



## Nine-month interim report (Q3) 2019

November 7, 2019

### On track for double-digit growth (unaudited)

ALK's strategy continued to deliver positive results during Q3, with broad-based growth from all regions. Tablet sales grew by 35% and the portfolio was further strengthened by encouraging first launches of the new tree tablet. In the first nine months of the year, ALK saw growth of 11% and remains on course to deliver revenue growth of 10% or more for the full year. The full-year outlook has been updated to reflect improved earnings.

### Q3 2019 highlights

- Total revenue was up 11% in local currencies at DKK 739 million (661).
- Tablet sales grew by 35% to DKK 185 million (138) and combined SCIT and SLIT-drops sales were up 4%, reflecting the continued recovery of SCIT sales.
- There was growth in all sales regions, at 6% in Europe, 17% in North America and 80% in International markets.
- Operating profit (EBITDA) was DKK 36 million (24) and benefited from higher revenue and operational efficiencies.
- Free cash flow for the quarter was DKK minus 35 million (minus 153).
- In the first nine months, total revenue was up 11% at DKK 2,391 million (2,128) and operating profit (EBITDA) was DKK 193 million (126).
- In the first nine months, free cash flow was DKK minus 184 million (minus 354).

### Progress on the four strategic priorities

- Commercialisation of the tablet portfolio continues to advance with the first launches of the new tree tablet, ITULAZAX®. In the first market, Germany, ALK has delivered its best ever tablet launch in terms of patients and sales.
- In North America, work on the SLIT-tablets opportunity continued to deliver gradual acceptance among key prescribers, with improved prescription depth that is tracking close to plan.
- Digital patient engagement continued to exceed expectations and ALK will build on the successes of the two pilot markets by expanding activities into 10 further markets in 2020.
- The site and portfolio strategy remains on track, while quality and efficiency programmes continue to yield results, as evidenced by regulatory inspections of ALK facilities in Q3. ALK also secured an amended approval for SCIT product Alutard SQ® in Germany, allowing shorter up dosing to meet patient and prescriber needs.

### 2019 financial outlook

Based on results for the year to date and the forecast for Q4, ALK's full-year outlook has been updated to reflect improved earnings and the phasing of investments:

- Full-year revenue is still projected to be DKK 3,200-3,300 million.
- Operating profit (EBITDA) is now expected at DKK 200-250 million (previously DKK 150-250 million).
- Free cash flow is now expected at approximately DKK minus 200 million (previously DKK minus 300 million).
- ALK continues its investment programme to support the three-year strategic transformation of the company between 2018 and 2020, and the associated business investments will continue to affect operating profit and free cash flow.

Hørsholm, 7 November 2019

**ALK-Abelló A/S**

*Comparative figures for 2018 are shown in brackets. 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 1.30 p.m. (CET) at which Management will review the financial results and the outlook. The conference call will be audio cast on <https://ir.alk.net>. Participants for the audio cast are kindly requested to call in before 1.25 p.m. (CET). 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: 95006627#. The conference call will also be webcast live on our website, where the related presentation will be made available shortly before the call begins.*

**Attachment**

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