



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.

Content

- 1) Orion in brief
- 2) Highlights of 1-3/2022
- 3) Research & Development
- 4) Sustainability
- 5) Appendices
- 6) Financial calendar



Orion in brief

Key messages

1 Orion develops, manufactures and markets human and animal pharmaceuticals and APIs. Products marketed in >100 countries.



2 Balanced business model: Both proprietary drugs and generics.

3 Growth targeted through new in-house developed drugs.

4 Core therapy areas in R&D: oncology, neurological disorders and respiratory diseases.

5 Strong position in the Nordic generics market.

6 Strong profitability, stable dividends.

Orion at a glance (2021 figures)



Net sales **1,041** MEUR



Operating profit **243** MEUR



Personnel **3,355**



R&D investments **118** MEUR



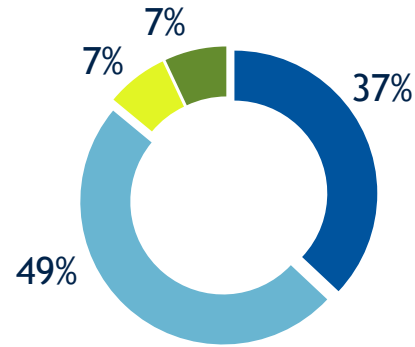
6 production sites in Finland



Own sales unit in **26** European
and **5** Asia-Pacific countries

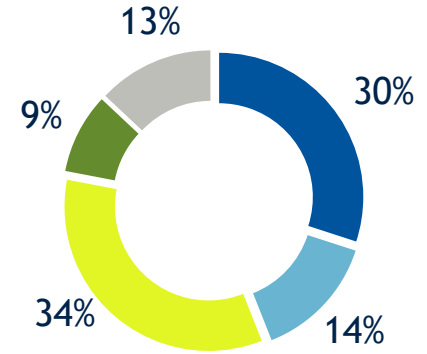
Established in **1917**

Sales by business



- Proprietary Products
- Specialty Products
- Animal Health
- Fermion & CM*

Sales by market area



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

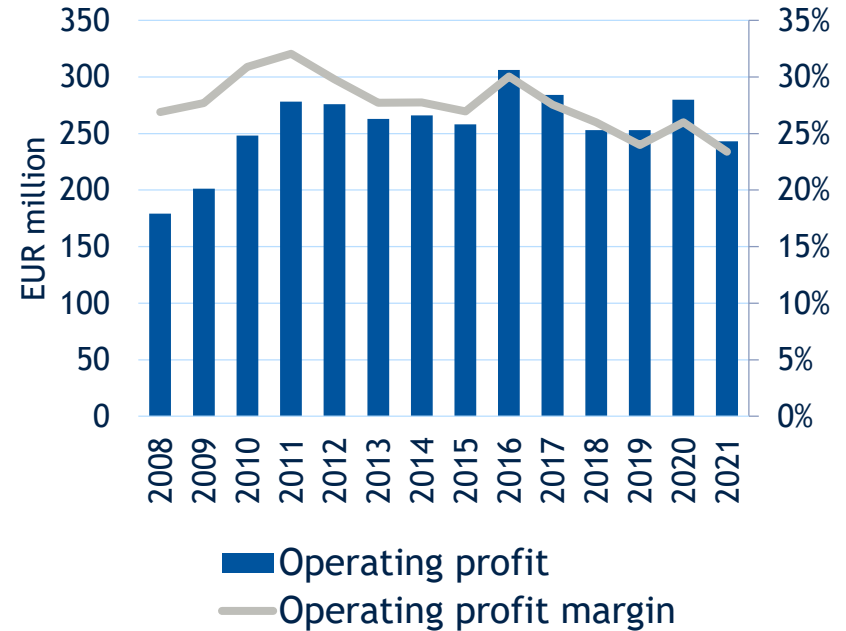
*) Contract manufacturing

Financial development between 2008 and 2021

Net sales



Operating profit

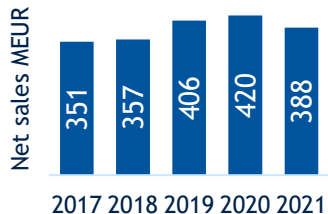


Orion's businesses



Proprietary Products

In-house developed drugs and other drugs with valid product protection for global markets. Own sales network in Europe.



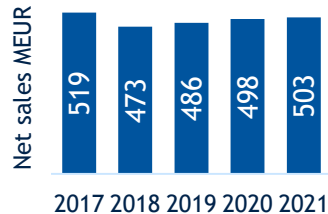
37%



Specialty Products

Generic prescription drugs, OTC and non-medical products, biosimilars.

Finland	55%
Scandinavia	15%
Eastern Europe	16%
ROW	14%

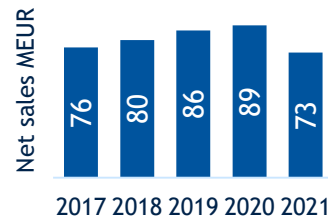


49%



Animal Health

Own animal drugs for global markets. Other drugs and well-being products. Own sales network in the Nordics and Eastern Europe.

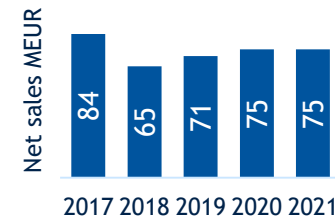


7%



Fermion & Contract manufacturing

Active pharmaceutical ingredients (APIs) for own proprietary products. CMO & CDMO services for other pharma companies.



7%

= share of Group net sales in 2021

Outlook for 2022 (published on 10 February 2022)

Net sales

Orion estimates that in 2022 net sales will be **at a similar level** as in 2021 (in 2021 net sales were EUR 1,041 million).

Operating profit

Operating profit is estimated to be **at a similar level** as in 2021 (in 2021 operating profit was EUR 243 million).



Key assumptions impacting the outlook

Net sales

- + Nubeqa®
- Simdax®
- *dexdor*®

Operating profit

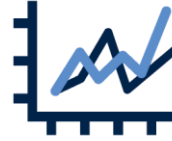
- + Nubeqa®
- Simdax®
- *dexdor*®
- Cost inflation
- Price competition in generics
- Sales & marketing expenses



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

Key elements of Orion's growth

Proprietary
Products
and R&D



Growth drivers

Animal
Health



Support
growth

Specialty Products



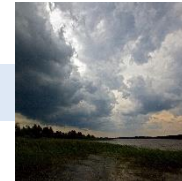
Generate cash
flow to fund
growth
investments
Support growth

Fermion



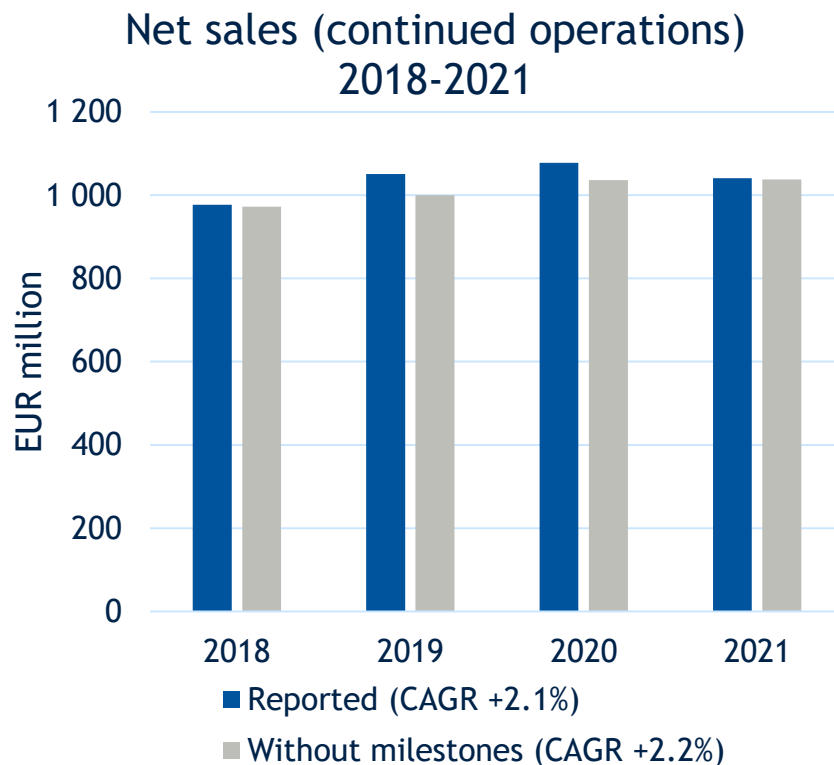
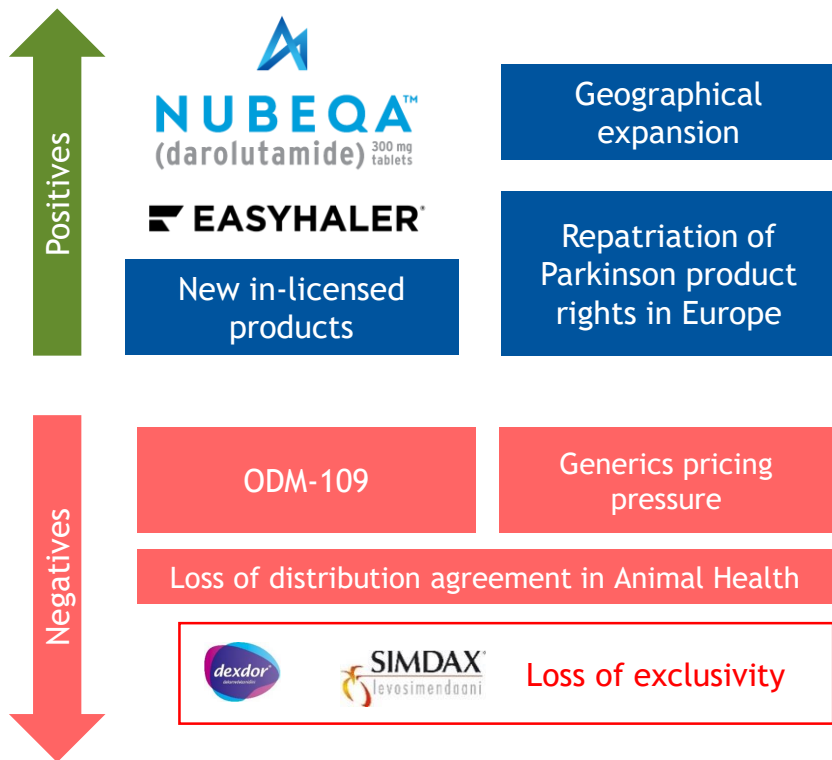
APIs for R&D
and
Proprietary
Products

Defensive
industry

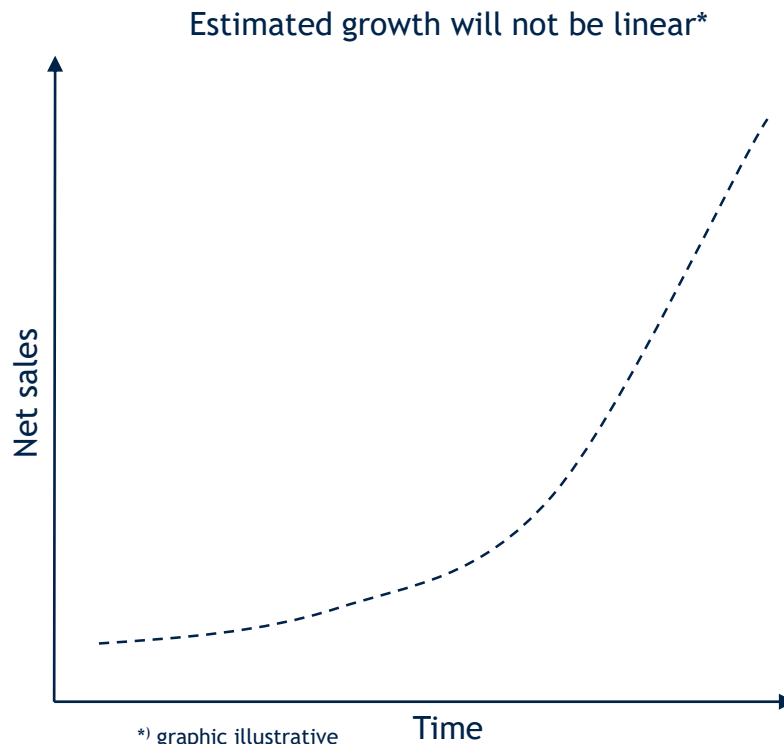
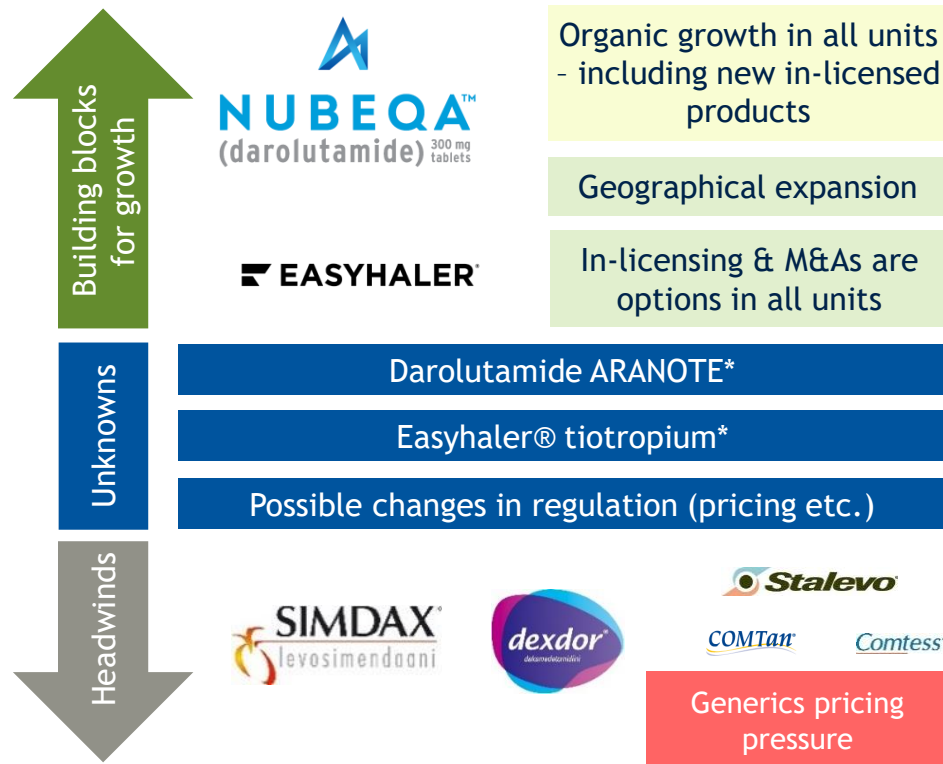


Less vulnerable
to
macroeconomic
volatility

2025 Growth target - key positives and negatives so far

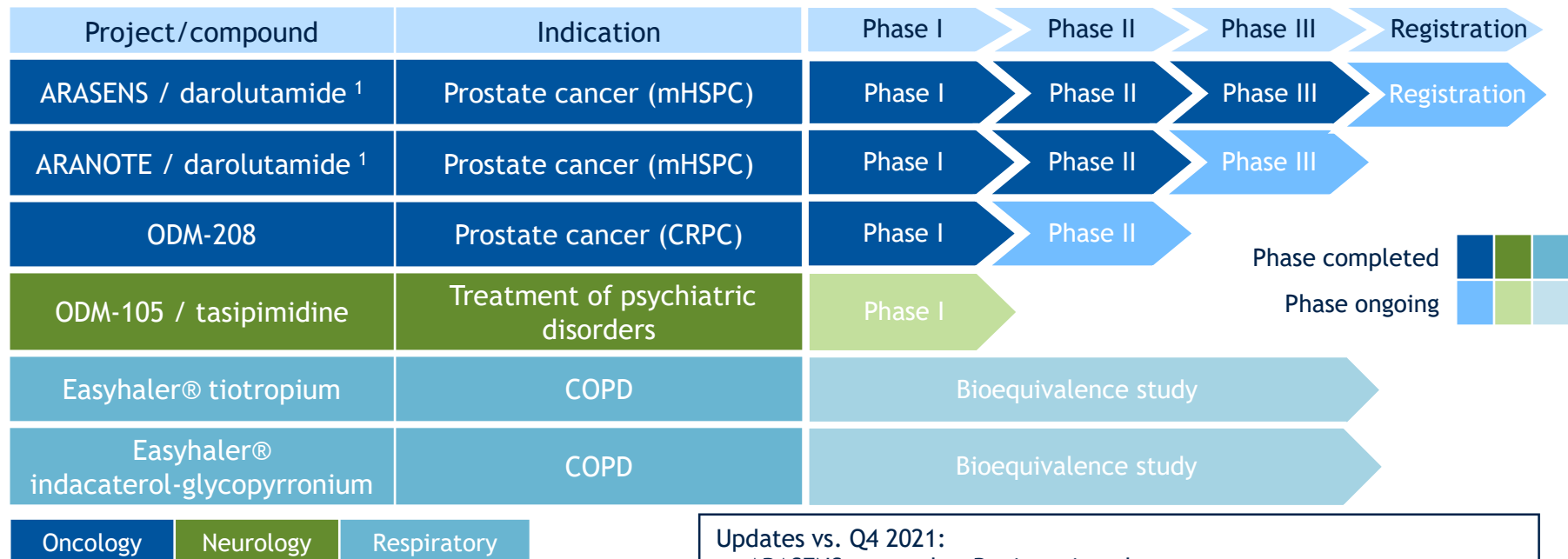


Path to the 2025 target from 2022 onwards - main drivers



*Projects in clinical development phase

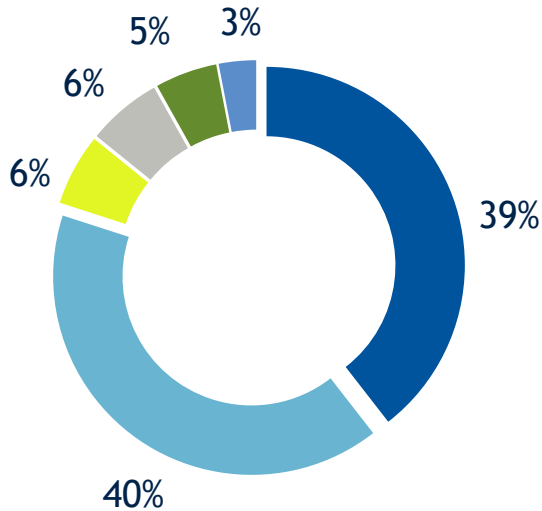
Key clinical development pipeline



¹ In collaboration with Bayer

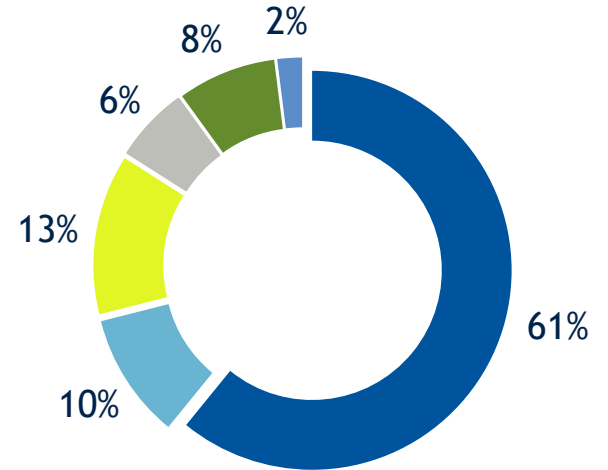
Orion had 79,637 shareholders on 31 March 2022

By number of shares



- Households (Finnish retail)
- Non-Finnish holders and nominee-registered
- Private corporations
- Public sector
- Non-profit institutions
- Financial and insurance corporations

By number of votes

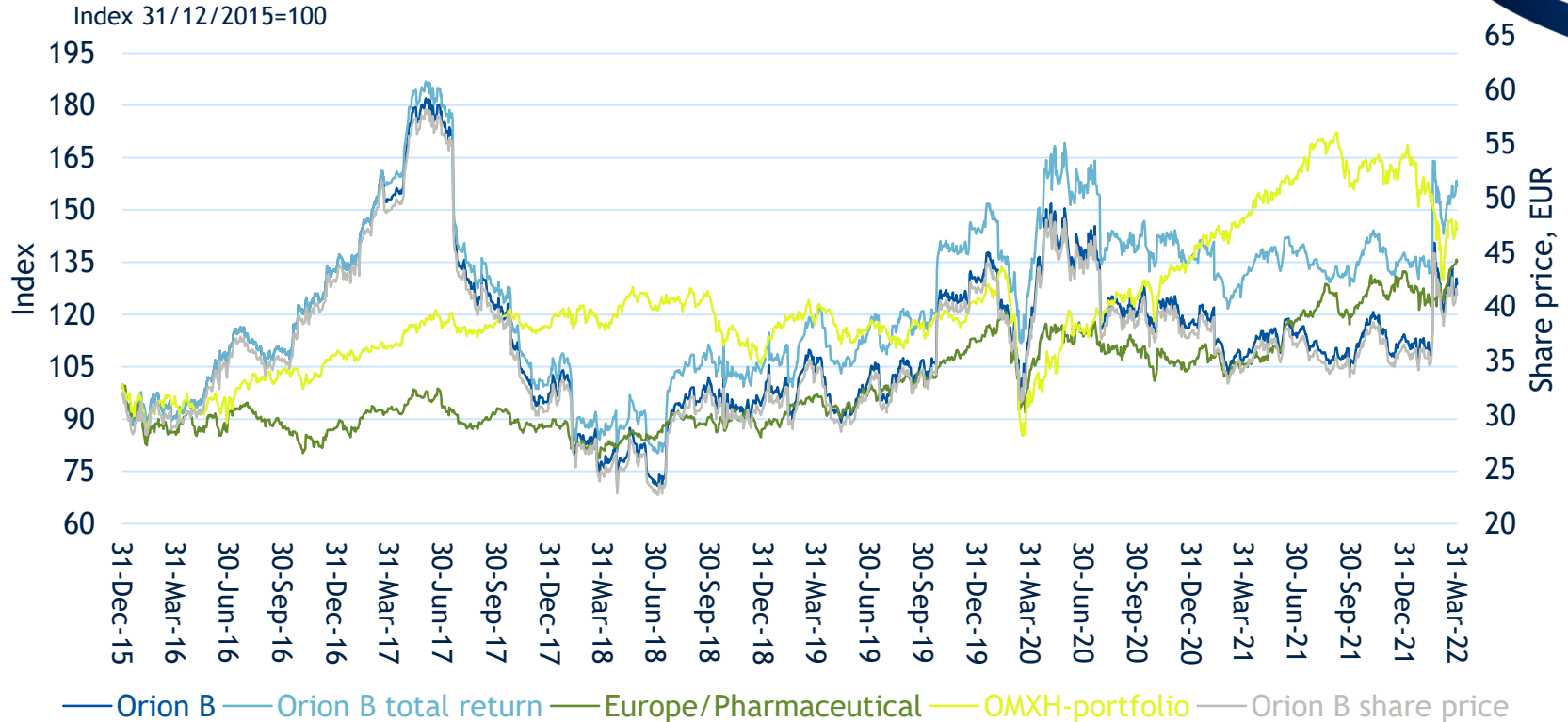


Largest shareholders by votes and shares on 31 March 2022

#	Shareholder	% of votes	Number of votes
1	Erkki Etola and companies	6.28	50,325,000
2	Maa- ja vesitekniiikan tuki r.y. and companies	5.20	41,667,200
3	Ilmarinen Mutual Pension Insurance Company	4.78	38,328,629
4	Ylppö Jukka Arvo	3.13	25,090,449
5	Into Ylppö and commanding votes	1.99	15,952,688
6	Aho Group Oy and commanding votes	1.83	14,707,789
7	Orion Pension Fund	1.38	11,064,792
8	Eija Ronkainen and companies	1.34	10,749,130
9	Saastamoisen säätiö (foundation)	1.26	10,099,920
10	Ingman Finance Oy Ab	1.11	8,900,000
11	Elo Mutual Pension Insurance Company	0.90	7,210,376
12	Leikola Erkki	0.70	5,638,000
13	Salonen Seppo Tapani	0.68	5,433,740
14	Westerlund Riikka Maritza	0.61	4,892,700
15	Kavetvuoto Matti Ilmari	0.53	4,210,000
16	Kyttilä Miika Elias Anton	0.47	3,765,520
17	Salonen Ilkka Mikael	0.44	3,490,300
18	Lenko Hanna Liisa	0.42	3,358,000
19	Kyttilä Jukka	0.38	3,010,820
20	Orion Research Foundation	0.37	2,942,434
	20 largest shareholders, total	33.78	270,837,487
	Other shareholders	66.22	531,021,525
	Total		801,859,012

#	Shareholder	% of shares	Number of shares
1	Ilmarinen Mutual Pension Insurance Company	2.29	3,235,629
2	Erkki Etola and companies	2.00	2,825,000
3	Maa- ja vesitekniiikan tuki r.y. and companies	1.48	2,083,360
4	Elo Mutual Pension Insurance Company	1.17	1,647,176
5	The Social Insurance Institution of Finland, KELA	1.12	1,576,368
6	Ylppö Jukka Arvo	0.99	1,394,865
7	OP-Finland Fund	0.75	1,063,625
8	Into Ylppö and commanding votes	0.73	1,028,340
9	The State Pension Fund	0.67	950,000
10	Varma Mutual Pension Insurance Company	0.63	889,397
11	Aho Group Oy and commanding votes	0.53	740,908
12	Orion Pension Fund	0.51	724,840
13	Eija Ronkainen and companies	0.41	574,630
14	Orion Oyj	0.38	532,771
15	Saastamoisen säätiö (foundation)	0.36	504,996
16	Ingman Finance Oy Ab	0.32	445,000
17	OP-Finland Small Firms Fund	0.31	430,550
18	Orion Research Foundation	0.29	415,510
19	The estate of Jouko Brade and companies	0.27	379,250
20	Nordea Pro Finland Fund	0.26	368,651
	20 largest shareholders, total	15.45	21,810,866
	Other shareholders	84.55	119,323,412
	Total		141,134,278

Orion B share performance January 2016 - March 2022





Highlights in January–March 2022

Nubeqa the spearhead of Orion's growth - war and ever more stressed supply chains causing concerns

R&D

- ARASENS results published at ASCO GU and in New England Journal of Medicine
- Orion is planning to refocus R&D in the future on cancer and pain

Business

- Nubeqa® sales booked by Orion showed strong growth - in Q1 large product deliveries to Bayer
- The sales of Easyhaler® product portfolio developed well
- The sales of Dexdor® and Simdax® declined clearly as expected

Operating environment

- The war in Ukraine further accelerates cost inflation and increases supply chain risks
- At the same time risks related to COVID-19 pandemic remain
- Difficult to pass rising production costs on to own sales prices

Orion

- Liisa Hurme appointed President & CEO as of 1 November 2022

Key figures 1–3/2022

Net sales

271

MEUR (269)
+1%

Operating profit

71

MEUR (75)
-5%

Operating profit
margin

26%

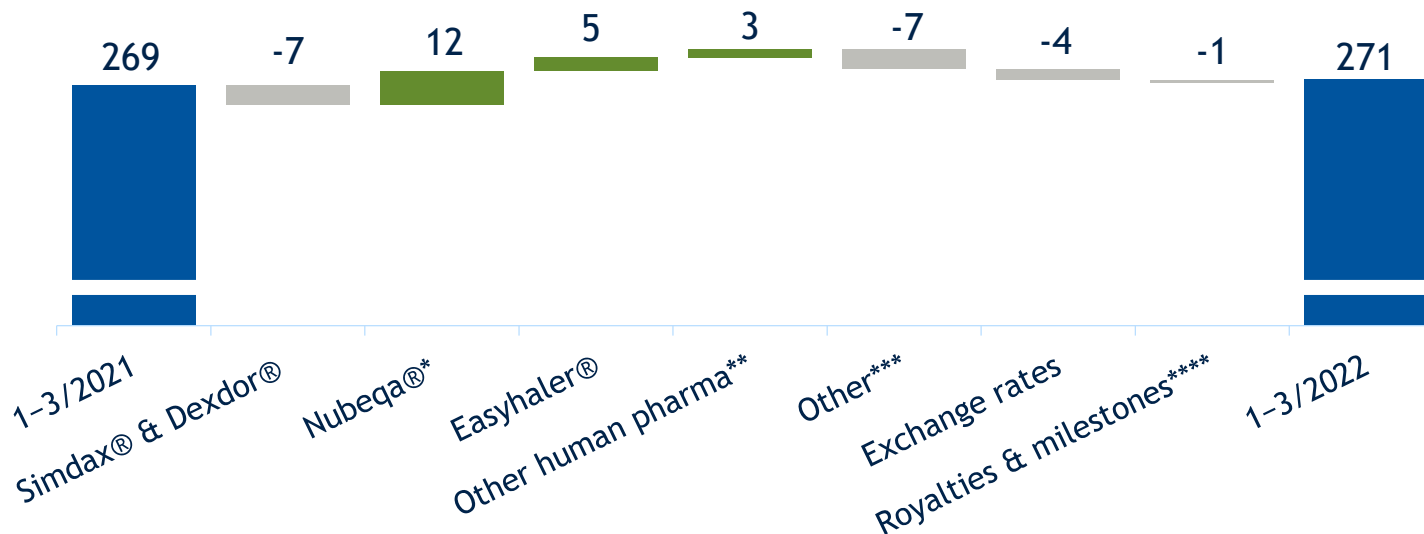
(28%)

Cash flow per share
before financial
items

0.13

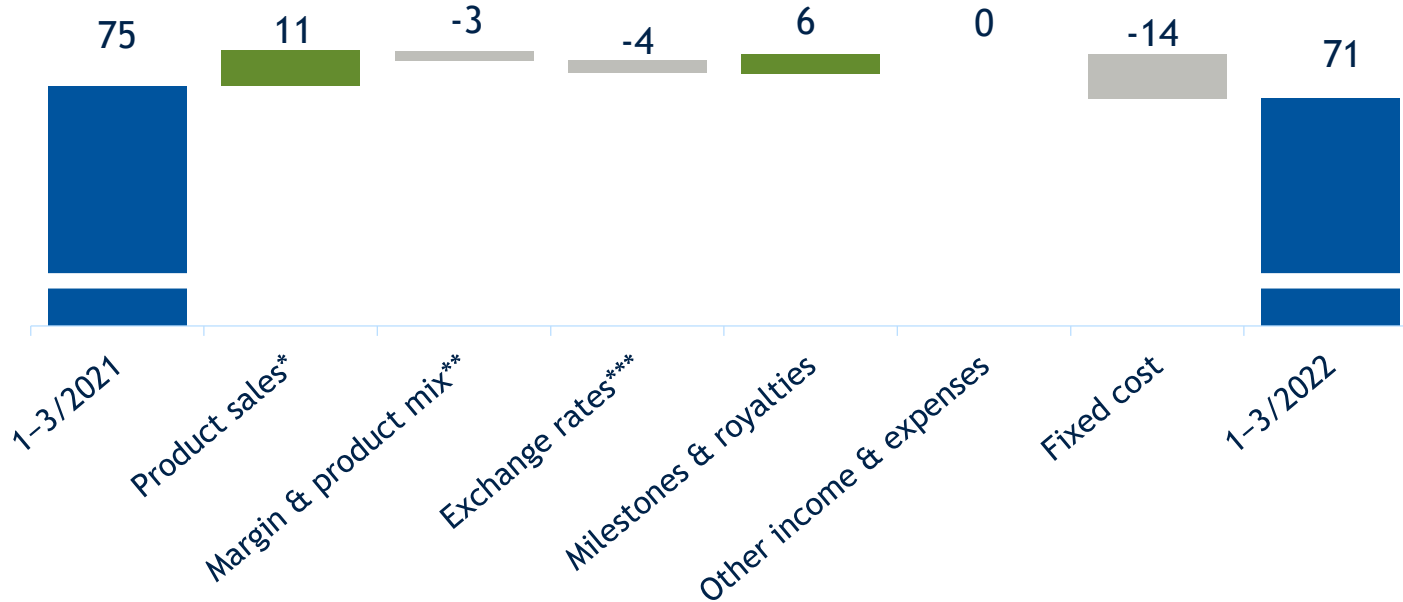
EUR (0.19)
-30%

Development of net sales in 1-3/2022 vs. 1-3/2021



* Nubeqa® product sales & royalty ** Proprietary Products and Specialty Products *** Animal Health, Fermion and Contract Manufacturing
 **** Without Nubeqa® royalties

Development of operating profit in 1-3/2022 vs. 1-3/2021

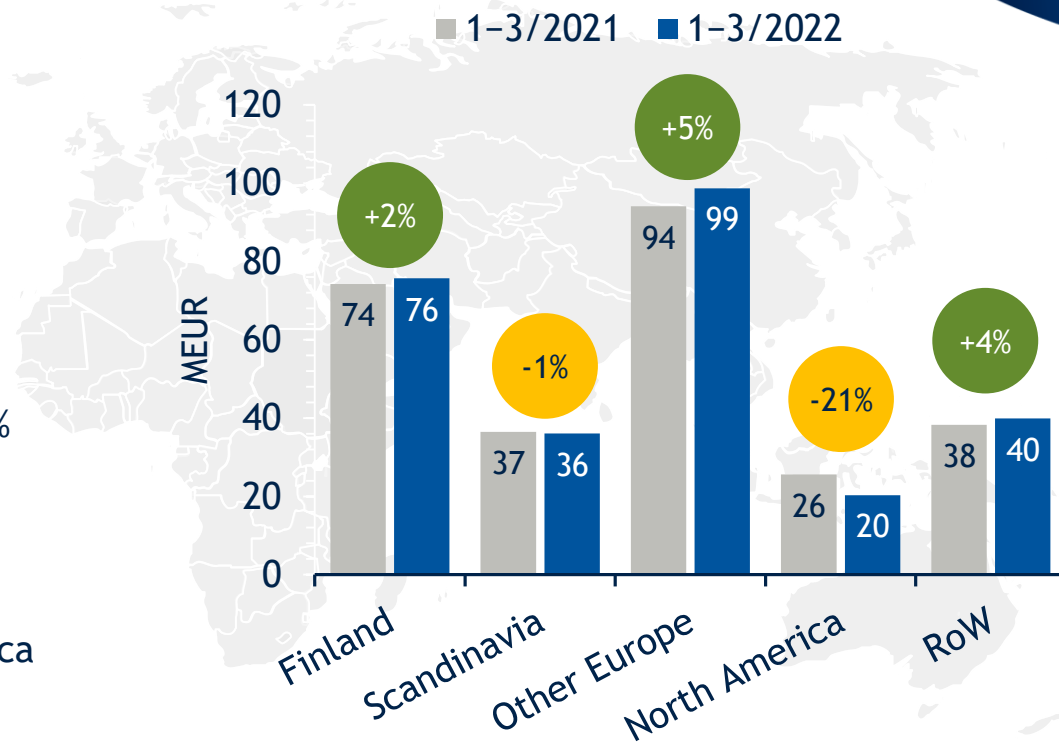
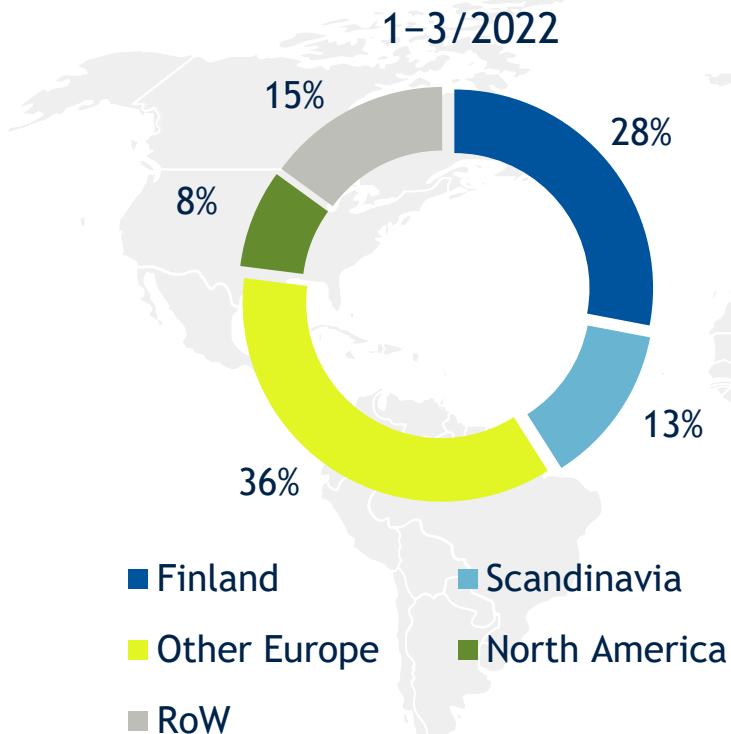


* Product & service sales without sales margin and product mix change and exchange rate effect

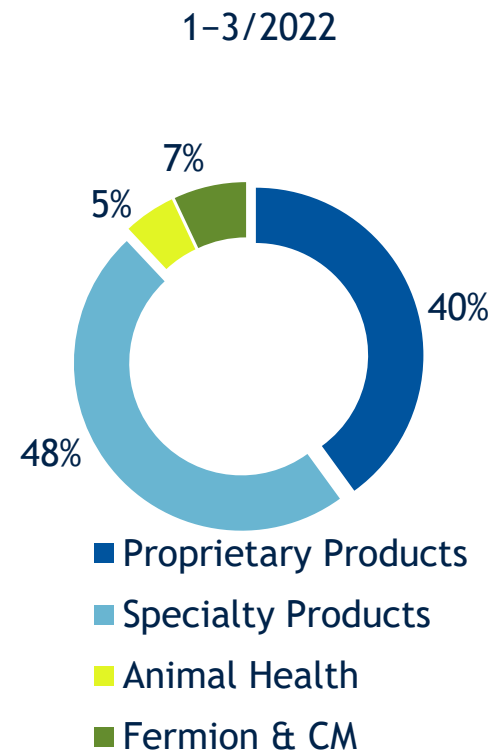
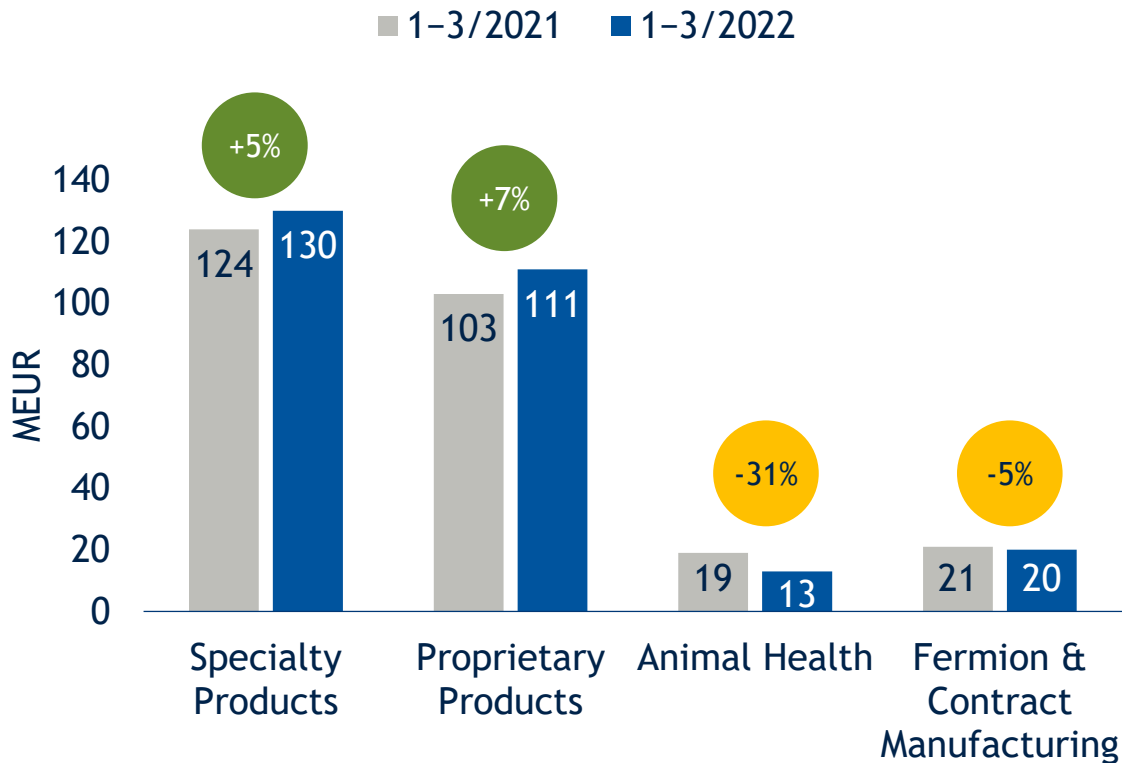
** Product sales margin and product mix change but without exchange rate effect

*** Exchange rate effect on gross margin

Geographical breakdown and development of net sales



Solid development in Specialty and Proprietary Products - Animal Health decline due to timing of deliveries to partners



TOP 10 products in 1–3/2022

		EUR million	vs. 1–3/2021
1.	Easyhaler® product portfolio	31	+20%
2.	Stalevo®, Comtess®, Comtan®	30	+4%
3.	Nubeqa®	20	+142%
4.	Simdax®	12	-15%
5.	Solomet®	9	+53%
6.	<i>dexdor</i> ®	7	-38%
7.	Divina® series	7	+17%
8.	Burana®	6	+15%
9.	Dexdomitor®, Domitor®, Domosedan®, Antisedan®	6	-41%
10.	Biosimilars	5	+6%
	Proprietary Products	Specialty Products	Animal Health

