



Orion Investor Presentation

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.

All the figures in this presentation have been rounded, which is why the total sums of individual figures may differ from the total sums shown.



Orion in brief



Orion at a glance (2022 figures)



Net sales EUR **1,341** million
(EUR 1,113 million w/o ODM-208 upfront payment¹)



Operating profit EUR **440** million
(EUR 232 million w/o ODM-208 upfront payment impact¹)



Personnel **3,527** (31 Dec 2022)



R&D investments EUR **136** million



6 production sites in Finland, **1** in France, **1** in Belgium
(production sites include packaging and warehouse operations in Salo, Finland and in Arendonk, Belgium)

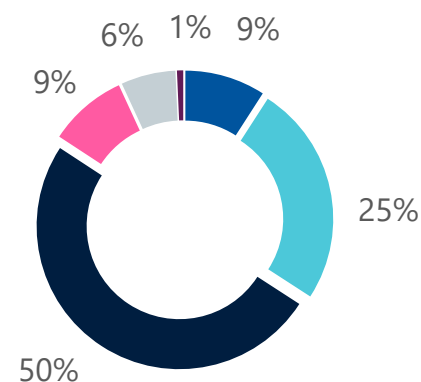


Own sales unit in **27** European and **6** Asia-Pacific countries

Established in **1917**

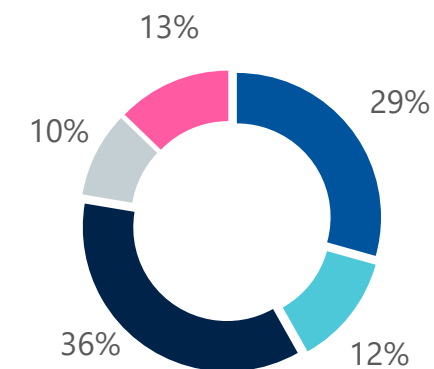
¹ODM-208 upfront payment impact on net sales was EUR 228 million, net impact (ie. without related costs) on operating profit was EUR 208 million

Sales by business²



- Innovative Medicines
- Branded Products
- Generics & Consumer Health
- Animal Health
- Fermion
- Other

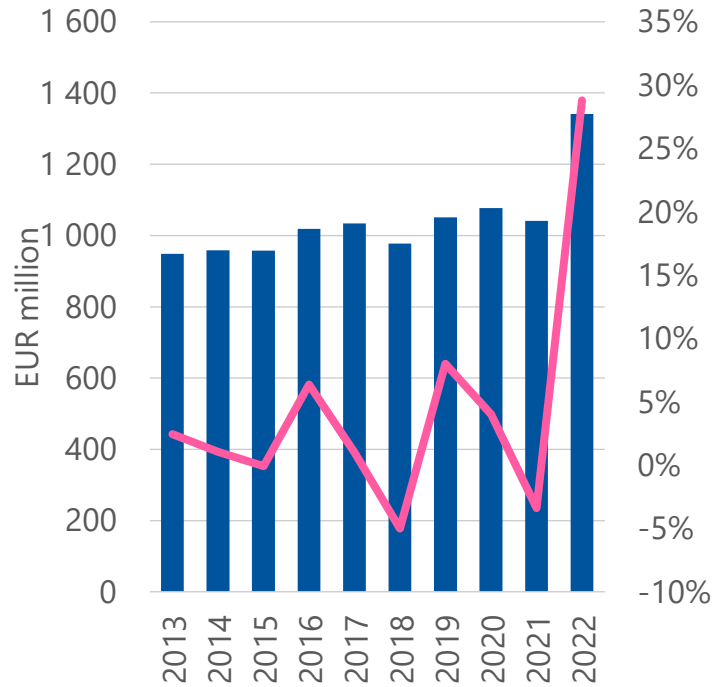
Sales by market area²



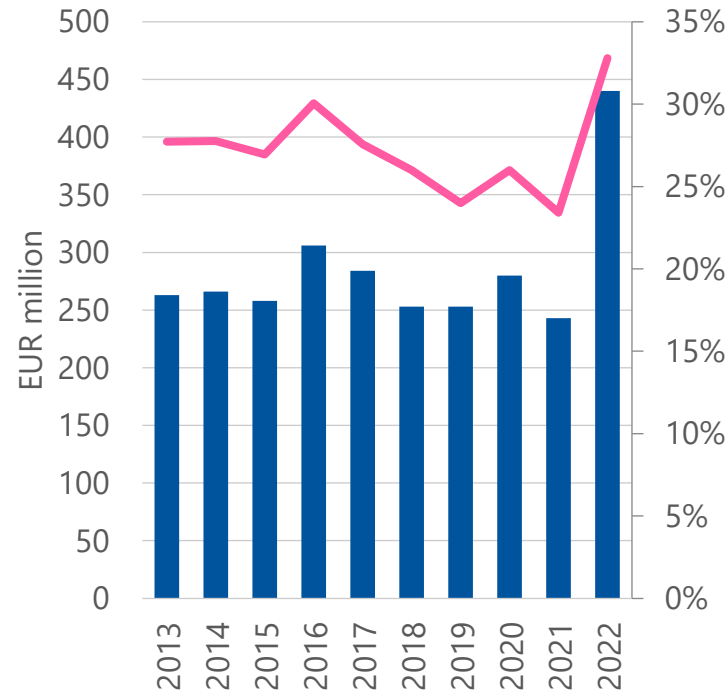
- Finland
- Scandinavia
- Other Europe
- North America
- ROW

²Split w/o ODM-208 upfront, Other = Translation differences and Other operations

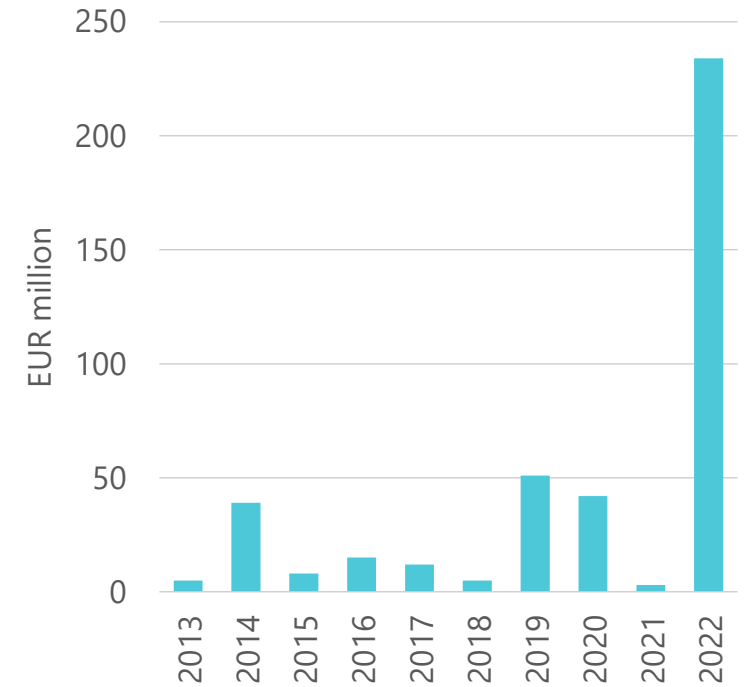
Financial development from 2008 to 2022



■ Net Sales — Growth, %



■ Operating profit — Operating profit margin



■ Milestones

Outlook for 2023

Net sales

Orion estimates that net sales in 2023 will be **slightly higher** than in 2022 without the EUR 228 million impact from ODM-208 upfront payment (net sales in 2022 without the impact of the ODM-208 upfront payment were EUR 1,113 million).

Operating profit

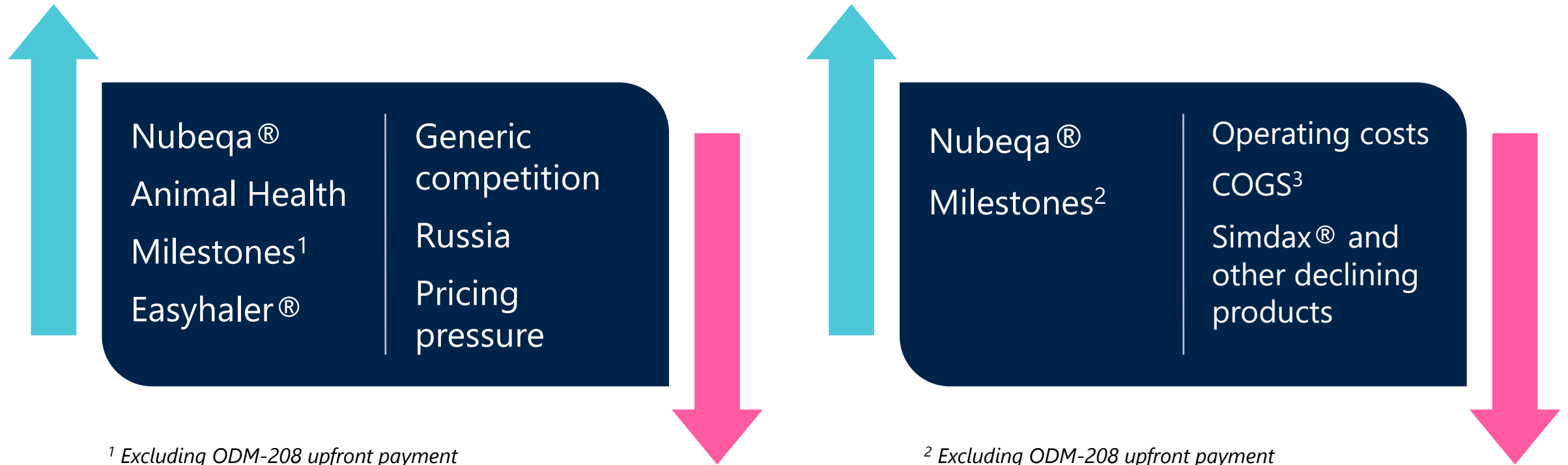
Operating profit is estimated to be **slightly higher or higher** than in 2022 without the EUR 208 million net impact from the ODM-208 upfront payment and without the possible transfer of the insurance portfolio of Orion Pension Fund's B fund (operating profit in 2022 without the net impact of the ODM-208 upfront payment was EUR 232 million).



Basis for the outlook – key contributors

Net sales

Operating profit

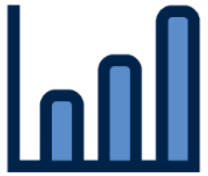


¹ Excluding ODM-208 upfront payment

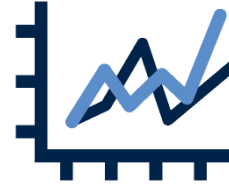
² Excluding ODM-208 upfront payment

³ Cost of goods sold

Orion's financial objectives



Growing net sales more rapidly than growth of the pharmaceuticals market. Achievement of this objective requires continuous investment in development of the product portfolio.



Keeping the equity ratio at least 50%.



Maintaining profitability at a good level. The aim is operating profit that exceeds 25% of net sales.



Distributing an annual dividend that in the next few years will be at least EUR 1.30 per share, and increasing the dividend in the long term.

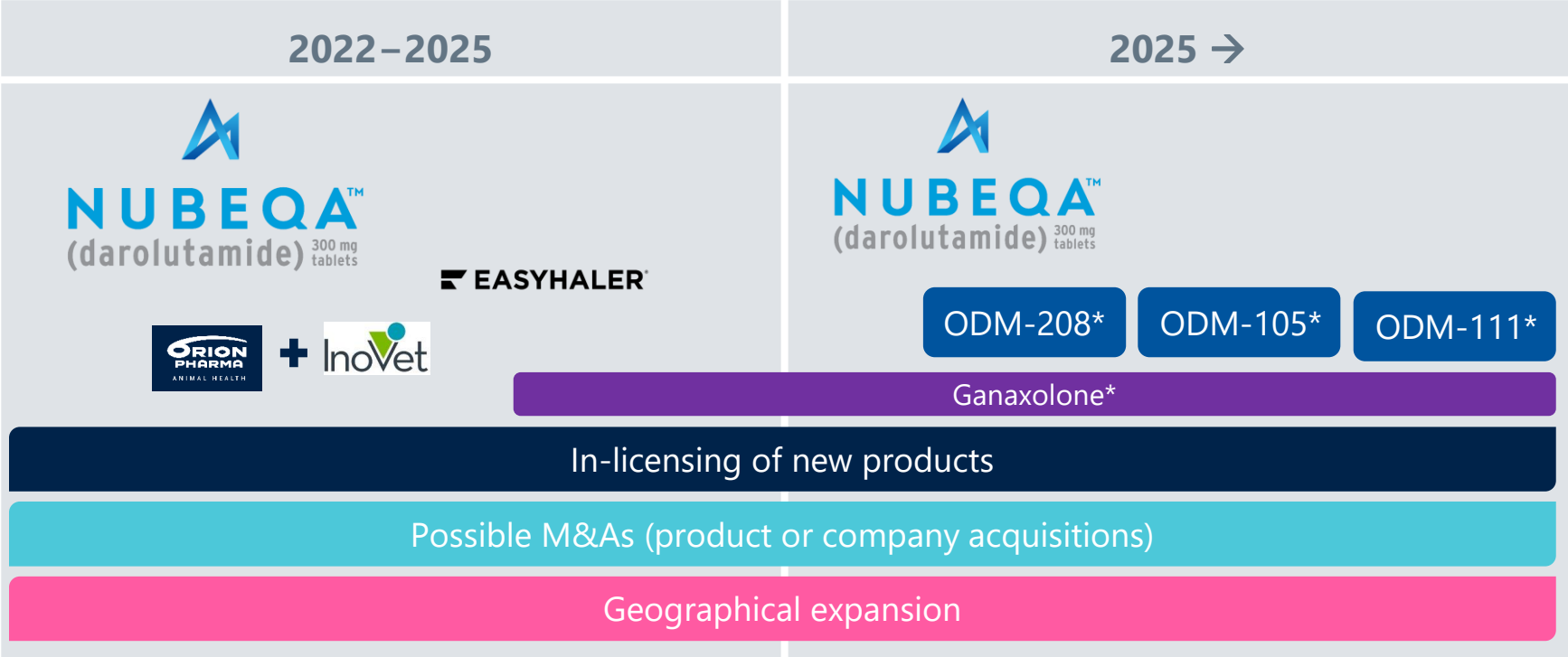
Orion's strategic growth target to reach EUR 1.5 billion net sales by the end of 2025 expresses the above growth target in more tangible manner.

