



Orion Result presentation 1-12/2019

Disclaimer

This presentation contains forward-looking statements which involve risks and uncertainty factors. These statements are not based on historical facts but relate to the Company's future activities and performance. They include statements about future strategies and anticipated benefits of these strategies.

These statements are subject to risks and uncertainties. Actual results may differ substantially from those stated in any forward-looking statement. This is due to a number of factors, including the possibility that Orion may decide not to implement these strategies and the possibility that the anticipated benefits of implemented strategies are not achieved. Orion assumes no obligation to update or revise any information included in this presentation.



Highlights in January-December 2019

Darolutamide dominated news flow in 2019

1 Darolutamide received MA in the USA and Brazil.

In Japan, MA in Jan/2020.
CHMP recommendation for darolutamide in EU.

Darolutamide showed statistically significant improvement in OS in ARAMIS study.

2 Net sales and operating profit developed as expected.

Planned growth investments were reflected in operating profit level.



3 All business units reported growth in net sales.

4 REFALS patient recruitment completed. Results expected after summer.

5 Dividend proposal: EUR 1.50 per share.

Key figures 1–12/2019

Net sales

1,051

MEUR (977)
+8%

Operating profit

253

MEUR (253)

Operating profit
margin

24%

(26%)

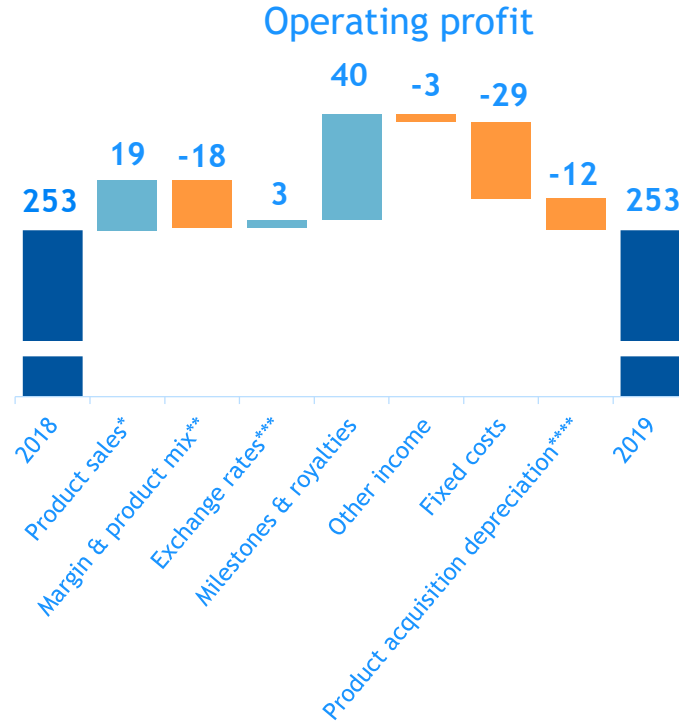
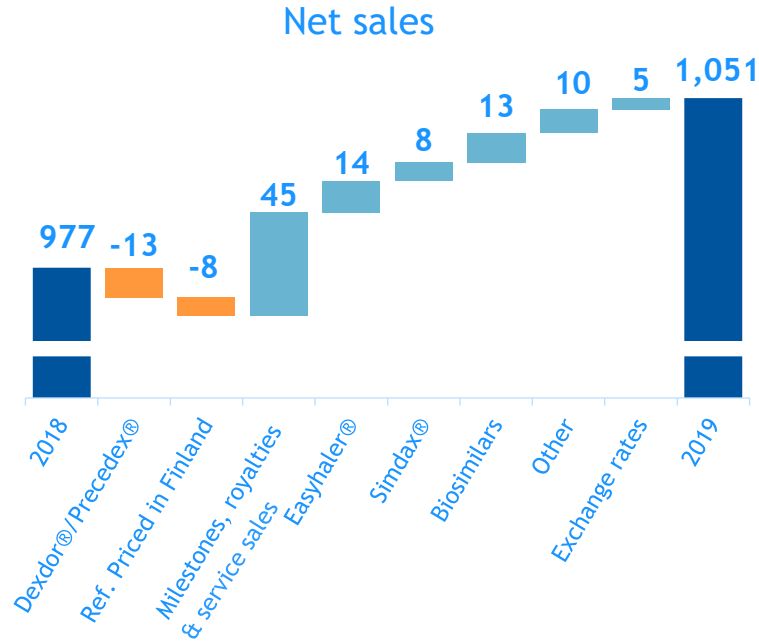
Cash flow per share
before financial
items*

1.68

EUR (2.32)
-27%

*) Comparison period cash flow per share before financial items includes both continuing and discontinued operations

