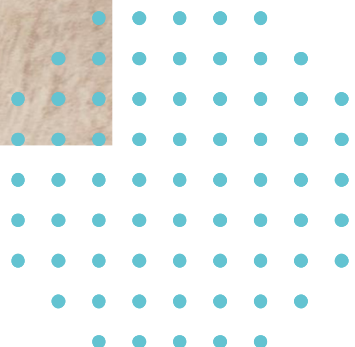


Delivering on our strategy

**Preliminary Results for the year end 30 June
2019**

**Manuel Llobet, Chief Executive Officer
Nick Wykeman, Chief Financial Officer**



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2019 highlights

PQ Grass

Phase III

Progression in US in H2 2020

PQ Birch

Phase III

Primary endpoint not met – comprehensive review of dataset underway

Increase in market share over 12 months to June 2019

0.5 point increase in market share

8%

increase in
revenue to

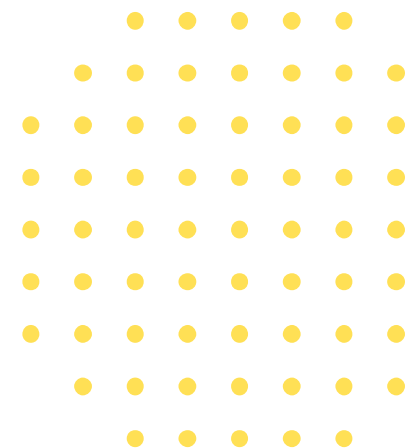
£73.7m (2018 £68.3m)

Operating profit pre R&D up **22%**

Net profit of **£3.5m** (2018: £7.5m loss)

Successful completion of litigation with **£6m** settlement

Cash balance of **£27.4m** (2018: £15.5m)



Our Business and Strategy

Three Pillars to Growth: Advancing a Leading Allergy Immunotherapy Company



Three pillars to the business

01

Expanding in Europe

Strongly performing profitable business

Growing market share and additional product registrations



02

Strong pipeline

New technologies underpin pipeline breadth and depth

Investment strategy supported by growing revenue stream



03

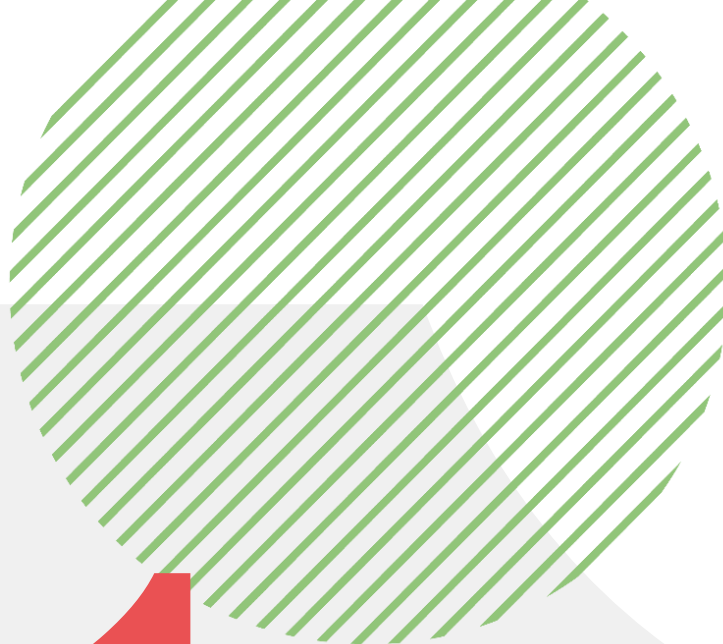
Preparing for US entry

Significant opportunity in largest allergy market

Changing regulatory and reimbursement environment to drive market share towards Allergy's products