Financial targets are all important

Right balance needed

Relative importance of targets change over time

Growth drivers for Orion



* Development phase molecule – requires success in clinical development and regulatory approval

Key clinical development pipeline

Project/compound	Indication	PHASE I	PHASE II	PHASE III	REGISTRATION
ARASENS / darolutamide ¹	Prostate cancer (mHSPC)	Phase completed	Phase completed	Phase completed	Phase completed
ARANOTE / darolutamide ¹	Prostate cancer (mHSPC)	Phase completed	Phase completed	Phase ongoing	
ARASTEP / darolutamide ¹	Prostate cancer (BCR)	Phase completed	Phase completed	Phase ongoing	
ODM-208 ²	Prostate cancer (mCRPC)	Phase completed	Phase ongoing		
ODM-105 / tasipimidine	Psychiatric disorders	Phase completed			
ODM-111 (NaV 1.8 blocker)	Pain	Phase ongoing			

Oncology	Pain / neurology
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Phase completed	Phase ongoing
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¹ In collaboration with Bayer

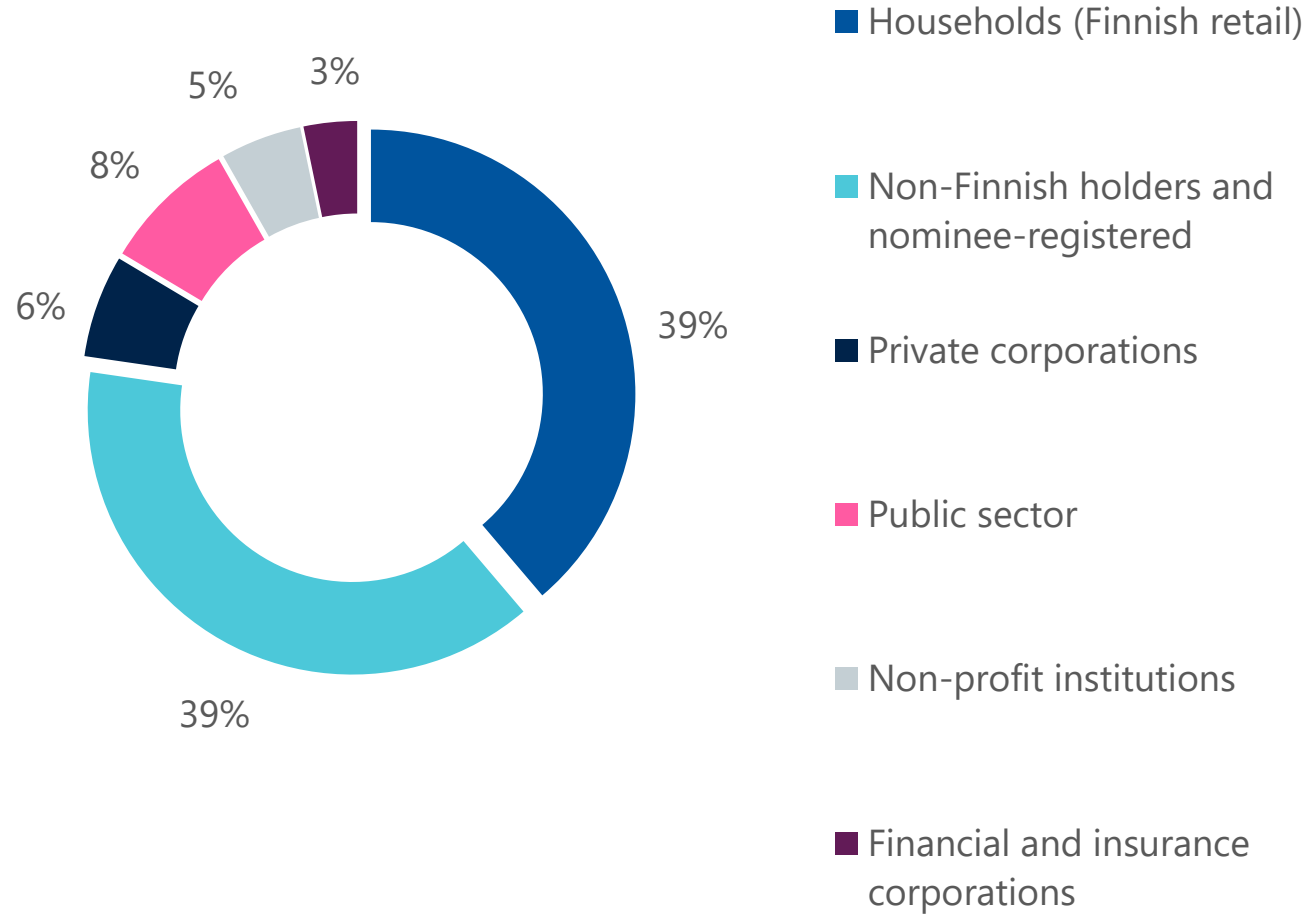
² In collaboration with MSD

Changes vs. Q4'2022:

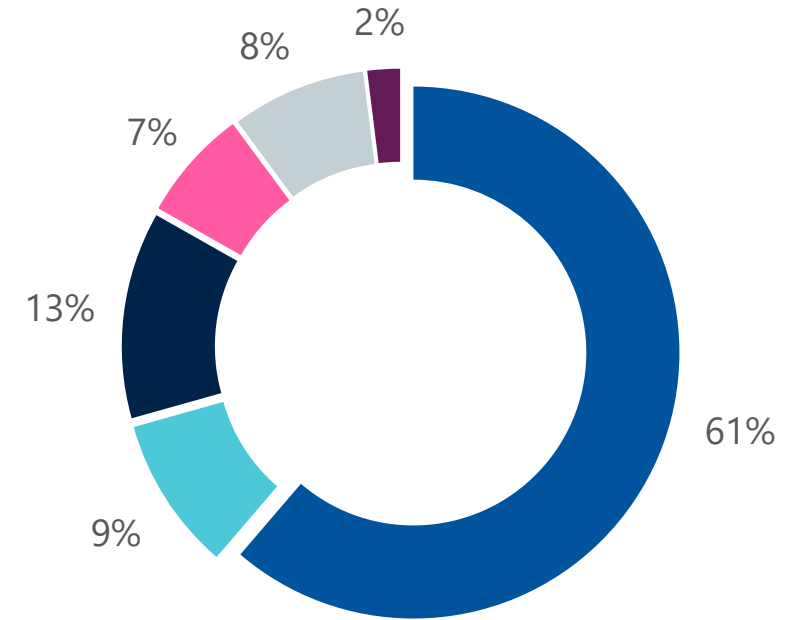
- ARASTEP added as a new trial
- ARASENS registration completed in key markets

81,619 registered shareholders on 31 March 2023

By number of shares



By number of votes



Largest shareholders by votes and shares on 31 March 2023



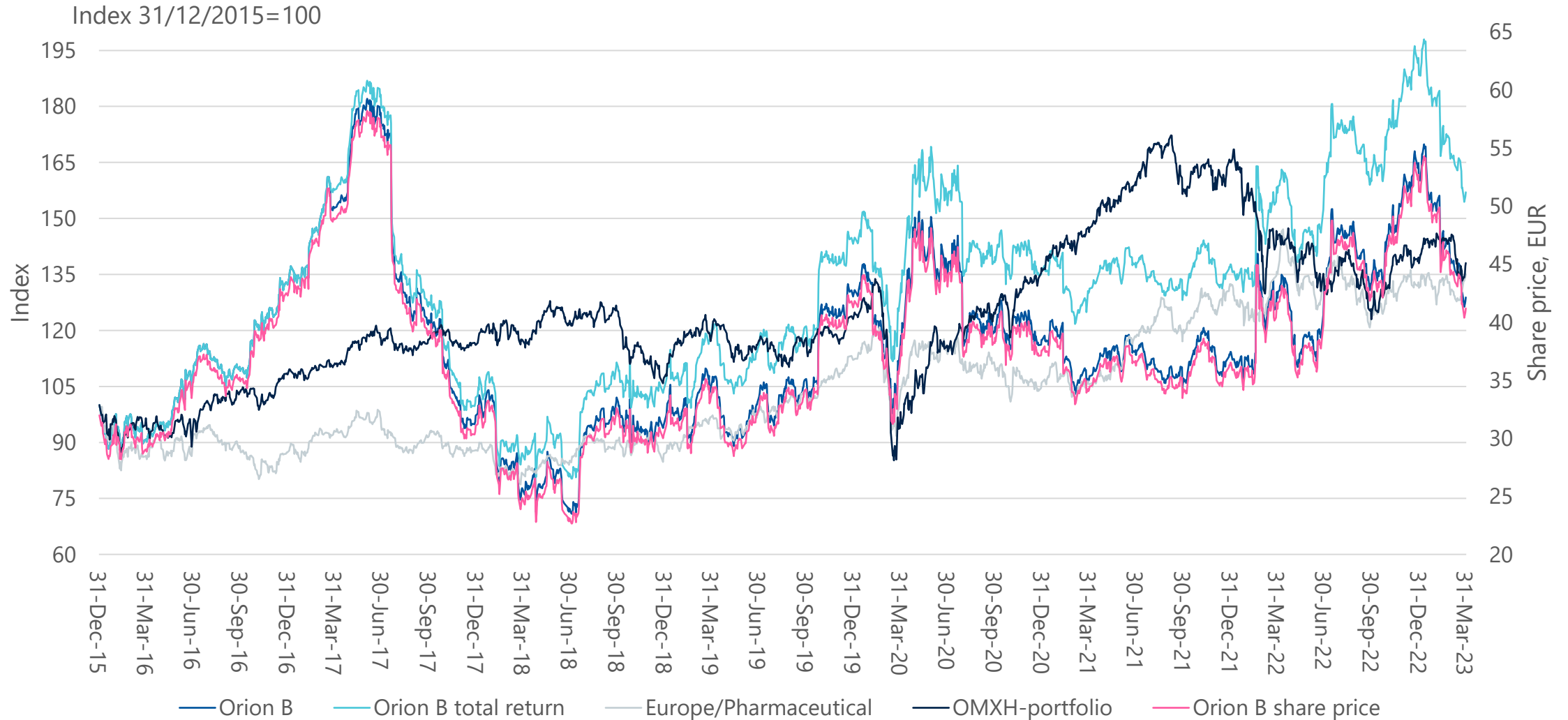
#	Shareholder	% of votes
1	Erkki Etola and companies	6.39
2	Maa- ja vesitekniikan tuki r.y. and companies	5.29
3	Ilmarinen Mutual Pension Insurance Company	4.93
4	Ylppö Jukka Arvo	3.19
5	Into Ylppö and commanding votes	2.03
6	Aho Group Oy and commanding votes	1.87
7	Orion Pension Fund*	1.40
8	Eija Ronkainen and companies	1.37
9	Saastamoisen säätiö (foundation)	1.16
10	Ingman Finance Oy Ab	1.13
10 largest shareholders, total		26.74

#	Shareholder	% of shares
1	Ilmarinen Mutual Pension Insurance Company	2.68
2	Varma Mutual Pension Insurance Company	2.36
3	Erkki Etola and companies	2.00
4	Maa- ja vesitekniikan tuki r.y. and companies	1.48
5	Elo Mutual Pension Insurance Company	1.30
6	Ylppö Jukka Arvo	0.99
7	The Social Insurance Institution of Finland, KELA	0.86
8	Into Ylppö and commanding votes	0.73
9	The State Pension Fund	0.71
10	Orion Corporation*	0.56
10 largest shareholders, total		13.66

Monthly updated lists : <https://www.orion.fi/en/Orion-group/investors/shareholders/major-shareholders-by-shares/>

<https://www.orion.fi/en/Orion-group/investors/shareholders/major-shareholders-by-votes/>

Orion B share performance from January 2016 to March 2023





Highlights in January–March 2023



Nubeqa® (darolutamide) is Orion's top selling product

- Nubeqa® Orion's top-selling product in Q1'2023
- New clinical phase III trial ARASTEP
- Approvals for additional indication (mHSPC) in Japan, European Union and China



ORION

Year started in line with our expectations

Net sales
MEUR 277.9 (270.6) +2.7%

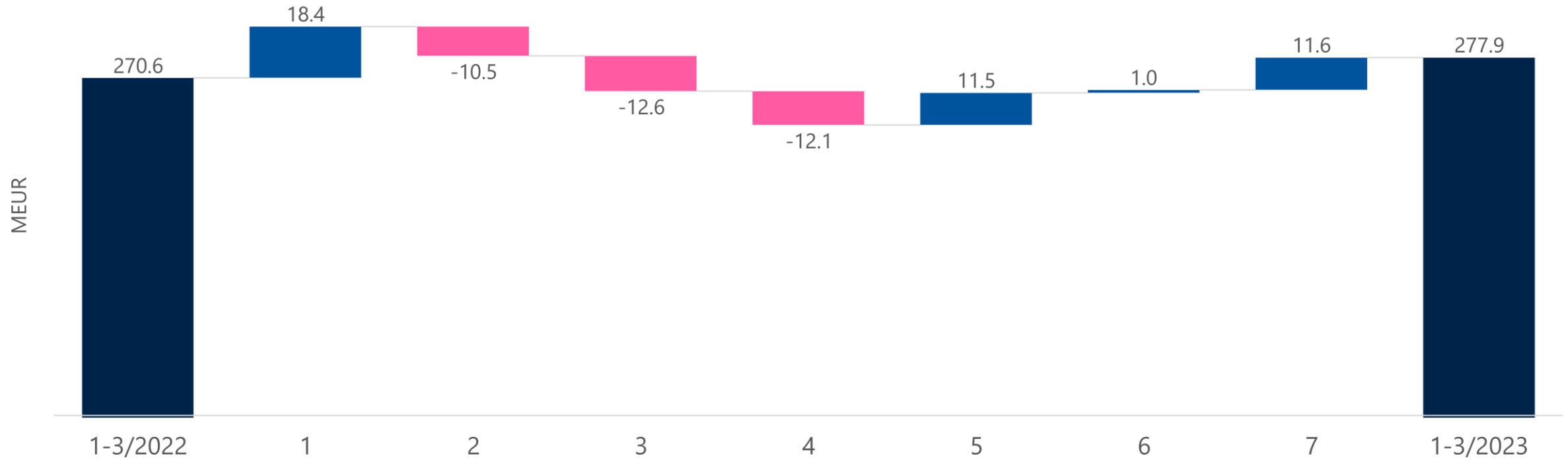
Cash flow from operating activities per share
EUR 0.03 (0.24) -87.9%

