



Q2 2022 presentation

11 August 2022

Webcast



Today's agenda

- Highlights
- Performance
 - Sales trends
 - Market trends
 - Financials
- Strategic progress
- 2022 financial outlook
- Q&A session



President & CEO
Carsten Hellmann



EVP, Group CFO
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VP, Head of IR
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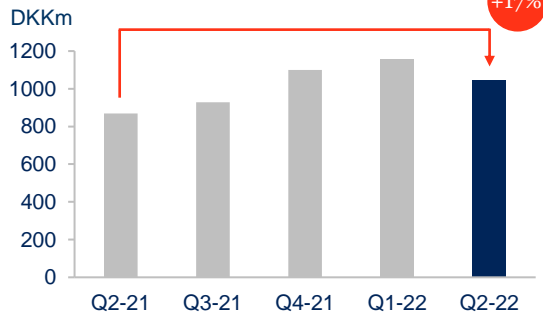
This presentation contains forward-looking statements, including forecasts of future revenue and operating profit, as well as expected business-related events. Such statements are subject to risks and uncertainties, as various factors, some of which are beyond ALK's control, may cause actual results 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.

Strong financial performance in Q2

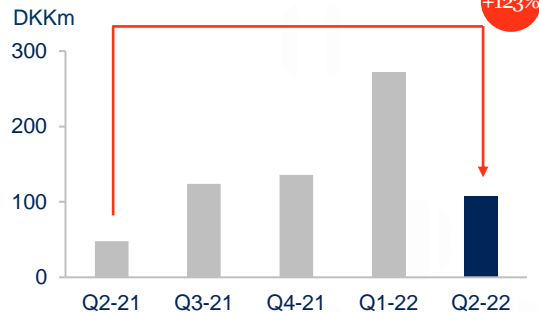
2022 full-year outlook upgraded

- 17% local currency growth; with double-digit growth in all regions
- Strong bounce back in Europe
- EBITDA up 123% in reported currency to DKK 107m on higher sales and better margins
- Launch of Phase I clinical trial for peanut SLIT-tablet

Revenue



EBITDA

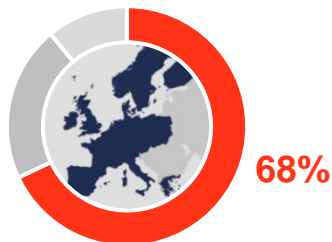


Broad-based growth in all sales regions

EU sales bounced back strongly, positive momentum elsewhere

Europe

Share of Q2 revenue



Q2

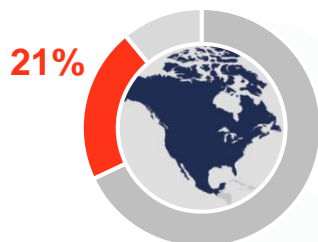
713m

621m

+14%

North America

Share of Q2 revenue



Q2

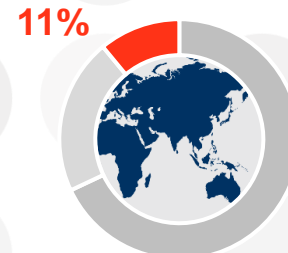
217m

161m

+19%

International markets

Share of Q2 revenue



Q2

115m

86m

+30%

■ 2022 ■ 2021

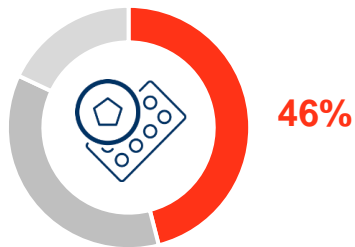
Sales in all markets expressed in DKK - Growth rates are in local currencies

Portfolio-wide growth led by tablets

On track for FY tablet growth of 20% or more

Tablets

Share of Q2 revenue



Q2

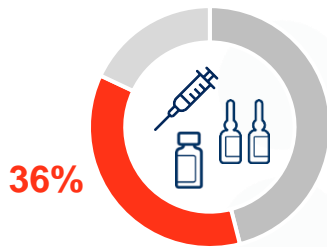
480m

401m

+18%

SCIT/SLIT-drops

Share of Q2 revenue



Q2

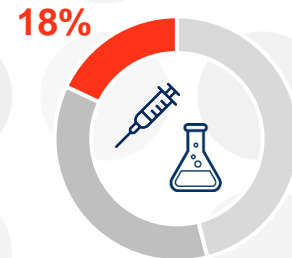
380m

351m

+4%

Other products

Share of Q2 revenue



Q2

185m

116m

+50%

■ 2022 ■ 2021

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

Growth drives margin expansion

Gross margin up 3 p.p., EBITDA up 38%

DKK million	6M 2021	6M 2022
Revenue	1,889	2,200
Gross profit	1,136	1,380
Gross margin	60%	63%
Capacity costs	979	1,116
Cost ratio (R&D)	16%	15%
Cost ratio (SM&A)	36%	36%
EBITDA	274	379
EBIT	158	264
Free cash flow	128	93

Positive impact of growing tablet sales

R&D: Continued high activity level

S&M-costs increase included ramp-up in China, high activity level and closing down in Turkey