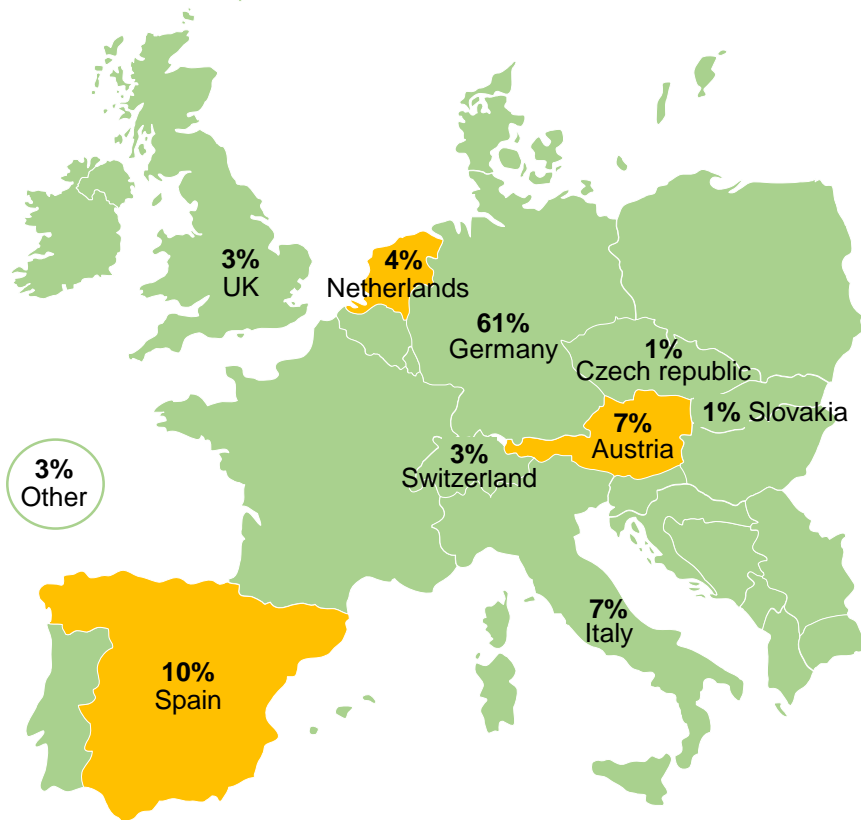
01



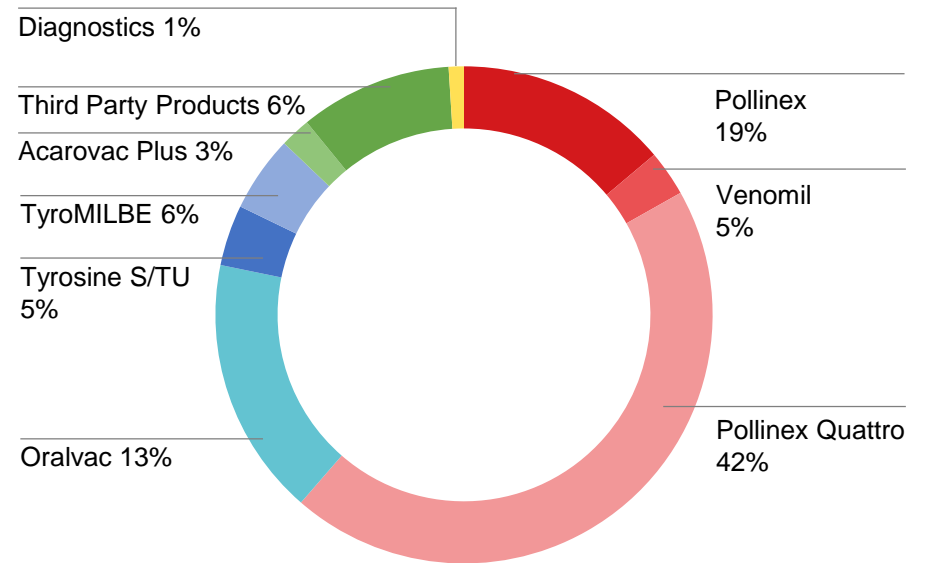
Expanding in Europe

Sales breakdown for FY 2019

Sales by country



Sales of £73.7m by product^{1*}



Pollinex Quattro



Pollinex



Tyrosine



Oralvac

¹ Sales breakdown based on gross sales at budget exchange rates (before freight, rebates and exchange) : £69.3 million.