Operating profit
MEUR 55.5 (71.5) -22.4%

Operating profit margin
20.0% (26.4%)

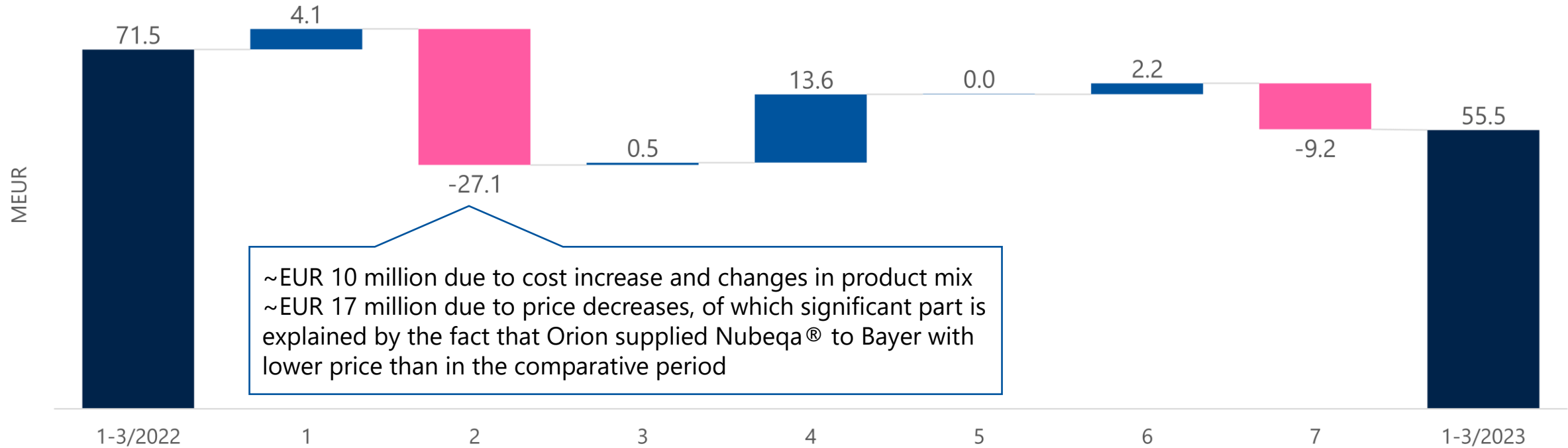
- Net sales
 - Main positives: Nubeqa® and Animal Health
 - Main negatives: entacapone, Russia, dexmedetomidine and Simdax
- Factors explaining the decline in operating profit
 - Fixed costs increased by EUR 9 million
 - The effect of the contraction of operations in Russia was approximately EUR 7 million negative
 - Lower gross margin due to price declines, product mix and increased COGS
- Factors explaining decrease in cash flow
 - Decrease in operating profit
 - Working capital increased more than in comparative period

Net sales bridge Q1'2022 to Q1'2023



1	Nubeqa® (product sales & royalty)	5	Other products and services (ex Animal Health and Fermion)
2	Simdax® & dexmedetomidine for human use	6	Exchange rates
3	Entacapone products	7	Animal Health & Fermion
4	Russia		

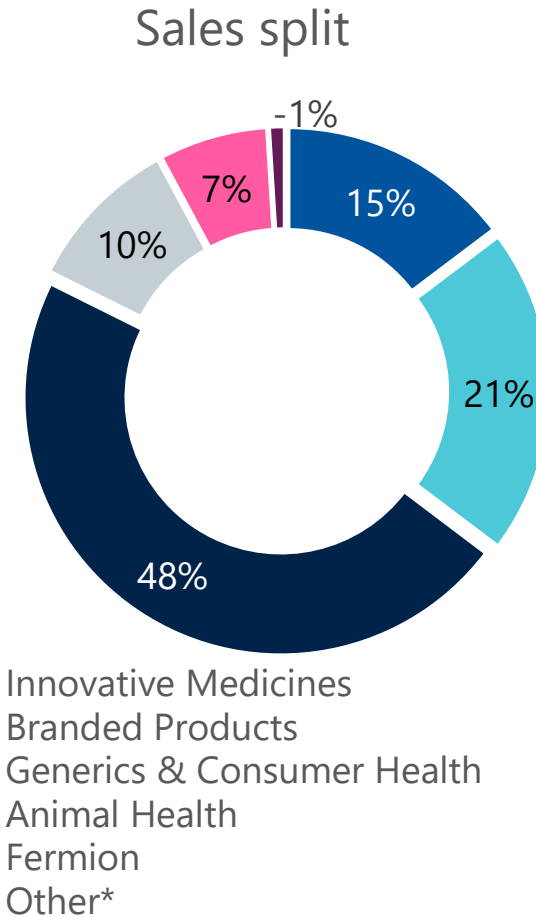
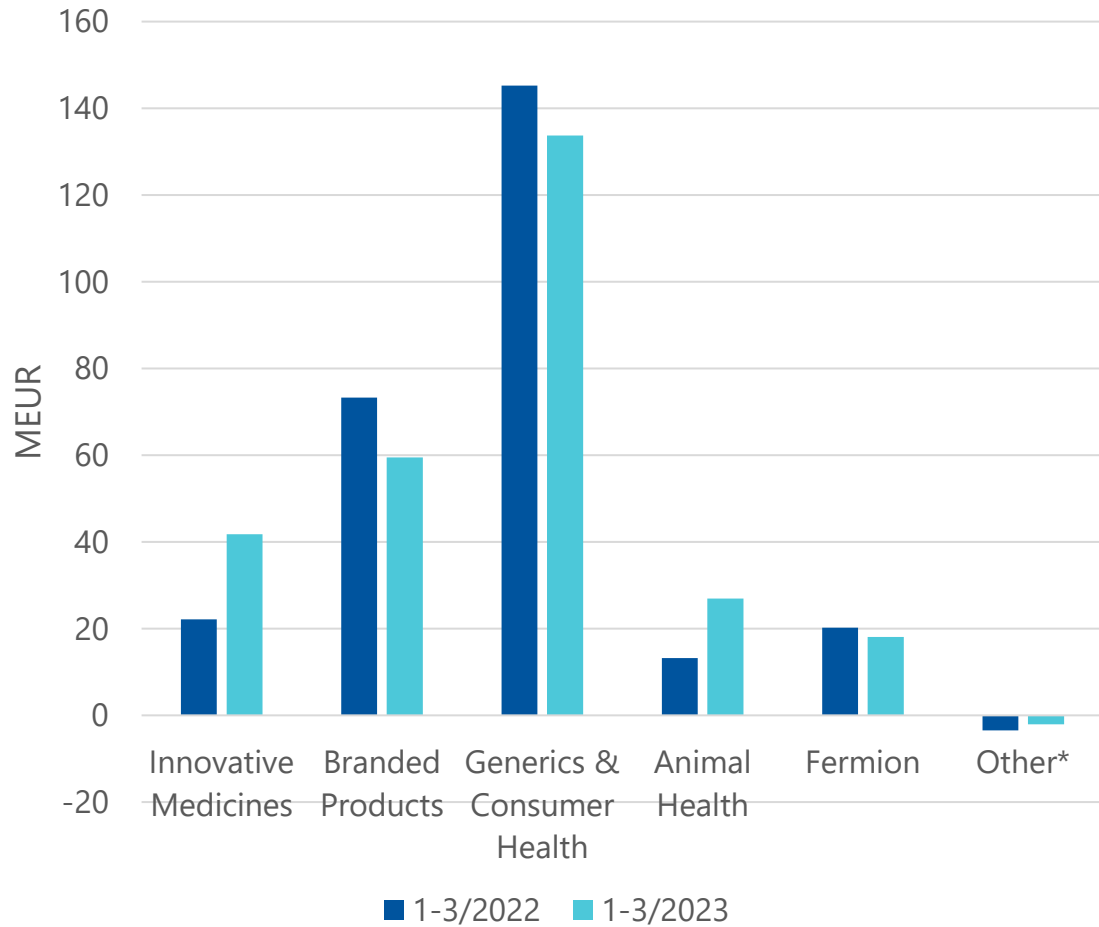
Operating profit bridge Q1'2022 to Q1'2023



~EUR 10 million due to cost increase and changes in product mix
 ~EUR 17 million due to price decreases, of which significant part is explained by the fact that Orion supplied Nubeqa® to Bayer with lower price than in the comparative period

1	Product & service sales without sales margin and product mix change and exchange rate effect	5	Milestones
2	Product sales margin and product mix change but without exchange rate effect	6	Other operating income and expenses
3	Exchange rate effect on gross margin	7	Fixed cost
4	Royalties		

Business reviews



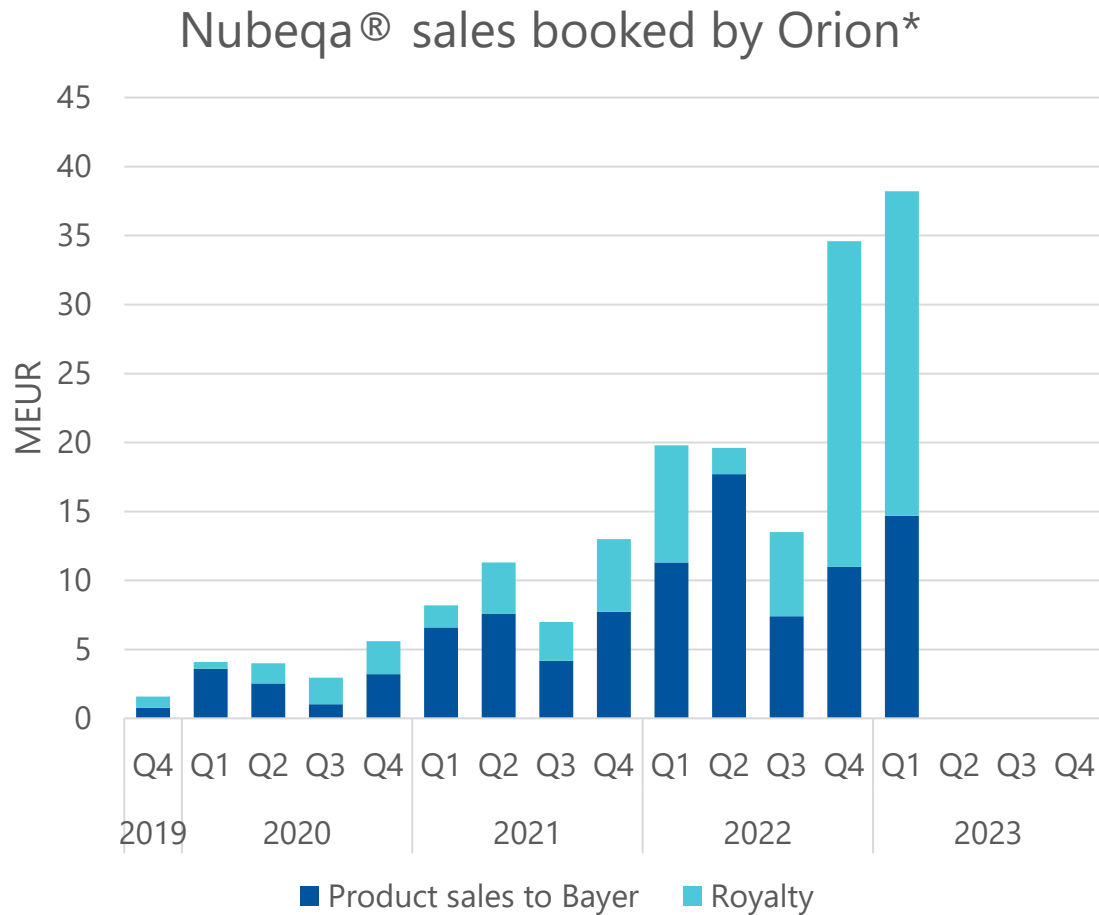
TOP 10 products in Q1 2023

	Product or product portfolio	EUR million	vs. 1-3/2022
1.	Nubeqa®	38.2	+93.0%
2.	Easyhaler® product portfolio	32.2	+3.3%
3.	Entacapone products*	21.5	-37.1%
4.	Simdax®	8.1	-34.6%
5.	Dexdomitor®, Domitor®, Domosedan®, Antisedan®	8.0	+41.8%
6.	Trexan® (rheumatoid arthritis, cancer)	7.6	+104.5%
7.	Dexmedetomidine products for human use**	7.1	-47.2%
8.	Burana®	5.9	-0.2%
9.	Divina® series	4.9	-27.5%
10.	Solomet®	4.5	-52.2%

Innovative Medicines	Branded Products	Animal Health
Generics & Consumer Health	* Stalevo®, Comtess®, Comtan® and other entacapone products ** Dexdor®, Precedex® and other dexmedetomidine products	