Development of net sales and operating profit



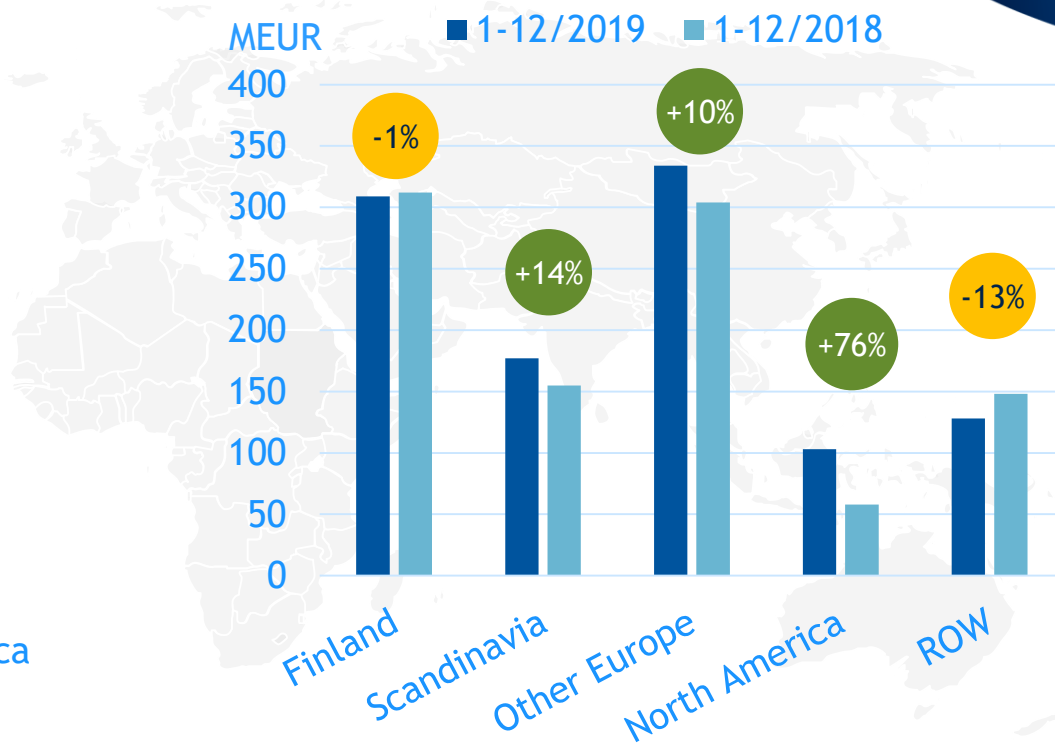
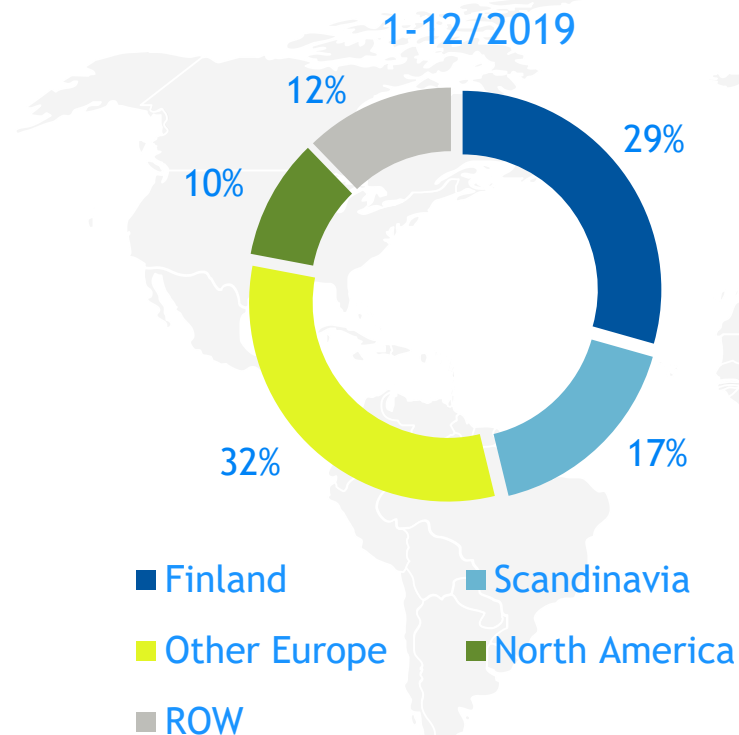
* Product sales without sales margin and product mix change and exchange rate effect