After deducting rebates, freight charges and foreign exchange adjustments, total sales for FY2019 is £73.7 million

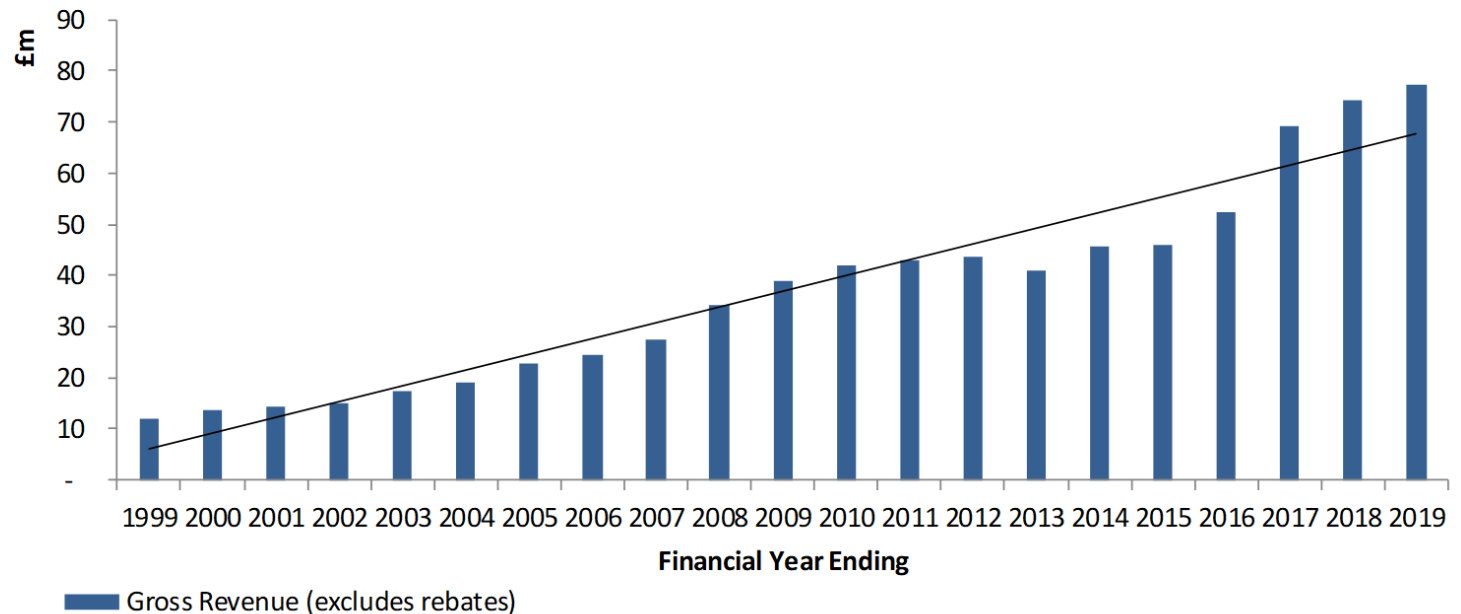
***Allergy Therapeutics currently has no products licensed for sale in the USA**

European business shows robust revenue stream

21 Years of successful trading

Strong sales growth of 8% in 2019, increased market share by 0.5 points*

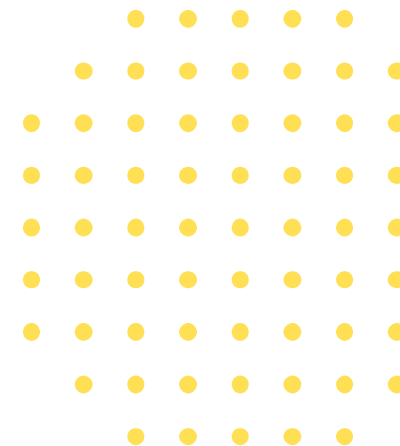
9% CAGR
growth over
last 20 years


















*Market data and internal estimates for the year to 30 June 2019, for markets in which Allergy Therapeutics operates excluding Switzerland and UK (competitor data not available)