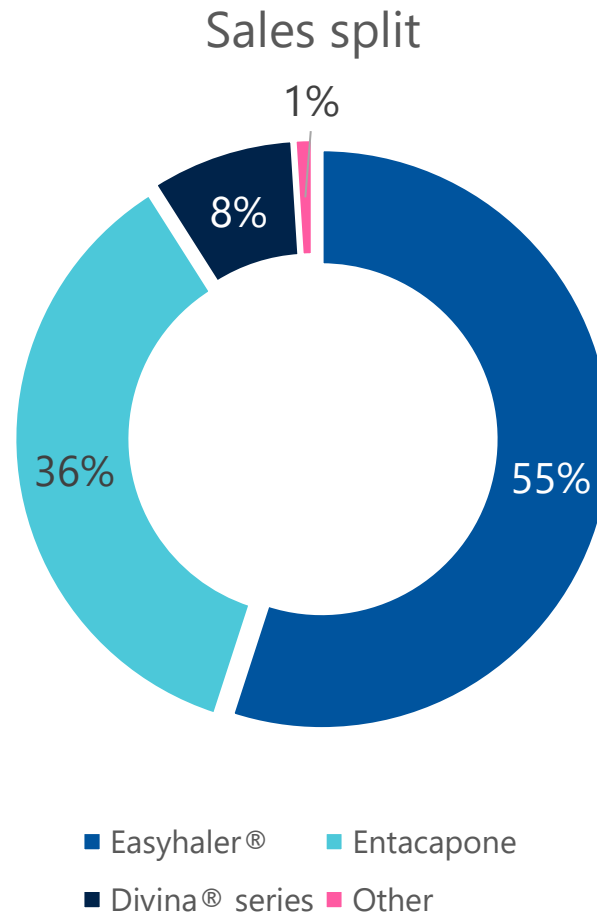
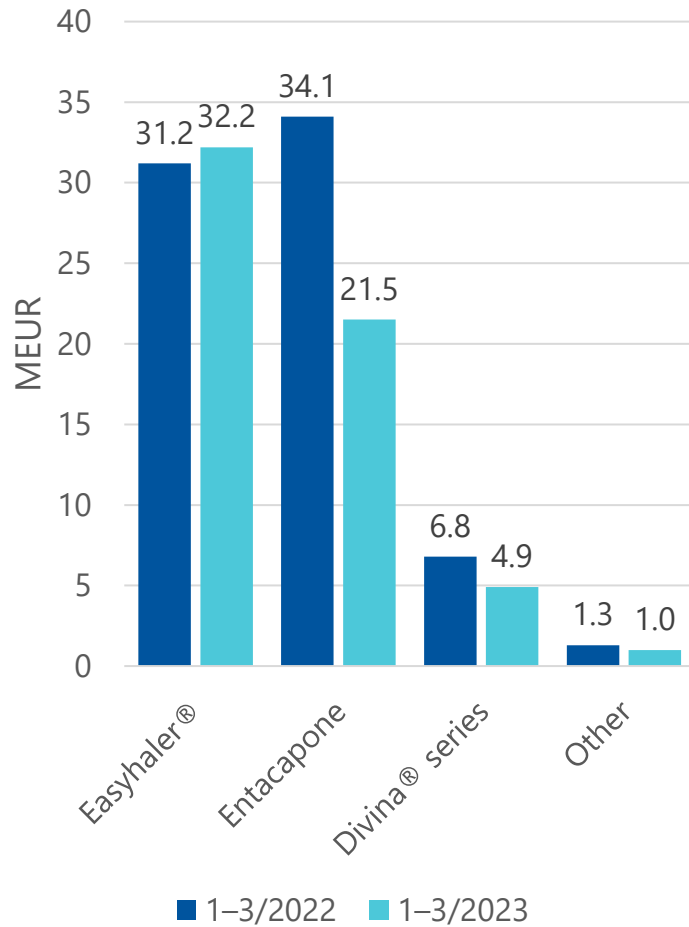
Innovative Medicines EUR 41.8 million (+89.0%)

- Nubeqa® sales EUR 38.2 million (+93.0%)



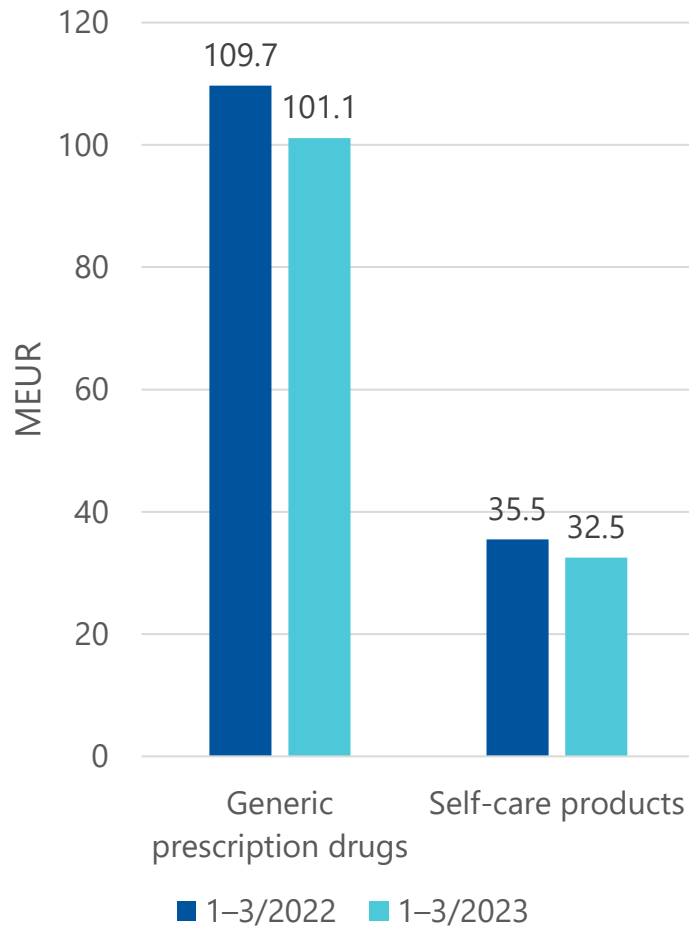
*Orion's sales to Bayer for commercial use + royalties from Bayer

Branded Products EUR 59.5 million (-18.8%)

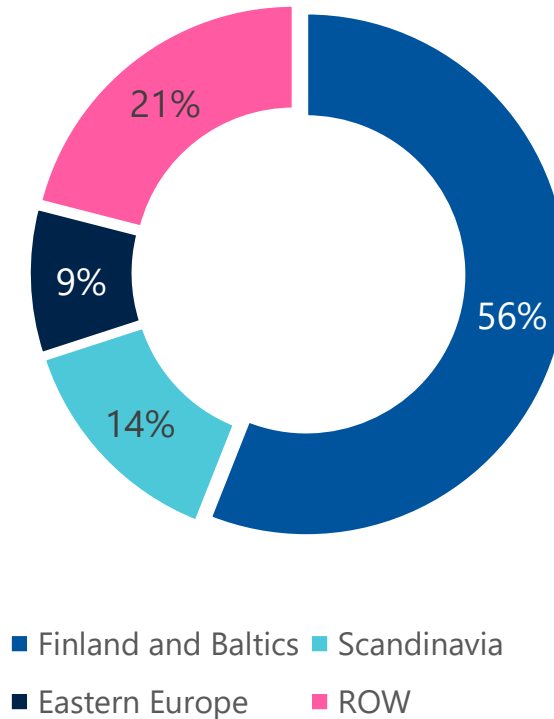


- Easyhaler® product portfolio continued on a growth track
- The decline in entacapone products mostly due to timing of partner deliveries
- The decline in Divina® series explained by contraction of business in Russia

Generics and Consumer Health EUR 133.7 million (-7.9%)

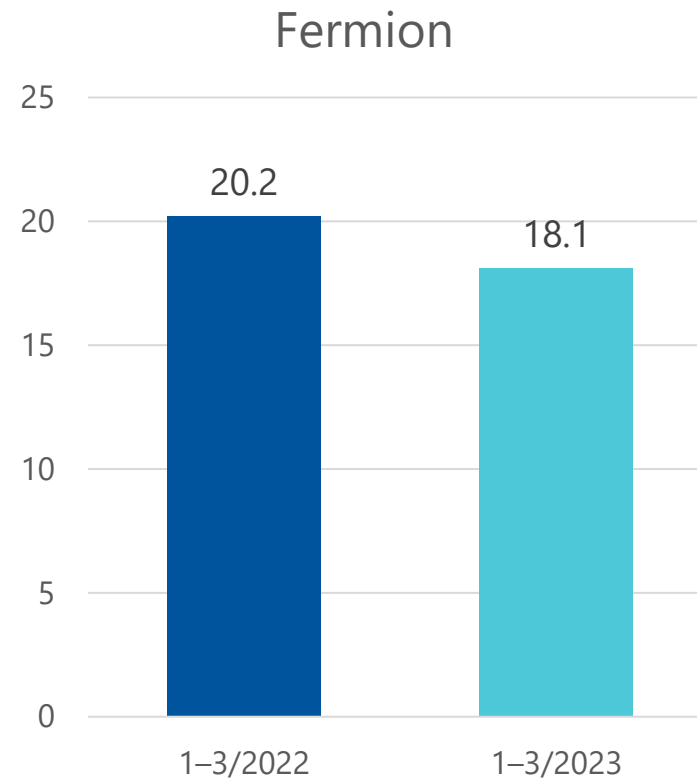
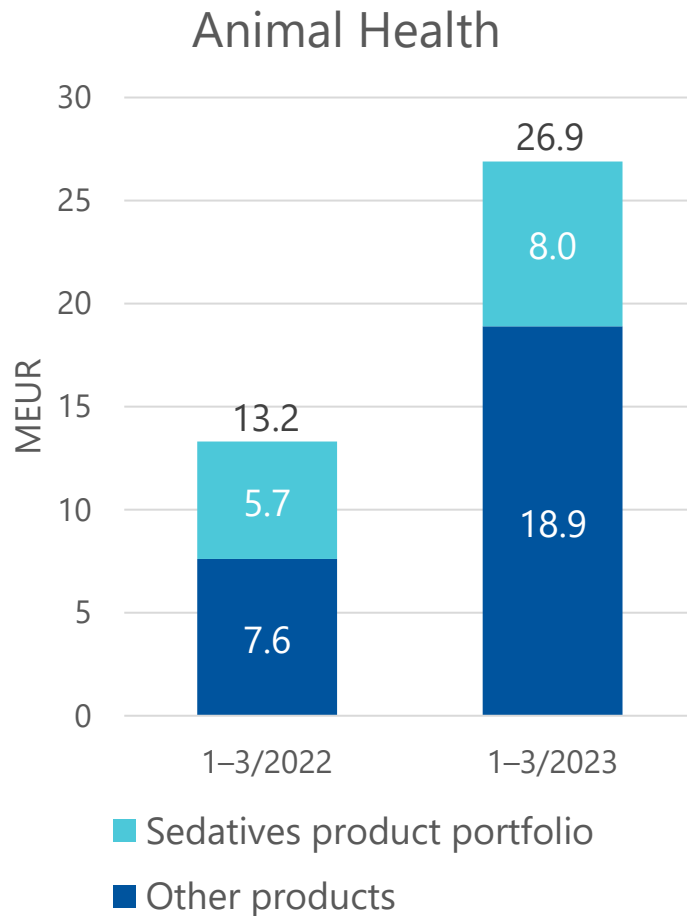


Sales split by geographic areas



- Generic competition pressing the prices and sales of Simdax® and dexmedetomidine products for human use
- Contraction of business in Russia also explaining the net sales decline
- In Finland, the sales of both generic prescription drugs and self-care products developed well

Animal Health and Fermion



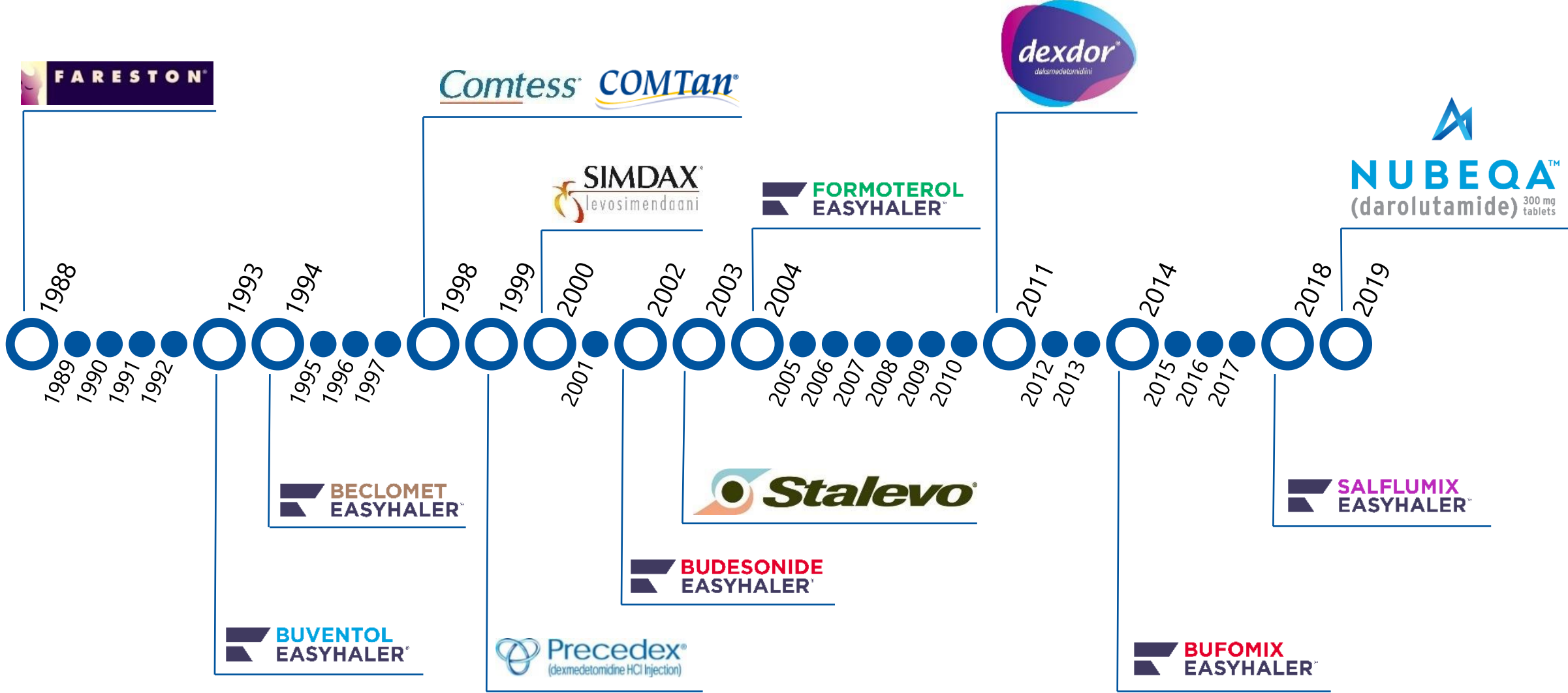
- Animal Health growth due to acquisition of animal health company VMD (Inovet) in June 2022
- Sedatives remain the largest product group in Animal Health
- The decline in Fermion's reported external net sales is partly explained by the fact that more production capacity has been allocated to the manufacturing of Orion's active pharmaceutical ingredients
- The three-day strike which shut down Fermion's manufacturing for over a week also had a negative impact