** Product sales margin and product mix change but without exchange rate effect

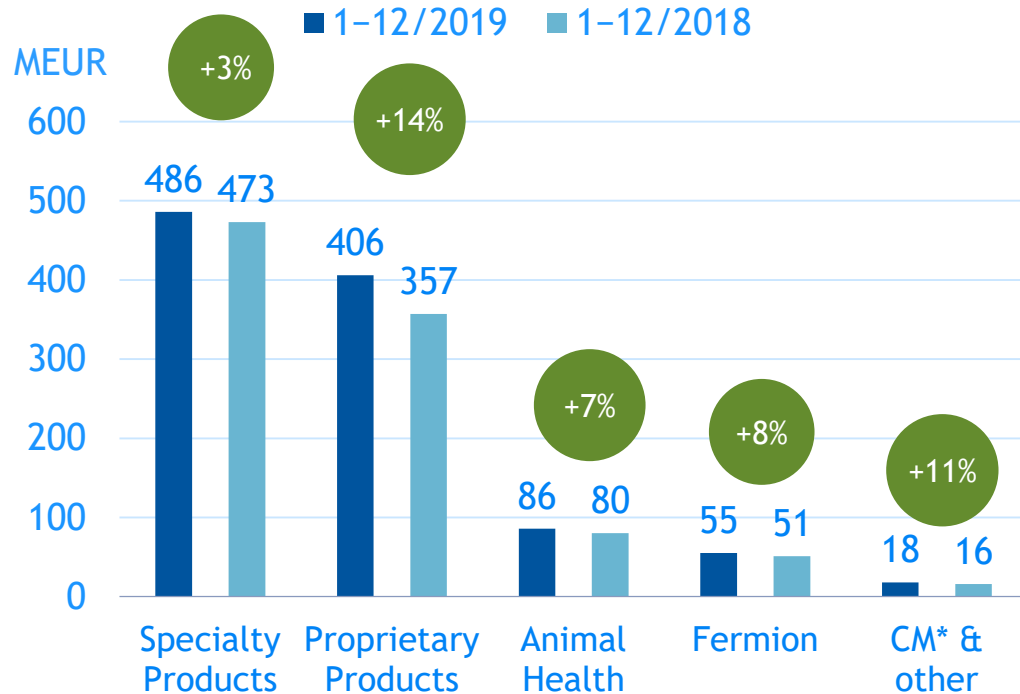
*** Exchange rate effect on gross margin

**** Acquisition of European sales and distribution rights for Stalevo® and Comtan®

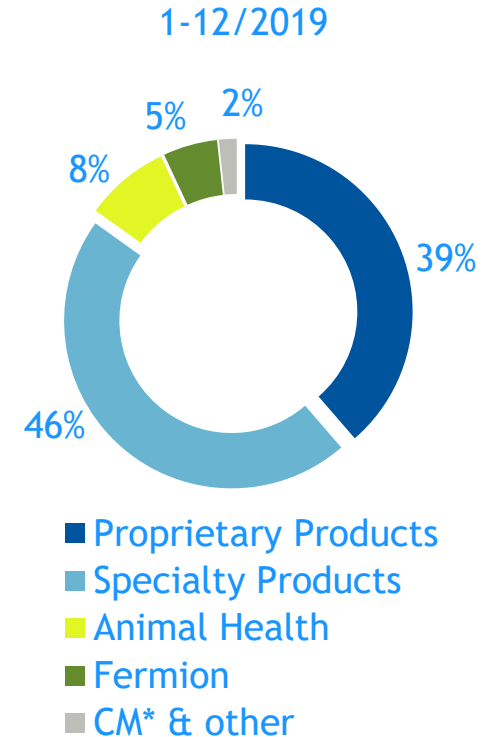
Geographical breakdown and development of net sales



















