



Orion Half-Year Financial Report January–June 2023

17 July 2023

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.

Key matters in Q2 2023

- Orion has initiated a Phase II clinical trial with tasipimidine (ODM-105) for the treatment of insomnia
- Orion is preparing to start a Phase I clinical trial with ODM-212
- Update to Easyhaler® product portfolio's peak sales potential: Easyhaler has potential to exceed EUR 200 million in annual sales
- Orion invests EUR 30 million to increase production capacity in Finland
- Orion has discontinued business operations in Russia
- The total impact of Russia-related items was approx. EUR 25 million negative on operating profit in H1 2023 compared to H1 2022



January-June 2023 mostly in line with our expectations

Net sales
MEUR 567.5 (554.3) +2.4%

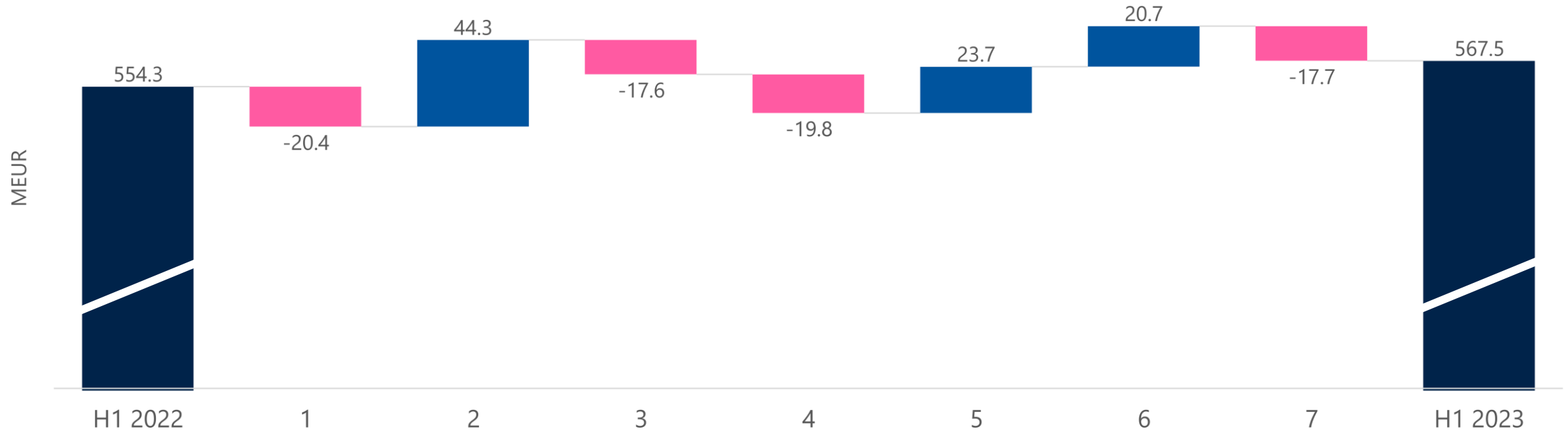
Cash flow from operating activities per share
EUR 0.27 (0.59) -55.1%

Operating profit
MEUR 102.0 (153.4) -33.5%

Operating profit margin
18.0% (27.7%)

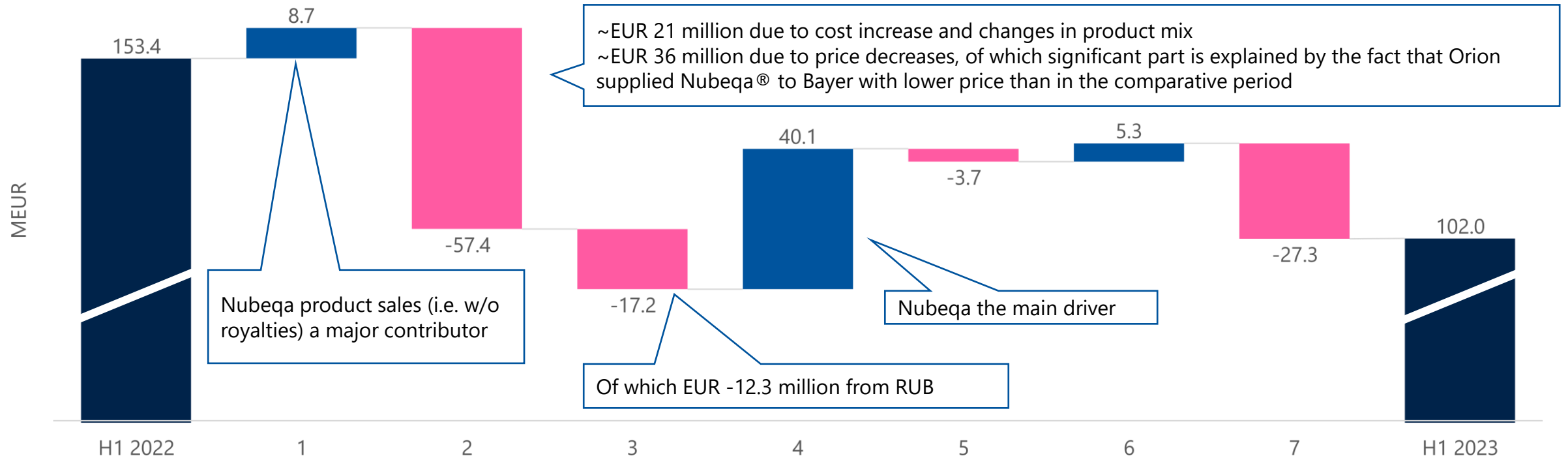
- Net sales in H1 2023
 - Main positives: Nubeqa® and Animal Health
 - Main negatives: entacapone, Russia, dexmedetomidine and Simdax
- Factors explaining the decline in operating profit
 - Fixed costs increased by EUR 27 million
 - The total impact of Russia-related items was approx. EUR 25 million negative on operating profit
 - 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 from H1 2022 to H1 2023



