

Company presentation

12 June 2024



ALK at a glance

ALK is a global specialty pharmaceutical company focused on allergy. ALK markets allergy immunotherapy treatments and other products and services for people with allergy and allergy doctors. Headquartered in Hørsholm, Denmark, the company is listed on Nasdaq Copenhagen

Key figures

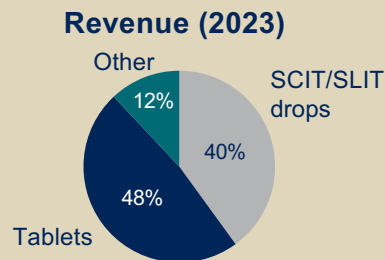
Established
1923

Employees
2,900

Markets
46

Patients in treatment
with ALK products
(Covering AIT and adrenaline)
~2.4m

Participated in clinical
trials for the tablets
>25,000



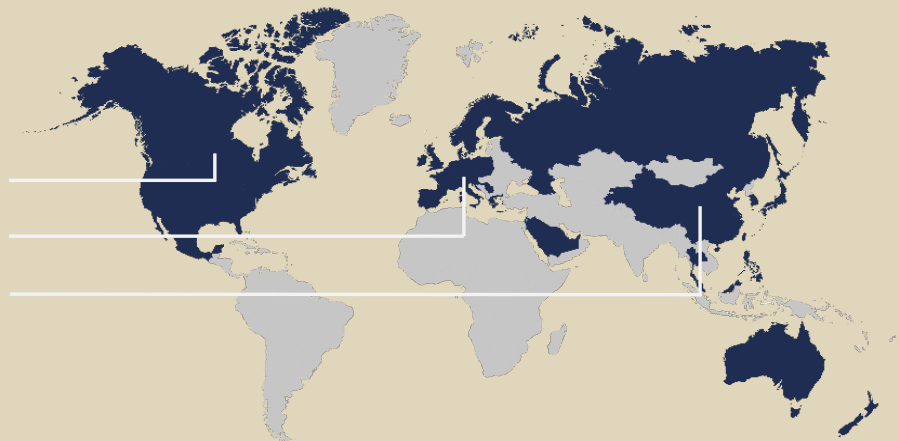
Global presence

Regional revenue distribution

North America **19%**

Europe **67%**

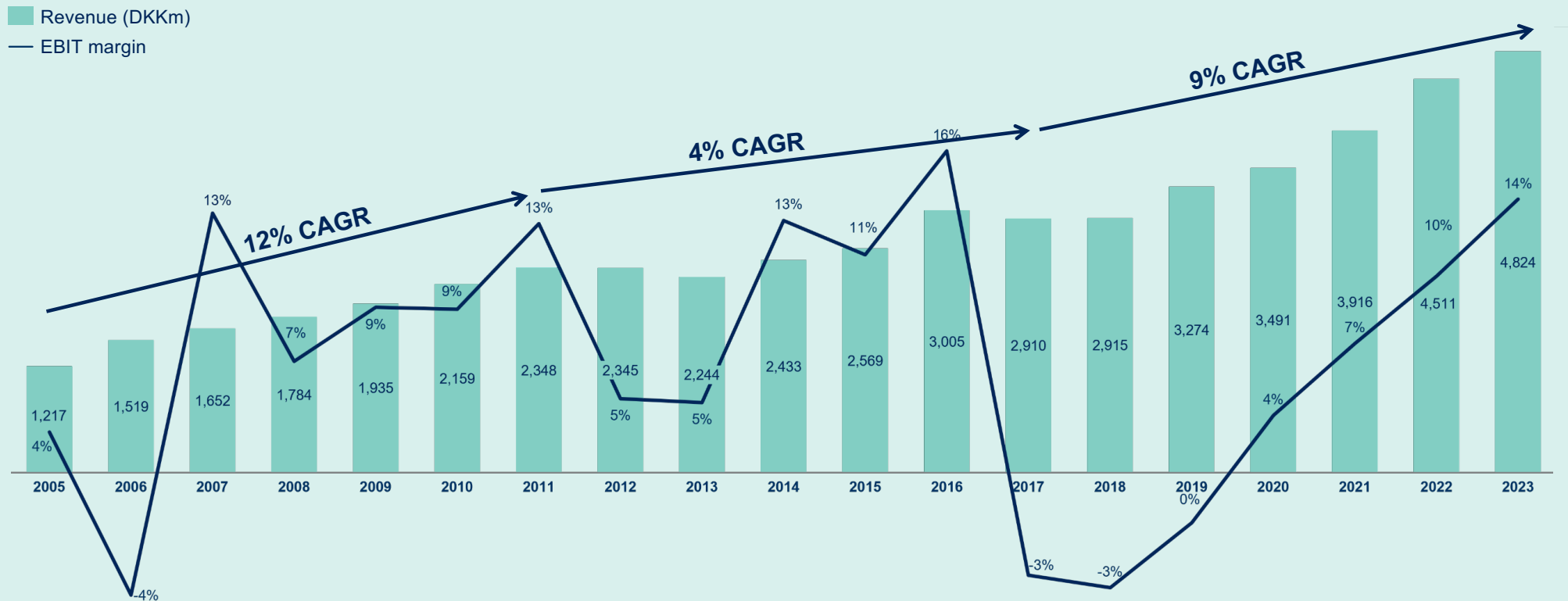
International markets **14%**



Production sites in Europe/USA