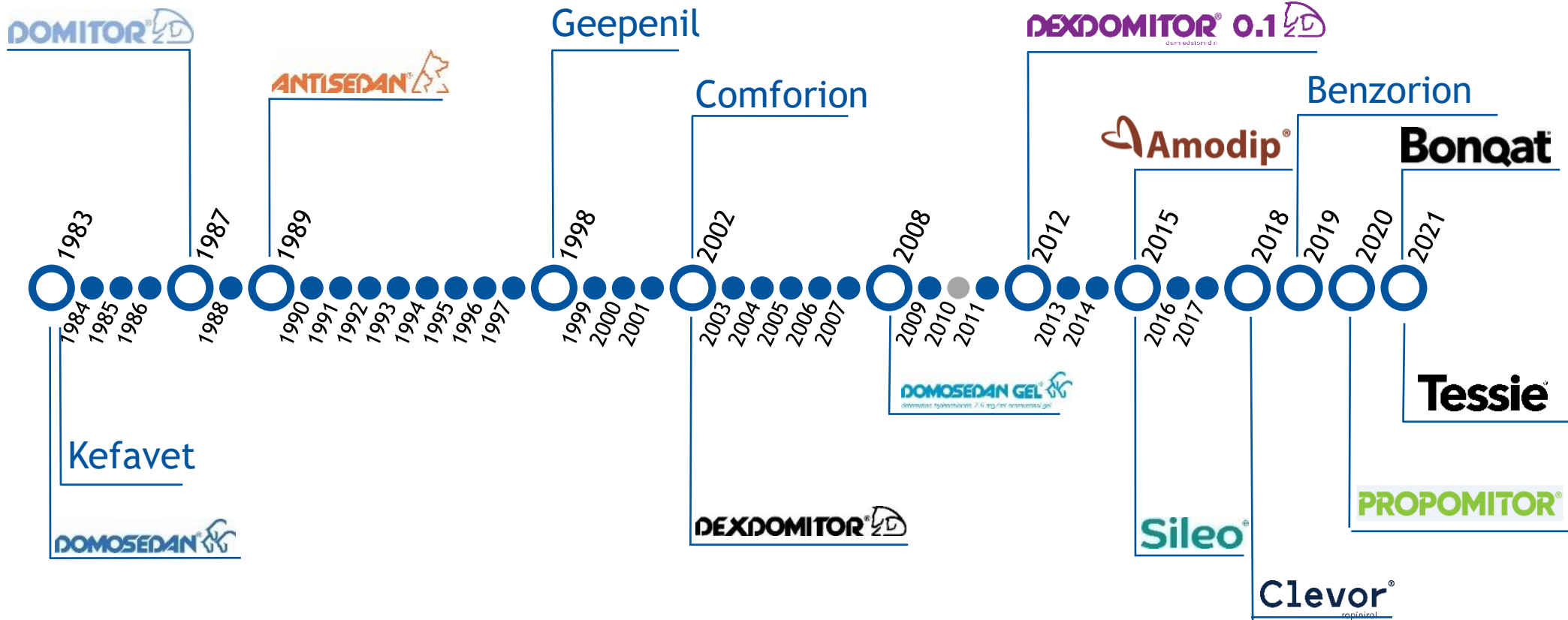
Research & Development



Proprietary human pharmaceuticals developed by Orion



Main Orion Animal Health Marketing Authorisations



Focus areas of Orion's R&D



Medicines for humans

- The research focus of Innovative Medicines in oncology and pain
- Orion develops also generic medicines



Animal Health

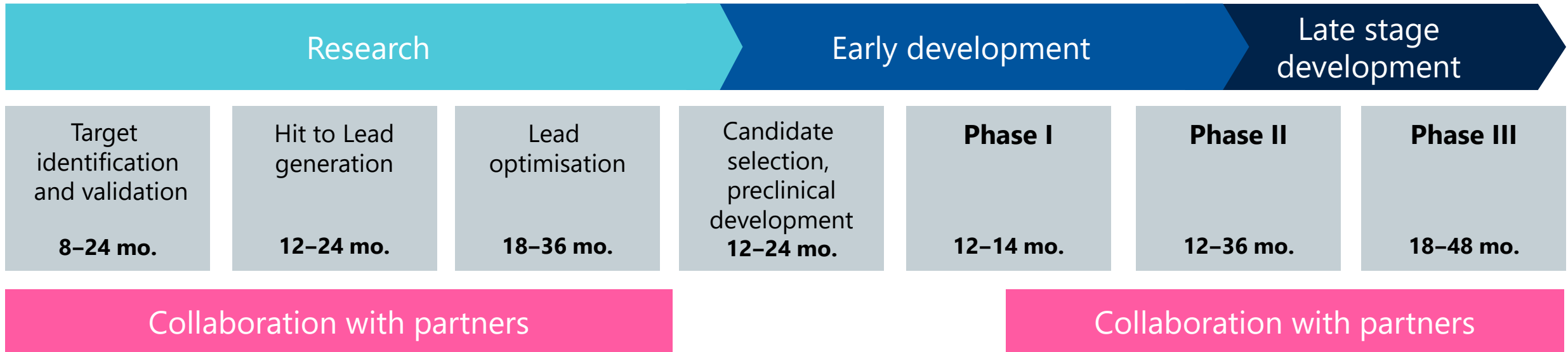
- Innovative medicines
- Generic medicines



Fermion

- APIs for Orion's in-house developed medicines
- Generic APIs
- Contract development for pharmaceutical companies

Together we can achieve more in R&D



Research Areas in Orion's R&D

PAIN



Ion channels and neuro-immune interaction

ONCOLOGY



Immuno-Oncology

- FiCAR T-cell therapy
- 2nd generation immune-checkpoint inhibitors



Cancer genomics and Cell signalling



Antibody drug conjugates

Key clinical development pipeline

Project/compound	Indication	PHASE I	PHASE II	PHASE III	REGISTRATION
ARASENS / darolutamide ¹	Prostate cancer (mHSPC)	Phase completed	Phase completed	Phase completed	Phase completed
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Oncology	Pain / neurology
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Phase completed	Phase ongoing
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¹ In collaboration with Bayer

² In collaboration with MSD

Changes vs. Q4'2022:

- ARASTEP added as a new trial
- ARASENS registration completed in key markets

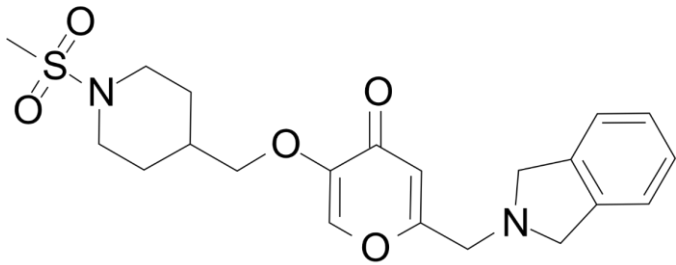
Orion's key clinical trials with darolutamide

Clinical trial and treatment	Indication	Primary endpoint and results	Key secondary endpoints
ARAMIS darolutamide + ADT	nmCRPC	Metastasis free survival prolongation by 22.0 months, 59% risk reduction (HR=0.41, p<0.001)	Overall survival 31% risk reduction (HR=0.69, p=0.003)
ARASENS darolutamide + ADT + docetaxel	mHSPC	Overall survival 32.5% risk reduction (HR=0.675, p<0.001)	Time to castration resistant PC 64% risk reduction (HR=0.36, p<0,001)
ARANOTE darolutamide + ADT	mHSPC	Radiological progression-free survival (study ongoing)	Overall survival (study ongoing)
ARASTEP darolutamide + ADT	BCR	Radiological progression-free survival (study ongoing)	Metastasis free survival Time to castration resistant PC Overall survival
Overall incidence of treatment-emergent adverse events was similar between treatment arms (darolutamide group vs. placebo group) both in ARAMIS and ARASENS trials			
ADT = androgen deprivation therapy nmCRPC = non-metastatic castration-resistant prostate cancer mHSPC = metastatic hormone-sensitive prostate cancer		BCR = biochemical relapse Orion develops darolutamide in collaboration with Bayer.	

ODM-208: CYP11A1 inhibitor to treat patients with metastatic castration-resistant prostate cancer (mCRPC)



ODM-208



First-in-class oral molecule to inhibit the synthesis of all steroid hormones and precursors, which could mediate androgen receptor signalling and tumor growth.

CYPIDES Phase I

Target population: patients with prostate cancer that has become resistant to the standard hormonal treatments.

32% of the patients achieved a PSA decrease of $\geq 50\%$

68% of patients with AR LBD mutation achieved a PSA decrease of $\geq 50\%$

PSA = prostate specific antigen



Sustainability is
built into Orion's
mission



Orion's Sustainability Agenda



Patient safety as a top priority



Patient safety has been a priority for us for a hundred years and it continues to be the cornerstone of our daily operations.

We play a significant role in ensuring reliable supply of medications – even in the wake of a crisis.

Active work for a better environment



We want to be the environmental leaders in our industry.

We continuously raise the bar in climate and environmental responsibility, and we challenge others to follow.

We are strongly heading towards achieving carbon-neutrality in our own operations by 2030.

Care for well-being professionals



We want to take care of Orionees – professionals who put their heart and expertise in everything they do.

Our workplace is inspiring. We want our people to feel well.

Ethics at the core of our business



We maintain strict ethical standards and act responsibly in all situations.

Together with our partners we are building a transparent and sustainable business.

Orion's Sustainability Agenda and indicators 2022



Patient safety as a top priority



Active work for a better environment



Care for well-being professionals



Ethics at the core of our business



Customer complaints
(pharmaceuticals)

GxP* audits
by Orion

Greenhouse gas
emissions
(scope 1&2)

Energy savings
(MWh)

Injury rate

ABC* training, no.
of participants

60

Ppm* (65)

281

(256)

18,044

tCO₂e (18,095)

858

(7,349)

3.7

LTIF 1 (4.8)

1,800

(532)

*Ppm = parts per million packages sold, GxP = Good Practices, ABC = anti-corruption and anti-bribery training

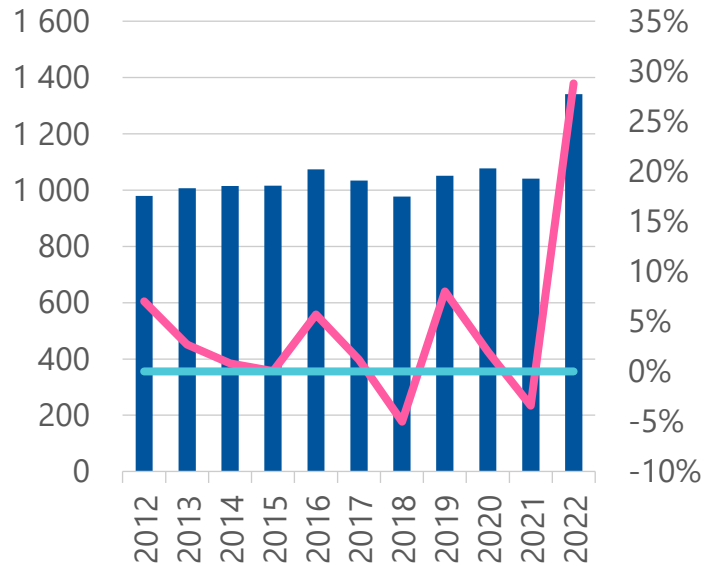


Appendices



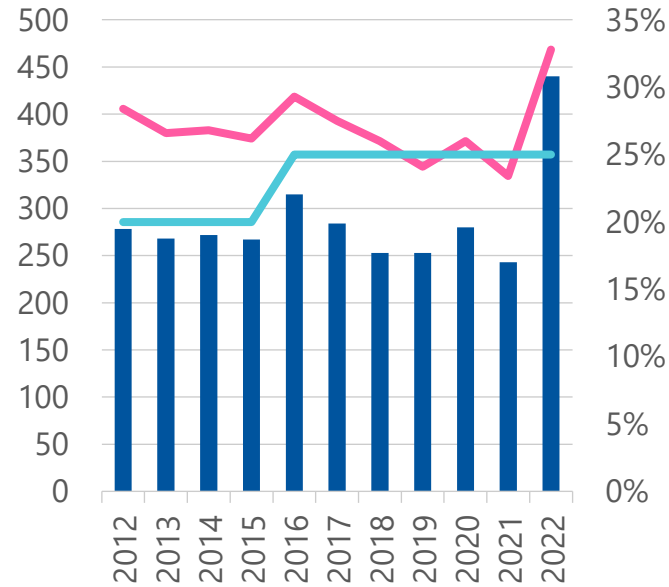
Track record vs. financial objectives

Net sales



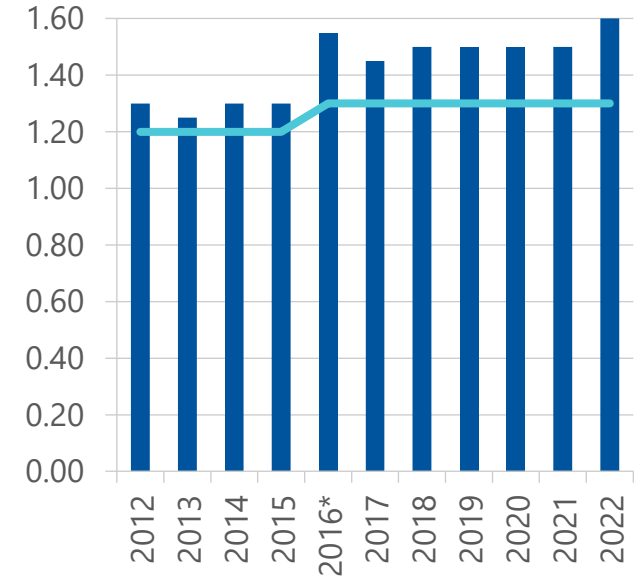
■ Net sales, EUR million
— Growth, %
— Growth % target >0

