

A woman with short blonde hair, wearing glasses, a white lab coat, and purple nitrile gloves, is leaning over a laboratory bench. She is holding a pipette and appears to be working with a multi-well plate. The background is a blurred laboratory setting with white cabinets and equipment. The overall lighting is bright and clinical.

# Q1 2022 presentation

12 May 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**  
Søren Jelert



**VP, Head of IR**  
Per Plotnikof

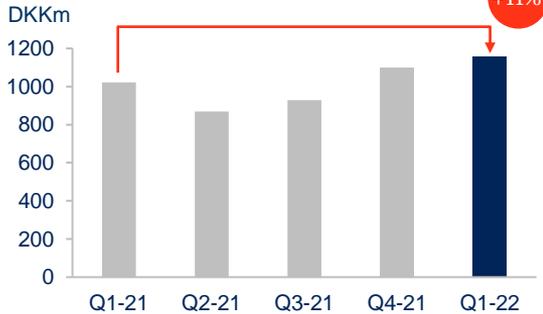
*This presentation contains forward-looking statements, including forecasts of future revenue and operating profit, as well as expected business-related events. Such statements are subject to risks and uncertainties, as various factors, some of which are beyond ALK's control, may cause actual results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

# Q1 highlights

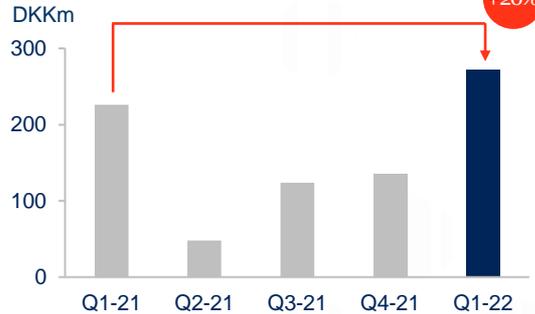
*Robust performance despite a challenging environment*

- 11% organic growth; 13% growth in reported revenue
- Tablet sales up 24%, accounting for 50% of total revenue
- EBITDA up 20% to DKK 272m on higher sales and better margins
- Manageable impacts from COVID and Ukraine war
- Good progress on strategic priorities

## Revenue



## EBITDA

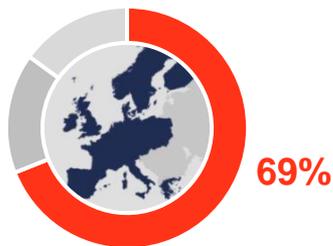


# Growth in all sales regions

*Continued strong development in Japan, EU growth temporarily slowed mainly by lingering effects of Omicron*

## Europe

Share of Q1 revenue



Q1

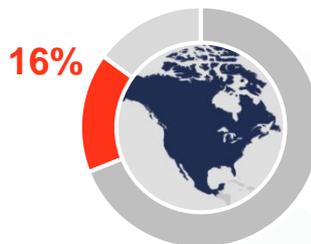
791m

753m

+4%

## North America

Share of Q1 revenue



Q1

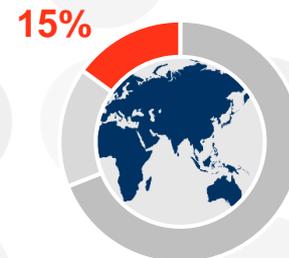
186m

160m

+8%

## International markets

Share of Q1 revenue



Q1

178m

108m

+62%

■ 2022 ■ 2021

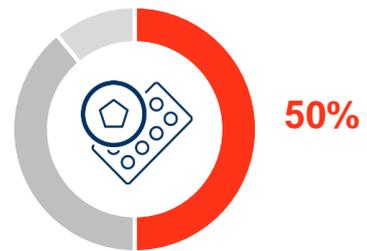
*Sales in all markets expressed in DKK - Growth rates are in local currencies*