ALK's unique manufacturing processes ensure its products meet required quality standards and represent a significant barrier to potential competitors, making them an important factor in maintaining ALK's market position

ALK is a growth company

Accelerating revenue growth and sustainable, improving profitability since 2019



Note: Amounts in reported DKKm

Allergy is the most common chronic disease globally

500 million

people globally have allergic rhinitis (AR)

200 million

people globally have food allergy

100 million

children globally have allergic rhinitis (AR)

20 million

people in the US alone at risk of anaphylaxis

The need for allergy solutions is only growing in a changing world



Climate change

Warmer weather,
longer pollen seasons



Urbanisation

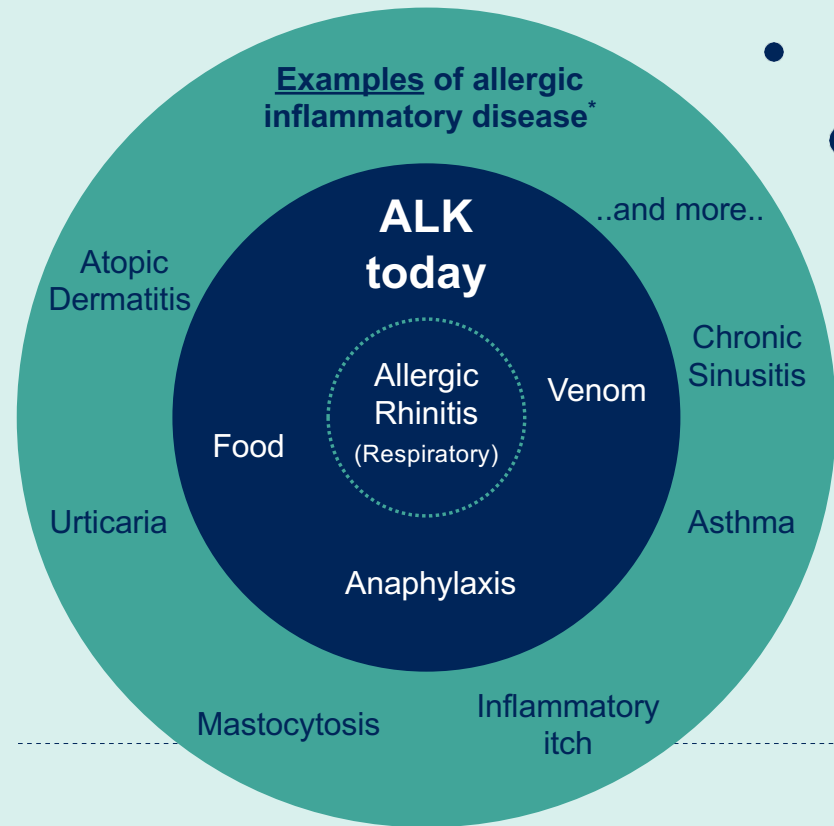
New ways of living, higher
levels of air pollution