Operating profit



■ Operating profit, EUR million
— Operating profit margin
— Target

Dividend



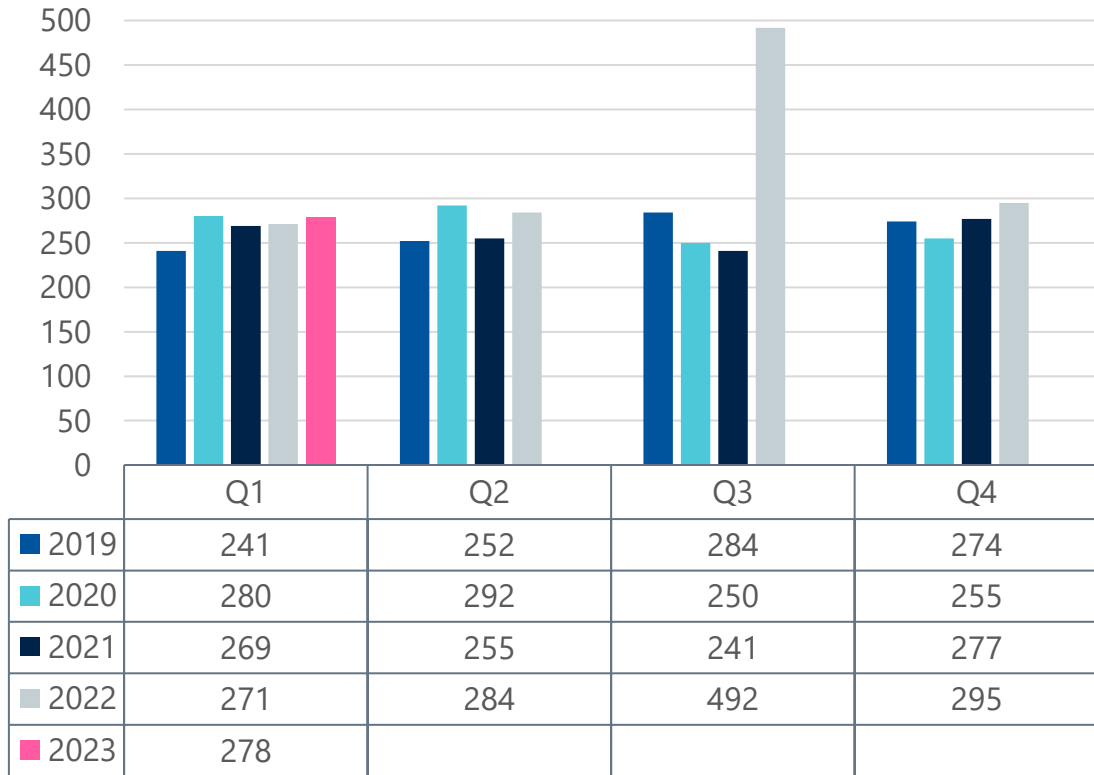
■ Dividend per share, EUR
— Floor target

* 2016: includes extra dividend EUR 0.20

Orion Diagnostica Oy was divested in 2018 and is not included in the Net sales and Operating profit figures from 2017 onwards.

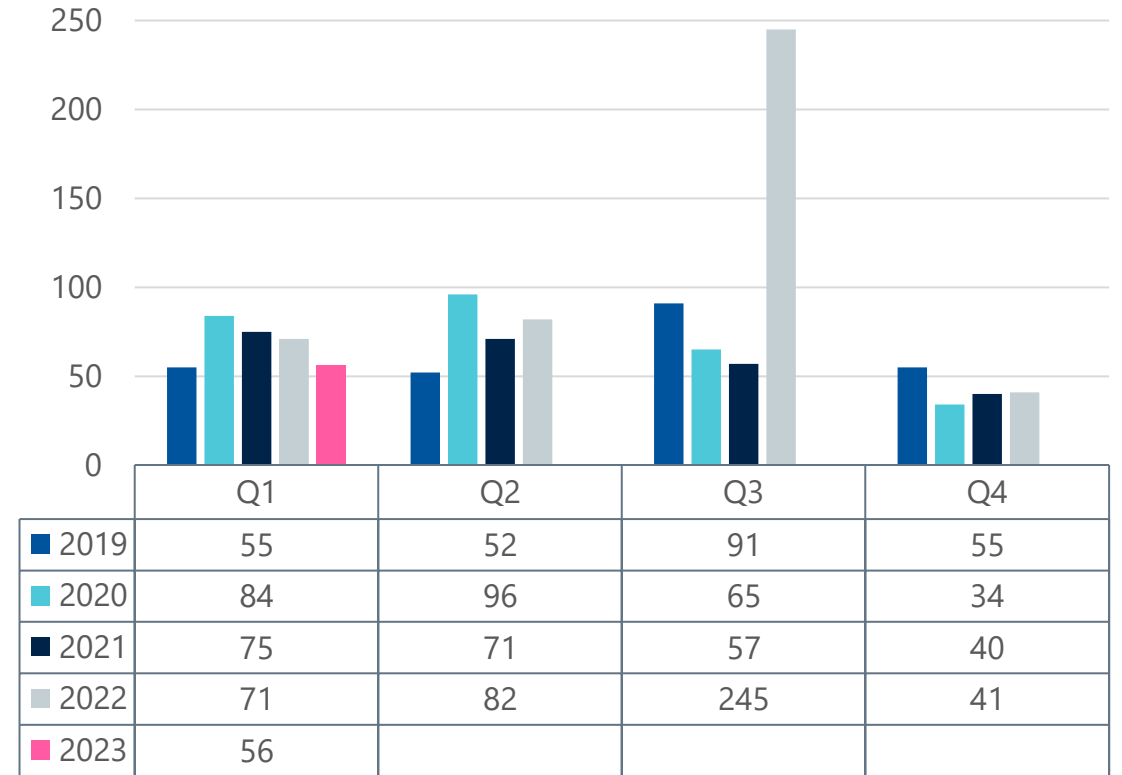
Net sales and operating profit by quarter (MEUR)

Net sales



■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023

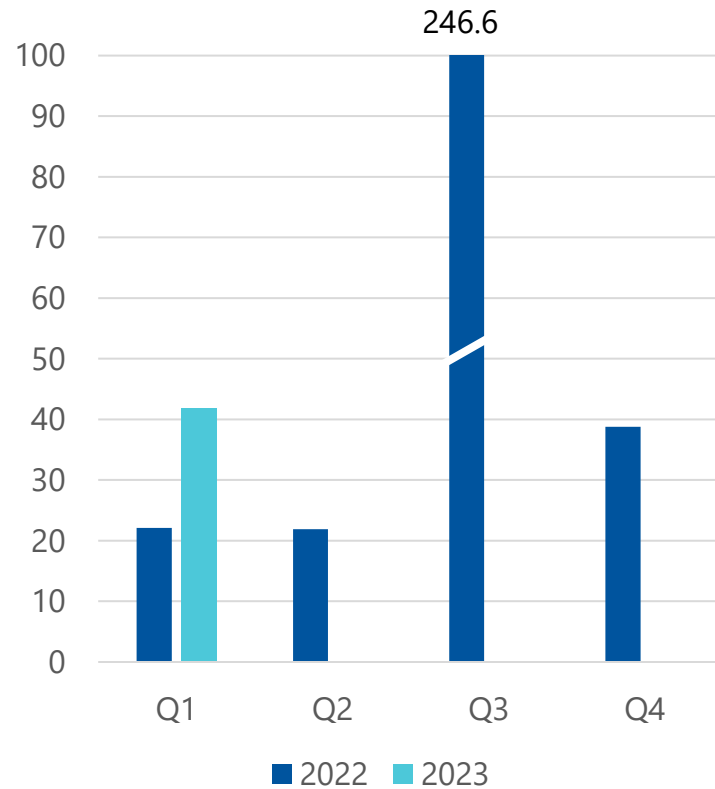
Operating profit



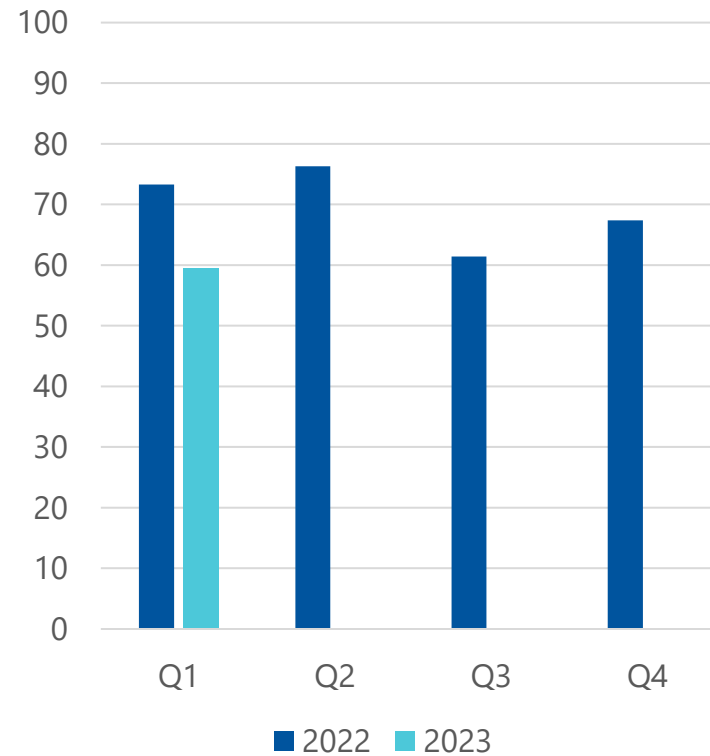
■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023

Quarterly net sales by business division (MEUR)

