

Allergy Therapeutics plc
("Allergy Therapeutics", "ATL" or the "Group")

Trading update

- *Operating profit strong and expected to be well ahead of market expectations*
- *Expenses for 2021 significantly lower than expectations due to COVID-19 and good cost management. Some phasing of R&D and commercial costs expected to be carried over into 2022*
- *Strong cash position expected at year end*
- *Successful ImmunoBON launches in Germany and Austria supported by encouraging clinical data*

24 June 2021 Allergy Therapeutics plc (AIM: AGY), the fully integrated commercial biotechnology company specialising in allergy immunotherapy, today announces a pre-close trading update for the year ended 30 June 2021. The Group plans to announce its post year end trading update on 14 July 2021 and the audited preliminary results on 23 September 2021.

Financials

The Group expects operating profit for the full year 2021 to be well ahead of market expectations, with robust sales growth helped by the Euro exchange rate, reflective of a strong Group performance in challenging market conditions. ImmunoBON, the patented protein-based oral product for the general treatment of allergies, was successfully launched in Germany and Austria and, although not material to the Group sales yet, shows much potential. This potential has been further strengthened by recent encouraging clinical data.

Cost savings have been driven by COVID-19 related restrictions to travel and a reduction in scientific conference attendance, as well as delays to some commercial projects into 2022. As a result, expenses for the 2021 year are expected to be significantly lower than market expectations despite higher Brexit and compliance costs. Further, some research and development expenditure originally expected in 2021 will now be incurred in 2022, due to phasing of those costs.

The Group's cash position at the year-end is also expected to be strong and greater than at the prior year end.

In respect of the financial year to 30 June 2022, the Group's strategy of improving the quality of its portfolio by streamlining a number of non-differentiated older products and maintaining focus on short course subcutaneous immunotherapy (SCIT) and innovative allergy treatments, alongside the ongoing impact of COVID-19, means that net sales are expected to grow at low single digit levels at constant rates. Expenses are expected to increase above the historic long-term trend and above current market expectations due to the factors noted above in commercial projects, investments and the expected period of higher research and development activity, affecting operating margin.

Based on current assumptions, and as previously stated, the Group expects to be able to fully fund the pivotal Grass MATA MPL Phase III field studies and the exciting Phase I Peanut programme with existing cash resources and a small amount of additional debt.

Manuel Lobet, CEO at Allergy Therapeutics, stated: *"The Group has continued to perform strongly in a tough environment and I am proud of our response to the challenges presented by the ongoing COVID-19 pandemic. Our focus on developing a strong R&D pipeline has remained steadfast and we are looking forward to both the ex-vivo peanut study results and the Grass MATA MPL exploratory field study results in the early part of the next financial year - both significant milestones in the progress we are making to bring new immunotherapeutic treatments to allergy patients."*

This announcement contains inside information for the purposes of Article 7 of Regulatory (EU) No596/2014.

- ENDS -

For further information, please contact:

Allergy Therapeutics

+44 (0) 1903 845 820

Manuel Llobet, Chief Executive Officer

Nick Wykeman, Chief Financial Officer

Panmure Gordon

+44 (0) 20 7886 2500

Freddy Crossley, Emma Earl, Corporate Finance

Rupert Dearden, Corporate Broking

Consilium Strategic Communications

+44 20 3709 5700

Mary-Jane Elliott / David Daley / Ashley Tapp / Carina Jurs

allergytherapeutics@consilium-comms.com

Stern Investor Relations, Inc.

+1 212 362 1200

Christina Tartaglia

christina@sternir.com

Notes for editors:

About Allergy Therapeutics

Allergy Therapeutics is an international commercial biotechnology company focussed on the treatment and diagnosis of allergic disorders, including aluminium free immunotherapy vaccines that have the potential to cure disease. The Group sells proprietary and third-party products from its subsidiaries in nine major European countries and via distribution agreements in an additional ten countries. Its broad pipeline of products in clinical development includes vaccines for grass, tree and house dust mite, and peanut allergy vaccine in pre-clinical development. Adjuvant systems to boost performance of vaccines outside allergy are also in development.

Formed in 1999 out of Smith Kline Beecham, Allergy Therapeutics is headquartered in Worthing, UK with more than 11,000m² of state-of-the-art MHRA-approved manufacturing facilities and laboratories. The Group, which has achieved over 9% compound annual growth since formation, employs c.600 employees and is listed on the London Stock Exchange (AIM:AGY). For more information, please see www.allergytherapeutics.com.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTFFLLREIVFIL