

ALK reports Q1 revenue growth of 11% with tablet sales up 24% and earnings up 20%

ALK delivered strong financial performance in Q1, with revenue up 11% and tablets as the primary driver of growth with sales up 24%. Sales growth and efficiencies led to a further improvement in gross margin, and operating profit (EBITDA) increased by 20%. ALK's financial outlook for 2022 is maintained.

Q1 2022 financial highlights

- ▶ Total revenue increased 11% organically in local currencies to DKK 1,155 million (1,021).
- ▶ Currencies had a positive effect of 2 percentage points, resulting in reported growth of 13%.
- ▶ Tablet sales increased by 24% to DKK 583 million (466) on broad-based growth, particularly from Japan, and tablets now account for 50% of overall revenue.
- ▶ Combined SCIT and SLIT-drops sales increased 2% on strong growth from International markets, especially China, while sales of other products were down 5%.
- ▶ Gross margin improved by 2 percentage points to 64% on sales growth and efficiencies.
- ▶ Operating profit (EBITDA) increased 20% in reported currency to DKK 272 million (226), largely on the strong sales growth and improved gross margin, while R&D and sales and marketing expenses increased as planned.
- ▶ Free cash flow was DKK 38 million (86) impacted by changes in working capital.

Key events and strategic progress

ALK continued to make good progress on its strategic priorities and remained robust in the face of other challenges. In Q1:

- ▶ ALK received a clinical trial waiver from China's authorities, permitting ALK to submit a registration filing for its house dust mite allergy tablet in 2022, without finalising the paused, local Phase III trial.
- ▶ ALK is finalising plans for the early clinical development of its peanut allergy tablet and expects to initiate a Phase I trial soon.
- ▶ ALK has established an exclusive licensing agreement with Dr Reddy's Laboratories that will lead to the future introduction of ALK's house dust mite tablet in India.
- ▶ As expected, COVID continued to somewhat distort allergy markets in Q1, with infections once again restricting allergy patients' ability and willingness to seek treatment to varying degrees, especially in certain European markets.

2022 financial outlook maintained

Based on performance in the first three months and forecasts for the remainder of the year, ALK is maintaining its full-year outlook:

- ▶ Revenue is still expected to grow 8-12% in local currencies with tablet sales up by ~20%.
- ▶ EBITDA is still expected to increase to DKK 625-725 million (2021: DKK 534 million) on sales growth, improved gross margin and efficiencies.

Hørsholm, 12 May 2022

ALK-Abelló A/S

Comparative figures for 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated

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Today, ALK is hosting a conference call for analysts and investors at 1.30 p.m. (CEST) at which Management will review the financial results and the outlook. The conference call will be audio cast on <https://ir.alk.net> where the relevant presentation is available shortly before the call begins. Please call in before 1.25 p.m. (CEST). Danish participants should call in on tel. +45 3544 5577 and international participants should call in on tel. +44 333 300 0804 or +1 631 913 1422. Please use the Participant Pin Code: 67379541#.

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE ALK GROUP

Amounts in DKKm	3M 2022	3M 2021	Full year 2021
Income statement			
Revenue	1,155	1,021	3,916
Operating profit before depreciation (EBITDA)	272	226	534
Operating profit (EBIT)	215	166	292
Net financial items	2	6	(13)
Profit before tax (EBT)	217	172	279
Net profit	163	127	219
Average number of employees (FTE)	2,566	2,459	2,492
Balance sheet			
Total assets	5,967	5,785	5,830
Invested capital	3,067	2,859	2,931
Equity	3,656	3,323	3,480
Cash flow and investments			
Depreciations, amortisation and impairment	57	60	242
Cash flow from operating activities	91	127	468
Cash flow from investing activities	(53)	(41)	(266)
- of which investment in intangible assets	(8)	(7)	(45)
- of which investment in tangible assets	(47)	(31)	(218)
Free cash flow	38	86	202
Information on shares			
Share capital	111	111	111
Shares in thousands of DKK 0.5 each *	222,824	222,824	222,824
Share price, end of period *	149	121	172
Net asset value per share *	16	15	16
Key figures			
Gross margin – %	64	62	61
EBITDA margin – %	24	22	14
Equity ratio – %	61	57	60
Earnings per share (EPS) *	0.7	0.6	1.0
Earnings per share (DEPS), diluted *	0.7	0.6	1.0
Share price/Net asset value *	9.1	8.1	11.0

