximately 4 percentage points.
- ▶ Operating profit (EBITDA) increased 14% to DKK 226 million (198), benefiting from operational leverage despite a planned, significant increase in R&D costs.
- ▶ Free cash flow improved to DKK 86 million (21) largely driven by the improved earnings.

Key events and strategic progress

- ▶ ALK continues to execute on its four strategic priorities in order to deliver sustained, high growth and improve profitability. The tablet portfolio now accounts for more than 50% of ALK's allergy immunotherapy sales, with the most significant contribution coming from Europe, and Germany in particular, as the transition to registered, evidence-based medicines accelerated.
- ▶ COVID continues to distort the allergy market to some extent, primarily in Europe, with some countries experiencing a further wave of infections and taking measures to contain the virus which continues to affect patients' ability and willingness to visit allergy clinics. ALK is continuously monitoring the impact of COVID on its overall clinical development programme. Importantly, patient recruitment for the key European and North American clinical trial of the house dust mite tablet for allergic rhinitis in children is now proceeding according to plan. Manufacturing and supply remained resilient, and product inventories are still robust.

Improved 2021 financial outlook

ALK is updating its financial outlook for 2021 based on solid Q1 earnings, and a stronger full-year outlook for tablet sales, which is still partly offset by continuing uncertainty around COVID and its ongoing impact on sales of ALK's legacy products. ALK assumes that patients' ability and willingness to visit health care professionals will remain somewhat constrained in selected countries over the coming months. As a result:

- ▶ Revenue is now expected to grow 9-12% in local currencies (previously: 8-12), driven by tablet sales growth of ~25% (previously: >20%).
- ▶ EBITDA is now expected at DKK 375-425 million (previously: 325-425), benefiting from the improved tablet sales outlook. ALK still expects an increased gross margin, a significant increase in R&D expenses and a gradual normalisation of sales and marketing activities.
- ▶ Free cash flow is now expected at ~DKK minus 200 million (previously: minus 200-300) reflecting the revised earnings outlook.

Hørsholm, 5 May 2021

ALK-Abelló A/S

Comparative figures for 2020 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated

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Today, ALK is hosting a conference call for analysts and investors at 2.00 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>. Please call in before 1.55 p.m. (CEST). 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: 84819816#. The conference call will also be webcast live on our website, where the related presentation will be made available shortly before the call begins.

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE ALK GROUP

Amounts in DKKm	3M 2021	3M 2020	Full year 2020
Income statement			
Revenue	1,021	956	3,491
Operating profit before depreciation (EBITDA)	226	198	395
Operating profit (EBIT)	166	137	150
Net financial items	6	(15)	(49)
Profit before tax (EBT)	172	122	101
Net profit	127	86	25
Average number of employees (FTE)	2,459	2,404	2,419
Balance sheet			
Total assets	5,785	5,639	5,563
Invested capital	2,859	2,814	2,664
Equity	3,323	3,279	3,153
Cash flow and investments			
Depreciations, amortisation and impairment	60	61	245
Cash flow from operating activities	127	70	301
Cash flow from investing activities	(41)	(49)	(245)
- of which investment in intangible assets	(7)	(4)	(26)
- of which investment in tangible assets	(31)	(45)	(196)
Free cash flow	86	21	56
Information on shares			
Share capital	111	111	111
Shares in thousands of DKK 10 each	11,141	11,141	11,141
Share price, end of period	2,410	1,542	2,500
Net asset value per share	298	294	283
Key figures			
Gross margin – %	62	61	58
EBITDA margin – %	22	21	11
Equity ratio – %	57	58	57
Earnings per share (EPS)	11.6	7.9	2.3
Earnings per share (DEPS), diluted	11.5	7.8	2.3
Share price/Net asset value	8.1	5.2	8.8

