

Q3 2021 & full-year outlook

Webcast

11 November 2021



 **ALK**

Today's agenda

- Performance
 - Q3 2021 highlights
 - Sales trends
 - Financial results
- Strategy update
- 2021 financial outlook
- Q&A session



President & CEO
Carsten Hellmann



EVP, Group CFO
Søren Jelert



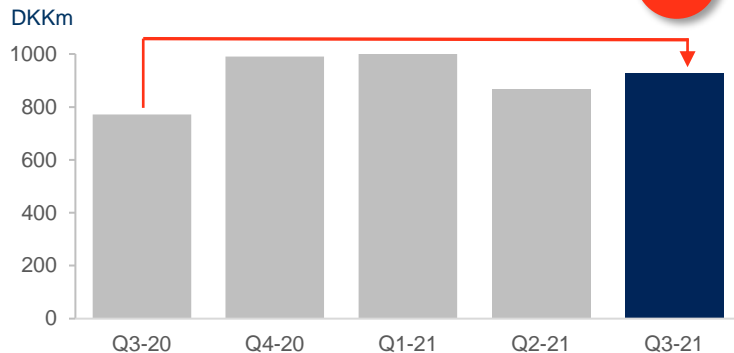
VP, Head of IR
Per Plotnikof

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 emergence of the coronavirus pandemic, and the extent and duration of countermeasures against the virus, represent additional uncertainties that may also affect forward-looking statements.

Q3 revenue up 20%, 2021 full-year outlook updated

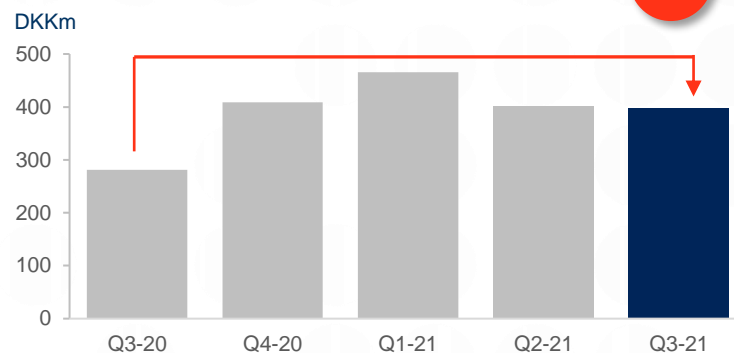
- Tablet sales up 41%, legacy products continue to recover.
- EBITDA up at DKK 124m (58) on strong sales and improved gross margin.
- FY outlook updated on better than expected performance.
- Strategy progress: Rx guidelines in Germany, food tablet feasibility study, supply chain robustness...

Group revenue



Sales growth rates are in local currencies

Global tablet sales



Solid growth across all regions

Tablets the main driver of global growth

Europe



Q3

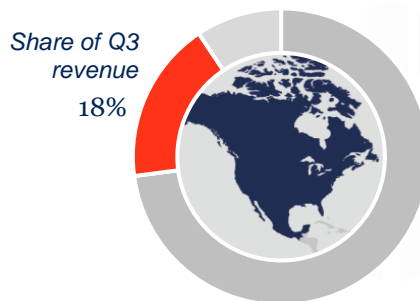
640m

556m

■ 2020 ■ 2021

+15%

North America



Q3

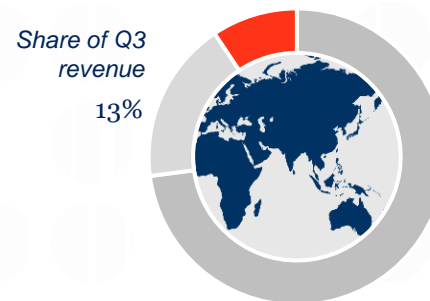
169m

138m

■ 2020 ■ 2021

+23%

International markets



Q3

119m

78m

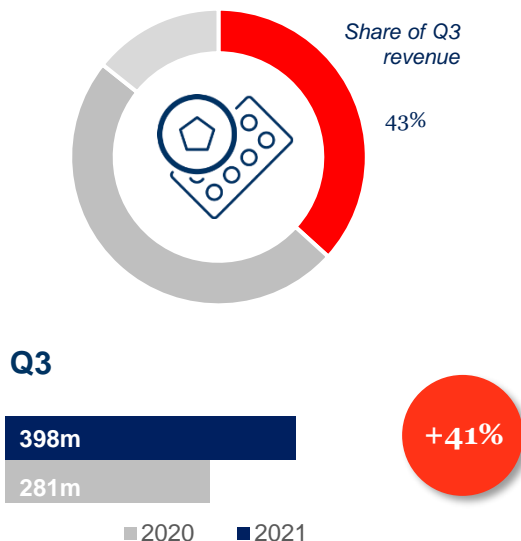
■ 2020 ■ 2021

51%

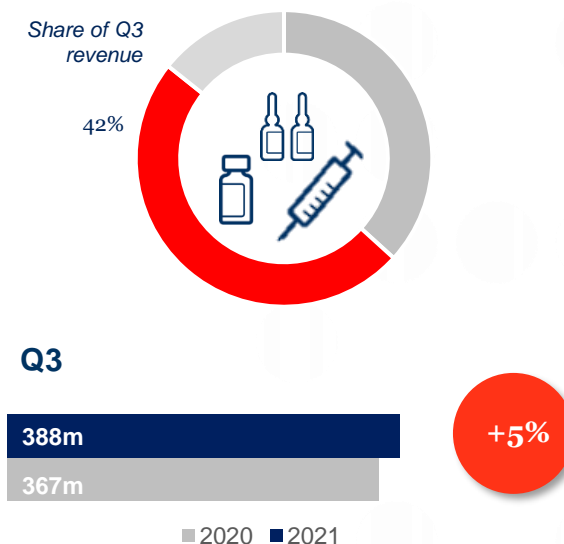
Sales in all markets expressed in DKK
Growth rates are in local currencies