All business units showed growth



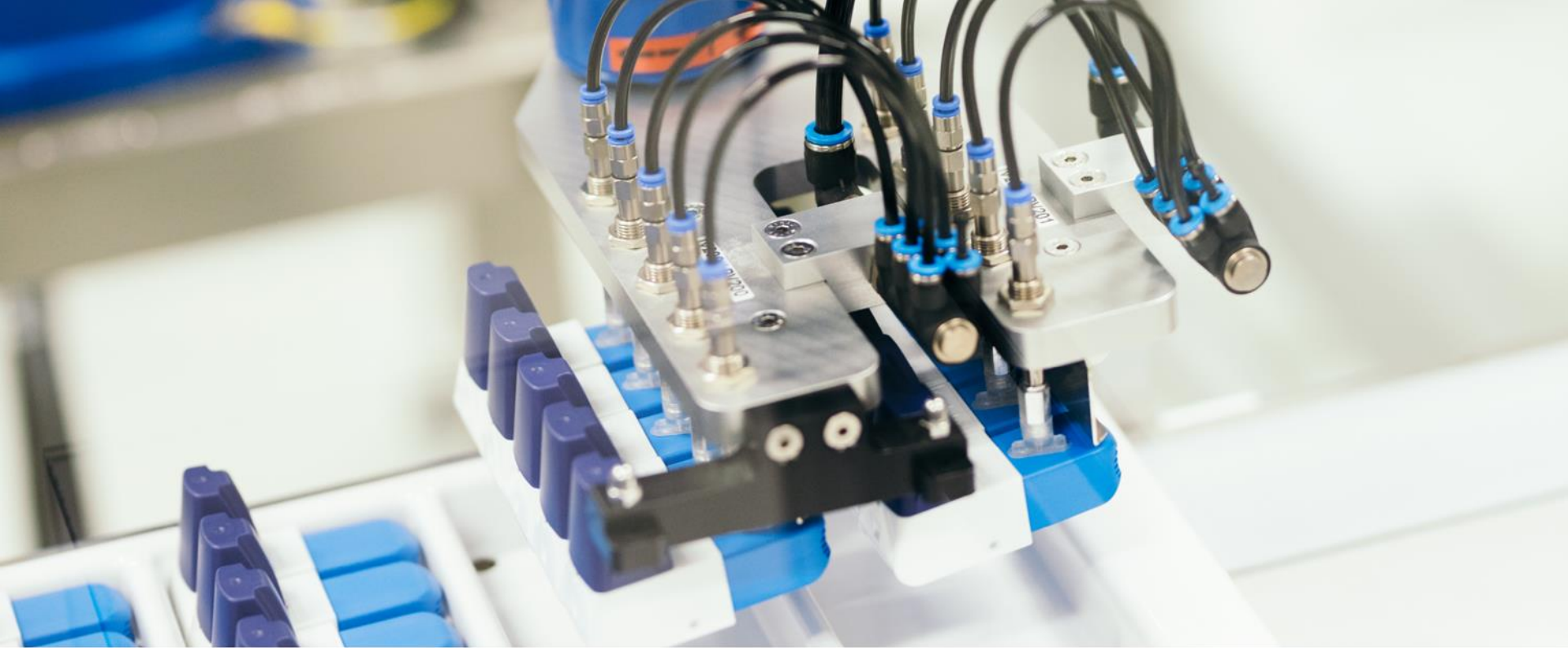
*) Contract manufacturing



Best-selling pharmaceuticals 1–12/2019

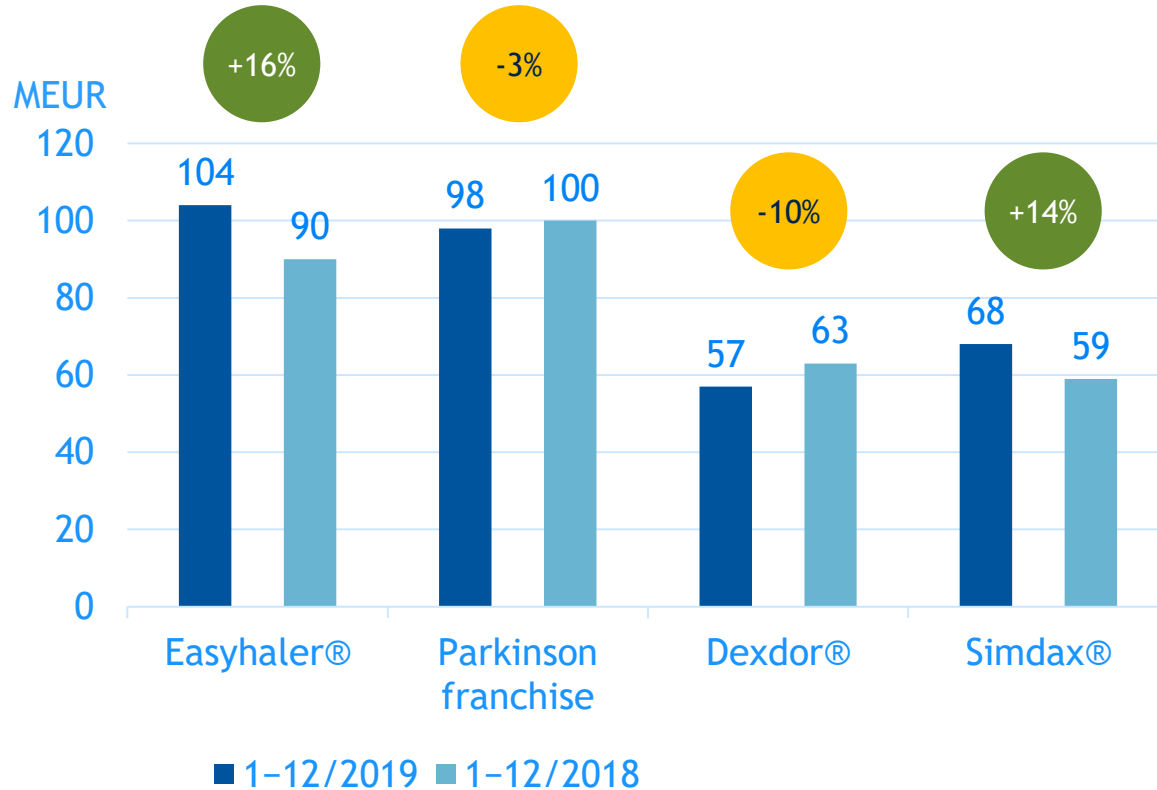
		Indication	Net sales EUR million	Change vs. 1–12/2018
1.		Asthma, COPD	104	+16%
2.	  	Parkinson's disease	98	-3%
3.		Acute heart failure	68	+14%
4.		Intensive care sedative	57	-10%
5.	Biosimilars   	Rheumatoid arthritis, inflammatory bowel diseases, lymphoma	38	+52%
6.	   	Animal sedatives	36	+8%
7.		Inflammatory pain	25	+7%
8.	Divina series 	Menopausal symptoms	19	+1%
9.		Anticoagulant	16	-11%
10.	Solomet®	Inflammation	14	+11%