02

Strong
Pipeline



Innovative, Broad Pipeline and Marketed Products

	Pre-clinical	Phase I	Phase II	Phase III	Market/Registered	Also available as a Named Patient Product	
Grass MATA		Short-course SCIT					
Tree MATA		Short-course SCIT					
Ragweed MATA		Short-course SCIT					
Bee Venom SCIT		Short-course SCIT					
Wasp Venom SCIT		Short-course SCIT					
Grass MATA MPL	 	Short-course Grass SCIT with MPL					
Birch MATA MPL		Short-course Birch SCIT with MPL					
Ragweed MATA MPL		Short-course Ragweed SCIT with MPL					
Trees MATA MPL		Short-course Tree SCIT with MPL					
Oral Grass, Trees & House Dust Mite		Sublingual immunotherapy with flexible-dosing					
Modified Mite Platform		Short-course modified Allergen HDM SCIT + MPL					
Peanut SCIT		Short-course Peanut SCIT					

Grass MATA MPL

Successful end of Phase II meetings with PEI and FDA

Product is one Phase III efficacy trial and completion of safety database away from filing in US

Draft protocol agreed including dosing for Phase III trial

Key product for US introduction – Ragweed would be product to follow

Timing of start of Phase III
Grass trial autumn of 2020
subject to final adjustments

Ultra short-course product with potential to storm US market

Birch MATA MPL

Primary end point of Phase III trial not met - Extensive work undertaken to understand results

Group in dialogue with PEI over results

Trial showed biomarker effect as well as expected safety profile

Secondary endpoint analyses of immunoglobulin markers including IgG and IgG4 showed highly statistically significant differences between active and placebo

Two previous Phase II dosing trials demonstrated efficacy and a classic dose response curve and a 32% reduction in symptoms

ATL will learn from the trial and put new ideas into the following field trials

Phase III field trials are challenging given exposure and scoring

House dust mite product

Primary endpoint of safety and tolerability achieved in Phase I trial

Phase II dosing trial anticipated in 2020

Acarovac product without MPL growing well in Spain and Austria

Market opportunity of \$3-4bn* worldwide with only Europe partly tapped already

Potential of 8 injection model compared to 12-15 average of competitors and once a day for 3 years oral treatment

Potential additional product in US portfolio following two Phase III trials

Short-course product with global potential

*Datamonitor Epidemiology 2011

Preclinical Pipeline: Polyvac peanut product

Single dose of virus like particle (VLP) combined with recombinant peanut allergen successfully **protects against anaphylaxis** when challenged with peanut

Those vaccinated with candidate vaccine exhibited no symptoms compared to placebo, when challenged with peanut

Safety profile of product evaluated and found **not to induce anaphylaxis**

Industrial scale-up progressing well with first in-human trial anticipated summer 2020

Peanut represents a new opportunity into \$8bn* worldwide food allergy market

Successful meeting with Swissmedic and PEI on outline protocol for first in-human trial

Positive results achieved from preclinical research of Polyvac Peanut

*The Journal of Allergy and Clinical Immunology 2016. 1% of US population. EACCI Food Allergy and Anaphylaxis Guidelines Group 2016 0.2% of Western European Population. Management assumption of annual treatment of \$2k

Virus like particle (VLP) platform

- **VLP** platform has potential in many different allergy areas.
- **Sophisticated technology with potential to treat severe and extreme allergies**
 - Engineered with a T-cell epitope derived from the tetanus toxin
 - Leads to activation of memory cells
 - Increased antibody response
- When bound with an allergen, the immune system reacts to the virus not the allergen.
- Therefore protective immunity is induced, enabling shorter therapy duration with an enhanced tolerability profile.