Food allergy on the rise

Changing dietary habits,
environmental factors

There is significant need and a vast potential for innovative allergy solutions



* Non-exhaustive list of examples

Allergy⁺

2028 strategy



As the pioneers of allergy solutions, we are now stepping into the next 100 years with a mission to help more people, with more solutions, more efficiently

Life-changing allergy solutions for millions of people

Innovate

We will innovate to create a balanced pipeline

Focus

We will grow by focusing on new patient groups and high-impact markets

Optimise

We will optimise to create the right foundation for scaling

Cultivate

We will cultivate our unique capabilities to stay ahead and to grow sustainably

Allergy⁺

Allergy⁺ in essence

- Committed to creating value for shareholders, people and patients
- Strengthen AIT leadership with evidence-based portfolio and full coverage
- Diversify into food allergy and anaphylaxis, pursue adjacent allergic diseases
- Sustain high revenue growth, increase earnings and cash generation
- Prioritise high-potential growth levers
 - Focus commercial footprint in Europe
 - Strengthen R&D to target areas with high unmet medical need
 - Partnerships, licensing, business development
- Optimise to create the right foundation for scaling
 - Reduce complexity and optimise cost base
 - Invest in infrastructure, incl. digital solutions and AI
- Cultivate capabilities and conduct business sustainably
- Aspire to help 5 million people



 ALK

100 years of AIT leadership with appetite for more

With a strong foothold in AIT, ALK expects to expand into new therapy areas with high unmet needs

