

Q1 2021 & full-year outlook

Webcast

5 May 2021



ALK

Today's agenda

- Performance
 - Q1 2021 highlights
 - Sales trends
 - Financial results
- Strategy update
- 2021 financial outlook
- Q&A session



President & CEO
Carsten Hellmann



EVP, Group CFO
Søren Jelert

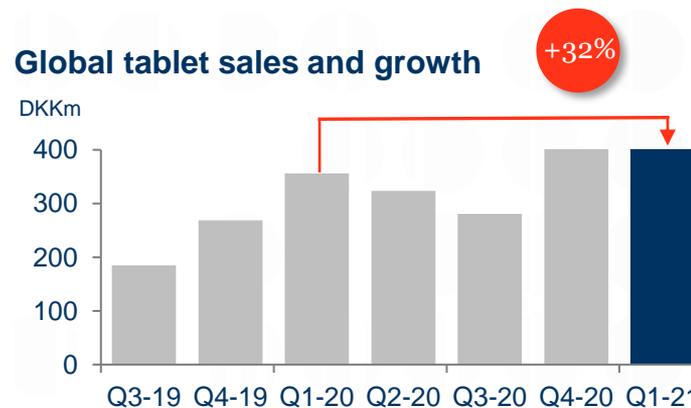
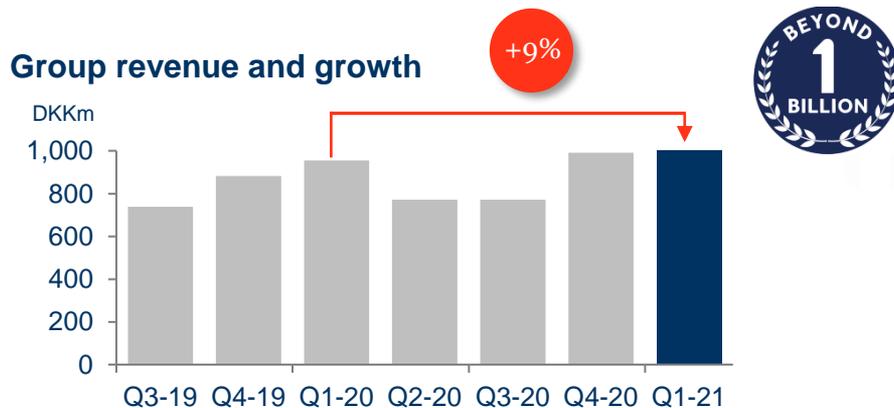


VP, Head of IR
Per Plotnikof

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.

Best ever Q1 revenue, improved outlook for 2021

- Revenue up 9% exceeding DKK 1 billion despite COVID and -3 p.p. from product discontinuations.
- Tablet sales better than expected due to strong performances in Europe and Japan.
- EBITDA up 14% to DKK 226m on operational leverage despite planned increase in R&D costs.
- FY outlook updated on stronger tablet sales.



Solid growth across all regions

Europe



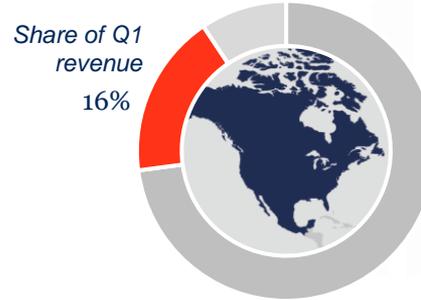
Q1



+5%*

■ 2020 ■ 2021

North America



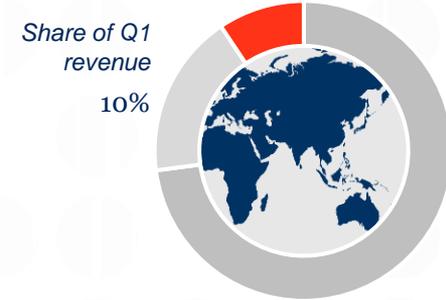
Q1



+16%

■ 2020 ■ 2021

International markets



Q1



+29%

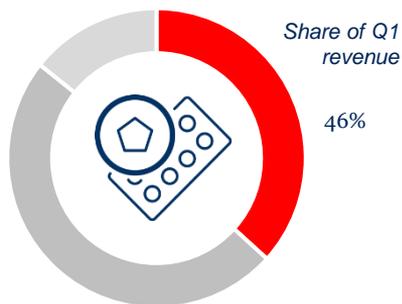
■ 2020 ■ 2021

*Planned product discontinuations in 2020 reduced growth by 4 percentage points in Q1 2021