Sales growth, efficiencies

Investments in production capacity and upgrades



Key advances in long-term strategy

Q2 2022 strategic achievements



Succeed in North America



~10% growth

Tablet sales up 19%, equal growth in the USA and Canada

Long-established market barriers remain a challenge in the USA

Complete and commercialise the tablet portfolio



Growth & paediatric development

18% growth in tablet sales

Key paediatric trials with ACARIZAX® and ITULAZAX® on track for 2023 completion

HDM tablet filing in China still expected late 2022

Consumer engagement and new horizons



Mobilise patients

Digital mobilisation of patients grew strongly with new launches in four countries



Innovation

Food AIT: Initiation of Phase I trial

US adrenaline: Projects on track for 2024 filing

Optimise for excellence



Production capacity

New agreement with Catalent, which secures long-term manufacturing capacity for ALK's SLIT-tablet portfolio



Portfolio rationalisation

Upgrades of documentation for legacy products



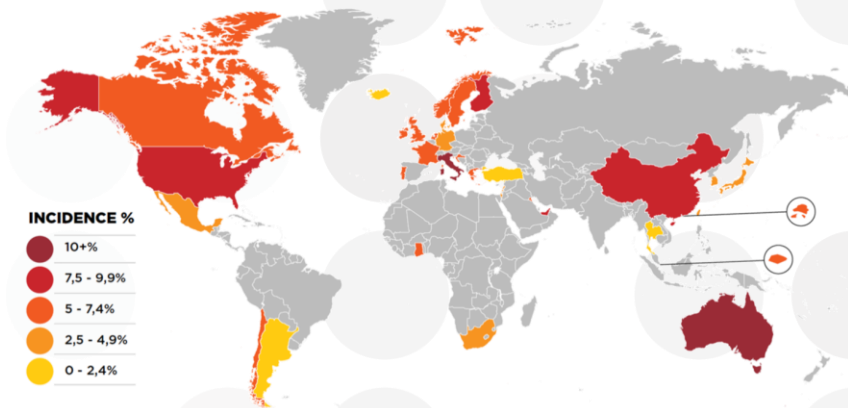
Lead the way – people and planet

Food allergies: A major unmet medical need

A life-threatening condition

- Food allergy affects approximately 2.5% of people and can be a life-threatening condition
- In pre-school children, peanut, tree nuts, milk and egg, cause 80% of food allergy reactions
- For the vast majority, peanut and tree nut allergies persist into adulthood
- Peanut allergy affects up to 1 million children in Europe, and 1.5 million in the USA
- Even exposure to trace amounts can cause life-threatening reactions
- Emergency care is the current standard clinical intervention

Prevalence of food allergies



Sources: GlobalData and <https://www.worldallergy.org/education-and-programs/education/allergic-disease-resource-center/professionals/food-allergy>

ALK's Phase I peanut trial

Results due in 2023

- A Phase I trial to assess tolerability and safety of a once-daily peanut sublingual immunotherapy (SLIT)-tablet
- Includes approximately 100 adults, adolescents, and children with peanut allergy at 15 centres in North America
- An open label trial of various doses to identify an optimal starting dose for treatment, an up-dosing regimen and maintenance dose
- Builds on ALK's existing capabilities and 20+ years' experience from developing portfolio of respiratory allergy tablets



Part 1 (determination of starting dose)

Cohort 1: Adults
n=8

Dose 1

SR



Cohort 2: Adults
n=8

Dose 2

SR



Cohort 8: Adults
n=8

Dose 3

SR



Cohort 9: Adults
n=8

Dose 4

SR



Cohort 10: Adults
n=8

Dose 5

Part 2 (determination of up-dosing and maintenance dose)

Cohort 6: Adults
n=10

Dose x



Dose 9

Cohort 7: Adolescents
n=10

Dose x



Dose 9

Cohort 8: Children
n=10

Dose x



Dose 9

Cohort 9: Highly sensitive adults/adolescents
n=TBD

Dose x



Dose 9

Cohort 10: Highly sensitive children
n=TBD

Dose x



Dose 9

2022 outlook upgraded

Broad-based growth in all regions

DKK	8 Feb 2022 outlook	4 Aug 2022 outlook	Comments	2021 actuals
Revenue	8-12% growth in local currencies	10-13% growth in local currencies	<ul style="list-style-type: none"> • ≥20% growth in tablet sales, double-digits across regions • EU sales now expected at ~10% • Mid, single-digit growth from non-tablet portfolio • High-end: Continuous strong revenue growth, especially in Europe, with tablets leading the way, as well as improved sales of legacy products • Low-end: pricing pressures, particularly in selected markets in Europe, further negative effects from COVID, and/or impact from inability to meet market demand for certain legacy products in North America 	3,916m
EBITDA	DKK 625-725m	DKK 675-750m	<ul style="list-style-type: none"> • Gross margin still to improve by 1-2 p.p. • R&D costs unchanged at DKK 650-700m • S&M ratio still to slightly improve, despite investments in growth, including China 	534m

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

The background of the slide is a photograph of a laboratory setting. A person wearing purple nitrile gloves is using a pipette to transfer blue liquid into a multi-well plate. The plate is filled with rows of blue liquid. The text "Q&A session" is overlaid on the left side of the image in a large, dark blue, serif font.

Q&A session

Thank you for your attention

12 August: Group presentation, Copenhagen

23 August: Nordea Small & Mid Cap Days, Stockholm

13-14 September: Morgan Stanley Global Healthcare Conference, New York

11 November: Nine-month interim report

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