 = Products of Proprietary Products business division

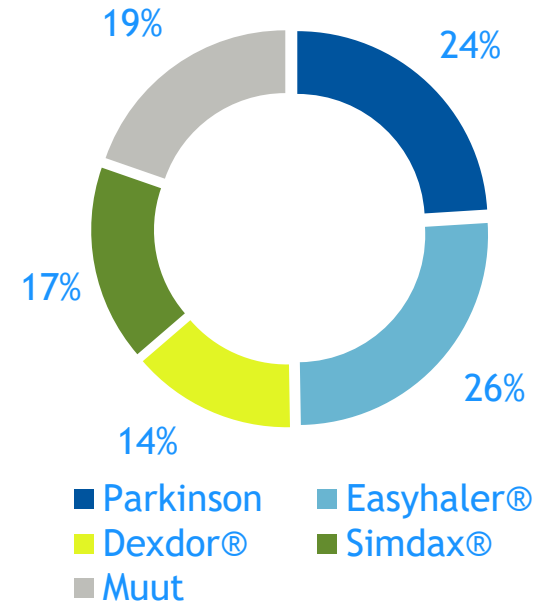


Proprietary Products

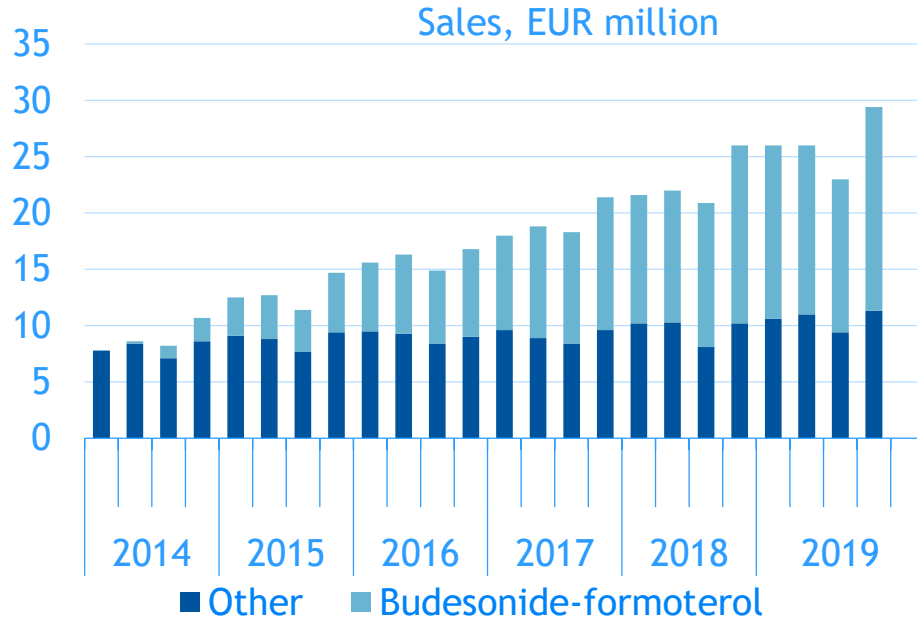
Easyhaler® product family and Simdax® growing



Proprietary Products sales split 1-12/2019



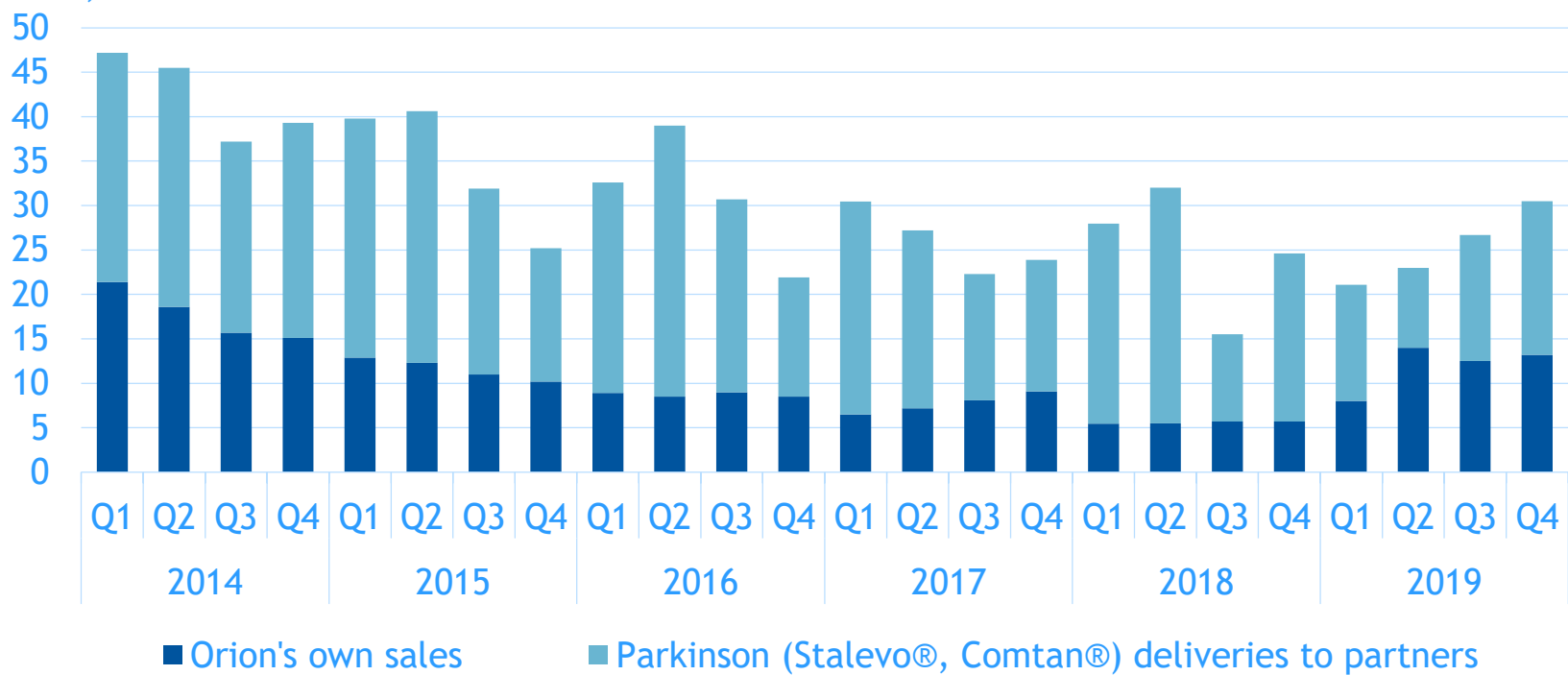
Easyhaler® sales exceeded EUR 100 million