In March 2022, ALK-Abelló A/S has completed a share split at a ratio of 1:20, each existing share of a nominal value of DKK 10 has been split into 20 new shares of a nominal value of DKK 0.50 each. The company's share capital remains DKK 111,411,960. As a result of the share split, comparison figures for EPS, DEPS, share price, share number, net asset value per share and Share price/Net asset ratio have been restated accordingly.

INCOME STATEMENT

Amounts in DKKm	3M 2022		3M 2021	
		%		%
Revenue	1,155	100	1,021	100
Cost of sales	416	36	391	38
Gross profit	739	64	630	62
Research and development expenses	157	13	133	13
Sales, marketing and administrative expenses	367	32	331	33
Operating profit (EBIT)	215	19	166	16
Net financial items	2	0	6	1
Profit before tax (EBT)	217	19	172	17
Tax on profit	54	5	45	4
Net profit	163	14	127	13
Operating profit before depreciation and amortisation (EBITDA)	272	24	226	22

PROGRESS ON THE STRATEGIC PRIORITIES

ALK continued to make good progress on its strategic priorities in Q1, to succeed in North America, complete and commercialise the tablet portfolio, consumer engagement and new horizons, and optimise for excellence:

In North America, the long-standing market barriers remain a challenge for the adoption of tablets in the USA, however, ALK continued efforts to mobilise allergy patients, accelerate tablet sales, and to secure paediatric and adolescent indications for ACARIZAX[®]/ODACTRA[®]. Meanwhile, in Canada, tablet sales maintained their strong growth momentum.

Clinical development of the tablet portfolio continued. In China, ALK secured a trial waiver from Chinese authorities for the Phase III, local registration trial of its house dust mite tablet in adult allergic rhinitis, which has been paused since 2020 as a consequence of the COVID pandemic. The waiver permits relevant data in Chinese patients to be obtained as a follow-up activity, after the tablet's potential approval and launch, and opens the path for ALK to submit a Biologics Licence Application (BLA) in China in late 2022.

ALK's paediatric Phase III trial in allergic rhinitis in Europe and North America for the house dust mite tablet continued, and has completed recruitment and randomisation. The trial includes a number of participants from Ukraine and Russia. Given the

ongoing war in Ukraine, ALK expects a number of Ukrainian patients to drop out, but will continue to supply medicines to allow the completion of treatment for others. The paediatric Phase III trial of the tree pollen tablet in Europe and Canada has no Ukraine-based participants, but does have some in Russia. ALK will continue to supply medicines to allow the completion of treatment. Currently, ALK does not expect the robustness of the trials to be significantly impacted and both trials remain on course for completion in 2023 as planned.

The paediatric Phase III trial of ALK's house dust mite tablet in allergic asthma, which was affected by a significant reduction in the frequency of asthma exacerbations during the pandemic versus pre-pandemic levels, remains the subject of dialogue with authorities on possible next steps.

'New horizons' initiatives also progressed well, and ALK remained on course to initiate a Phase I trial of its peanut allergy tablet in mid-2022, with an expected trial completion date in 2023. In addition, work on two parallel adrenaline auto-injector (AAI) projects – one in-house, and one in partnership with Windgap – continued to advance towards a planned submission to the US FDA in 2024.

In Q1, ALK continued to develop and leverage its digital ecosystem for consumers, patients and healthcare professionals through its work on a behavioural analysis tool allowing it to identify and prioritise consumers most likely to be suitable for, and to seek, allergy immunotherapy treatment. Meanwhile,

final preparations were made for Q2 launches of the klarify digital engagement ecosystem in Austria, Slovakia and Switzerland.