Potential allergy areas include peanut, mixed nuts, cat, mould, mite and venoms

Initial peanut results
show potential of
technology



03

Preparing for US entry

The changing US regulatory landscape offers potential for significant commercial growth

Current US SCIT market



- **Home made, unlicensed** preparation
- **Non GMP** manufacturing
- **Non** registered
- **No** clinical evidence
- **Long** courses of treatment: **50 to 100** injections
- **Slow to act:** 6 to 12 months
- **Low** compliance

New USP and FDA regulations drive towards pharmaceutical grade, centrally manufactured, single allergen treatments

Allergy Therapeutics' entry in the US



- **Standardised** dose vaccine
- **GMP** manufactured
- **FDA submission**
- **Multiple** clinical studies
- **Ultra- short course** treatment: **6** injections for optimal product profile
- **Efficacy** in 3 weeks
- **High** compliance



US allergy immunotherapy market represents a significant and attractive commercial opportunity

\$2bn**

estimated allergy immunotherapy market

\$300-400m**

Estimated peak grass sales

~100 injections

Current treatment: up to 100 injections over 3-5 years***

16%

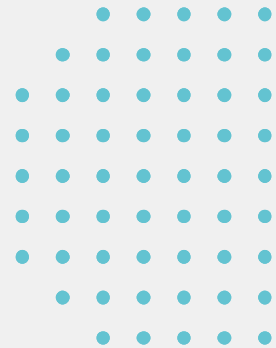
Some adherence levels as low as 16%*

None

Currently no registered injected products

4+1 products

Grass, Tree, Ragweed and Mite plus Peanut (new area of market)



*Hankin CS, Cox L, Lang D, et al 2007 JACI

**Internal estimate

***Professor Lawrence DuBuske MD



Financial Results

P&L – year ended 30 June 2019

+8%

Solid sales performance
in weak pollen season

£6.0m

Inflamax
Settlement

£11.3m

Operating profit pre R&D

(2018: £9.3m) due to investment,
leveraging solid sales

	2019 £'m	2018 £'m	Variance £'m	%
Revenue	73.7	68.3	5.4	8%
Gross profit	55.3	51.3	4.0	8%
Overheads	(44.6)	(42.6)	(2.0)	5%
R&D - Expenditure	(13.0)	(16.0)	3.0	
- Settlement	6.0		6.0	
Other Income	0.6	0.6	0.0	
Operating profit/(loss)	4.3	(6.7)	11.0	
Net Financing costs	(0.1)	(0.2)	0.1	
Tax	(0.7)	(0.6)	(0.1)	
Profit/(Loss) after tax	3.5	(7.5)	11.0	

Sales – year ended 30 June 2019

		2019 £'m	2018 £'m	Variance £'m	%
Stable sales growth	Gross Revenue at Constant Exchange Rate	77.8	72.5	5.3	7%
Increases in Spain and Eastern Europe	Rebate at Constant Exchange Rate	(3.8)	(4.2)	0.4	
Good growth in Venomil and Acarovac Plus	Net Revenue at Constant Exchange Rate	74.0	68.3	5.7	8%
	Effect of Foreign Exchange	(0.3)		(0.3)	
Most markets performing robustly	Net Revenue	73.7	68.3	5.4	8%
	*Constant exchange rate Euro/£	1.13			
FX impact much lower in this period as smaller difference between rates	Current exchange rate Euro/£	1.13	1.13		

* Constant currency uses prior year weighted average exchange rates to translate current year foreign currency denominated revenue to give a year on year comparison excluding the effects of foreign exchange movements.

Balance sheet at 30 June 2019

+£3.2m

Debtors higher due to
settlement receivable

£27.4m

Cash at year end 2019

£2.4m

Debt. Seasonal overdraft
in place (undrawn)

	2019 £'m	2018 £'m	Variance £'m
Non-current assets			
Property , plant and equipment	11.5	10.1	1.4
Intangible assets	4.8	4.9	(0.1)
Investments	5.6	5.1	0.5
	21.9	20.1	1.8
Current assets			
Inventories	9.4	8.8	0.6
Trade and other receivables	9.8	6.6	3.2
Cash	27.4	15.5	11.9
Liabilities			
Financial Liabilities	(2.4)	(3.1)	0.7
Other Liabilities	(28.4)	(24.9)	(3.5)
Net Assets	37.7	23.0	14.7
Equity			
Share capital and share premium	113.2	103.0	10.2
P&L account and other reserves	(75.5)	(80.0)	4.5
Total Equity	37.7	23.0	14.7