INCOME STATEMENT

Amounts in DKKm	3M 2021	%	3M 2020	%
Revenue	1,021	100	956	100
Cost of sales	391	38	371	39
Gross profit	630	62	585	61
Research and development expenses	133	13	113	12
Sales, marketing and administrative expenses	331	33	335	35
Operating profit (EBIT)	166	16	137	14
Net financial items	6	1	(15)	(2)
Profit before tax (EBT)	172	17	122	13
Tax on profit	45	4	36	4
Net profit	127	13	86	9
Operating profit before depreciation and amortisation (EBITDA)	226	22	198	21

PROGRESS ON THE STRATEGIC PRIORITIES

During Q1, ALK continued its pursuit of sustainable, high growth and improved profitability by executing on its four strategic priorities: succeed in North America, complete and commercialise the tablet portfolio, digital consumer engagement & new horizons, and optimise for excellence. Through these, ALK seeks to extend its leadership in respiratory allergy, expand its position in anaphylaxis and establish a presence in food allergy.

In North America, ALK saw encouraging progress for its tablet portfolio in Canada. In the USA, despite the easing of COVID restrictions, the higher financial incentives for prescribing legacy products continued to represent a significant factor. This was particularly noticeable towards the end of Q1, and provided a boost to sales of legacy products while challenging the sales growth of tablets. Even so, ALK continued to see increased prescription depth among existing prescribers as it also worked to overcome barriers that were preventing the fulfilment of some tablet prescriptions. In February, ALK launched a new telehealth partnership giving patients direct access to an allergy health professional. While initially the pilot is focused on the New York area, the initiative has scope for further expansion. In April, ALK received approval from the FDA for the use of RAGWITEK® in US paediatric patients following recent similar approvals in Europe and Canada.

ALK continued to advance its clinical development activities in support of the tablets, targeting their use in all relevant ages and new geographies.

Patient recruitment for the key European and North American trial of the house dust mite tablet for allergic rhinitis in children is now proceeding according to plan, while recruitment for the pivotal registration trial for China of the house dust mite tablet is expected to resume in the second half of the year. ALK is also currently as planned finalising an adolescents' safety trial involving 250 participants with the aim of extending the approval of the house dust mite tablet in the USA. Later in 2021, ALK will assess the potential impact of COVID on its European and North American paediatric trial of the house dust mite tablet in allergic asthma, as ALK is currently seeing a reduced rate of respiratory virus-induced asthma exacerbations in the trial due to pandemic-containment measures. The trial is currently due to complete in mid-2022. Furthermore, the Phase III paediatric trial of the tree tablet for allergic rhinitis in Europe and Canada has now been initiated and is proceeding according to plan.

ALK continued to progress its 'new horizons' initiatives – with the ability to accelerate ALK's long-term growth. These include an expanded offering in anaphylaxis, and an entry into food allergy treatment.

For anaphylaxis, the target remains a first submission of a registration application for a next-generation adrenaline solution to the US FDA no later than 2024. In support of this milestone, ALK's internal next-generation adrenaline solution is progressing according to plan. Meanwhile, ALK continued to work with Windgap on its adrenaline solution and expects to have sufficient information to make a decision on the next steps for this development project later in 2021.

Early development of the peanut allergy product continued according to plan via a formulation feasibility study in partnership with Catalent, which aims to confirm the suitability of ALK's tablet technology for the project. The results of this are expected to be available later in 2021.

Patient engagement activities continued to show progress, with a near-doubling of consumers mobilised via digital channels to approximately 50,000 across all markets, around 3,000 of which were in the USA. Meanwhile, final preparations for an expansion of ALK's klarify digital patient engagement platform into Canada were completed ahead of a planned Q2 launch.

ALK continued to progress its optimisation programme of portfolio rationalisation, manufacturing site specialisation, and other initiatives. To support these efforts, during Q1, ALK submitted a total of 482 regulatory changes covering 86 products to 30 different regulatory authorities.

Q1 SALES AND MARKET TRENDS

(Comparative figures for Q1 2020 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

Revenue by geography

DKKm	Q1-2021	Growth*	Share of revenue	Q1-2020
Europe	753	5%	74%	720
North America	160	16%	16%	150
Int'l markets	108	29%	10%	86
Revenue	1,021	9%	100%	956

* In local currencies

Europe

Revenue in Europe increased by 5% in local currencies to DKK 753 million (720). Planned product discontinuations impacted growth in Europe by approximately 4 percentage points.