In Q1, ALK established an exclusive, long-term licensing agreement with Dr Reddy's Laboratories, a leading company in India's fast-developing allergy treatment market. Under the agreement, which will lead to the future introduction of ALK's house dust mite tablet in India, Dr Reddy's Laboratories will be responsible for the registration, import and commercialisation of the product, while ALK will be responsible for product supply. In return, ALK receives upfront and registration milestone payments, which have no material effect on ALK's 2022 outlook.

Finally, optimisation work, to safeguard ALK's core portfolio of legacy products, by ensuring it remains viable in the long term, saw ALK submit a total of 266 regulatory variations covering 73 products to 30 authorities around the world.

Q1 SALES AND MARKET TRENDS

(Comparative figures for Q1 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

Revenue by geography

DKKm	Q1 2022	Growth*	Share of revenue	Q1 2021
Europe	791	4%	69%	753
North America	186	8%	16%	160
Int'l markets	178	62%	15%	108
Revenue	1,155	11%	100%	1,021

* In local currencies

Europe

Revenue in Europe increased by 4% to DKK 791 million (753). The main driver of growth was the tablet portfolio, which saw sales increase 15%, fuelled by the continuing uptake of ITULAZAX®.

Combined sales of SCIT and SLIT-drops were down 6%, primarily as the resurgence of COVID again restricted the ability of some allergy patients to visit clinics, particularly impacting SCIT venom AIT and SLIT-drops. In addition, for some of ALK's SCIT venom initiation products, distribution and release were halted due to rare production deviations on a single filling line. Corrective actions have been implemented and supply is now being re-established, however, there is expected to be a minor negative effect on full-year SCIT venom sales in Europe.

Sales of other products were down 1%, largely on lower replacement rates for Jext® pens – an effect which is expected to end in Q2.

There was double-digit sales growth in ALK's largest market, Germany, as tablet sales maintained their upwards trajectory confirming that they have now become the benchmark treatment for allergy care.

ALK's tablets continue to benefit from the updated national drug prescription guidelines, which reinforce the recommendation that only registered products should be prescribed for new allergy immunotherapy patients.

Sales in ALK's second largest market, France, were down as COVID infections reduced the number of new patients initiated on AIT.

Elsewhere, ALK saw double-digit growth in the Nordic region as its digital engagement strategy continued to successfully mobilise patients to seek treatment for their allergies.

North America

Revenue in North America increased 8% in local currencies to DKK 186 million (160).

Revenue from tablet sales grew by 27% on sales margin improvements in the USA and strong sales growth momentum in Canada where, as in Europe, the success of ITULAZAX® is also boosting take-up of the wider tablet portfolio.

Sales of bulk SCIT products increased by 3% held back slightly by temporary backorders which are expected to be fulfilled in the coming quarters. Sales of other products increased by 6%, with strong sales of diagnostics and other non-allergy related life science products.

International markets

Revenue from International markets increased by 62% to DKK 178 million (108), reflecting continued strong in-market sales growth and high levels of shipments to the region's main markets of Japan and China. As with other markets, however, further waves of COVID have the ability to cause short-term interruptions to this momentum.

Global revenue by product line

DKKm	Q1 2022	Growth*	Share of revenue	Q1 2021
SCIT and SLIT-drops	449	2%	39%	433
SLIT-tablets	583	24%	50%	466
Other products and services	123	-5%	11%	122
Revenue	1,155	11%	100%	1,021

* In local currencies

3M FINANCIAL REVIEW

(Comparative figures for 2021 are shown in brackets. Revenue growth rates are stated in local currencies, unless otherwise indicated)

3M revenue increased by 13% in reported currency to DKK 1,155 million (1,021). Exchange rate fluctuations increased reported revenue growth by 2 percentage points.

Cost of sales increased 4% in local currencies to DKK 416 million (391). The gross profit of DKK 739 million (630) yielded an improved gross margin of 64% (62%), mainly reflecting increasing tablet sales and efficiencies in tablet production – although the gross margin was reduced somewhat by increased shipments to Torii in Japan, which yield lower gross margins. ALK continues to see significant costs for compliance efforts to secure robustness in product supply, as well as the implementation of the product and site strategy.