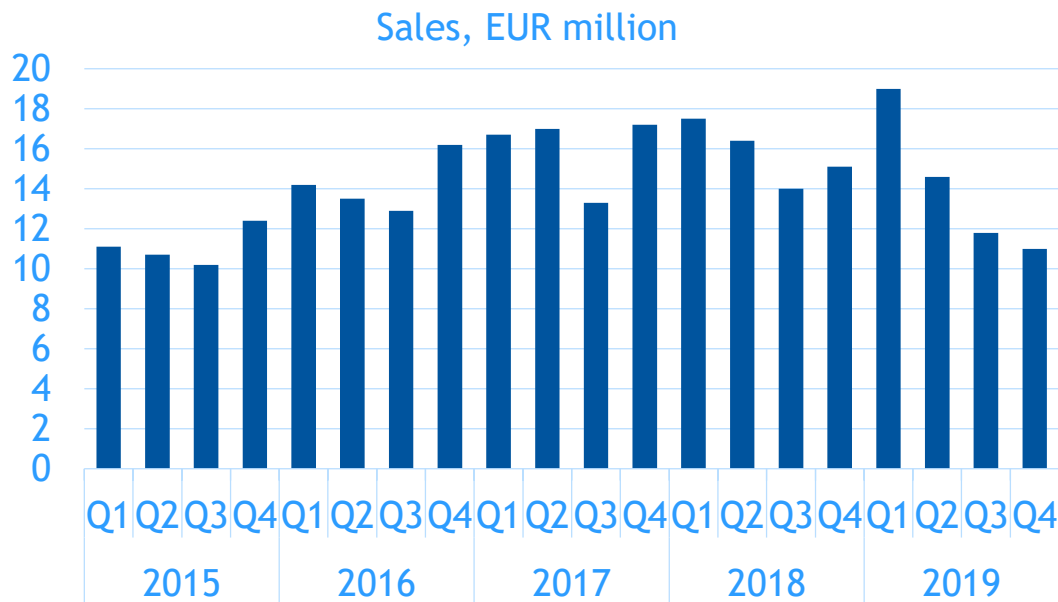
- Budesonide-formoterol Easyhaler® continued strong growth. +21%
- Product family total sales : +16%
- Salmeterol-fluticasone sales developed slower than anticipated.
- Development of Easyhaler® tiotropium continues.

Share of Orion's own sales in Parkinson increased

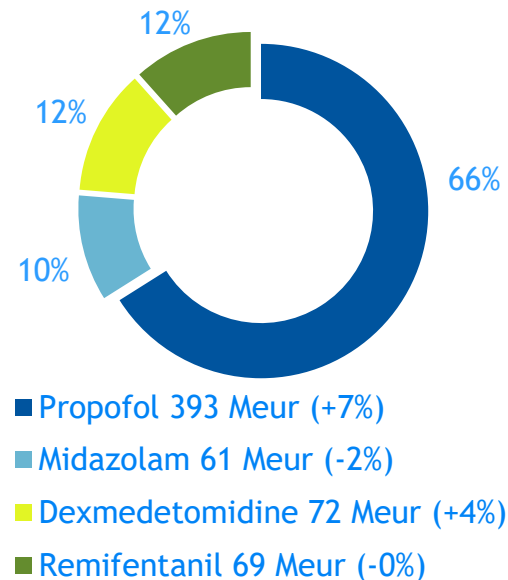
Sales, MEUR million



Sales of Dexdor® declining due to generic competition



Total value of European sedatives market:
EUR 595 million (+4%)



