



# Q3 2023 presentation

Webcast  
15 November 2023



# Agenda and presenters

- Highlights
- Performance
  - European tablet sales
  - Global sales and market trends
  - Financials
- Strategy update
  - Overall progress
- 2023 outlook
- Q&A session



**President & CEO**  
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*This presentation contains forward-looking statements, including forecasts of future revenue and operating profit, as well as expected business-related events. Such statements are subject to risks and uncertainties, as various factors, some of which are beyond ALK's control, may cause actual results and performance to differ materially from the forecasts made in this presentation. The coronavirus pandemic, and the extent and duration of countermeasures against the virus, represent additional uncertainties that may also affect forward-looking statements.*

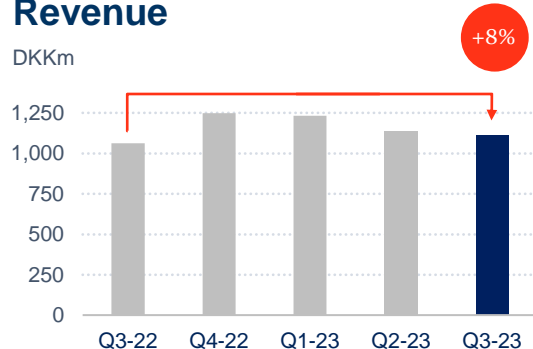


# Solid Q3 results as expected

- 8% revenue growth, driven by tablets and SCIT
- European tablet sales grew by double digits
- Steep decline in Jext® sales lowered group revenue by 4 p.p.
- Operating profit more than doubled
- Full-year outlook is unchanged

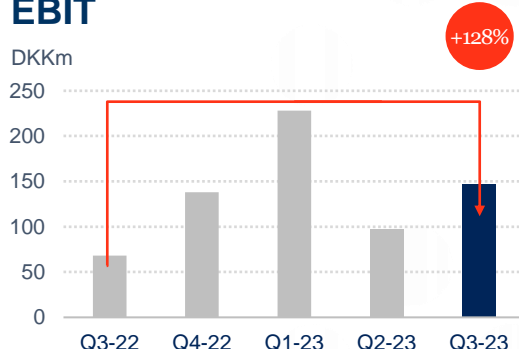
## Revenue

DKKkm



## EBIT

DKKkm



Revenue and EBIT growth rates are stated in local currencies



# Update on European tablet sales

*Q3 performance and key indicators point to recovery in sales growth from H2*

Sales growth in Q3	Growth in patient initiations YTD	Growth in clarify visits YTD	Disease burden	Markets
14%	>10%	40%	Well recognised	Stabilising

~10%

Sales growth anticipated  
in H2 2023

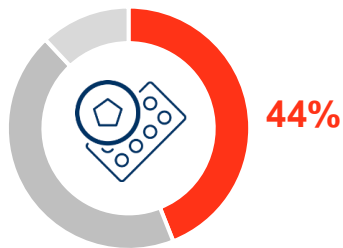


# Double-digit growth in tablets and SCIT sales

*Other products: Fluctuations in sales of US life-science products and temporary decline in Jext<sup>®</sup> sales*

## Tablets

Share of Q3 revenue



491m

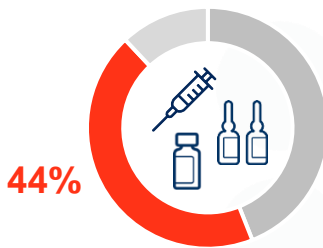
458m

+10%

■ 2023 ■ 2022

## SCIT/SLIT-drops

Share of Q3 revenue



484m

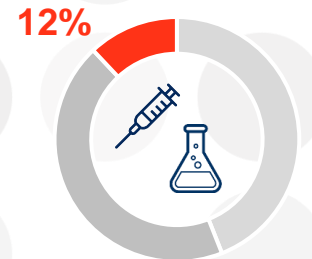
407m

+23%

■ 2023 ■ 2022

## Other products

Share of Q3 revenue



135m

197m

-28%

■ 2023 ■ 2022

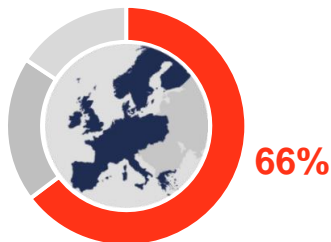
*Sales in all regions expressed in DKK – Organic growth rates are stated in local currencies*

# Growth led by International markets and Europe

*North America: Tablet sales were up 26%; fluctuations in sales of life science products between quarters*

## Europe

Share of Q3 revenue



730m

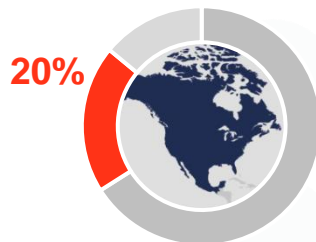
683m

+8%

■ 2023 ■ 2022

## North America

Share of Q3 revenue



218m

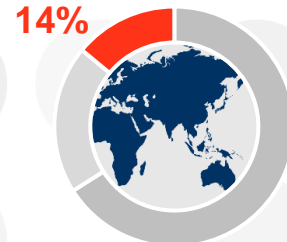
228m

+2%

■ 2023 ■ 2022

## International markets

Share of Q3 revenue



162m

151m

+17%

■ 2023 ■ 2022

*Sales in all regions expressed in DKK – Organic growth rates are stated in local currencies*