Capacity costs increased 11% in local currencies to DKK 524 million (464). As planned, R&D expenses increased by 17% in local currencies reflecting planned clinical trial activities. Sales and marketing expenses increased by 7% in local currencies, and included investments in market expansion in China. Administrative expenses increased 13% in local currencies.

EBITDA (operating profit before depreciation and amortisation) increased 20% in reported currency to DKK 272 million (226), driven by the higher sales and improved gross margin. Exchange rates had only a minor effect on operating profit.

Net financials were an income of DKK 2 million (6). **Tax on the profit** totalled DKK 54 million (45), and **net profit** increased to DKK 163 million (127).

Cash flow from operating activities was DKK 91 million (127) as higher earnings were offset by changes in working capital due to the timing of payments. **Cash flow from investment activities** was DKK minus 53 million (minus 41), mainly on upgrades to legacy production and the build-up of capacity for SLIT-tablet production. **Free cash flow** was positive at DKK 38 million (86).

Cash flow from financing activities was DKK minus 96 million (minus 3), mainly relating to repayment of borrowings.

At the end of March, ALK held 2,614,080 of its **own shares** or 1.2% of the share capital, versus 1.3% at the end of 2021, and 1.5% at the end of March 2021. Following the Annual General Meeting in March 2022, ALK completed a share split at a ratio of 1:20, so that each existing share, with a nominal value of DKK 10, was split into 20 new shares with a nominal value of DKK 0.50 each. Following the share split, the company's share capital of DKK 111,411,960 was divided into 18,415,200 A shares, 1,841,520 AA shares and 202,567,200 B shares, each having a nominal value of DKK 0.50. Following the share split, each A share and AA share of a nominal value of DKK 0.50 now has 10 votes, and each B share of a nominal value of DKK 0.50 has one vote.

Equity totalled DKK 3,656 million (3,323) at the end of March, and the equity ratio was 61% (57%).

Outlook for 2022

Based on performance in the first three months and forecasts for the remainder of the year, ALK is maintaining its full-year outlook:

- ▶ Revenue is still expected to grow 8-12% in local currencies with tablet sales up by ~20%.
- ▶ EBITDA is still expected to increase to DKK 625-725 million (2021: DKK 534 million) on sales growth, improved gross margin and efficiencies.

The updated financial outlook is based on the following assumptions:

Revenue

Revenue growth is expected to be broad-based across all sales regions. The mid-point of the projected revenue range still assumes that sales in Europe will increase in high single digits, whereas sales growth in North America is expected at around 10%, and growth in International markets is expected to exceed 10%.

Tablets remain key to growth, and ALK still sees global sales growth of ~20% in 2022. In addition, ALK still expects low single-digit growth from the remaining non-tablet portfolio, mainly driven by SCIT products and the adrenaline auto-injector, Jext[®].

The higher end of the revenue range assumes continued strong sales growth, with tablets leading the way, as well as improved sales of legacy AIT products. The lower end of the range incorporates pricing pressures, particularly in selected markets in Europe, more pronounced, negative effects from COVID, and/or continued impact from minor supply interruptions to certain legacy products.

Margins

The gross margin is still expected to improve by 1-2 percentage points on 61% in 2021, driven by efficiencies and higher sales – especially from tablets.

Operating profit

R&D costs are still expected at DKK 650-700 million. Sales and marketing costs are also expected to increase, reflecting investments in current and future growth drivers, including China. Nevertheless, the ratio to revenue is still expected to improve slightly versus 2021. On this basis, ALK continues to expect operating profit (EBITDA) to be in the range of DKK 625-725 million.

Other assumptions

- ▶ The outlook assumes that COVID will not affect home-based tablet treatments, and that patients in general will remain able and willing to visit healthcare professionals without significant limitations, although fluctuations may occur in some markets.
- ▶ CAPEX is still projected at around DKK 400 million, and free cash flow is still expected to be negative,

mainly due to investments and changes in working capital.

