

Grant of share-based long-term incentive instruments to members of the Board of Management and key employees

ALK (ALKB:DC / OMX: ALK B / AKBLF): According to the Company's remuneration policy adopted at the Company's Annual General Meeting on 23 March 2023 and in line with the Company's usual practice, the Board of Directors has passed a resolution to grant up to a total of 651,000 share-based instruments for the purpose of the Company's long-term incentive plan (LTIP) for the Board of Management and key employees for 2023.

The objectives of the LTIP are to incentivise and reward long-term value creation and to align the interests of the Board of Management and key employees with shareholders' interest by fulfilling the Company's strategic goals. The grant of share-based instruments under the LTIP is based on principles supporting the long-term strategy of ALK in accordance with the Company's remuneration policy.

The share-based instruments covered by the LTIP are generally share options and performance shares. A number of additional share options and restricted stock units will also be comprised by the LTIP for 2023 in order to include additional incentive instruments granted to new members of the Board of Management in accordance with the Company's remuneration policy.

The share options are subject to the fulfilment of financial and/or non-financial key indicator(s) with a defined threshold, below which there would be no payout, and which for some holders also offers the opportunity to perform above target. As in previous years, in case of performance above target, a defined multiplier is used that can increase the payout by up to 100%.

The share options can be exercised during a four-year period after vesting (commencing in 2026) during the trading windows following the release of annual and interim reports. If the share option holders have not exercised their options within the period specified, the share options will lapse without any compensation to the holders.

The exercise price of the share options has been set at DKK 104 each, corresponding to an average of the closing prices of the Company's shares on Nasdaq Copenhagen during the period 24 to 30 March 2023 (both days included). The exercise price of the share options will be adjusted by dividends if dividends deviate from DKK 0 per share. Deviations to the fixation of the exercise price may apply to additional share options granted to new members of the Board of Management depending on the date of commencement of employment of such new members.

For performance shares and restricted stock units issued under the LTIP, the final transfer of ownership of such instruments takes place three years after the grant (2026), and is subject to the fulfilment of financial and/or non-financial key indicator(s) with a threshold below which there will be no payout, and with the opportunity for some holders to perform above target. In case of performance above target, a defined multiplier is used that can increase the payout by up to 100%.

The market value of the LTIP for 2023 has currently been assessed to amount to approximately DKK 36 million. The market value of the LTIP has been calculated on the basis of an appropriate average of the closing prices of the Company's shares on Nasdaq Copenhagen during relevant periods prior to the grant date in respect of the performance shares and restricted stock units. In terms of share options comprised by the LTIP, the market value calculation has been conducted by applying the Black & Scholes model for valuation of options based on an assumed exercise price of

DKK 104, an annual dividend distribution of DKK 0 per share, a volatility rate of 36% p.a. and a risk-free interest rate of 2.57% p.a. Some share-based instruments will be granted later in 2023 based on a value fixed at launch of the LTIP for 2023. Grant of such instruments may result in an adjustment of the total number of share-based instruments to be granted under the LTIP for 2023 based on the share price at the time of the relevant grant.

Under the international financial reporting standards (IFRS), the incentive plan will be recognised in the income statement in the respective functional areas over the vesting period.

The grant of share-based instruments under the LTIP does not change the Company's financial forecast.

No share-based instruments have been granted to members of the Board of Directors.

ALK-Abelló A/S

For further information please contact:

Anders Hedegaard, Chair of the Board of Directors, tel +45 4574 7576

About ALK

ALK is a global specialty pharmaceutical company focused on allergy and allergic asthma. It markets allergy immunotherapy treatments and other products and services for people with allergy and allergy doctors. Headquartered in Hørsholm, Denmark, ALK employs around 2,700 people worldwide and is listed on Nasdaq Copenhagen. Find more information at www.alk.net.