# Sales growth drives margin improvements

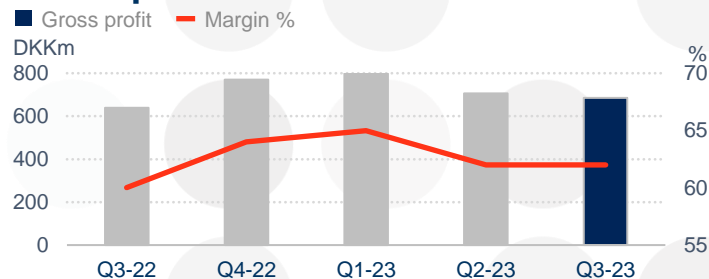
DKK million	9M 2022	9M 2023
Revenue	3,262	3,479
Gross profit	2,020	2,191
<i>Gross margin</i>	62%	63%
Capacity costs	1,689	1,720
EBIT	332	472
<i>EBIT-margin</i>	10%	14%
Free cash flow	98	51

10% l.c. growth  
disregarding German  
rebate increase

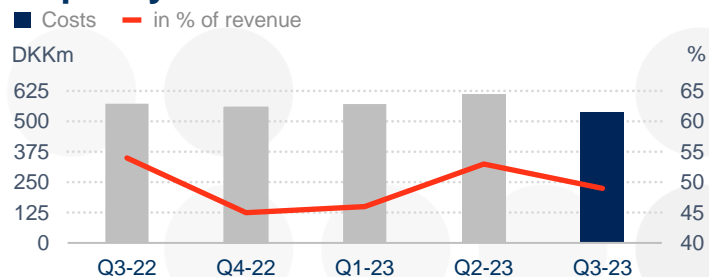
55% growth in l.c.;  
42% growth in DKK

Changes in working  
capital; investments in  
production capacity

## Gross profit



## Capacity costs





# Progress on long-term strategy

## Succeed in North America



Growth

Execute new US tablet business model, build new sales channels

*Children indications for HDM tablet in 2025 (USA) and tree tablet in 2025 (CAN)*

## Complete & commercialise the tablet portfolio



Growth & paediatric development

*EU children indications for HDM tablet in 2024/25 and tree tablet in 2025*

*Potential upscaling of capacity in Japan*



Ongoing regulatory review of HDM tablet in China

Improve market access

## Consumer engagement and new horizons



*Peanut trial interim readouts around year-end*



Innovation

AAI projects in the USA and China



Mobilise patients

Digital mobilisation and expansion of 'klarify' universe

## Optimise for excellence



Upscale tablet production

Simplify production set-up and standardise portfolio



Organisational excellence

Mitigate cost inflation



**Lead the way  
– people and planet**

Commitment to science-based targets for Scope 1, 2 and 3 emissions



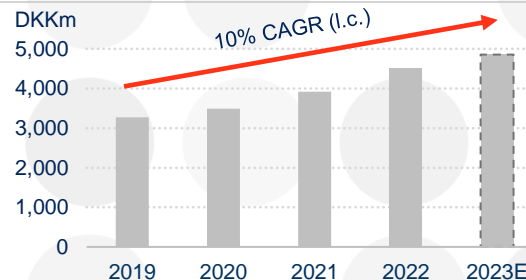
# Full-year outlook is unchanged

## Revenue

8-10% growth  
in local currencies

- 9-11% organic growth disregarding one-year, mandatory rebate increase in Germany
- Tablet outlook unchanged – EU price changes pending
- SCIT/SLIT-drops outlook unchanged
- Other products outlook unchanged; impact from Jext<sup>®</sup> supply shortages will be somewhat lower in Q4

## Revenue



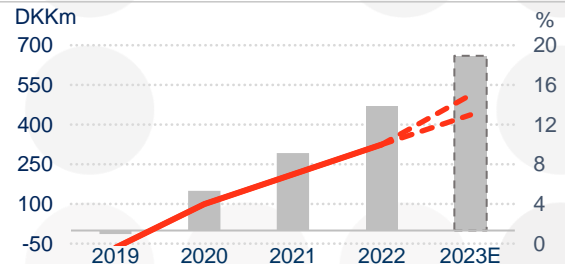
## EBIT

13-15% margin

- Gross margin to improve by ~1 p.p., amidst cost inflation, German rebate, and higher shipments to Torii
- R&D costs at ~DKK 600m
- S&M costs to increase by mid-single digits, Q4 spending to step up due to phasing
- Lower capacity cost to revenue ratio

## EBIT

## EBIT margin



# Q&A session



# Upcoming news and events

- |                 |   |
|-----------------|---|
| 16 November     | Roadshow, Copenhagen                                  |
| 7 December      | Nordic American Healthcare Conference, New York       |
| Around year-end | Interim readouts from Phase 1 trial in peanut allergy |
| 8 February 2024 | Annual Report 2023                                    |

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