- ▶ The outlook does not include any revenue from acquisitions, new partnerships or the in-licensing of adjacent products and services, nor does it include any sizeable payments related to M&As or in-licensing activities.
- ▶ The outlook is based on current exchange rates, resulting in a positive effect of approximately 2 percentage points on reported revenue growth and an immaterial effect on reported EBITDA.

RISK FACTORS

This interim report contains forward-looking statements, including forecasts of future revenue, operating profit and cash flow, as well as expected business-related events. Such statements are, by their very nature, 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 report. Without being exhaustive, such factors include, e.g., consequences of the global COVID pandemic, general economic and business-related conditions, including: legal issues, uncertainty relating to demand, pricing, reimbursement rules, 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 as well as the potential for side effects from the use of ALK's existing and future products, as allergy immunotherapy may be associated with allergic reactions of differing extents, durations and severities.

Financial calendar

Silent period	14 July 2022
Six-month interim report (Q2) 2022	11 August 2022
Silent period	13 October 2022
Nine-month interim report (Q3) 2022	10 November 2022

R&D PIPELINE STATUS

ALK aims to globalise a portfolio of SLIT-tablets for all relevant ages, covering five of the most common respiratory allergies: house dust mite, grass, tree, ragweed and Japanese cedar.

	Phase I	Phase II	Phase III	Filing	Marketed
GRAZAX[®] Europe Adults and children – Allergic rhinitis (grass)	█	█	█	█	2007
GRASTEK[®] North America Adults and children – Allergic rhinitis (grass)	█	█	█	█	2014
GRAZAX[®] International markets Adults and children – Allergic rhinitis (grass)	█	█	█	█	2017
RAGWITEK[®] North America Adults and children – Allergic rhinitis (ragweed)	█	█	█	█	2014/21
RAGWIZAX[®] Europe & International markets Adults and children – Allergic rhinitis (ragweed)	█	█	█	█	2020
ACARIZAX[®] Europe Adults – Allergic rhinitis and allergic asthma (HDM) Adolescents – Allergic rhinitis (HDM)	█	█	█	█	2016/17
ACARIZAX[®]/ODACTRA[®] North America Adults – Allergic rhinitis (HDM)	█	█	█	█	2017/18
MITICURE[™] Japan Adults and children – Allergic rhinitis (HDM)	█	█	█	█	2015/18
ACARIZAX[®] International markets Adults - Allergic rhinitis and allergic asthma (HDM)	█	█	█	█ ⁱⁱⁱ	
ACARIZAX[®] China Adults – Allergic rhinitis (HDM)	█	█	█		
ACARIZAX[®]/ODACTRA[®] Europe & North America Children – Allergic asthma (HDM)	█	█	█	▶	
ACARIZAX[®]/ODACTRA[®] Europe & North America Children – Allergic rhinitis (HDM)	█	█	█	▶	
ODACTRA[®] North America Adolescents – Allergic rhinitis (HDM)	█	█	█	▶	
CEDARCURE[™] Japan Adults and children – Allergic rhinitis (Japanese cedar)	█	█	█	█	2018
ITULAZAX[®]/ITULATEK[™] Europe & Canada Adults – Allergic rhinitis (tree: birch family)	█	█	█	█	2019/20
ITULAZAX[®]/ITULATEK[™] Europe & Canada Children – Allergic rhinitis (tree: birch family)	█	█	█	▶	

- i. Licensed to Abbott for south-east Asia and Seqirus for Australia/New Zealand
- ii. Licensed to Torii for Japan
- iii. Already marketed in selected markets

STATEMENT BY MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 31 March 2022. The interim report has not been audited or reviewed by the company's independent auditor.

The consolidated interim report has been prepared in accordance with IAS 34 'Interim financial reporting' and additional Danish disclosure requirements for the presentation of quarterly interim reports by listed companies.

In our opinion, the interim report gives a true and fair view of the ALK Group's assets, equity and liabilities, financial position, results of operations and cash flow for the period 1 January to 31 March 2022. We further consider that the Management review in the preceding pages gives a true and fair statement of the development in the ALK Group's activities and business, the profit for the period and the ALK Group's financial position as a whole, and a description of the most significant risks and uncertainties to which the ALK Group is subject. Besides what has been disclosed in the interim report, no changes in the ALK Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated annual report 2021.