The primary driver of growth was tablet sales, which increased by 34% on several factors. These included the continuing successful roll-out of ITULAZAX®, a clear uplift in sales of other tablets in markets where ITULAZAX® has been launched – especially for GRAZAX® – as well as the continuing benefits of ALK's salesforce excellence programme.

Combined sales of SCIT and SLIT-drops were down 11% on the ongoing impact of COVID, the effects of portfolio rationalisation, and the transition of some sales to the tablets from legacy products.

Sales of other products were down 19%, largely due to COVID, with European Jext® sales impacted in the UK in particular, by lower pen replacement rates by patients, likely because of COVID lockdowns. Global sales of Jext® increased in Q1 following good performance in International markets due to local

requirements for adrenaline auto-injectors to be on hand when administering COVID vaccines.

With many European countries experiencing a further wave of infections and re-introducing containment measures, ALK continued to see fluctuating sales of legacy products as many of these rely on more frequent clinic visits, and patients were either unable or unwilling to visit clinics and, in any case, capacity at many clinics – especially in southern Europe – was significantly reduced. Venom treatments were particularly affected since they are almost exclusively administered within hospitals.

Sales in Germany grew strongly as the shift towards registered, evidence-based allergy medicines accelerated. This has been supported by recent changes to the fee model which have mitigated unintended disincentives for prescribing tablets, and an update to national reimbursement guidelines recommending that AIT patients in each region should be initiated onto registered products only. These changes to the market structure in Germany represent a significant commercial opportunity for ALK.

Meanwhile, there was strong sales growth from the tablets in the important French market, where ALK secured a reimbursement agreement for the use of ACARIZAX® in adolescent patients, although overall revenue decreased on the impact of COVID and the transition of some sales to the tablets from legacy products. The Nordic markets and several other central European markets also saw strong performances.

North America

Revenue in North America increased by 16% in local currencies to DKK 160 million (150).

Tablet sales grew by 12%, driven by Canada, where ALK is seeing an increasing acceptance of the tablet portfolio, boosted by the recent introduction of ITULATEK®.

Sales of bulk SCIT products increased by 4% while sales of other products were up 37%, both largely on the gradual normalisation of access to clinics and hospitals towards the end of the quarter in the wake of the USA's mass COVID-vaccination programme, which is leading to an easing of virus containment measures. ALK estimates that patient consultations in Q1 were at around 80% of pre-COVID levels.

International markets

Revenue in International markets increased by 29% to DKK 108 million (86), reflecting strong tablet sales growth in Japan, especially from MITICURE™ to the extent that some tablet shipments to ALK's partner Torii which had been planned for Q2, were brought forward to Q1. There was also strong, double-digit, in-market growth from legacy products in China, although this was not reflected in revenue due to the phasing of product shipments.

Global revenue by product line

DKKm	Q1-2021	Growth*	Share of revenue	Q1-2020
SCIT and SLIT-drops	433	-10%	42%	487
SLIT-tablets	466	32%	46%	356
Other products and services	122	15%	12%	113
Revenue	1,021	9%	100%	956

* In local currencies

3M FINANCIAL REVIEW

(Comparative figures for 2020 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

3M revenue increased by 7% in reported currency to DKK 1,021 million (956) and was better than expected. Exchange rate fluctuations reduced reported revenue growth by 2 percentage points. Planned product discontinuations, which mostly involved SCIT/SLIT-drops products in Europe, impacted overall growth negatively by 3 percentage points.

Cost of sales increased 8% in local currencies to DKK 391 million (371). The gross profit of DKK 630 million (585) yielded an improved gross margin of 62% (61%), and mainly reflected increased sales – especially from tablets in Europe – somewhat reduced by increasing shipments to Torii in Japan with lower margins and also lower sales of legacy products in Europe. ALK continues to see significant costs associated with compliance efforts to secure robustness in product supply, as well as the implementation of the product and site strategy.