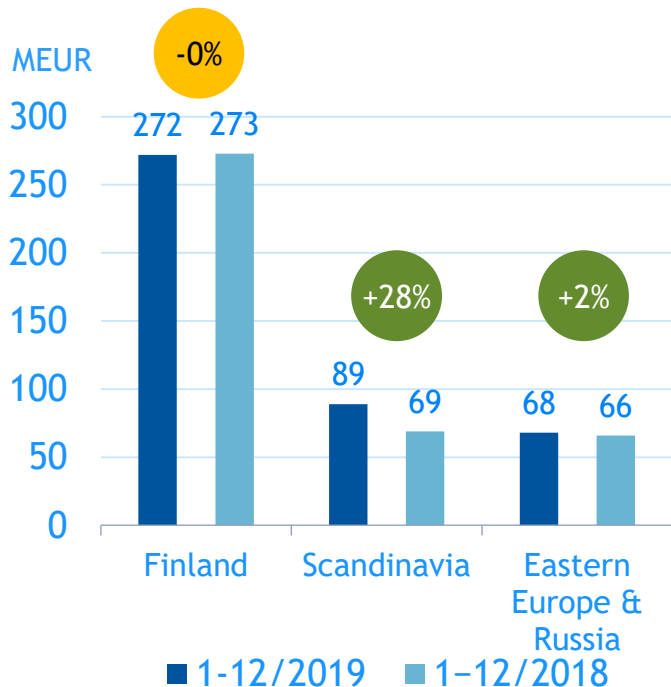
Source: IQVIA, MAT 9/2019



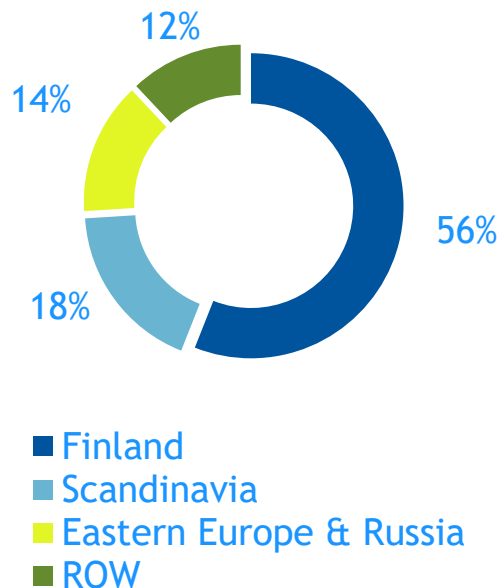
Specialty Products

Specialty Products: tight price competition continued

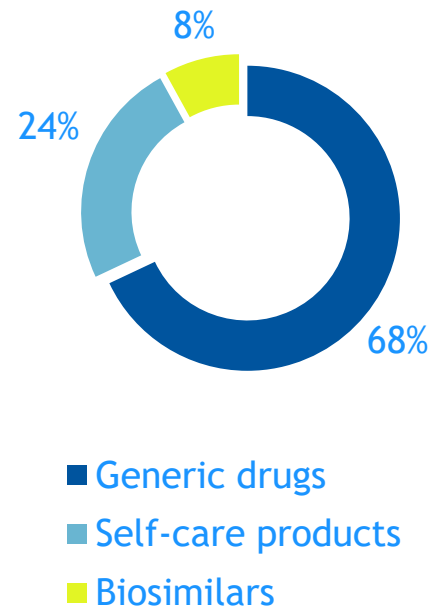
Development of net sales



Net sales by region 1-12/2019



Net sales by products 1-12/2019



In Finland, price competition and product deficiencies behind the market decline of reference priced prescription drugs

The market of reference priced prescription drugs in Finland (1-12/2019)

MEUR **436** (455)

Market development

-4%



The sales of Orion's reference priced prescription drugs in Finland

MEUR **116** (123)