# Tablet growth slightly ahead of 20% full-year target

High levels of shipments to Japan in Q1

## Tablets

Share of Q1 revenue



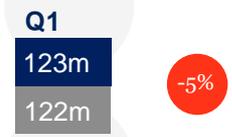
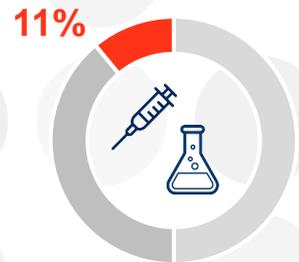
## SCIT/SLIT-drops

Share of Q1 revenue



## Other products

Share of Q1 revenue



■ 2022 ■ 2021

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

# Best-ever quarterly sales

19% EBIT margin despite accelerated R&D spending

DKK million	Q1 2021	Q1 2022
<b>Revenue</b>	<b>1,021</b>	<b>1,155</b>
Gross profit	630	739
Gross margin	62%	64%
Capacity costs	464	524
Cost ratio (SM&A)	33%	32%
<b>EBITDA</b>	<b>226</b>	<b>272</b>
<b>EBIT</b>	<b>166</b>	<b>215</b>
<b>Free cash flow</b>	<b>86</b>	<b>38</b>

Positive impact of growing tablet sales

17% higher R&D spend  
Sales & Marketing spend up 7%, incl. ramp-up in China

Changes in working capital; investments in production capacity and upgrades



# Progress on strategic priorities

Q1 2022 achievements



## Succeed in North America



~10% growth

Tablet sales up 27% on strong momentum in Canada

Telehealth partnerships and other initiatives to overcome market barriers

## Complete and commercialise the tablet portfolio



Growth & paediatric development

24% growth in tablet sales  
HDM tablet filing in China late 2022 based on trial waiver

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

## Consumer engagement and new horizons



Mobilise patients

Digital mobilisation of patients up ~4x

klarify launches in Austria, Slovakia and Switzerland



Innovation

Food AIT: Initiation of Phase I trial mid-2022

US adrenaline: Projects on track for 2024 filing

Exclusive partnership for ACARIZAX® in India

## Optimise for excellence



Portfolio rationalisation

Upgrades of documentation for legacy products



Production efficiency

Quality, supply chain, inventory levels and distribution robust, except for issues re. venom products



Lead the way – people and planet

# 2022 outlook unchanged

*Broad-based growth in all regions*

DKK	2022 outlook	Comments	2021 actuals
<b>Revenue</b>	<b>8-12% growth in local currencies</b>	<ul style="list-style-type: none"> <li>• ~20% growth in tablet sales, double-digit across regions</li> <li>• EU sales growth to pick up</li> <li>• Low, single-digit growth from non-tablet portfolio</li> <li>• High-end: Stronger sales growth, incl. improved sales of tablets and legacy products</li> <li>• Low-end: Pricing pressure in EU, cont'd impact of minor supply interruptions and/or COVID</li> <li>• COVID may lead to some volatility across quarters</li> </ul>	3,916m
<b>EBITDA</b>	<b>DKK 625-725m</b>	<ul style="list-style-type: none"> <li>• Gross margin to improve by 1-2 p.p.</li> <li>• R&amp;D costs up to DKK 650-700m on higher activity</li> <li>• S&amp;M ratio to slightly improve, despite investments in growth accelerators, including China</li> </ul>	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 a blue liquid into a multi-well plate. The plate is held in the person's other gloved hand. The scene is brightly lit, and the focus is on the pipetting action. The text 'Q&A session' is overlaid on the left side of the image.

# Q&A session

# Thank you for your attention

**17 May:** Group presentation, Copenhagen

**1 June:** Nordea Nordic Focus Day, Paris

**9 June:** Roadshow London

**11 Aug:** Six-month interim report

**11 Nov:** Nine-month interim report

**Investor Relations:**

Per Plotnikof,

Vice President, Head of Investor Relations

Phone: +45 4574 7576

E-mail: [ppidk@alk.net](mailto:ppidk@alk.net)

Read more: [www.alk.net](http://www.alk.net)