Respiratory Allergy

50 million
People eligible for AIT

~11bn DKK
Estimated AIT market value

~45% ALK share
of global market

ALK core business with high potential

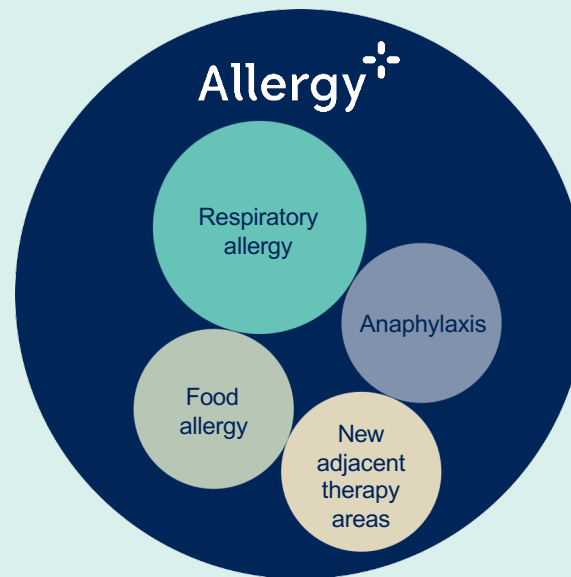
Food Allergy

~200 million
People affected globally

~8%
of children are affected in the US

>1 million
children (4-17) with peanut allergy in US

Therapy area with high unmet need, close to core with high potential



Anaphylaxis

20 million
People at risk for anaphylaxis in the US

~20 million
Pens sold globally per year

~8bn DKK
Estimated market value

Under-treated, high potential therapy area with the right innovation

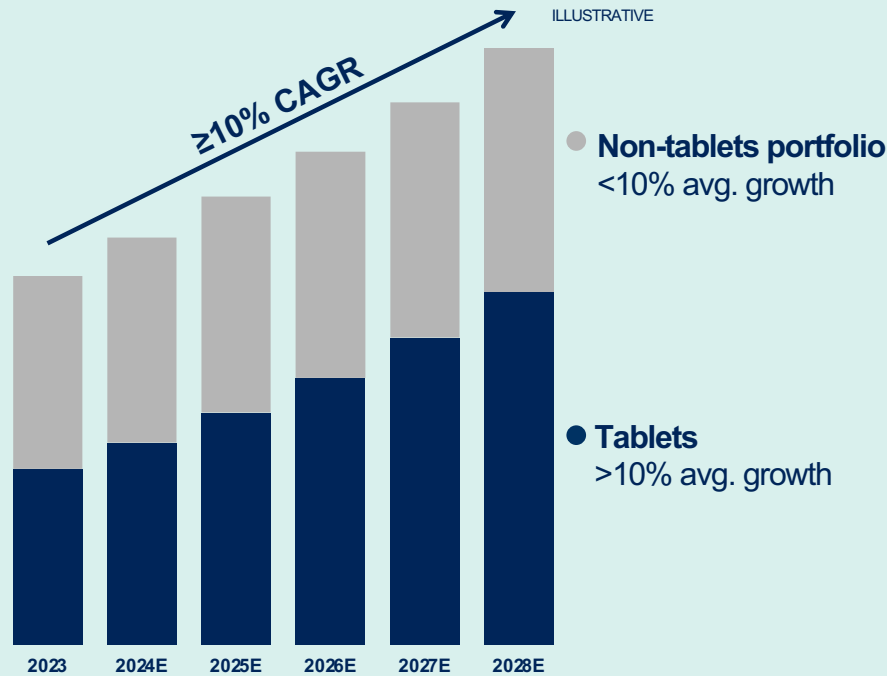
New adjacent therapy areas

Indications with high unmet needs and strong capability fit to ALK

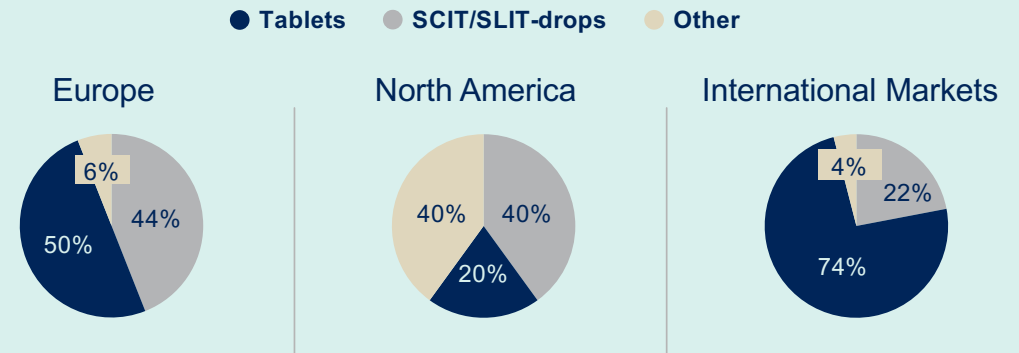
Sustained high revenue growth towards 2028

Tablets remain key to growth, as we broaden our patient reach and achieve full paediatric coverage

Revenue growth aspiration (CAGR)



Share of revenue 2023



Growth drivers towards '28

- Higher tablet sales fuelled by paediatric launches
- Market transition to evidence-based medicines
- Prescriber expansion
- Capital allocation between low-growth and high-growth markets
- Higher tablet sales fuelled by paediatric launches
- Growth level in other products pending new product launches towards the end of the strategy period
- Increasing tablets sales in Japan via Torii partnership
- Tablets sales in China subject to approval