Cashflow for the year ended 30 June 2019

	2019		2018	
	£'m	£'m	£'m	£'m
Positive net cash pre R&D generated by growth in business and settlement of legal case		15.5		22.1
	4.3		(6.9)	
	1.4		3.0	
		5.7		(3.9)
		0.2		0.4
		(0.2)		(0.3)
Significant tax received due to R&D tax credit from 2015 & 2016 financial year	0.1		0.1	
	10.2		-	
	(0.4)		(0.4)	
	(3.1)		(2.2)	
		6.8		(2.5)
	(0.6)		(0.3)	
		(0.6)		(0.3)
		0.0		0.0
Strong Cash position of £27.4m driven by solid performance, equity raise and settlement		27.4		15.5

Summary and outlook



Summary and outlook

2020 set to be a pivotal year

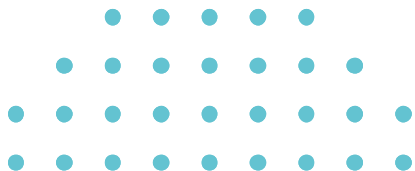
Delivering against our strategy: three pillars to growth

Drive further growth in sales

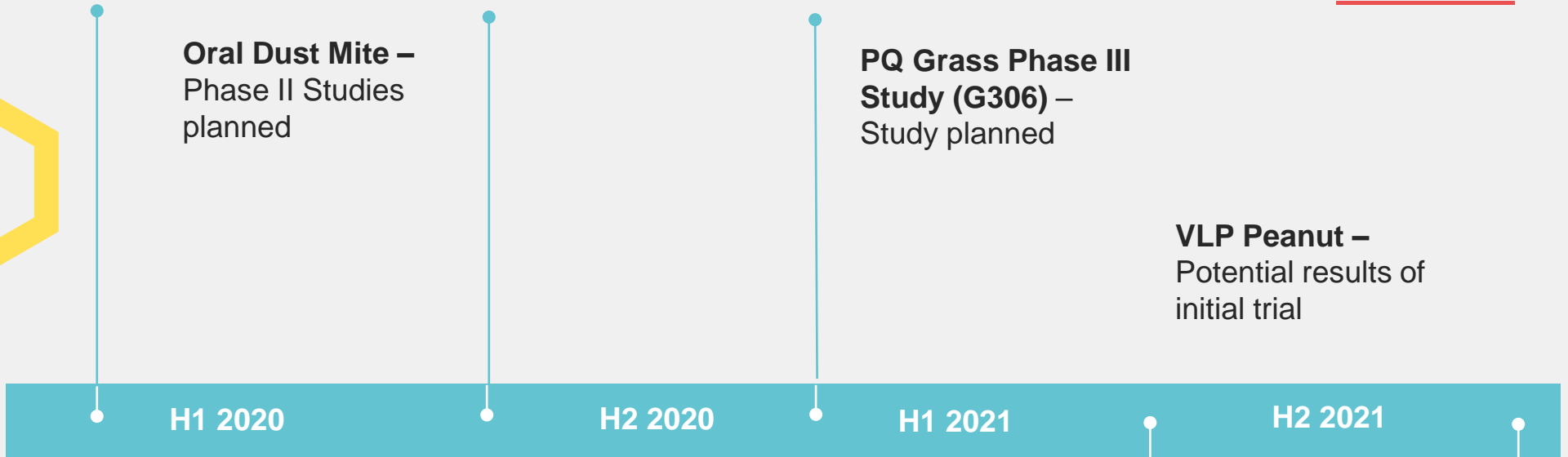
Preparation for clinical trial for Grass MATA MPL for European and US market

Focused strategy to be first to market in the US SCIT segment

First-in-human VLP peanut study in summer 2020



Key milestones



VLP Peanut – First in Human study planned