Capacity costs increased 7% in local currencies to DKK 464 million (448). As planned, R&D expenses increased by 20% in local currencies in support of increasing activities related to clinical trials. Sales and marketing expenses increased by 2% in local currencies, following a gradual normalisation of activity levels following the impact of COVID on the business, but also operational leverage of ALK's commercial activities. Administrative expenses increased 2% in local currencies.

EBITDA (operating profit before depreciation and amortisation) increased 14% to DKK 226 million (198), benefiting from operational leverage despite a significant increase in R&D expenditure. Exchange rates did not have an impact on operating profit.

Net financials were a gain of DKK 6 million (loss of 15) mainly relating to currency fluctuations on intercompany loans. **Tax on the profit** totalled DKK 45 million (36) and **net profit** was DKK 127 million (86).

Cash flow from operating activities improved to DKK 127 million (70) mainly as a consequence of the increased EBITDA. Furthermore, cash flow was negatively impacted by changes in working capital as a consequence of the company's growth momentum. **Cash flow from investment activities** was DKK minus 41 million (minus 49) mainly relating to upgrades to legacy production and the build-up of capacity for SLIT-tablet production. **Free cash flow** was positive, at DKK 86 million (21).

Cash flow from financing activities was DKK minus 3 million (minus 14), relating to the settlement of incentive programmes and minor repayments of debt obligations.

At the end of March, **cash and marketable securities** totalled DKK 384 million, versus DKK 298 million at the end of 2020 and DKK 322 million at the end of Q1 2020. In addition, ALK has an unused credit facility of DKK 600 million which runs until 2022.

At the end of March, ALK held 164,498 of its **own shares** or 1.5% of the share capital, versus 1.9% at the end of 2020, and 2.0% at the end of March 2020.

Equity totalled DKK 3,323 million (3,279) at the end of the period, and the equity ratio was 57% (58%).

Outlook for 2021

ALK is updating its financial outlook for 2021 based on solid Q1 earnings, and a stronger full-year outlook for tablet sales, which is still partly offset by continuing uncertainty around COVID and its ongoing impact on sales of ALK's legacy products:

- ▶ Revenue is now expected to grow 9-12% in local currencies (previously: 8-12%).
- ▶ Tablet sales are now expected to grow by ~25% (previously: >20%).
- ▶ Operating profit (EBITDA) is now expected at DKK 375-425 million (previously: 325-425).
- ▶ Free cash flow is now expected to be at ~DKK minus 200 million (previously: minus 200-300), reflecting the revised earnings outlook.

The updated financial outlook is based on the following assumptions:

Revenue

ALK assumes that COVID will continue to be a factor in patients' ability and willingness to visit healthcare professionals in selected countries over the coming months. This is likely to continue to impact sales of treatments that rely on more frequent clinic visits, while tablet sales are expected to be resilient. In H2, ALK assumes that patients will gradually be more able and willing to visit healthcare professionals again without significant limitations.

As before, the continued tablet sales momentum will remain key to overall growth in 2021, while ALK now expects muted sales growth across its legacy product portfolio. Discontinuations of legacy products are still expected to impact growth negatively by ~1 percentage point.

Operating profit

The gross margin is still expected to increase by 1-2 percentage points, driven by efficiencies and higher sales – especially from tablets. Capacity costs will as planned be influenced by a significant increase in R&D costs to complete the clinical development of the tablet portfolio. Estimated R&D costs remain at around DKK 650 million, of which, around DKK 100 million relates to activities originally scheduled for 2020 but postponed due to COVID. Sales and marketing activities are expected to gradually return to normal in second half of 2021.

Free cash flow

Free cash flow will still be impacted by changes in working capital, including a one-off repayment of up to DKK 175 million in accrued rebates and a deadline extension for the settlement of around DKK 50 million related to 2020 tax payments for Danish employees.

The CAPEX projection is unchanged at approximately DKK 300 million.