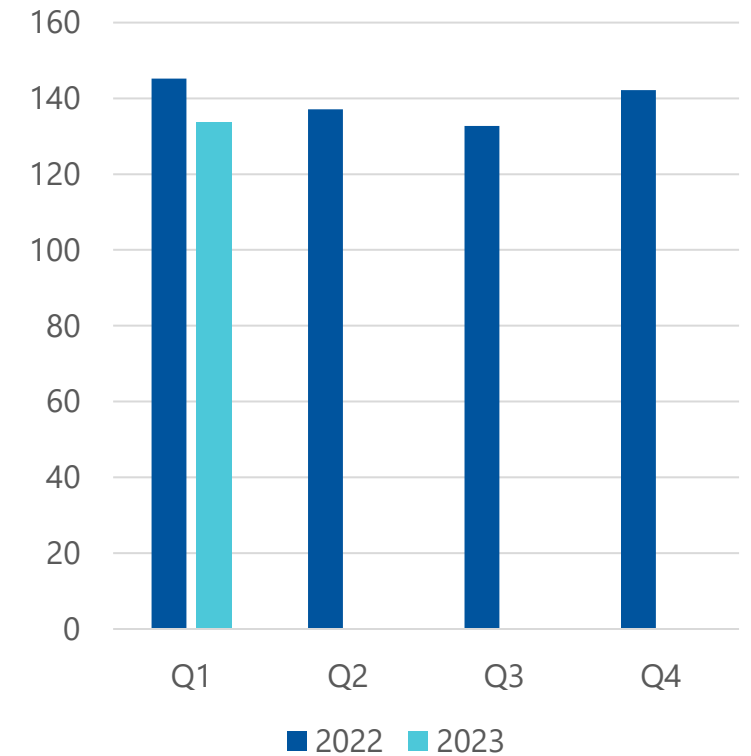
Innovative Medicines



Branded Products



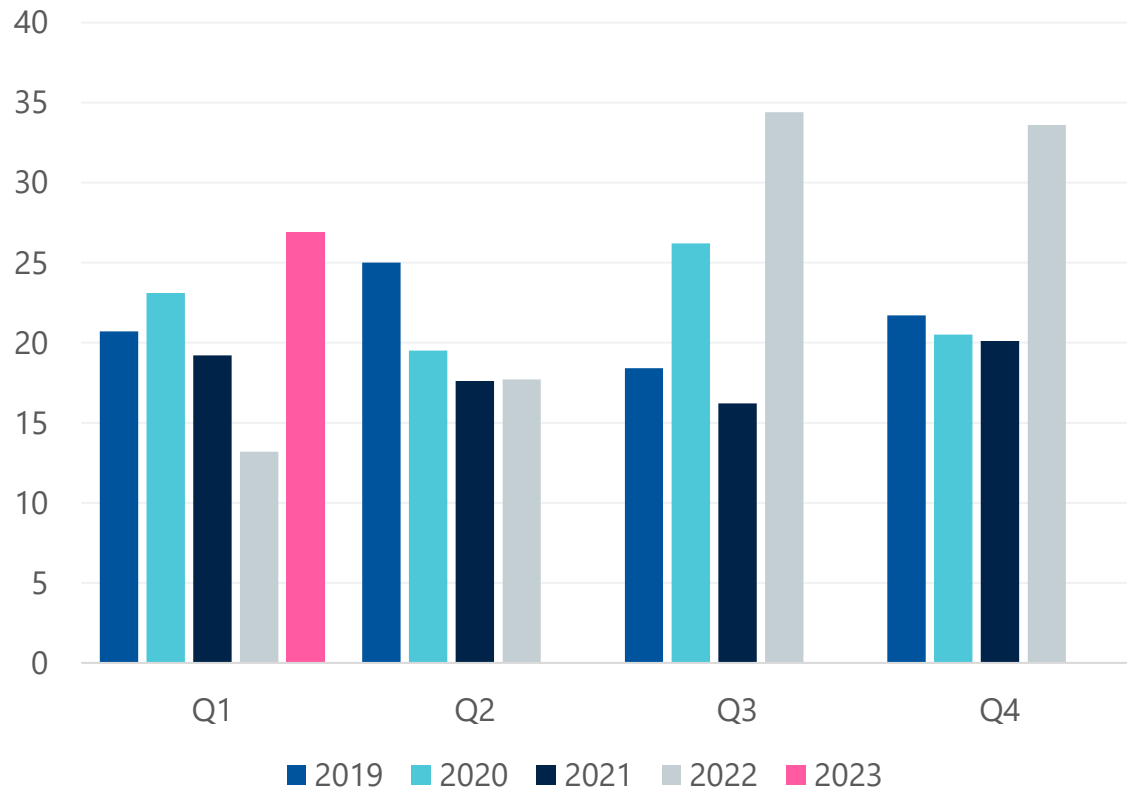
Generics and Consumer Health



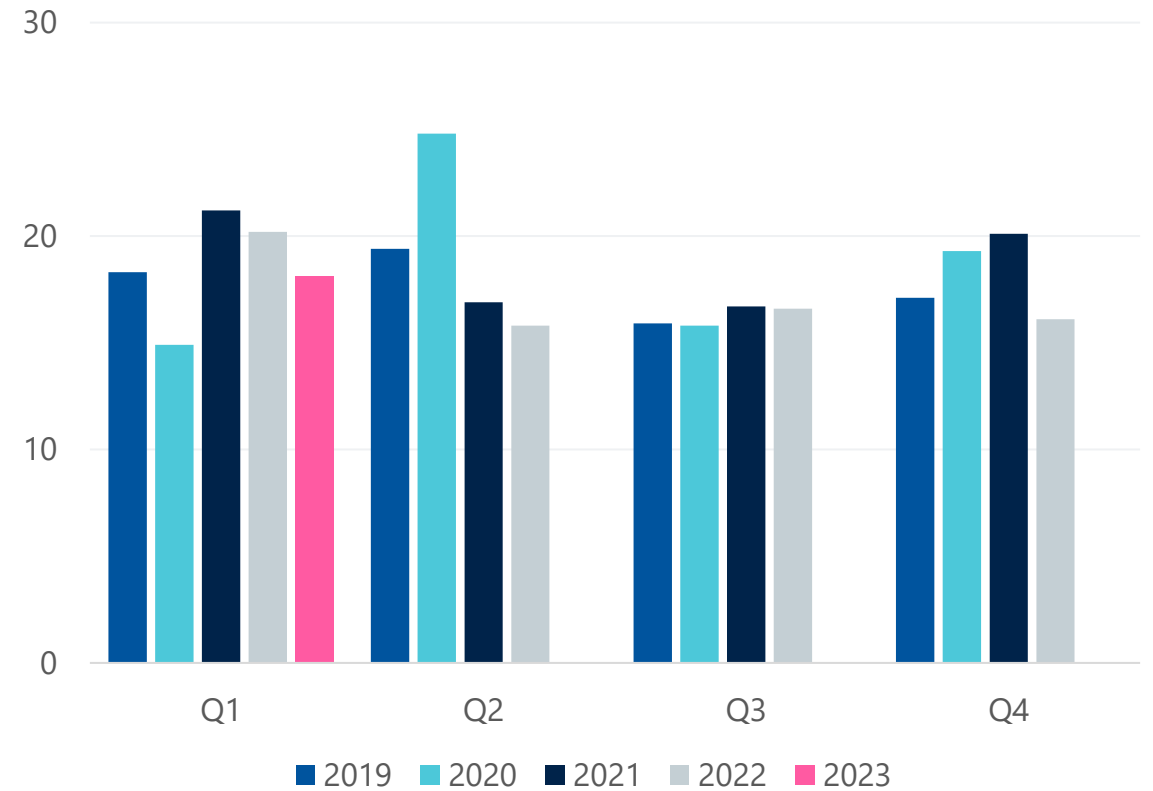
Due to the change in organizational structure and reporting on 1 January 2023, data available only from 2022 onwards

Quarterly net sales by business division (MEUR)

Animal Health



Fermion



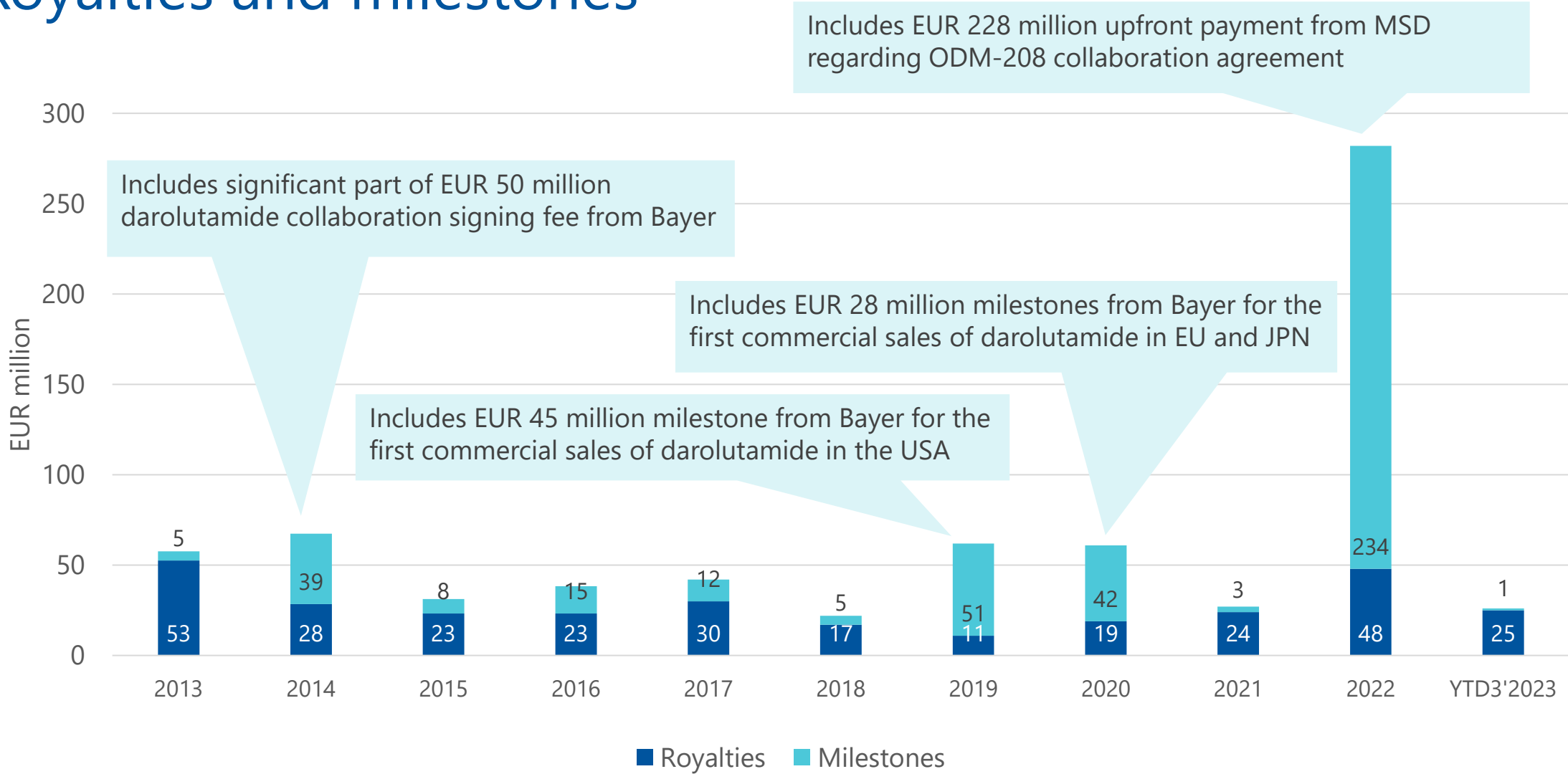
Key figures

Orion's key figures	2019	2020	2021	2022	1-3/23	Change vs. 1-3/22
Net sales, EUR million	1,051.0	1,078.1	1,041.0	1,340.6	277.9	+2.7%
EBITDA	308.9	336.5	289.1	487.1	67.7	-18.4%
Operating profit, EUR million	252.8	280.1	243.3	439.6	55.5	-22.4%
Profit before taxes, EUR million	250.8	278.3	242.3	440.3	55.1	-23.6%
R&D expenses, EUR million	119.3	123.2	117.7	135.8	31.7	+0.6%
Equity ratio, %	76.7%	66.7%	68.1%	60.9%	56.9%	
Gearing, %	-17.8%	-25.4%	-14.5%	-13.1%	15.2%	
ROCE (before taxes), %	29.9%	34.8%	28.8%	45.1%	22.0%	
Return on equity, %	25.8%	29.1%	26.2%	42.2%	21.4%	
Basic earnings per share, EUR	1.43	1.56	1.38	2.49	2.49	+80.4%
Interest bearing net debt	-139.1	-185.8	-108.3	-118.7	110.8	-187.4%
Cash flow from operating activities per share, EUR			1.53	3.09	0.03	-87.9%
Dividend per share, EUR	1.50	1.50	1.50	1.60		

Income statement

Formation of profits, EUR million	2019	2020	2021	2022	1-3/23	Change vs. 1-3/22
Net sales	1,051.0	1,078.1	1,041.0	1,340.6	277.9	+2.7%
Cost of goods sold	-417.6	-434.4	-447.5	-491.7	-121.8	+15.5%
Gross profit	633.4	643.7	593.5	851.6	156.1	-5.5%
Other operating income and expenses	2.2	5.4	6.4	5.7	2.6	+516.5%
Sales and marketing expenses	-215.7	-204.3	-191.0	-210.3	-53.8	+11.7%
R&D expenses	-119.3	-123.2	-117.7	-135.8	-31.7	+0.6%
Administrative expenses	-47.8	-41.6	-47.9	-68.8	-17.8	+23.0%
Operating profit	252.8	280.1	243.3	439.6	55.5	-22.4%
Profit before taxes	250.8	278.3	242.3	440.3	55.1	-23.6%
Profit for the period	200.4	219.9	193.8	349.5	43.8	-23.6%