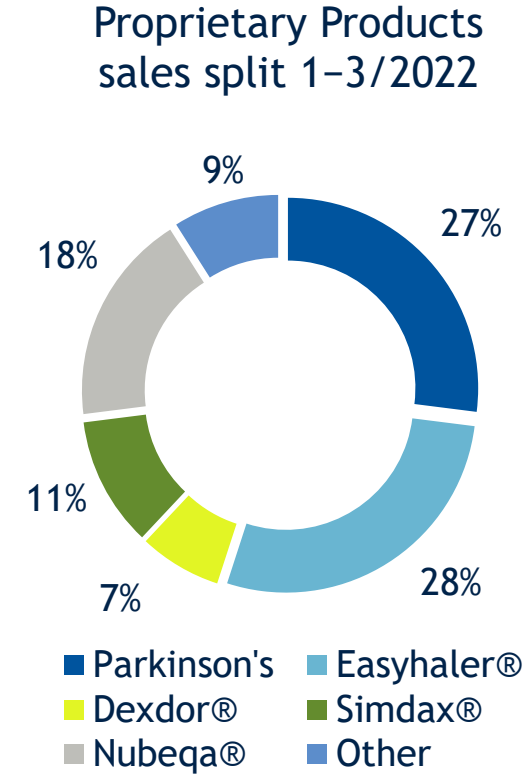
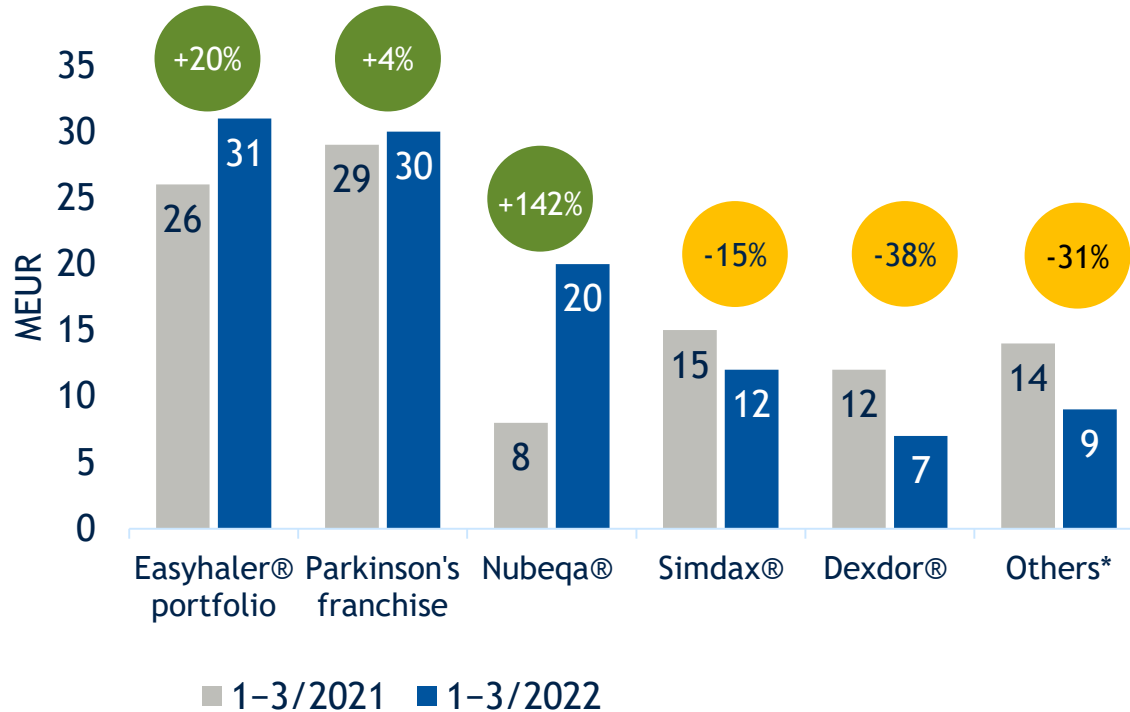


Proprietary Products

Investor Presentation © Orion Corporation

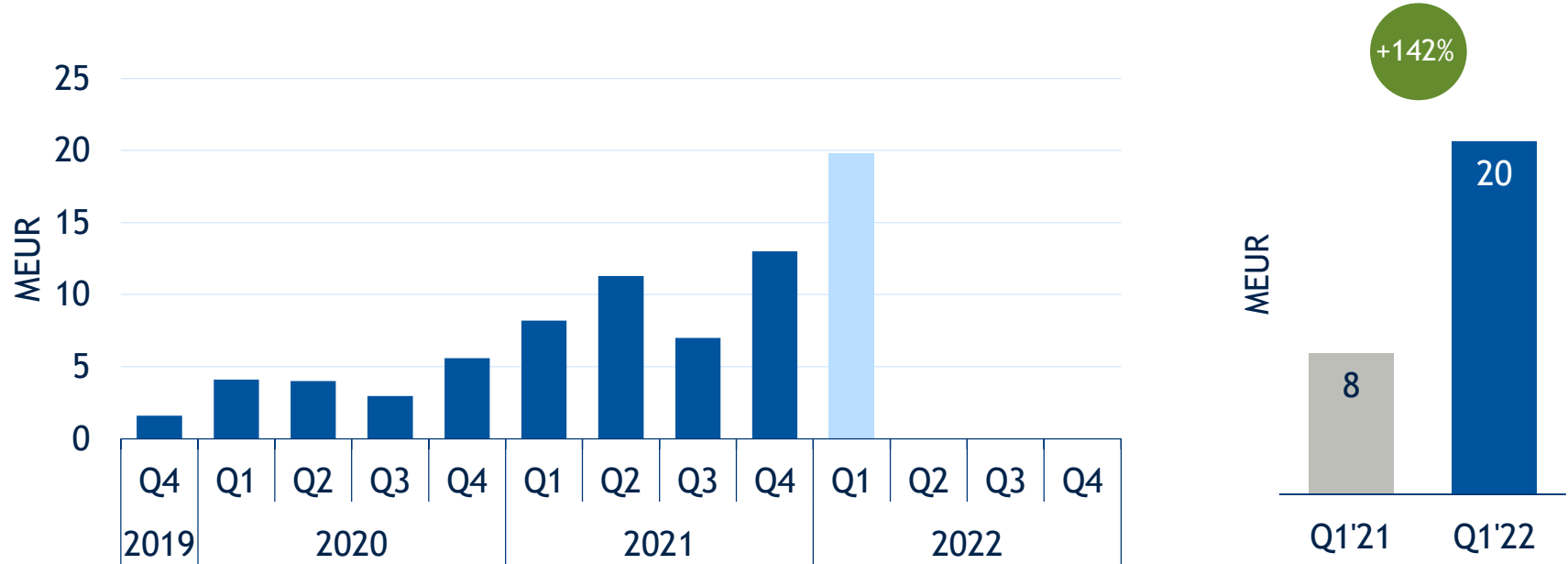


Nubeqa® the spearhead of growth



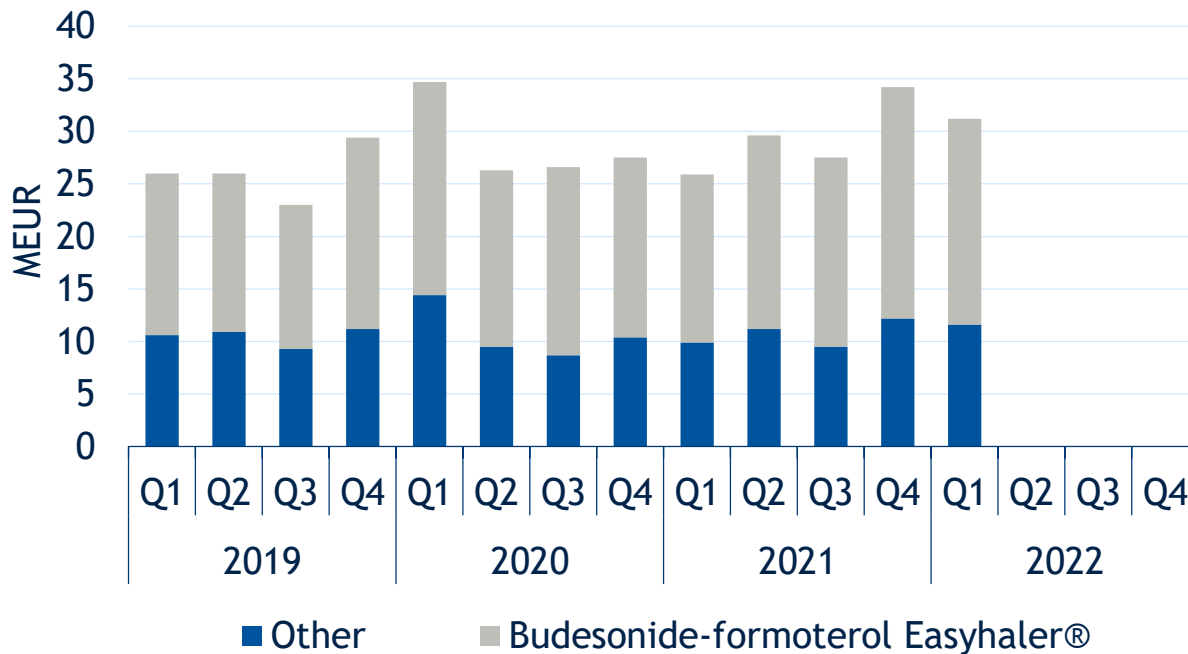
*) 'Others' include service sales, milestone payments and products such as Enanton®, Precedex® and pharmaceuticals sold for use in clinical trials.

Nubeqa® sales* booked by Orion showing strong growth

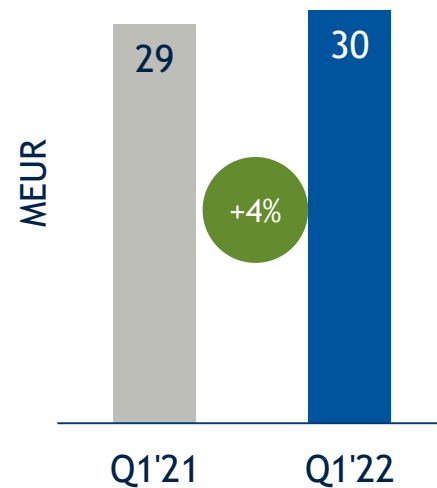
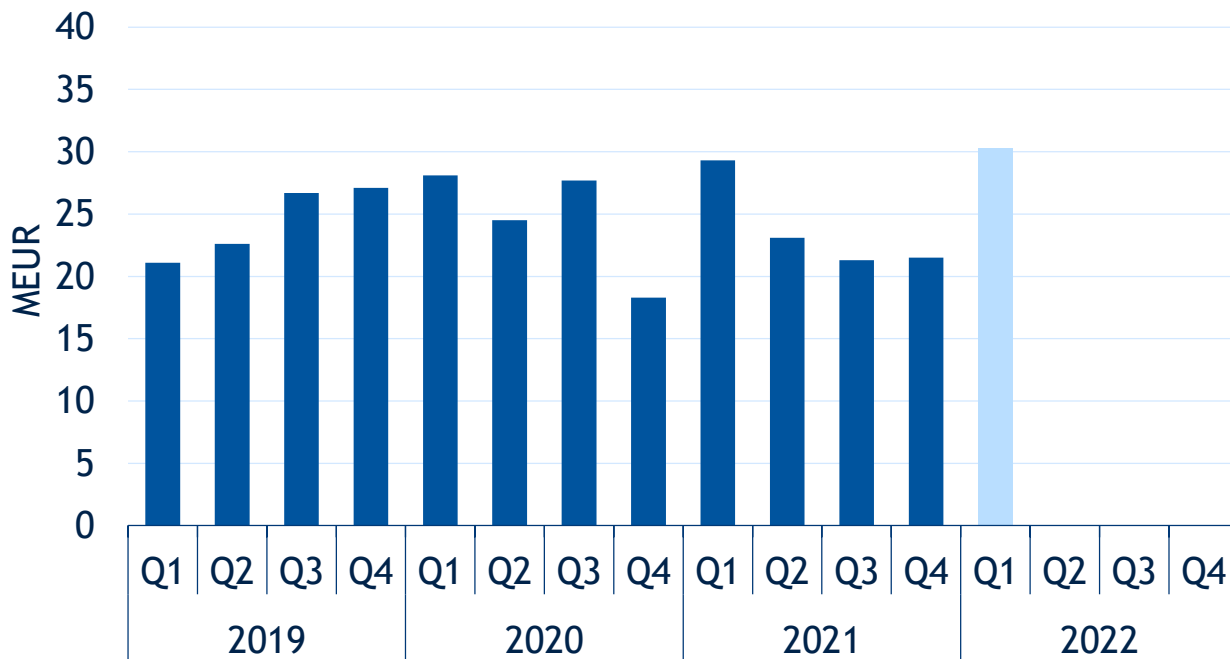


* Orion's sales to Bayer for commercial use + royalties from Bayer

Easyhaler® continued on a growth path

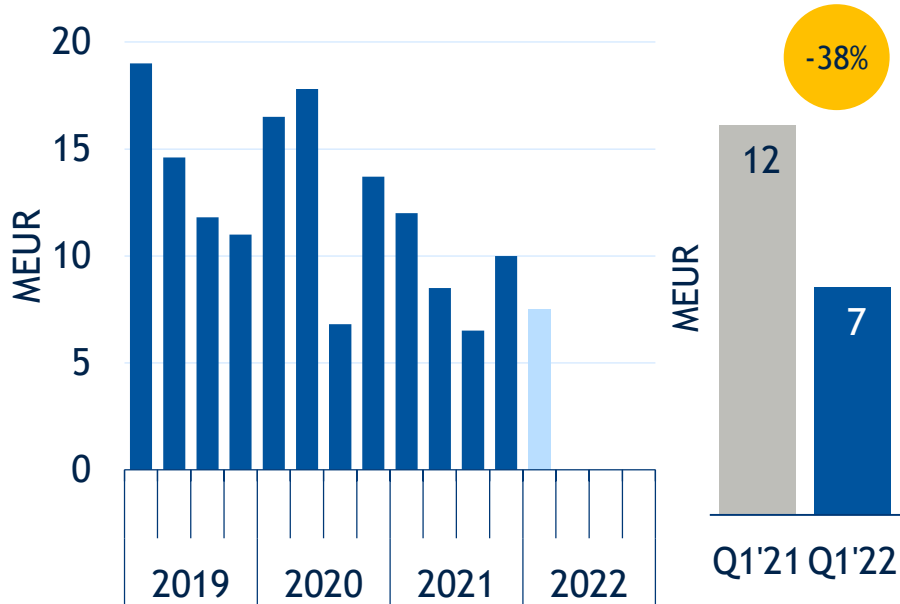


Sales of Parkinson's franchise +4%

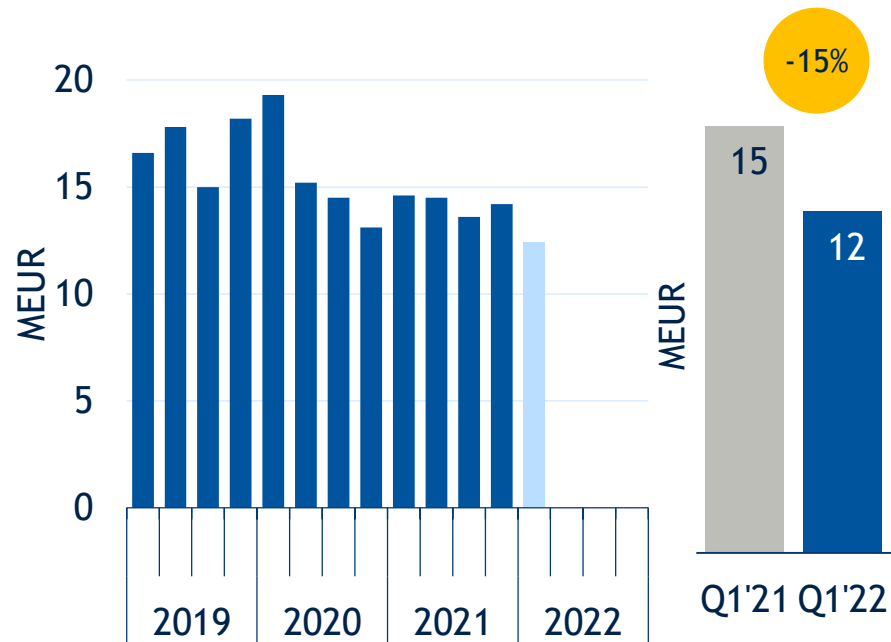


Dexdor® and Simdax® - declining as expected

Dexdor®



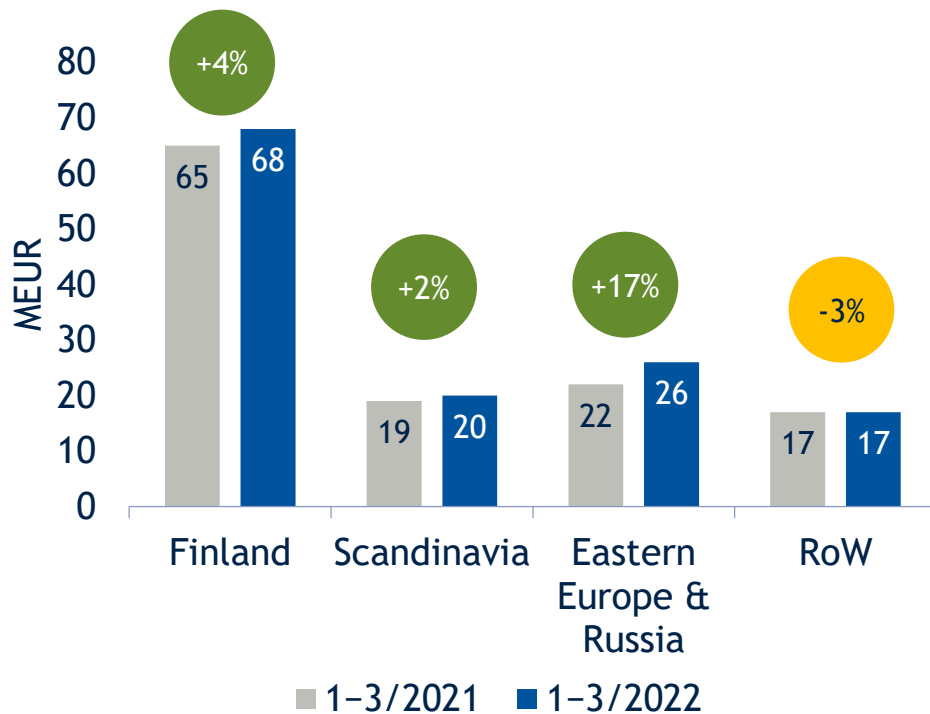
Simdax®



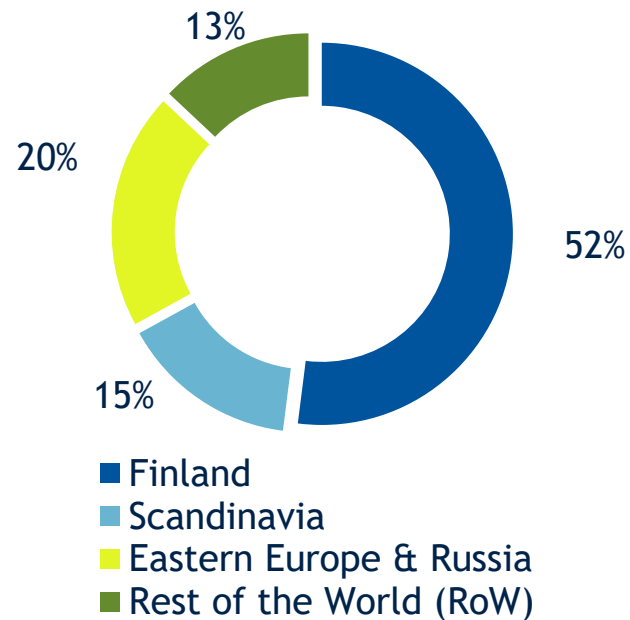


Specialty Products

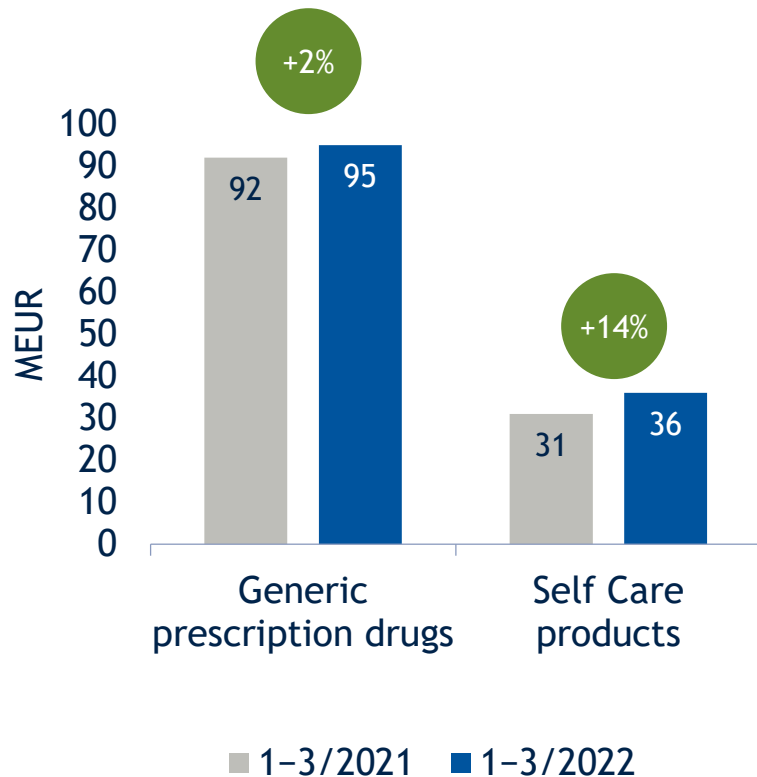
Growth in all main markets



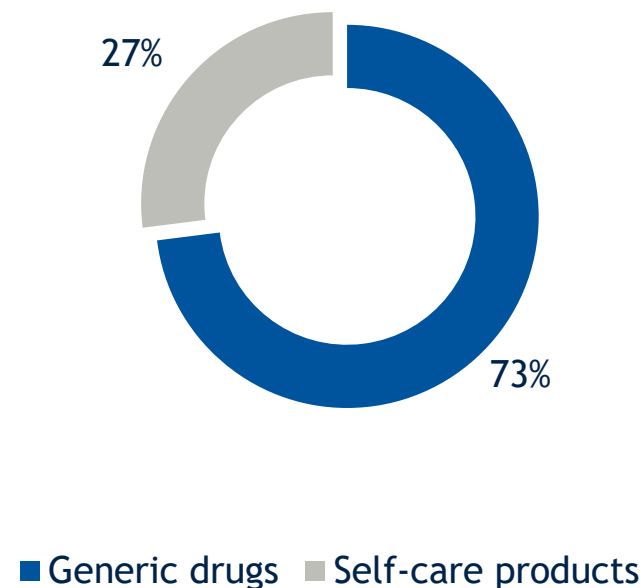
Sales split 1-3/2022



Self care products driving the growth



Sales split 1-3/2022



In Finland, Orion's reference priced prescription drugs developed clearly better than the market

The market for reference priced prescription drugs in Finland* (1-3/2022)

MEUR **109** (114)

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

MEUR **26** (25)

Market development

-5 %

Orion's development

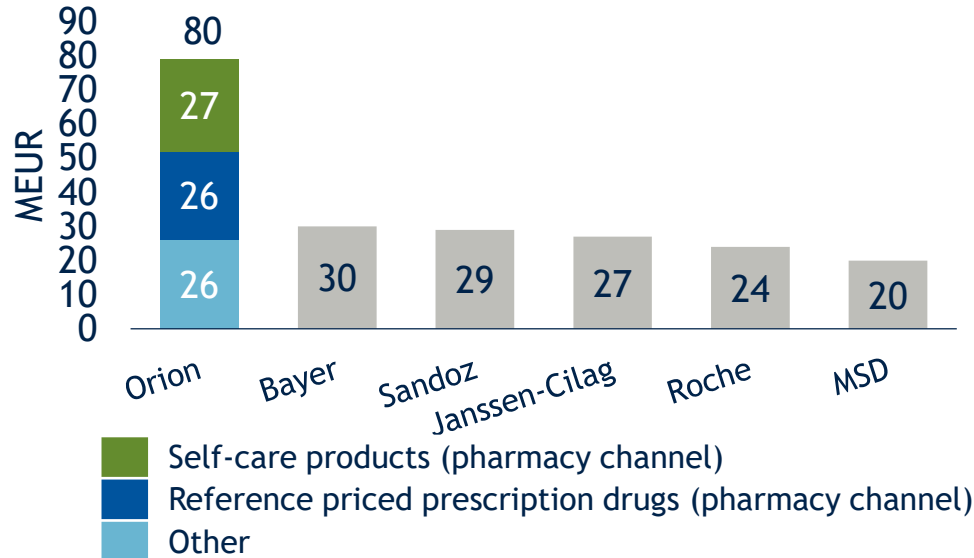
+1 %



* The reference-priced prescription drugs group metric counts in products that were reference-priced prescription drugs at the time the statistics were compiled. For this reason, sales figure in the comparative period may deviate from previously published data.

Orion is strong in home market Finland

Human pharma market in Finland 1-3/2022
 Medicinal and non-medicinal products
 in hospital and pharmacy channels: EUR 728 million



Reference priced prescription drugs

Orion market share in pharmacy

24%

(22%)*

* The reference-priced prescription drugs group metric counts in products that were reference-priced prescription drugs at the time the statistics were compiled. For this reason, the market share figure in the comparative period may deviate from previously published data.

Self-care products


Orion market share in pharmacy

25%
(25%)

Human pharmaceuticals total

Orion market share in hospital & pharmacy

11%
(11%)

A top-down view of numerous white, round pills scattered on a vibrant blue surface.

Patient safety as
a top priority

An aerial photograph of a lush, dense green forest with sunlight filtering through the trees.

Active work for a
better
environment

A solid blue rectangular background for the main title.

Orion's Sustainability Agenda

A solid yellow rectangular background for the subtitle.

and the war in Ukraine

Two female professionals wearing white lab coats, standing and talking against a teal background.

Care for well-being
professionals

A realistic globe of the Earth resting on a rough, reddish-brown rocky surface.

Ethics at the
core of our
business

Focus areas in 2022

TARGET	KPIs 2022	Status on 31 March 2022
Increasing the sales of the current product portfolio	Significant increase in sales of Nubeqa® booked by Orion	On target
	Easyhaler® product portfolio sales increase by more than 5%	On target
Building up long-term growth	In-licensing of new products	In progress
	Portfolio enhancement through product acquisitions and M&A	In progress
	Partner for ODM-208 development and commercialisation	In progress
	Launch of Phase III clinical trial on ODM-208	In progress
	At least one new project proceeds to clinical development	In progress
	Solidifying the R&D portfolio with new collaboration agreements	In progress