Other assumptions

The outlook does not include any revenue from acquisitions, new partnerships, or in-licensing, nor does it include any sizeable payments related to M&A or in-licensing. The outlook is based on current exchange rates, resulting in a negative effect of approximately 1 percentage point on reported revenue growth and an immaterial effect on reported EBITDA.

RISK FACTORS

This interim report contains forward-looking statements, including forecasts of future revenue, operating profit and cash flow, as well as expected business-related events. Such statements are, by their very nature, subject to risks and uncertainties, as various factors, some of which are beyond the control of ALK, may cause actual results and performance to differ materially from the forecasts made in this report. Without being exhaustive, such factors include, e.g., consequences of the global COVID pandemic, general economic and business-related conditions, including: legal issues, uncertainty relating to demand, pricing, reimbursement rules, partners' plans and forecasts, fluctuations in exchange rates, competitive factors and reliance on suppliers. Additional factors include the risks associated with the sourcing and manufacturing of ALK's products as well as the potential for side effects from the use of ALK's existing and future products, as allergy immunotherapy may be associated with allergic reactions of differing extents, durations and severities.

Financial calendar

Silent period	14 July 2021
Six-month interim report (Q2)	11 August 2021
Silent period	14 October 2021
Nine-month interim report (Q3)	11 November 2021

R&D PIPELINE STATUS

ALK aims to globalise a portfolio of SLIT-tablets for all relevant ages, covering five of the most common respiratory allergies: house dust mite, grass, tree, ragweed and Japanese cedar.

	Phase I	Phase II	Phase III	Filing	Marketed
GRAZAX® Europe Adults and children – Allergic rhinitis (grass)					2007
GRASTEK® North America Adults and children – Allergic rhinitis (grass)					2014
GRAZAX® International marketsⁱ Adults and children – Allergic rhinitis (grass)					2017
RAGWITEK® North America Adults and children – Allergic rhinitis (ragweed)					2014/21
RAGWIZAX® Europe & International markets Adults and children – Allergic rhinitis (ragweed)					2020
ACARIZAX® Europe Adults – Allergic rhinitis and allergic asthma (HDM) Adolescents – Allergic rhinitis (HDM)					2016/17
ACARIZAX®/ODACTRA® North America Adults – Allergic rhinitis (HDM)					2017/18
MITICURE™ Japanⁱⁱ Adults and children – Allergic rhinitis (HDM)					2015/18
ACARIZAX® International marketsⁱ Adults - Allergic rhinitis and allergic asthma (HDM)					ⁱⁱⁱ
ACARIZAX® China Adults – Allergic rhinitis (HDM)					
ACARIZAX®/ODACTRA® Europe & North America Children – Allergic asthma (HDM)					
ACARIZAX®/ODACTRA® Europe & North America Children – Allergic rhinitis (HDM)					
ODACTRA® North America Adolescents – Allergic rhinitis (HDM)					
CEDARCURE™ Japanⁱⁱ Adults and children – Allergic rhinitis (Japanese cedar)					2018
ITULAZAX®/ITULATEK™ Europe & Canada Adults – Allergic rhinitis (tree: birch family)					2019/20
ITULAZAX®/ITULATEK™ Europe & Canada Children – Allergic rhinitis (tree: birch family)					

i. Licensed to Abbott for south-east Asia and Seqirus for Australia/New Zealand

ii. Licensed to Torii for Japan

iii. Already marketed in selected markets

STATEMENT BY MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 31 March 2021. The interim report has not been audited or reviewed by the company's independent auditor.

The consolidated interim report has been prepared in accordance with IAS 34 'Interim financial reporting' and additional Danish disclosure requirements for the presentation of quarterly interim reports by listed companies.

In our opinion, the interim report gives a true and fair view of the ALK Group's assets, equity and liabilities, financial position, results of operations and cash flow for the period 1 January to 31 March 2021. We further consider that the Management review in the preceding pages gives a true and fair statement of the development in the ALK Group's activities and business, the profit for the period and the ALK Group's financial position as a whole, and a description of the most significant risks and uncertainties to which the ALK Group is subject. Besides what has been disclosed in the interim report, no changes in the ALK Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated annual report 2020.