Tablets up 41%, broad recovery of legacy products

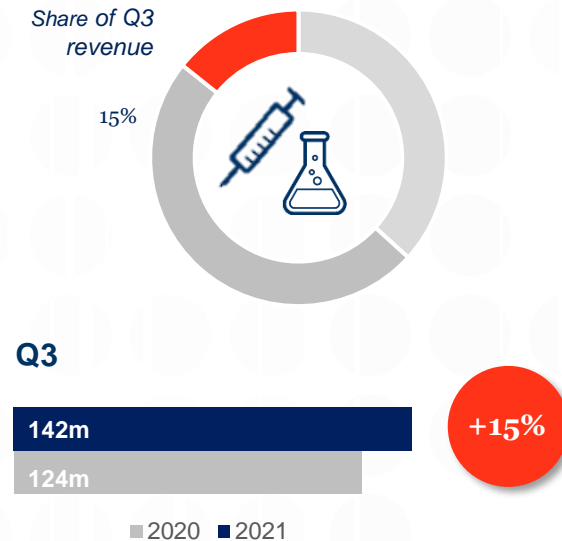
Tablets



SCIT/SLIT-drops



Other products



Sales in all markets expressed in DKK
Growth rates are in local currencies

Profitability (EBITDA) up 20%

Driven by sales growth and improved gross margin

DKK million	9M 2020	9M 2021
Revenue	2,500	2,817
Gross profit	1,449	1,695
Gross margin	58%	60%
Capacity costs	1,289	1,483
EBITDA	331	398
EBIT	159	213
Free cash flow	(67)	149
Cash/credit facilities	780	1,415

Positive impact
of continued
tablet growth

R&D spend
increased as
planned by
35%

Sales &
Marketing
up 11% on gradual
normalisation
of activities

Unused
credit facilities
of DKK 1.2bn

Relentless focus on strategy execution

Sustain high growth

Continue tablet-fuelled growth momentum

Expand global leadership
in respiratory AIT

Become relevant for
many more allergy sufferers

Accelerate long-term growth:

Enter food allergy
Expand in anaphylaxis

Become profitable

Succeed in
North
America

Complete and
commercialise
tablet
portfolio

Consumer
engagement
and new
horizons

Optimise for
excellence



Lead the way – people and planet

Financial ambitions until 2025

An ALK capable of delivering sustainable, high revenue and earnings growth

Revenue growth of $\geq 10\%$ annually

Continuously raise EBIT margin to $\sim 25\%$ in 2025

Strategy prioritises strength, growth & leadership

Succeed in North America

Targets



>10% growth

Tablet sales up 67%, legacy and other products up on US market recovery

Complete and commercialise tablet portfolio for all relevant ages

Targets



Paediatric & adolescent development

Recruitment for paediatric allergic rhinitis trials for house dust mite and tree on track

Targets



Complete & commercialise tablet portfolio

ALK assessing next steps for paediatric allergic asthma trial & China registration trial for HDM

Consumer engagement and new horizons

Targets



Mobilise 250k patients

>300,000 consumers mobilised via digital channels across all markets

Targets



Innovation

Food AIT: Successful feasibility study paves way for Phase I start-up in H1 2022

Optimise for excellence

Targets



Portfolio rationalisation

Year-to-date: **1,334 regulatory changes** submitted to 40 regulatory authorities

Targets



Production efficiency

Supply chain, inventory levels and distribution channels **remain robust**

Full-year financial outlook updated

2021	5 Feb Outlook	5 May Outlook	9 Aug Outlook	11 Nov Outlook	Comments	2020 actuals
Revenue	+8-12% (l.c.)	+9-12% (l.c.)	+10-12% (l.c.)	+11-12% (l.c.)	<ul style="list-style-type: none"> FY tablet growth still at 25% or slightly above Improved SCIT/SLIT-drops sales outlook <1 p.p. negative impact from currencies 	3,491m
EBITDA	DKK 325-425m	DKK 375-425m	DKK 450-500m	DKK 500-550m	<ul style="list-style-type: none"> Gross margin now expected to grow ~2 p.p. (previously 1-2 p.p.) General cost savings R&D now ~DKK 625m (prev: slightly below 650m) Sales and marketing costs to normalise gradually 	395m
Free cash flow	DKK -200-300m	~DKK -200m	~DKK -100m	~DKK +200m	<ul style="list-style-type: none"> Improved earnings CAPEX ~DKK 250m (previously 250-300m) Accrued rebates repayment now expected in 2022 (prev: DKK 175m) 	56m

Assumptions: Current exchange rates. No new revenue from acquisitions and/or partnerships. No new sizeable payments for M&A/in-licensing.

Q&A session



Thank you for your attention

12 November: Roadshow, Copenhagen

17 November: Jefferies Healthcare Conference, London

18 November: Jefferies Virtual Healthcare Conference

22 November: Økonomisk Ugebrev Life Science Conference, Copenhagen

26 November: Roadshow, Helsinki

2 December: Danske Bank Copenhagen Winter Seminar

16 December: DNB Nordic Healthcare Conference, Oslo

Investor Relations:

Per Plotnikof,

Vice President, Head of Investor Relations

Phone: +45 4574 7576

E-mail: ppidk@alk.net

Read more: www.alk.net