 On target

 In progress

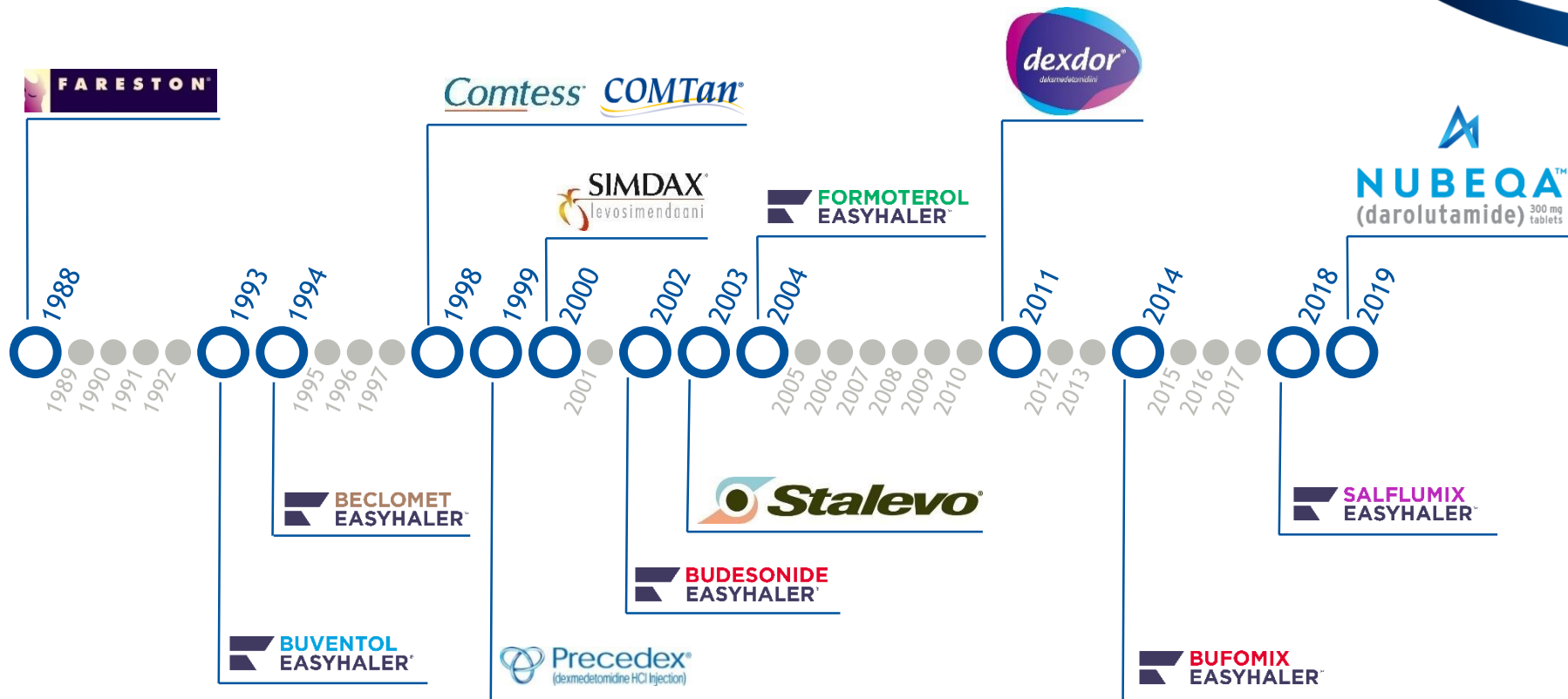
 Target not attainable

 Not known

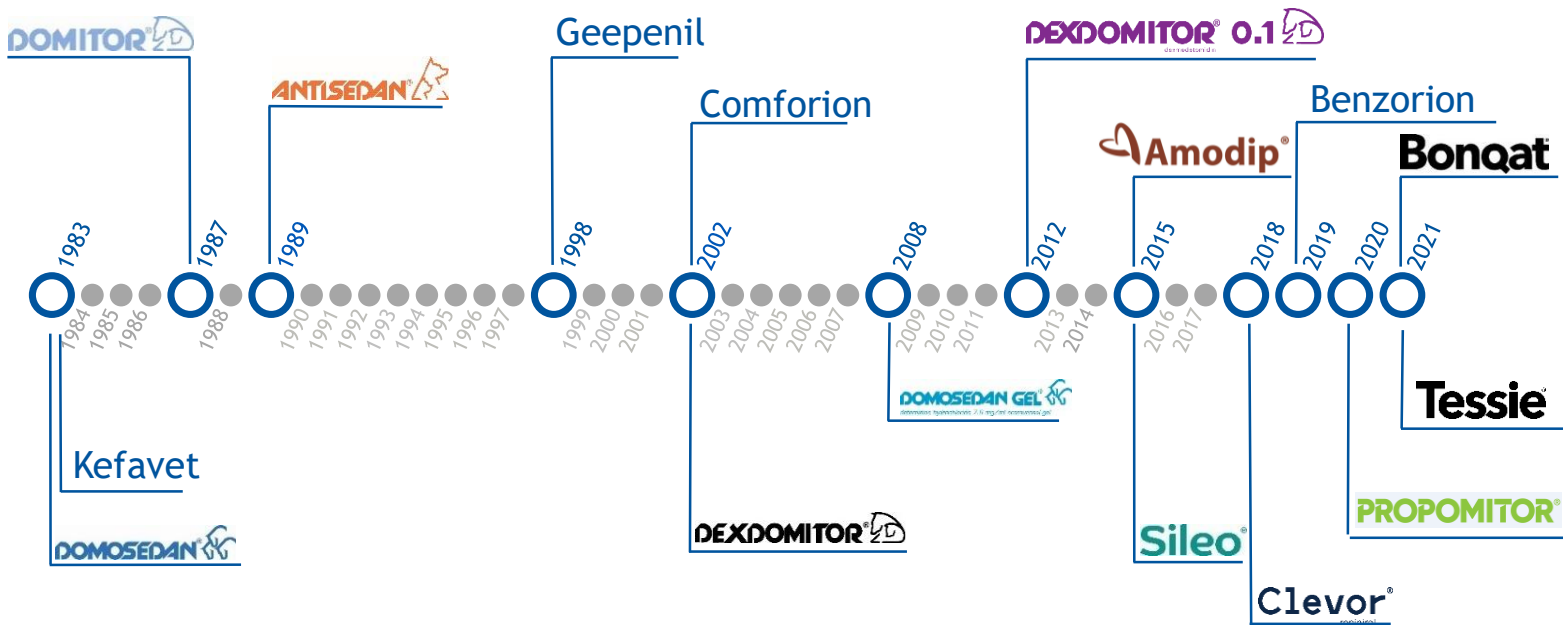


Research and development

Proprietary human pharmaceuticals developed by Orion



Main Orion Animal Health Marketing Authorisations



Focus areas of Orion's R&D



Proprietary products

- Neurological disorders (including rare diseases)
- Oncology
- Respiratory (dry-powder inhaler platforms)



Animal Health

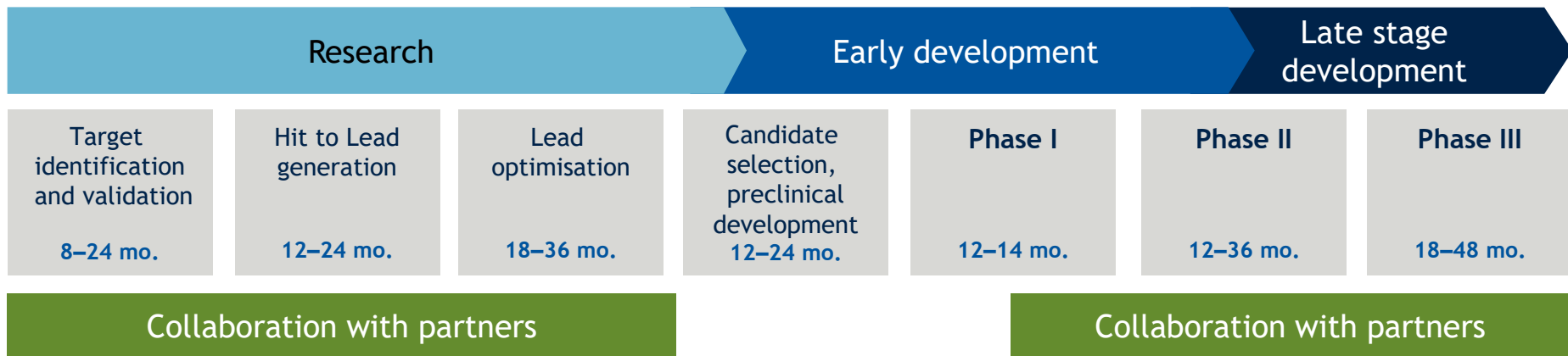
- Orion utilises the R&D of proprietary products to develop new medicines for animals



Fermion

- APIs for Orion's proprietary products
- Generic APIs
- Contract development for pharmaceutical companies

Together we can achieve more in R&D



Research Areas in Orion's R&D



Neurological Disorders

- Pain
- Neurodegenerative Proteinopathy
- Neurological Genetic Disorders



Oncology Research

- Immuno-oncology
- Cancer Genomics and Signalling
- Antibody Drug Conjugates



Discovery Sciences

- New Therapies
- Microbiome
- Discovery Technologies

Neurological Disorders Research

Research Areas



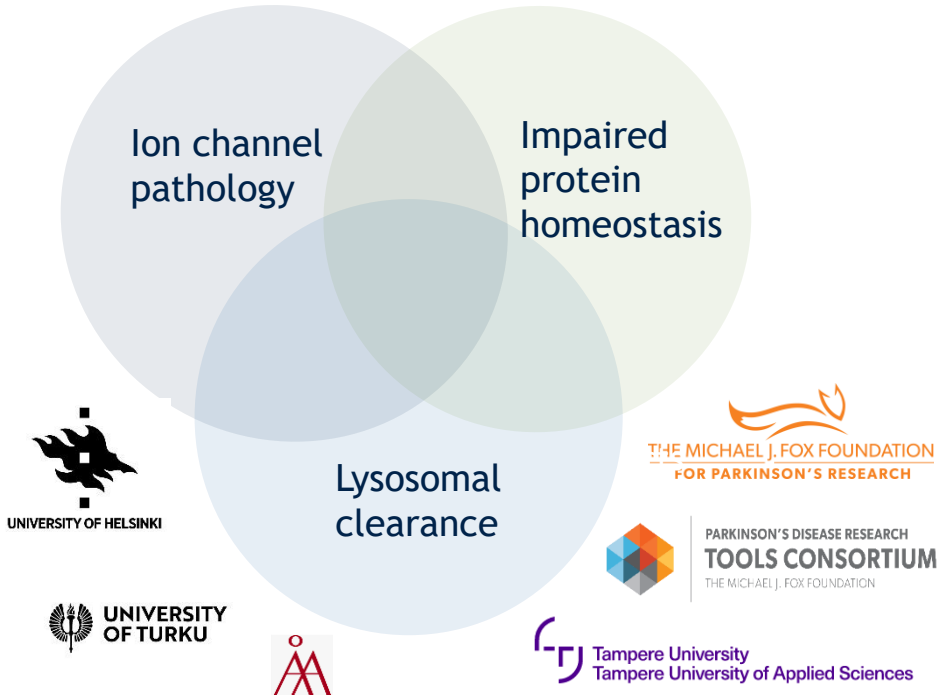
Pain - Ion channels and neuro-immune interaction



Neurodegenerative Proteinopathy - Pathological protein aggregation and clearance



Neurological Genetic Disorders - Rare lysosomal storage disorders and epilepsies



Oncology Research

Research Areas

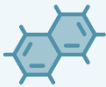


Immuno-Oncology

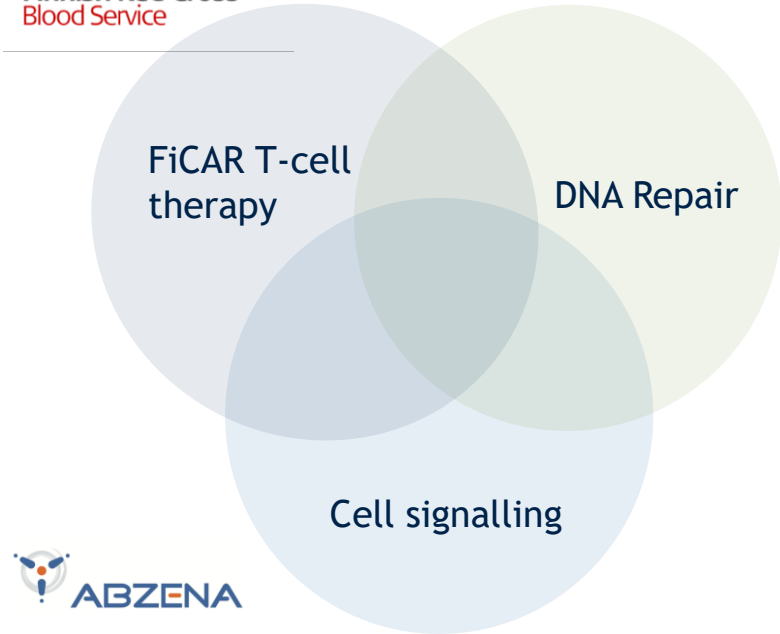
- FiCAR T-cell therapy
- 2nd generation immune-checkpoint inhibitors



Cancer genomics and Cell signalling



Antibody drug conjugates



Discovery Sciences

Research Areas



New Therapies

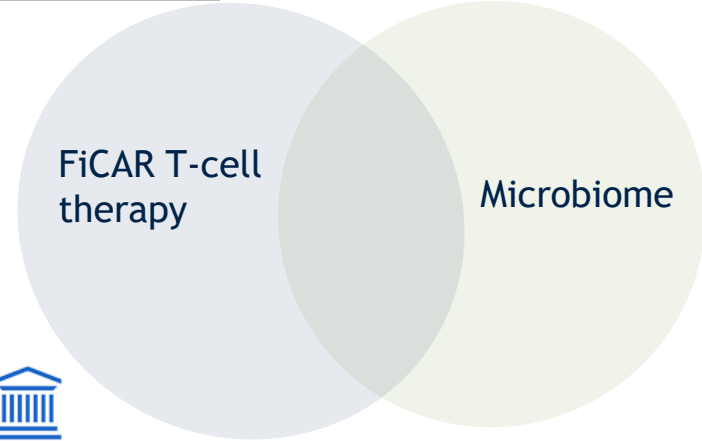
- Cell and Gene Therapy



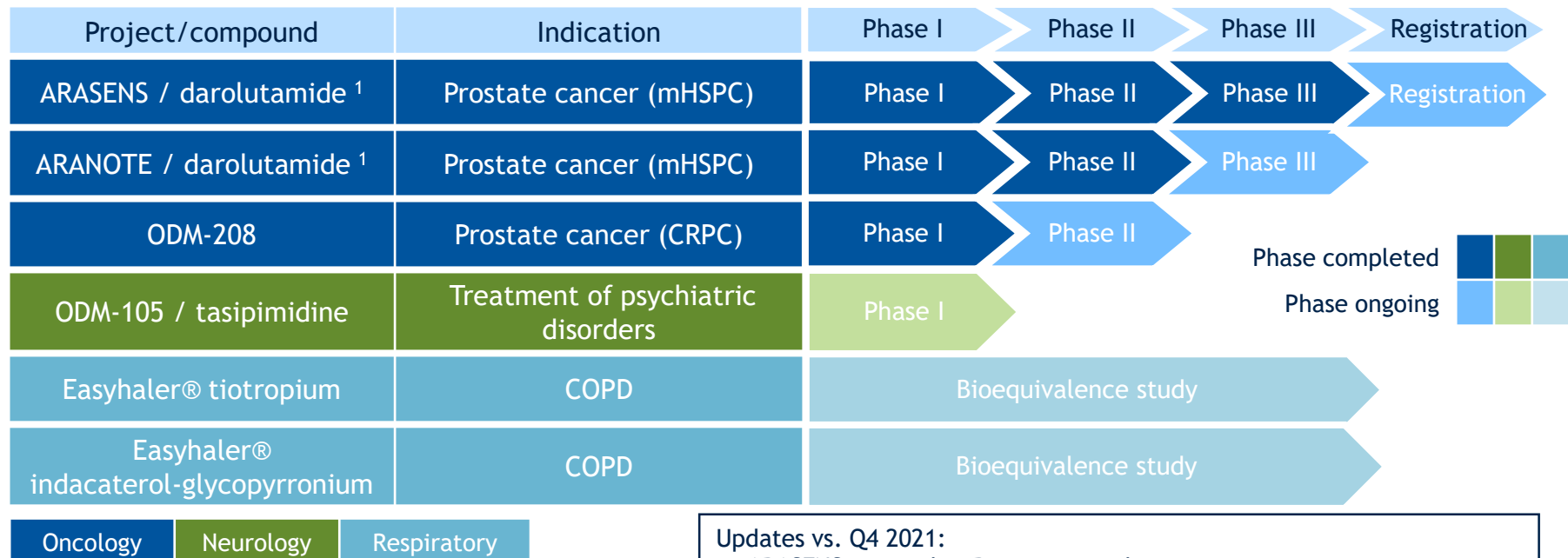
Microbiome



Discovery Technologies



Key clinical development pipeline



¹⁾ In collaboration with Bayer

ARASENS & ARANOTE trials aiming to expand the indication of darolutamide to metastatic hormone-sensitive prostate cancer

Trial on-going	Target Patients	Treatment Combo	Primary End-point	Present Status	Estimated completion
ARASENS	mHSPC	Darolutamide + ADT + Docetaxel	Overall survival	Completed - primary endpoint met	
ARANOTE	mHSPC	Darolutamide + ADT	Radiological progression-free survival	Recruitment ongoing	Q1 2024

Global prostate cancer estimates (GLOBOCAN 2020)

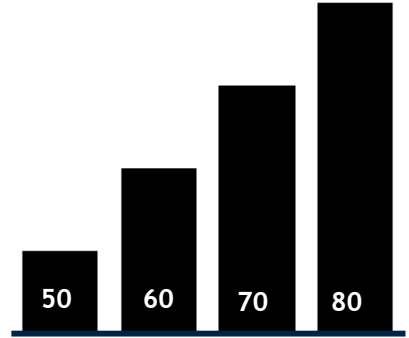
2nd

most commonly
diagnosed
malignancy
in men worldwide



5th

leading cause of
death from cancer
in men



1.4

million men
diagnosed with
prostate cancer

375,000

died from
the disease

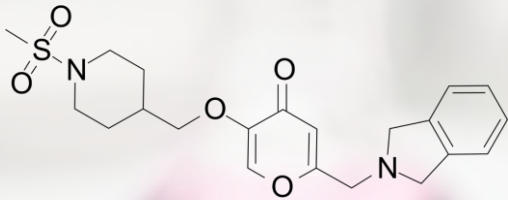


50+

Mainly affects men
over 50, the risk
increases with age

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

Target Patients



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



Potential indications beyond prostate cancer: breast cancer, endometrial uterus cancer