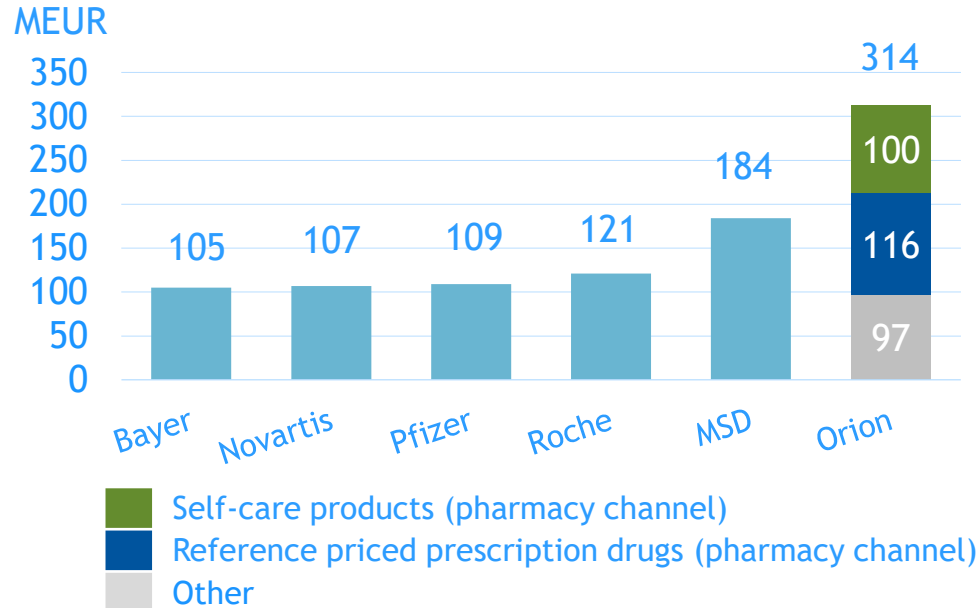
Orionin's development

-6%

Orion is strong in home market Finland

Human pharma market in Finland 1-12/2019

Medicinal and non-medicinal products
in hospital and pharmacy channels: EUR 2,859 million



Reference priced prescription drugs

Orion market share in pharmacy

27%
(27%)

Self-care products

Orion market share in pharmacy

25%
(25%)

Human pharmaceuticals total

Orion market share in hospital & pharmacy

11%
(12%)



Research and development

Orion's key clinical drug development projects

Project	Indication	Phase			Registration
Easyhaler® tiotropium	COPD	Bioequivalence study			
Darolutamide ¹⁾	Prostate cancer (nmCRPC)	I	II	III	Registration
Darolutamide ¹⁾	Prostate cancer (mHSPC)	I	II	III	
ODM-109 (oral levosimendan)	ALS	I	II	III	
ODM-203 (targeted FGFR+VEGFR inhibitor) ²⁾	Solid tumours	I	II		
ODM-207 (BET protein inhibitor) ²⁾	Cancer	I			
ODM-208 (CYP11A1 inhibitor)	Prostate cancer (CRPC)	I			
ODM-209 (CYP11A1 inhibitor)	Prostate cancer (CRPC), breast cancer	I			

¹⁾ In collaboration with Bayer

²⁾ Search for partner ongoing for the next possible phase

	= Completed		= Status changed
	= Ongoing		

More information on R&D projects: www.orion.fi/en/rd/orion-rd/pipeline/

Orion's key business targets in 2019-2020

1.	<p>Commercialisation of darolutamide in Europe. ARASENS trial (metastatic prostate cancer) continues in order to expand the indication for the molecule.</p>	<ul style="list-style-type: none">• MA received in USA, Japan and Brazil. Positive CHMP recommendation in EU.• Fully recruited ARASENS trial continues as planned.
2.	<p>Development of orally administered levosimendan (ODM-109) for ALS in phase III clinical trial (REFALS) and preparation for its possible commercialisation. The potential of different R&D projects are reviewed with consideration of the total R&D portfolio.</p>	<ul style="list-style-type: none">• REFALS patient recruitment completed in July 2019.• An assessment on the prospects of launching the product in the USA by Orion is ongoing.• Searching partners for the development of ODM-203 and ODM-207.

Orion's key business targets in 2019-2020

3.	<p>Strengthening Orion's position as the most significant provider of generic drugs in Finland. Competitive product portfolio in Specialty Products and strengthening of product launches.</p>	<ul style="list-style-type: none"> • Orion clear market leader in reference priced prescription drugs in Finland. • In self-care products Orion grew faster than the market.
4.	<p>Accelerating the growth of the Easyhaler® product family and strengthening its market position. Salmeterol-fluticasone launch in Europe.</p>	<ul style="list-style-type: none"> • Easyhaler® product family sales increased by 16 per cent. • Salmeterol-fluticasone sales developed slower than anticipated.
5.	<p>Evaluation of new in-licensing opportunities in Europe, particularly in the area of hospital care.</p>	<ul style="list-style-type: none"> • The work continues.

Material themes of Orion's sustainability

Ensuring patient safety and reliable supply of medications.

Responsibility for the environment, employees and the ethics and transparency of operations.

Customer complaints
(pharmaceuticals)

76

Ppm (56)

Audits undertaken
by Orion

251

(238)

Greenhouse gas
emissions (scope 1&2)

20,123

tCO2e (39,581)

Energy savings
target set for 2025
achieved

51%

(40%)

Injury rate

6.3

LTIF 1 (5.5)



Outlook

Outlook for 2020

Net sales

Orion estimates that in 2020 the net sales will be **at a similar level** as in 2019 (the net sales in 2019 were EUR 1,051 million).

Operating profit

The operating profit is estimated to be **lower** than in 2019 (the operating profit in 2019 was EUR 253 million).



Orion calendar

Annual General Meeting	25/3/2020
Interim Report 1-3/2020	28/4/2020
Half-Year Report 1-6/2020	17/7/2020
Interim Report 1-9/2020	21/10/2020



Building well-being