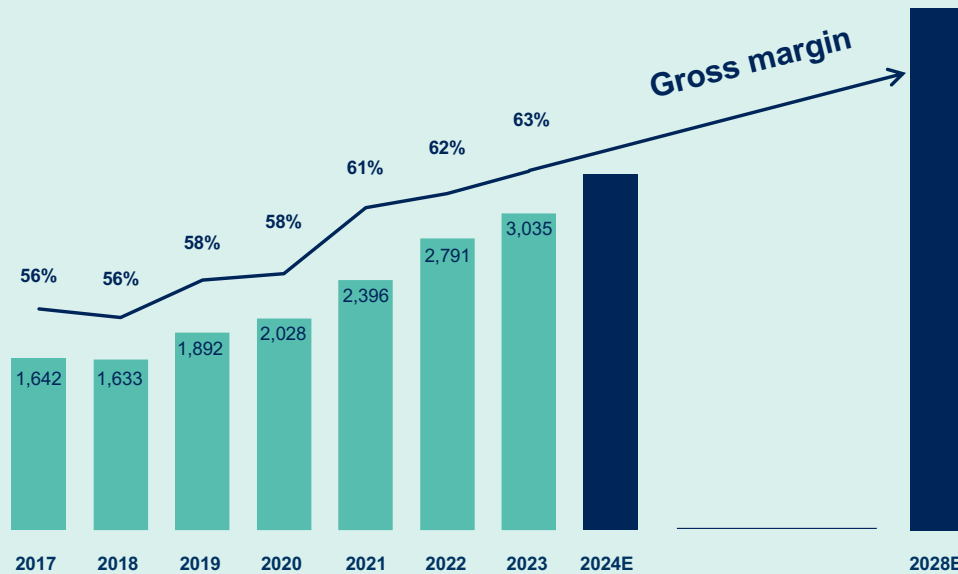
Note: Amounts in reported DKKm. Projections in current exchange rates

Gross margin expansion expected due to favorable product mix

Tablets remain key to growth and have the highest gross margins

Gross profit

ILLUSTRATIVE



Gross margin expansion 2017-2023

- Sales mix (increasing tablet sales)
- Portfolio rationalisation
- Efficiency improvements

Gross profit by product group

ILLUSTRATIVE



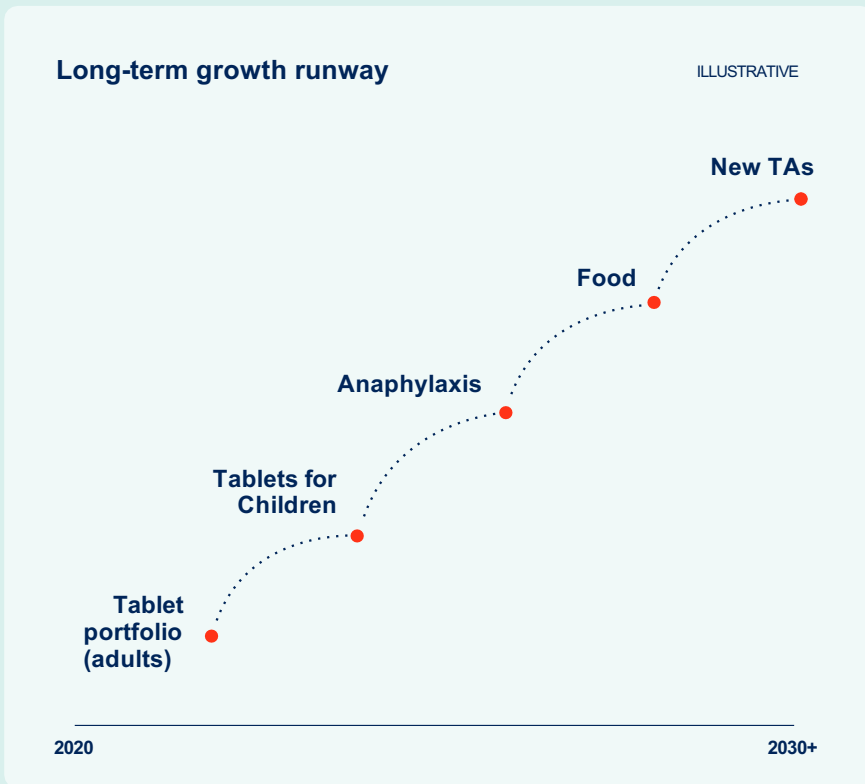
Primary gross margin drivers towards 2028

- Sales mix (increasing tablet sales, especially in Europe)
- Continuous improvements in product pricing and operational performance