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 2021



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)

65

Ppm (76)



GxP* audits
by Orion

256

(141)



Greenhouse gas
emissions
(scope 1&2)

20,563

tCO2e (18,611)



Energy savings
target set for
2025
achieved

114%

(53%)



Injury rate

4.8

LTIF 1 (3.6)



Code of Conduct
training, no. of
participants

653

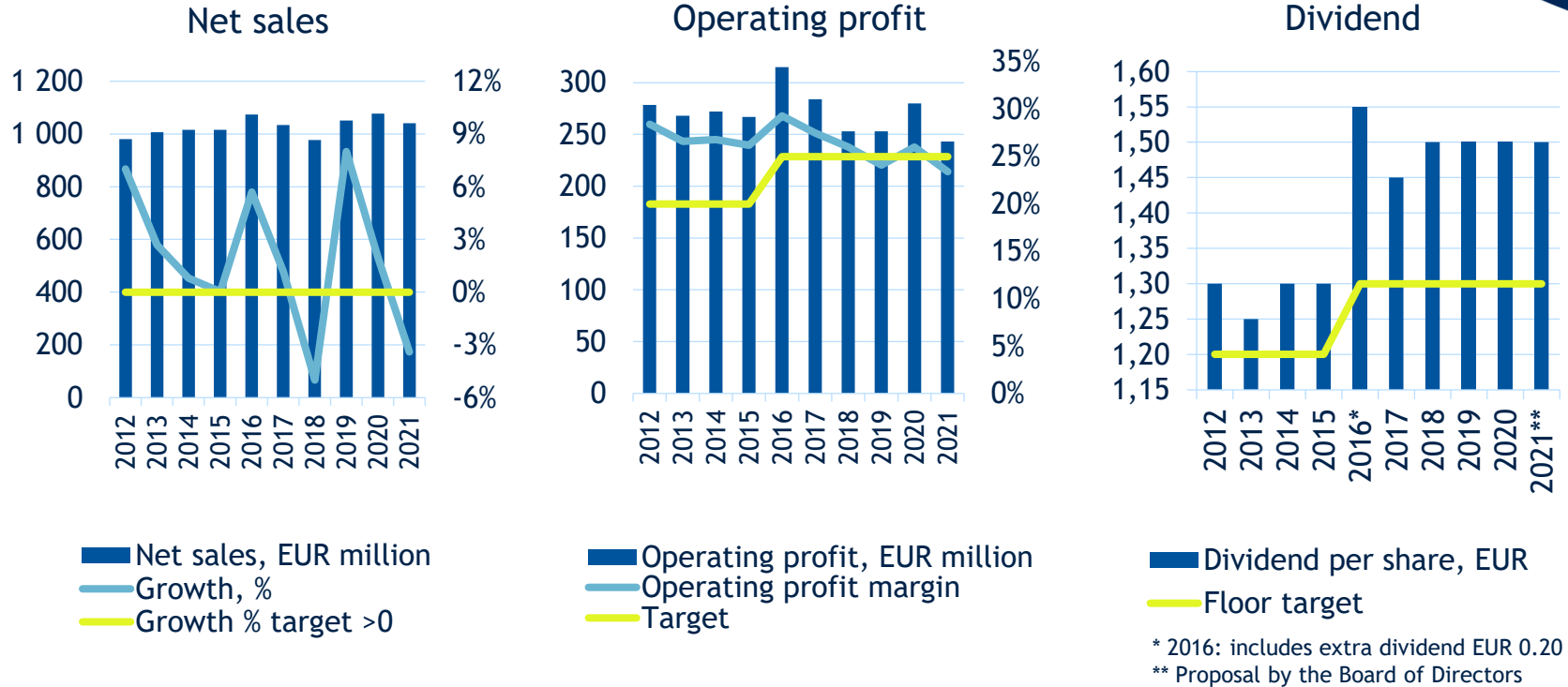
(3,410)

*Good Practices



Appendices

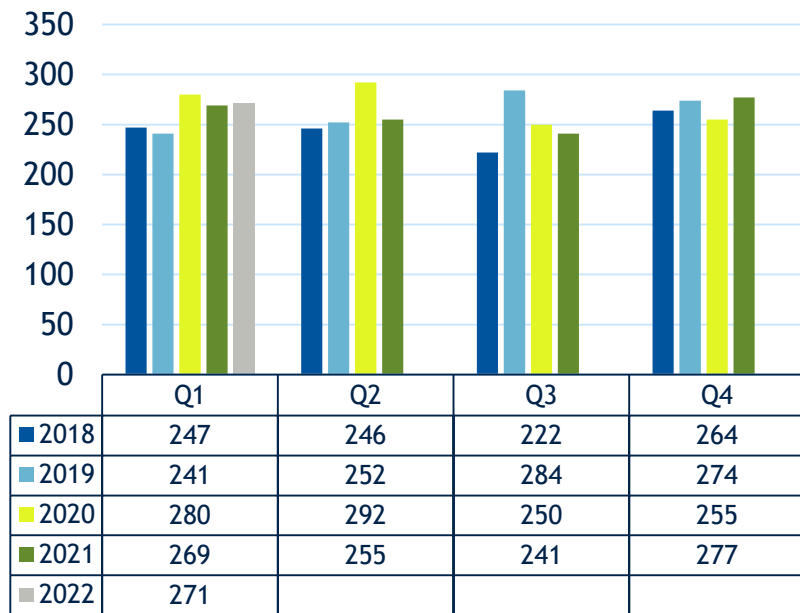
Track record vs. financial objectives



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

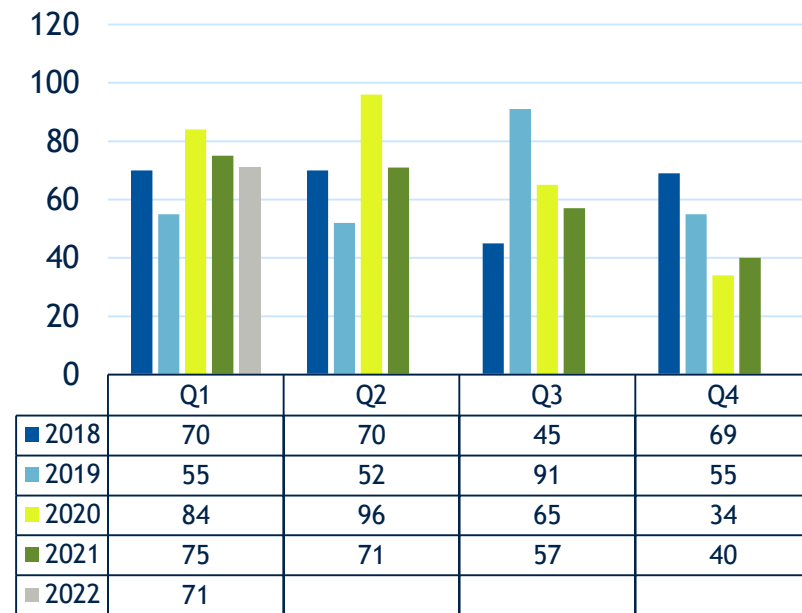
Net sales and operating profit by quarter (MEUR)

Net sales



■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022

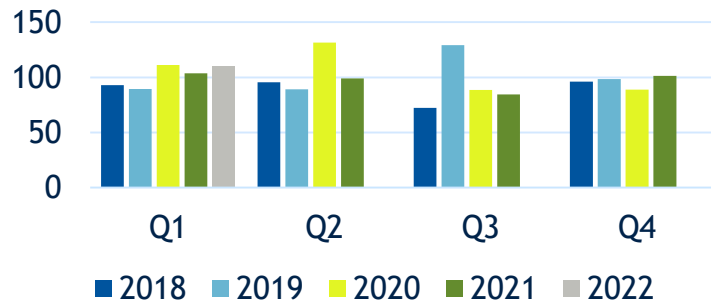
Operating profit



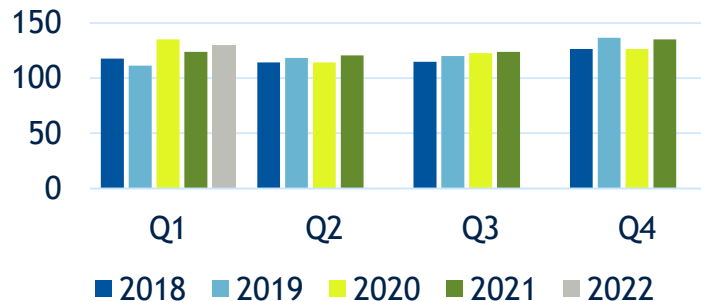
■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ 2022

Quarterly net sales by unit (MEUR)

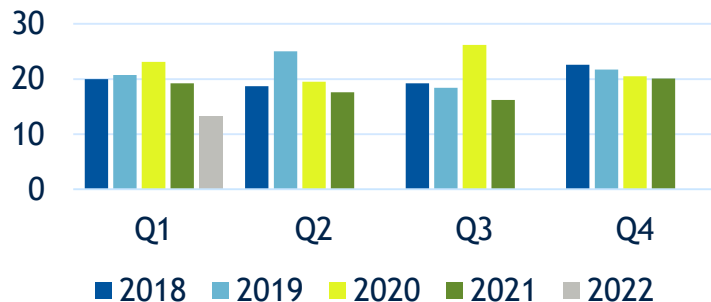
Proprietary Products



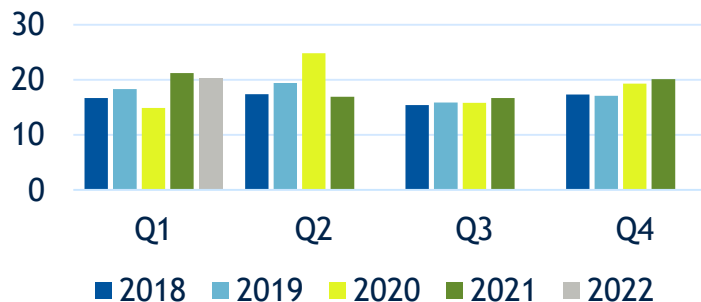
Specialty Products



Animal Health



Fermion & Contract Manufacturing



Key figures

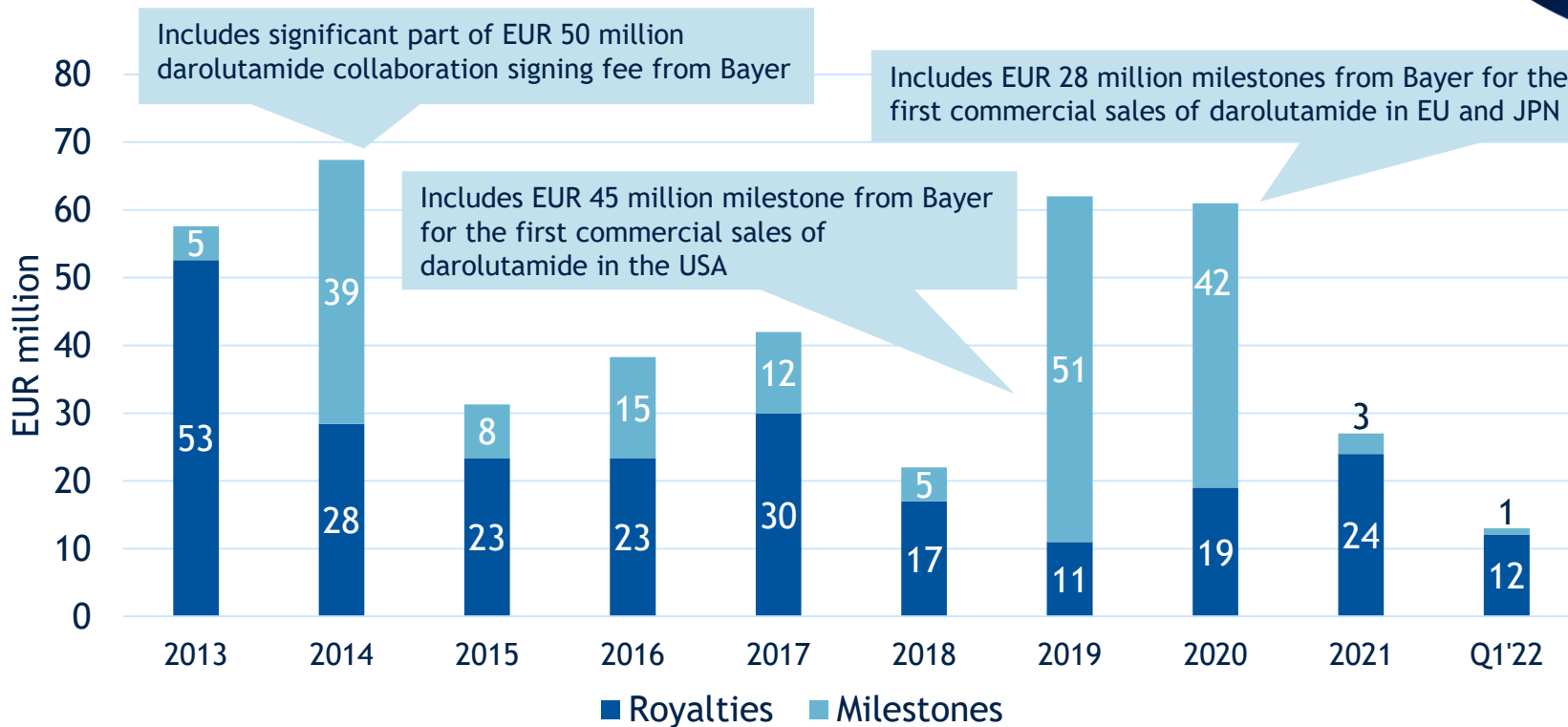
Orion's key figures	2018	2019	2020	2021	Q1'22	Change vs. Q1'21
Net sales, EUR million	977.5	1,051.0	1,078.1	1,041.0	270.6	+0.7%
EBITDA	293.9	308.9	336.5	289.1	83.0	-3.5%
Operating profit, EUR million	252.8	252.8	280.1	243.3	71.5	-4.7%
Profit before taxes, EUR million	248.4	250.8	278.3	242.3	72.1	-3.6%
R&D expenses, EUR million	104.0	119.3	123.2	117.7	32.1	+27.9%
Equity ratio, %	68.8%	76.7%	66.7%	68.1%	52.9%	
Gearing, %	-17.1%	-17.8%	-25.4%	-14.5%	-19.8%	
ROCE (before taxes), %	44.3%	29.9%	34.8%	28.8%	35.7%	
Return on equity, %	45.5%	25.8%	29.1%	26.2%	33.1%	
Basic earnings per share, EUR	1.40	1.43	1.56	1.38	0.41	-3.8%
Interest bearing net debt	-132.1	-139.1	-185.8	-108.3	-126.8	-41.0%
Cash flow per share before financial items, EUR	2.32	1.68	1.85	0.96	0.13	-30.2%
Dividend per share, EUR	1.50	1.50	1.50	1.50		