Hørsholm, 12 May 2022

Board of Management

Carsten Hellmann
President & CEO

Henrik Jacobi
Executive Vice President
Research & Development

Søren Jelert
CFO & Executive Vice President

Søren Daniel Niegel
Executive Vice President
Commercial Operations

Board of Directors

Anders Hedegaard
Chairman

Lene Skole
Vice Chairman

Gitte Aabo

Katja Barnkob

Nanna Rassov Carlson

Lars Holmqvist

Bertil Lindmark

Alan Main

Jakob Riis

Johan Smedsrud

INCOME STATEMENT FOR THE ALK GROUP

Amounts in DKKm	3M 2022	3M 2021
Revenue	1,155	1,021
Cost of sales	416	391
Gross profit	739	630
Research and development expenses	157	133
Sales and marketing expenses	306	277
Administrative expenses	61	54
Operating profit (EBIT)	215	166
Net financial items	2	6
Profit before tax (EBT)	217	172
Tax on profit	54	45
Net profit	163	127
Earnings per share (EPS)		
Earnings per share (EPS)	0.74	0.58
Earnings per share (DEPS), diluted	0.74	0.58

In March 2022, ALK-Abelló A/S has completed a share split at a ratio of 1:20, each existing share of a nominal value of DKK 10 has been split into 20 new shares of a nominal value of DKK 0.50 each. The company's share capital remains DKK 111,411,960. As a result of the share split, comparison figures for EPS and DEPS have been restated accordingly.

STATEMENT OF COMPREHENSIVE INCOME

Amounts in DKKm	3M 2022	3M 2021
Net profit	163	127
Other comprehensive income		
<i>Items that will subsequently be reclassified to the income statement, when specific conditions are met:</i>		
Foreign currency translation adjustment of foreign affiliates	24	45
Total comprehensive income	187	172

CASH FLOW STATEMENT FOR THE ALK GROUP

Amounts in DKKm	3M 2022	3M 2021
Net profit	163	127
Adjustments for non-cash items (note 3)	109	118
Changes in working capital	(153)	(80)
Financial income, received	-	1
Financial expenses, paid	(3)	(4)
Income taxes, paid (net)	(25)	(35)
Cash flow from operating activities	91	127
Investments in intangible assets	(8)	(7)
Investments in tangible assets	(47)	(31)
Investments in other financial assets	2	(3)
Cash flow from investing activities	(53)	(41)
Free cash flow	38	86
Sale of treasury shares	-	17
Exercised share options, paid	(10)	(10)
Repayment of lease liabilities	(7)	(6)
Repayment of borrowings	(79)	(4)
Cash flow from financing activities	(96)	(3)
Net cash flow	(58)	83
Cash beginning of year	194	298
Unrealised gains/(losses) on cash held in foreign currency and financial assets carried as cash	2	3
Net cash flow	(58)	83
Cash end of period	138	384

The consolidated statement of cash flow is compiled using the indirect method. As a result, the individual figures in the cash flow statement cannot be reconciled directly to the income statement and the balance sheet.

BALANCE SHEET - ASSETS FOR THE ALK GROUP

Amounts in DKKm	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current assets			
Intangible assets			
Goodwill	458	455	457
Other intangible assets	166	170	165
	624	625	622
Tangible assets			
Land and buildings	953	942	958
Plant and machinery	449	456	451
Other fixtures and equipment	81	73	80
Property, plant and equipment in progress	347	250	325
	1,830	1,721	1,814
Other non-current assets			
Receivables	28	33	29
Deferred tax assets	796	737	790
Income tax receivables	181	152	172
	1,005	922	991
Total non-current assets	3,459	3,268	3,427
Current assets			
Inventories	1,190	1,110	1,204
Trade receivables	752	623	583
Receivables from group companies	12	20	12
Income tax receivables	17	26	14
Other receivables	68	79	82
Prepayments	331	275	314
Cash	138	384	194
	2,508	2,517	2,403
Total assets	5,967	5,785	5,830