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

32% tablets growth

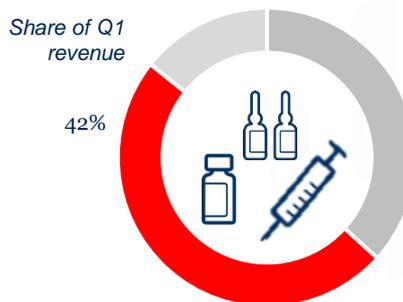
Tablets



Q1



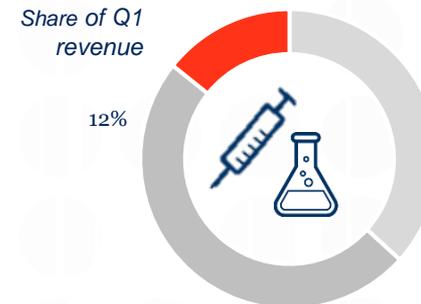
SCIT/SLIT-drops



Q1



Other products



Q1



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

Improved profitability in Q1

EBITDA up 14%

DKK million	3M 2020	3M 2021
Revenue	956	1,021
Gross profit	585	630
Gross margin	61%	62%
Capacity costs	448	464
EBITDA	198	226
EBIT	137	166
Free cash flow	21	86
Cash/credit facilities	922	984

Positive impact of continued tablet growth

R&D spend increased as planned by 20%

Operational leverage despite increase in R&D expenditure

Improved earnings

*R&D and S&M spent in local currencies

Relentless focus on strategy execution continues

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

Tablets account for >50% of ALK's AIT sales

Succeed in North America

Targets



>10% growth

Easing of COVID restrictions boosts sales of legacy products.



Digital engagement

klarify roll-out supported by new telehealth partnership giving US patients direct access to HCPs.



RAGWITEK®
in the USA

RAGWITEK® approved for use in US children.

Complete and commercialise tablet portfolio for all relevant ages

Targets



>20% growth

ITULAZAX® leading the way in Northern Europe and Canada.



Paediatric development

EU/US patient recruitment for ACARIZAX® for allergic rhinitis in children (MT-12) on track.



Adolescent development

ACARIZAX®/ODACTRA®: reimbursement in France; safety study aiming for label extension in the USA

Doubling of consumers mobilised on digital channels

Consumer engagement and new horizons

Targets



~50,000 consumers mobilised via digital channels across all markets.

Mobilise 250k patients



Digital engagement

klarify ready to expand into Canada ahead of planned Q2 launch.



Innovation

Peanut product: formulation feasibility study performed in partnership with Catalent.



Optimise for excellence

Targets



Portfolio rationalisation

482 regulatory changes were submitted to 30 different regulatory authorities.



Production efficiency

Manufacturing and supply resilient, and product inventories robust despite COVID.



Improved financial outlook for 2021

	5 Feb 2021 Outlook	5 May outlook	Comments	2020 actuals
Revenue	+8-12% (l.c.)	+9-12% (l.c.)	<ul style="list-style-type: none"> • FY tablet growth now at to 25% (previously >20%) • US sales to recover from COVID effect • Muted sales growth from legacy portfolio • ~1 p.p. negative impact from currencies 	3,491m
EBITDA	DKK 325- 425m	DKK 375- 425m	<ul style="list-style-type: none"> • Gross margin to increase by 1-2 p.p. • R&D up to DKK ~650m on high activity levels and delays • Sales and marketing costs to normalise gradually 	395m
Free cash flow	DKK-200- 300m	Approx. DKK -200m	<ul style="list-style-type: none"> • Up to ~DKK 225m in payments of accrued rebates and DK-employee taxes shifted from 2020 • ~DKK 300m CAPEX 	56m

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

Q&A session



Thank you for your attention

7 May: Roadshow, Copenhagen

12 May: Virtual roadshow, London

12 May: Kempen Virtual Life Science Conference

17 May: Virtual roadshow, Paris

20 May: Virtual roadshow, Stockholm

26 May: Økonomisk Ugebrev Life Science Conference, Copenhagen

27 May: Virtual roadshow, Germany & Switzerland

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