Royalties and milestones



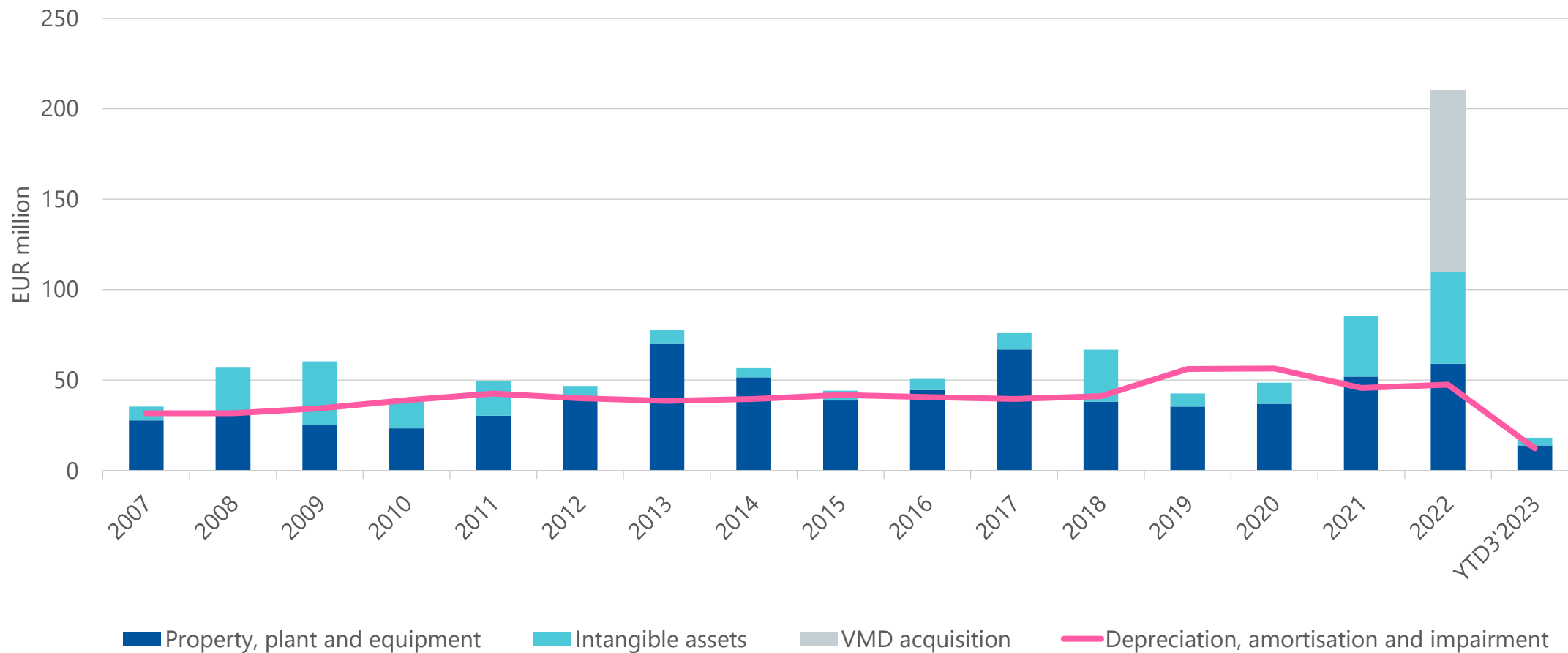
Financial position



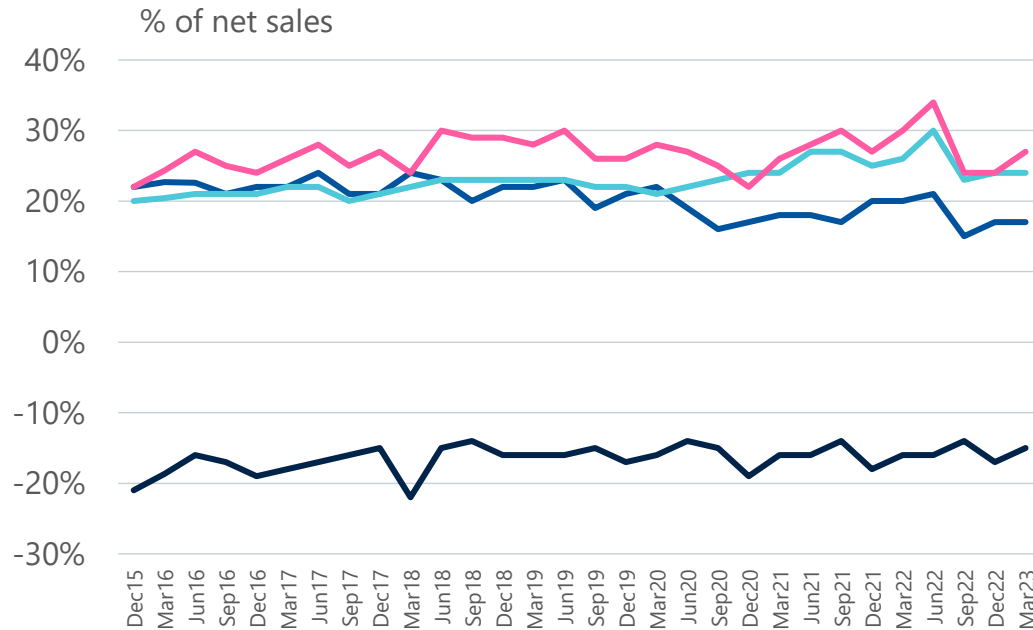
EUR million	3/23	3/22	Change %
Non-current assets total	627.9	479.1	+31.0%
Inventories	328.1	274.8	+19.4%
Trade receivables	185.8	178.1	+4.3%
Other receivables	46.3	31.1	+48.8%
Cash & cash equivalents & money market investments	99.8	258.7	-61.4%
Current assets total	664.8	745.6	-10.8%
Assets total	1,292.3	1,224.7	+5.5%

EUR million	3/23	3/22	Change %
Equity total	728.0	639.9	+13.8%
Interest-bearing non-current liabilities	189.7	86.6	+119.0%
Non-current liabilities total	311.9	149.0	+109.3%
Current liabilities total	252.4	435.8	-42.1%
Liabilities total	564.3	584.8	-3.5%
Equity and liabilities total	1,292.3	1,224.7	+5.5%

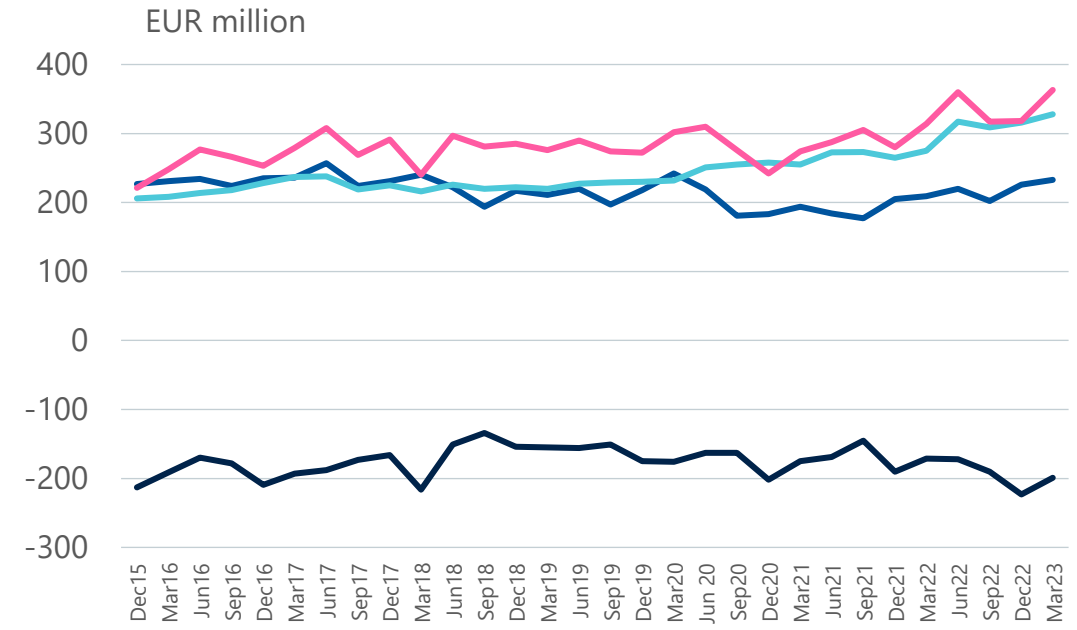
Development of capital expenditure



Development of net working capital



- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital



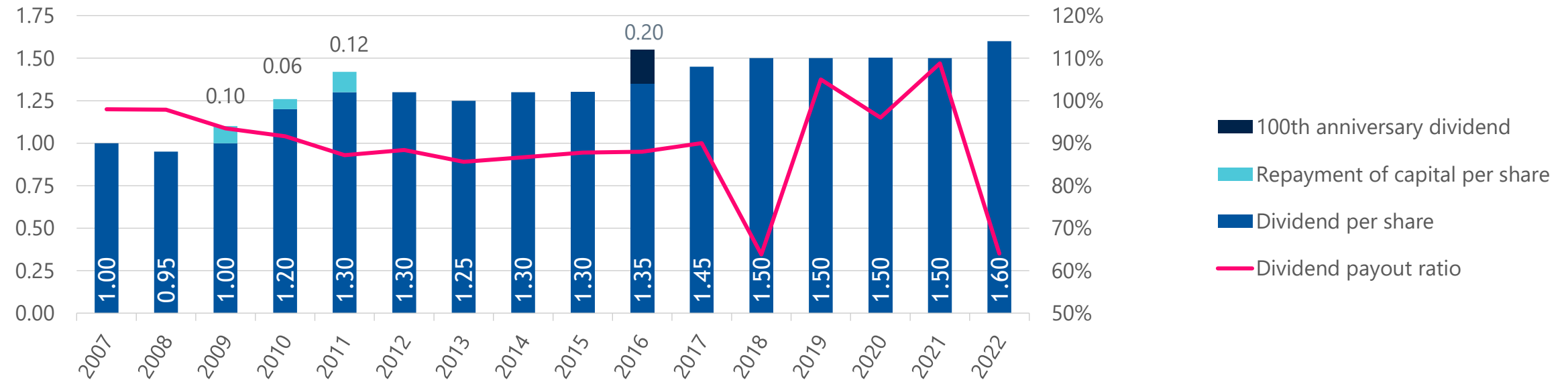
- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital

Dividend distribution policy and dividend history



- Orion's dividend distribution takes into account distributable funds and capital expenditure and other financial requirements in medium and long term to achieve the financial objectives.

EUR Dividend distribution history



Easyhaler® - One device with several therapy options for patients with asthma or Chronic Obstructive Pulmonary Disease (COPD)

- Easyhaler® portfolio consists of 6 dry-powder inhaler (DPI) products with several well-known generic active substances for the treatment of patients with asthma or COPD.



Carbon
Neutral
Product



- Key benefits:
 - Wide range of different therapies administered from one type of DPI
 - Easy and quick to teach, learn and use
 - High accuracy and consistency of dosing *even with low inhalation capacity*
 - Fully carbon neutral product range *supporting sustainability goals of Orion*

New organisational structure as of 1 January 2023

Main changes

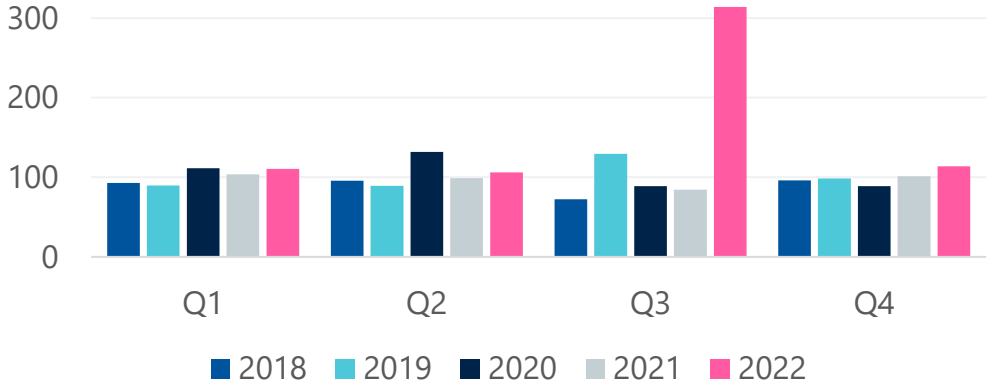


Key product switches

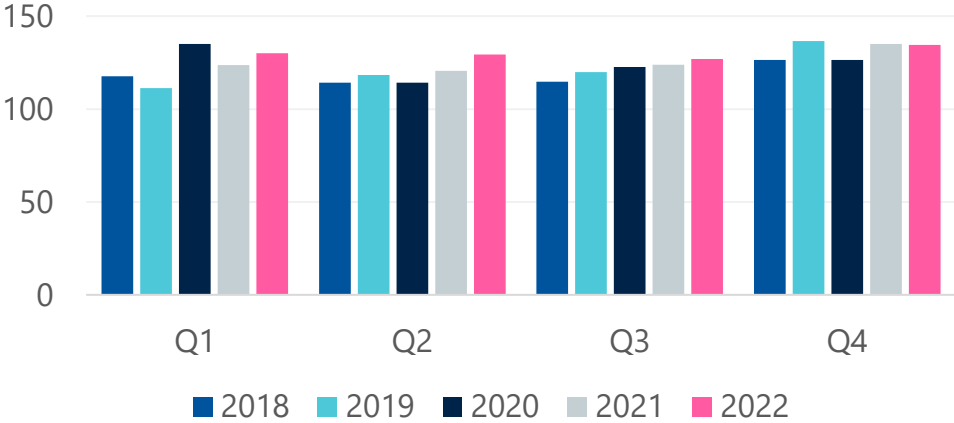


Quarterly net sales by unit (MEUR) – old business divisions

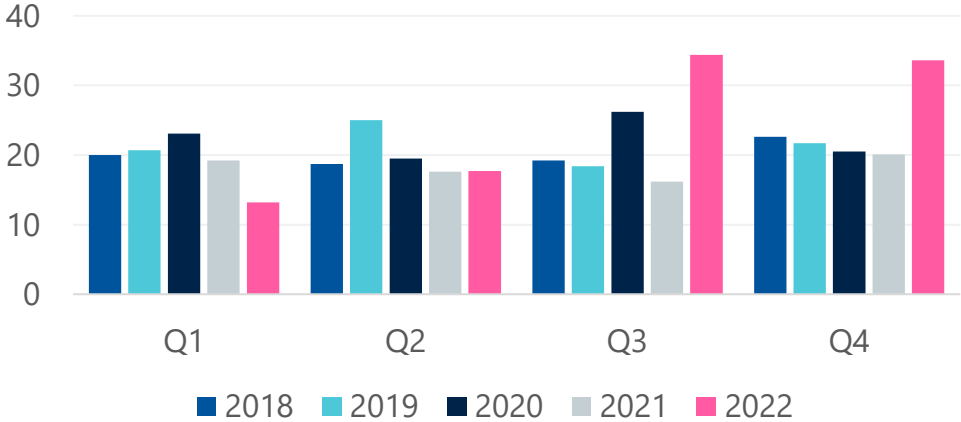
Proprietary Products



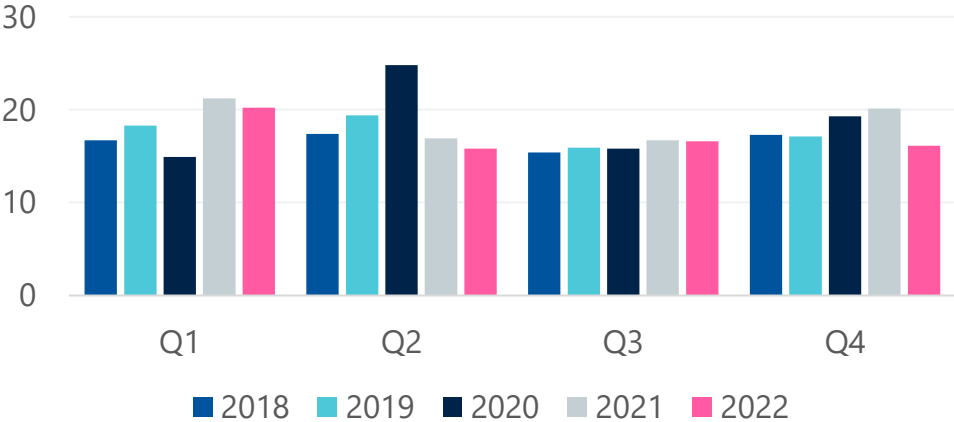
Specialty Products



Animal Health



Fermion & Contract Manufacturing





Upcoming events

Capital Markets Day
Half-Year Financial Report
Interim Report 1-9/2023

25/5/2023
17/7/2023
26/10/2023