BALANCE SHEET - EQUITY AND LIABILITIES FOR THE ALK GROUP

Amounts in DKKm	31 Mar 2022	31 Mar 2021	31 Dec 2021
Equity			
Share capital	111	111	111
Currency translation adjustment	(17)	(80)	(41)
Retained earnings	3,562	3,292	3,410
Total equity	3,656	3,323	3,480
Liabilities			
Non-current liabilities			
Mortgage debt	217	236	222
Bank loans	-	446	-
Pensions and similar liabilities	327	347	324
Lease liabilities	204	211	207
Deferred tax liabilities	1	-	1
Deferred income	42	-	42
Income taxes	169	142	169
	960	1,382	965
Current liabilities			
Mortgage debt	18	18	18
Bank loans	149	-	226
Trade payables	130	112	115
Lease liabilities	37	33	37
Deferred income	4	1	4
Provisions	3	4	12
Income taxes payables	70	64	23
Other payables	940	848	950
	1,351	1,080	1,385
Total liabilities	2,311	2,462	2,350
Total equity and liabilities	5,967	5,785	5,830

EQUITY FOR THE ALK GROUP

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2022	111	(41)	3,410	3,480
Net profit	-	-	163	163
Other comprehensive income	-	24	-	24
Total comprehensive income	-	24	163	187
Share-based payments	-	-	7	7
Share options settled	-	-	(10)	(10)
Tax related to items recognised directly in equity	-	-	(8)	(8)
Other transactions	-	-	(11)	(11)
Equity at 31 March 2022	111	(17)	3,562	3,656
Equity at 1 January 2021	111	(125)	3,167	3,153
Net profit	-	-	127	127
Other comprehensive income	-	45	-	45
Total comprehensive income	-	45	127	172
Share-based payments	-	-	6	6
Share options settled	-	-	(10)	(10)
Sale of treasury shares	-	-	17	17
Tax related to items recognised directly in equity	-	-	(15)	(15)
Other transactions	-	-	(2)	(2)
Equity at 31 March 2021	111	(80)	3,292	3,323

NOTES

1 ACCOUNTING POLICIES

This non-audited interim report for the first three months of 2022 has been prepared in accordance with IAS 34 and the additional Danish regulations for the presentation of quarterly interim reports by listed companies. The Interim report for the first three months of 2022 follows the same accounting policies as the annual report for 2021, except for new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2022. These IFRSs have not had any impact on the Group's interim report.

2 REVENUE AND SEGMENT INFORMATION

Amounts in DKKm	Europe		North America		International markets		Total	
	3M 2022	3M 2021	3M 2022	3M 2021	3M 2022	3M 2021	3M 2022	3M 2021
SCIT/SLIT-drops	326	347	79	71	44	15	449	433
SLIT-tablets	418	360	37	27	128	79	583	466
Other products and services	47	46	70	62	6	14	123	122
Total revenue	791	753	186	160	178	108	1,155	1,021
Sale of goods							1,134	1,005
Royalties							21	16
Total revenue							1,155	1,021

Growth, 3M 2022	Europe		North America		International markets		Total	
	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth
SCIT/SLIT-drops	-6%	-6%	3%	11%	179%	193%	2%	4%
SLIT-tablets	15%	16%	27%	37%	63%	62%	24%	25%
Other products and services	-1%	2%	6%	13%	-61%	-57%	-5%	1%
Total revenue	4%	5%	8%	16%	62%	65%	11%	13%

Geographical markets (based on customer location):

- o Europe comprises the EU, the UK, Norway and Switzerland
- o North America comprises the USA and Canada
- o International markets comprise Japan, China and all other countries

3 ADJUSTMENTS FOR NON-CASH ITEMS

Amounts in DKKm	3M 2022	3M 2021
Tax on profit	54	45
Financial income and expenses	(2)	(7)
Share-based payments	7	6
Depreciation, amortisation and impairment	57	60
Other adjustments	(7)	14
Total	109	118