Note: Amounts in reported DKKm. Projections in current exchange rates

Strategic resource allocation to bolster long-term growth

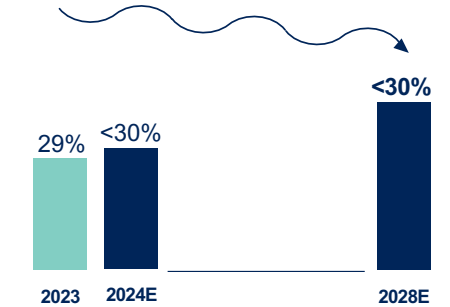
Prioritisation of investments in Sales & Marketing and R&D towards highest long-term potential



S&M investments in:

- High-potential, profitable growth markets
- Tablets for children
- Existing and new sales channels
- New launches

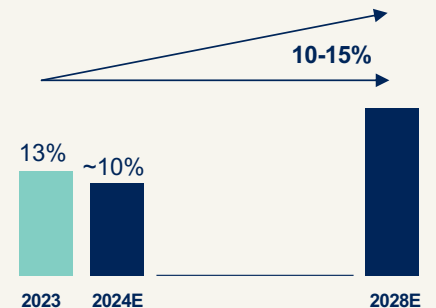
S&M costs & ratio ILLUSTRATIVE



R&D investments in:

- Strengthening evidence for core products
- Food allergy portfolio
- Anaphylaxis portfolio
- Adjacent disease areas

R&D costs & ratio ILLUSTRATIVE

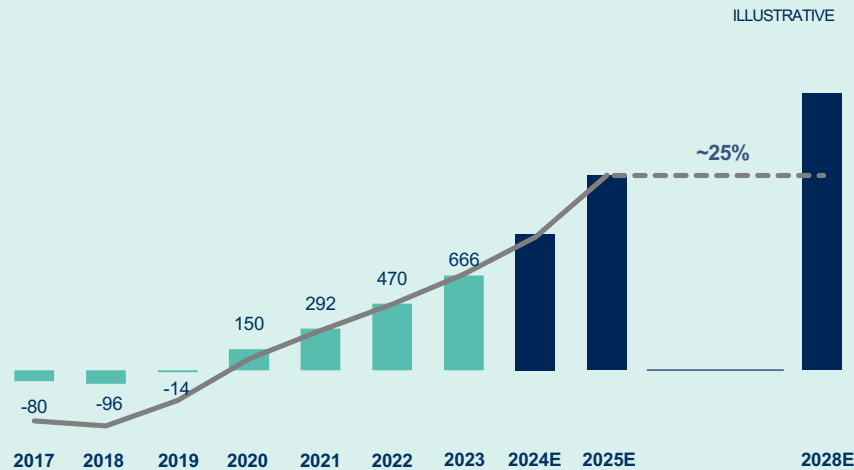


Note: Amounts in reported DKKm. Projections in current exchange rates
 Note: TAs = therapeutic areas

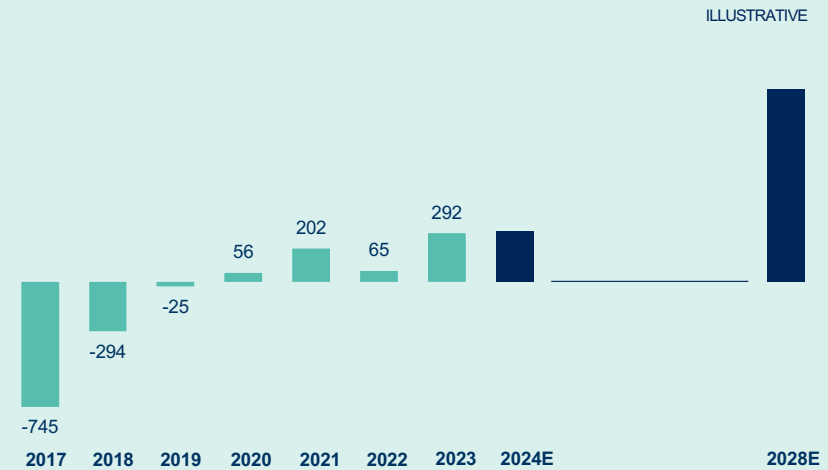
EBIT margin expected to increase to ~25% in 2025-28