= includes both continuing and discontinued (Orion Diagnostica) operations

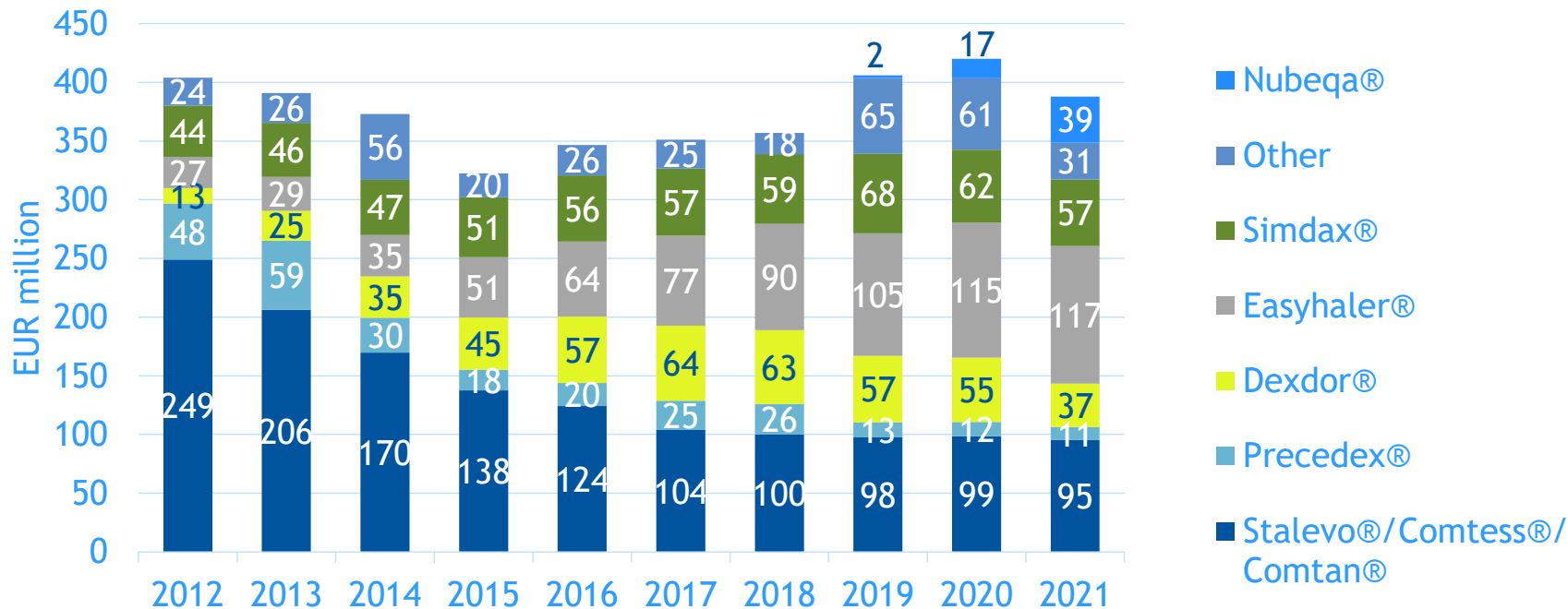
Income statement

Formation of profits, EUR million	2018	2019	2020	2021	Q1'22	Change vs. Q1'21
Net sales	977.5	1,051.0	1,078.1	1,041.0	270.6	+0.7%
Cost of goods sold	-387.9	-417.6	-434.4	-447.5	-106.1	-7.5%
Gross profit	589.6	633.4	643.7	593.5	164.5	+6.9%
Other operating income and expenses	5.5	2.2	5.4	6.4	0.4	-37.3%
Sales and marketing expenses	-195.3	-215.7	-204.3	-191.0	-48.4	+9.4%
R&D expenses	104.0	-119.3	-123.2	-117.7	-32.1	+27.9%
Administrative expenses	-43.0	-47.8	-41.6	-47.9	-12.9	+25.9%
Operating profit	252.8	252.8	280.1	243.3	71.5	-4.7%
Profit before taxes	248.4	250.8	278.3	242.3	72.1	-3.6%
Profit for the period for continuing operations	197.3	200.4	219.9	193.8	57.3	-3.7%
Profit for the period for discontinued operations	132.9					
Profit for the period	330.3	200.4	219.9	193.8	57.3	-3.7%

Royalties and milestones



Development of Proprietary Products net sales

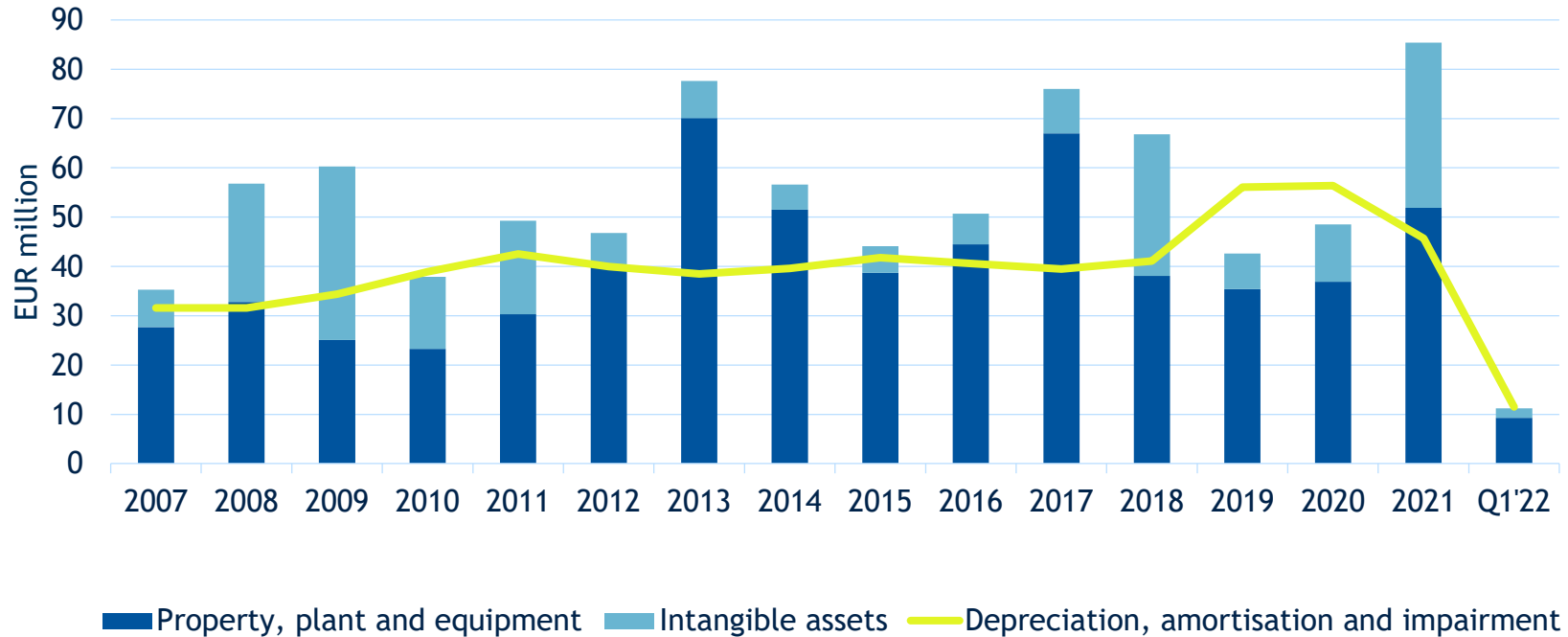


Financial position

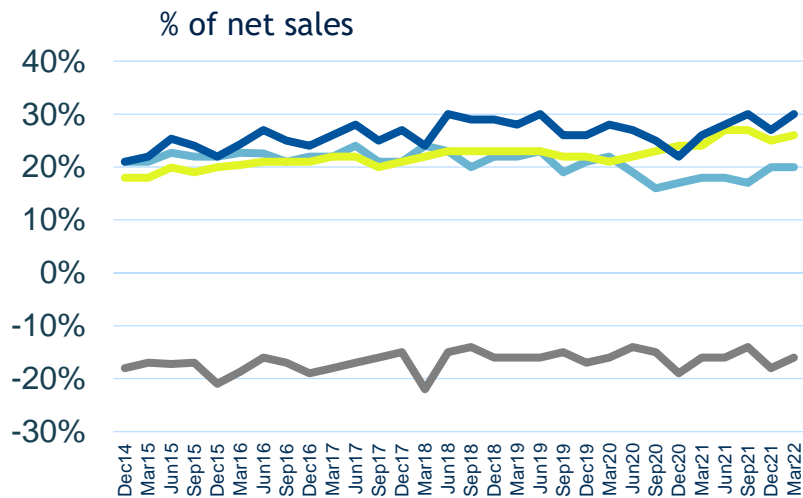
EUR million	3/22	3/21	Change %
Non-current assets total	479.1	406.5	+17.9%
Inventories	274.8	255.4	+7.6%
Trade receivables	178.1	166.9	+6.7%
Other receivables	31.1	26.5	+17.3%
Cash & cash equivalents & money market investments	258.7	322.8	-19.9%
Current assets total	745.6	779.1	-4.3%
Assets total	1,224.7	1,185.6	+3.3%

EUR million	3/22	3/21	Change %
Equity total	639.9	628.9	+1.7%
Interest-bearing non-current liabilities	86.6	105.0	-17.7%
Non-current liabilities total	149.0	158.4	-5.9%
Current liabilities total	435.8	398.3	+9.4%
Liabilities total	584.8	556.6	+5.1%
Equity and liabilities total	1,224.7	1,185.6	+3.3%

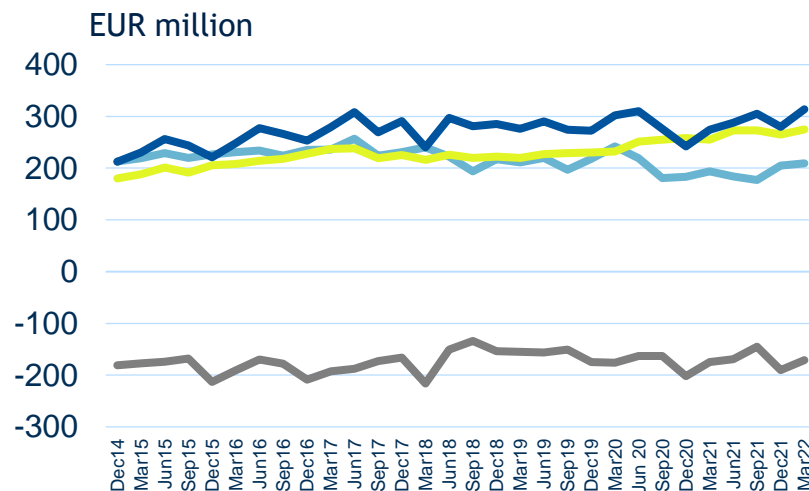
Development of capital expenditure



Development of net working capital



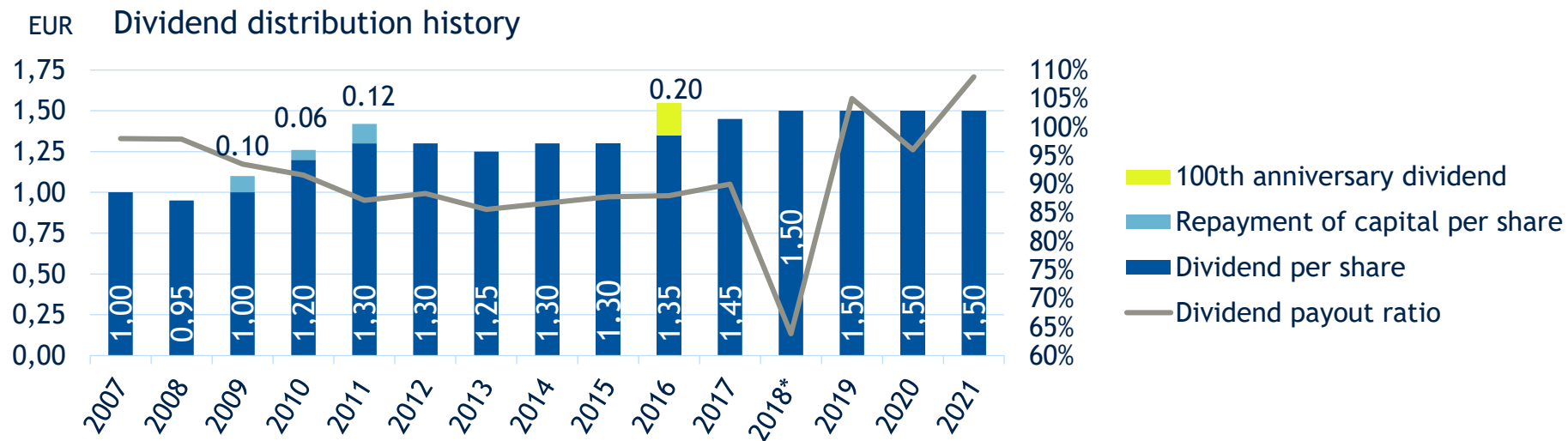
- Receivables
- Inventories
- Short-term non-interest bearing liabilities
- Net Working Capital



- 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.



* Change in dividend payout ratio is due to higher EPS (EUR 2.35) which is explained by the divestment of Orion Diagnostica

Easyhaler® - diverse treatment options for asthma and COPD by utilising the same inhaler technology

- Easyhaler® is a dry-powder inhaler developed in-house
- Orion has developed Easyhaler®-adapted dry powder formulations of several well-known generic active substances:
 - salbutamol, beclometasone, budesonide, formoterol, salmeterol and fluticasone
- Key benefits:
 - Dosing accuracy and consistent deposition
 - Easy to teach, learn and use
 - A wide range of products





Upcoming events

Half-Year Financial Report
Interim Report 1-9/2022

15/7/2022
20/10/2022



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