Hørsholm, 5 May 2021

Board of Management

Carsten Hellmann
President & CEO

Henrik Jacobi
Executive Vice President
Research & Development

Søren Jelert
CFO & Executive Vice President

Søren Daniel Niegel
Executive Vice President
Commercial Operations

Board of Directors

Anders Hedegaard
Chairman

Lene Skole
Vice Chairman

Gitte Aabo

Katja Barnkob

Nanna Rassov Carlson

Lars Holmqvist

Bertil Lindmark

Jakob Riis

Johan Smedsrud

Vincent Warnery

INCOME STATEMENT FOR THE ALK GROUP

Amounts in DKKm	3M 2021	3M 2020
Revenue	1,021	956
Cost of sales	391	371
Gross profit	630	585
Research and development expenses	133	113
Sales and marketing expenses	277	281
Administrative expenses	54	54
Operating profit (EBIT)	166	137
Net financial items	6	(15)
Profit before tax (EBT)	172	122
Tax on profit	45	36
Net profit	127	86
Earnings per share (EPS)		
Earnings per share (EPS)	11.6	7.9
Earnings per share (DEPS), diluted	11.5	7.8

STATEMENT OF COMPREHENSIVE INCOME

Amounts in DKKm	3M 2021	3M 2020
Net profit	127	86
Other comprehensive income		
<i>Items that will subsequently be reclassified to the income statement, when specific conditions are met:</i>		
Foreign currency translation adjustment of foreign affiliates	45	19
Tax related to other comprehensive income, that will subsequently be reclassified to the income statement	-	-
Total	45	19
Total comprehensive income	172	105

CASH FLOW STATEMENT FOR THE ALK GROUP

Amounts in DKKm	3M 2021	3M 2020
Net profit/(loss)	127	86
Adjustments for non-cash items (note 3)	118	129
Changes in working capital	(80)	(135)
Financial income, received	1	1
Financial expenses, paid	(4)	(6)
Income taxes, paid (net)	(35)	(5)
Cash flow from operating activities	127	70
Investments in intangible assets	(7)	(4)
Investments in tangible assets	(31)	(45)
Investments in other financial assets	(3)	-
Cash flow from investing activities	(41)	(49)
Free cash flow	86	21
Sale of treasury shares	17	-
Exercised share options, paid	(10)	(4)
Repayment of lease liabilities	(6)	(6)
Repayment of borrowings	(4)	(4)
Cash flow from financing activities	(3)	(14)
Net cash flow	83	7
Cash at beginning of year	298	316
Cash beginning of year	298	316
Unrealised gains/(losses) on cash held in foreign currency and financial assets carried as cash	3	(1)
Net cash flow	83	7
Cash end of period	384	322
Cash end of period	384	322

The consolidated statement of cash flow is compiled using the indirect method. As a result, the individual figures in the cash flow statement cannot be reconciled directly to the income statement and the balance sheet.

BALANCE SHEET - ASSETS FOR THE ALK GROUP

Amounts in DKKm	31 Mar 2021	31 Mar 2020	31 Dec 2020
Non-current assets			
Intangible assets			
Goodwill	455	461	452
Other intangible assets	170	214	172
	625	675	624
Tangible assets			
Land and buildings	942	1,011	921
Plant and machinery	456	321	442
Other fixtures and equipment	73	68	72
Property, plant and equipment in progress	250	355	269
	1,721	1,755	1,704
Other non-current assets			
Receivables	33	47	30
Deferred tax assets	737	643	697
Income tax receivables	152	174	168
	922	864	895
Total non-current assets	3,268	3,294	3,223
Current assets			
Inventories	1,110	1,060	1,093
Trade receivables	623	498	544
Receivables from group companies	20	116	20
Income tax receivables	26	13	24
Other receivables	79	107	96
Prepayments	275	229	265
Cash	384	322	298
Total current assets	2,517	2,345	2,340
Total assets	5,785	5,639	5,563