ALK expects to generate increasing free cash flow

EBIT & EBIT margin



Free cash flow



- Revenue growth key driver for EBIT growth
- Saving initiatives implemented to free up DKK 250 million in 2025 to support growth investments and 2025 earnings ambition
- Investments in strategic initiatives to bolster long-term growth and profitability trajectory

- CAPEX expected at 400-600 DKKm in 2025-28 based on current plans to support ongoing maintenance, capacity expansion, R&D projects and IT
- Net working capital expected to increase broadly in line with sales growth, including continued inventory build-up to safeguard growth
- Excludes potential business development and licensing opportunities

Note: Amounts in reported DKKm. Projections in current exchange rates

Strong commitment to efficient capital structure

Disciplined capital allocation that allow for investments in long-term growth and attractive shareholder returns

Efficient capital structure

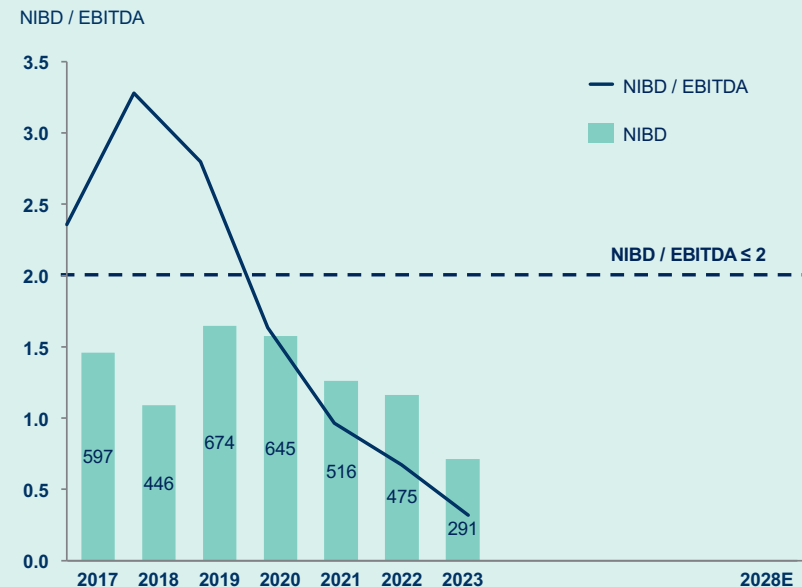
$NIBD / EBITDA \leq 2$

Strategic capital allocation priorities



Note: Amounts in reported DKKm

Net interest-bearing debt (NIBD)



2028 financial aspirations

Revenue outlook for 2024 adjusted upwards after Q1

| | 2024 | Growth aspirations towards 2028 |
|----------------|--------|---------------------------------|
| Revenue growth | 10-13% | ≥10% CAGR (2023-28*) |
| EBIT margin | 17-19% | ~25%** |
| NIBD/EBITDA | < 1 | ≤ 2 |



*) In local currencies and excluding sizeable effects from M&As or potential divestments

***) This does not rule out that margins can be higher or lower in the strategy period subject to market conditions and the timing of strategic initiatives

Forward- looking statements

Today's presentations contain forward-looking statements, including forecasts of future revenue, operating profit and cash flow as well as expected business-related events. Such statements are naturally subject to risks and uncertainties as various factors, some of which are beyond the control of ALK, may cause actual results and performance to differ materially from the forecasts made in this announcement. Such factors include but are not limited to general economic and business-related conditions, including legal issues, uncertainty relating to demand, pricing, reimbursement rules, regulatory approvals, partners' plans and forecasts, fluctuations in exchange rates, competitive factors and reliance on suppliers. Additional factors include the risks associated with the sourcing and manufacturing of ALK's products. ALK undertakes no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

Presentation of ALK

Thank you