BALANCE SHEET - EQUITY AND LIABILITIES FOR THE ALK GROUP

Amounts in DKKm	31 Mar 2021	31 Mar 2020	31 Dec 2020
Equity			
Share capital	111	111	111
Currency translation adjustment	(80)	-	(125)
Retained earnings	3,292	3,168	3,167
Total equity	3,323	3,279	3,153
Liabilities			
Non-current liabilities			
Mortgage debt	236	255	240
Bank loans	446	448	446
Pensions and similar liabilities	347	314	345
Lease liabilities	211	231	207
Deferred tax liabilities	-	2	-
Income taxes	142	142	143
	1,382	1,392	1,381
Current liabilities			
Mortgage debt	18	18	18
Trade payables	112	106	74
Lease liabilities	33	33	32
Other provisions	4	9	3
Income taxes	64	72	21
Other payables	848	729	880
Deferred income	1	1	1
	1,080	968	1,029
Total liabilities	2,462	2,360	2,410
Total equity and liabilities	5,785	5,639	5,563

EQUITY FOR THE ALK GROUP

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2021	111	(125)	3,167	3,153
Net profit	-	-	127	127
Other comprehensive income	-	45	-	45
Total comprehensive income	-	45	127	172
Share-based payments	-	-	6	6
Share options settled	-	-	(10)	(10)
Sale of treasury shares	-	-	17	17
Tax related to items recognised directly in equity	-	-	(15)	(15)
Other transactions	-	-	(2)	(2)
Equity at 31 March 2021	111	(80)	3,292	3,323
Equity at 1 January 2020	111	(19)	3,084	3,176
Net profit	-	-	86	86
Other comprehensive income	-	19	-	19
Total comprehensive income	-	19	86	105
Share-based payments	-	-	6	6
Share options settled	-	-	(4)	(4)
Tax related to items recognised directly in equity	-	-	(4)	(4)
Other transactions	-	-	(2)	(2)
Equity at 31 March 2020	111	-	3,168	3,279

NOTES

1 ACCOUNTING POLICIES

This non-audited interim report for the first three months of 2021 has been prepared in accordance with IAS 34 and the additional Danish regulations for the presentation of quarterly interim reports by listed companies. The Interim report for the first three months of 2021 follows the same accounting policies as the annual report for 2020, except for new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2021. These IFRSs have not had any impact on the Group's interim report.

2 REVENUE AND SEGMENT INFORMATION

Amounts in DKKm	Europe		North America		International Markets		Total	
	3M 2021	3M 2020	3M 2021	3M 2020	3M 2021	3M 2020	3M 2021	3M 2020
SCIT/SLIT-drops	347	391	71	74	15	22	433	487
SLIT-tablets	360	271	27	26	79	59	466	356
Other products and services	46	58	62	50	14	5	122	113
Total revenue	753	720	160	150	108	86	1,021	956
Sale of goods							1,005	944
Royalties							16	12
Total revenue							1,021	956

Growth, 3M 2021	Europe		North America		International Markets		Total	
	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth
SCIT/SLIT-drops	-11%	-11%	4%	-4%	-29%	-32%	-10%	-11%
SLIT-tablets	34%	33%	12%	4%	35%	34%	32%	31%
Other products and services	-19%	-21%	37%	24%	200%	180%	15%	8%
Total revenue	5%	5%	16%	7%	29%	26%	9%	7%

Geographical markets (based on customer location):

- o Europe comprises the EU, the UK, Norway and Switzerland
- o North America comprises the USA and Canada
- o International Markets comprise Japan, China and all other countries

NOTES

3 ADJUSTMENTS FOR NON-CASH ITEMS

Amounts in DKKm	3M 2021	3M 2020
Tax on profit/ (loss)	45	36
Financial income and expenses	(7)	15
Share-based payments	6	6
Depreciation, amortisation and impairment	60	61
Other adjustments*	14	11
Total	118	129

* Other adjustments include non-cash transactions related to the divestment of ALK's part-share of a formulation production line for tablets to production partner Catalent. In 2020, it further includes provision for transition period for the Danish Holiday act.