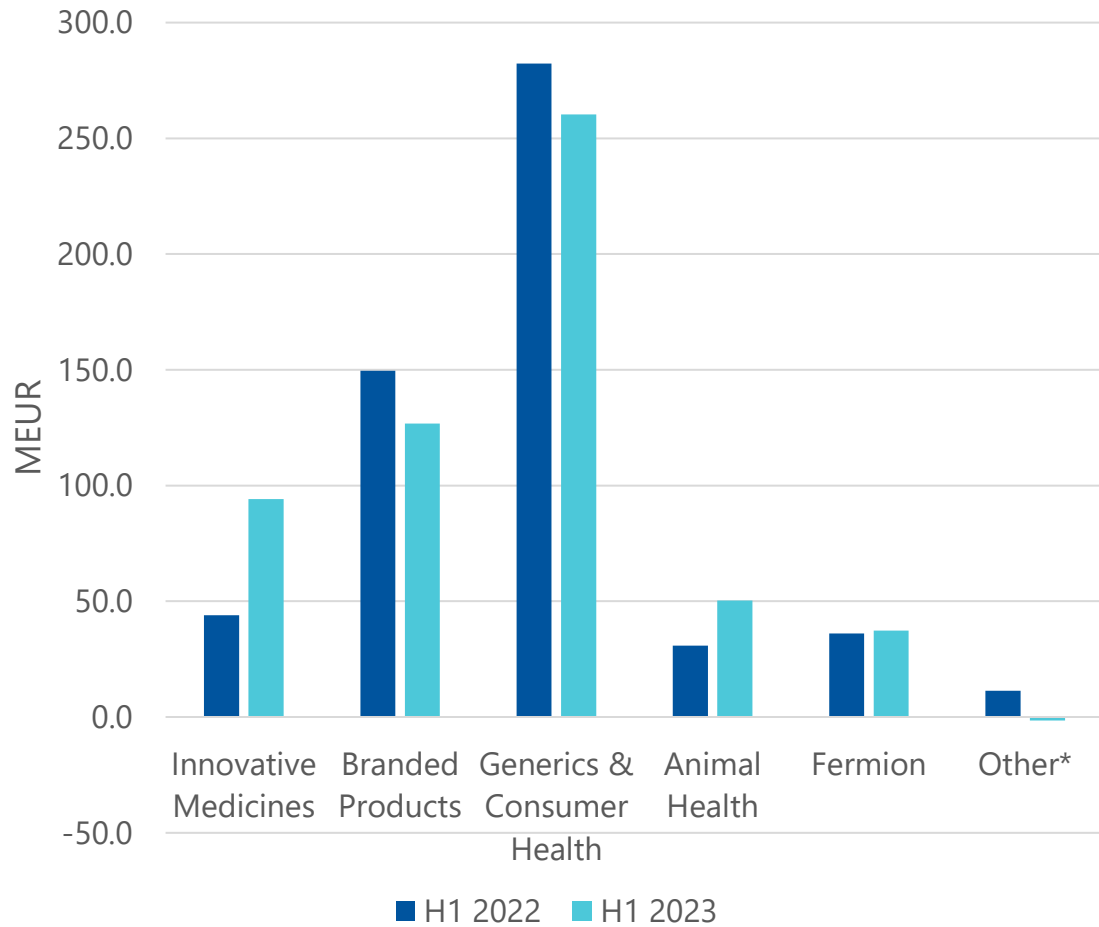
1	Dexmedetomidine for human use and Simdax®	5	Other products and services (excl. Animal Health and Fermion)
2	Nubeqa® (product sales and royalty)	6	Animal Health and Fermion
3	Entacapone products	7	Exchange rates
4	Russia		

Operating profit bridge H1 2022 to H1 2023

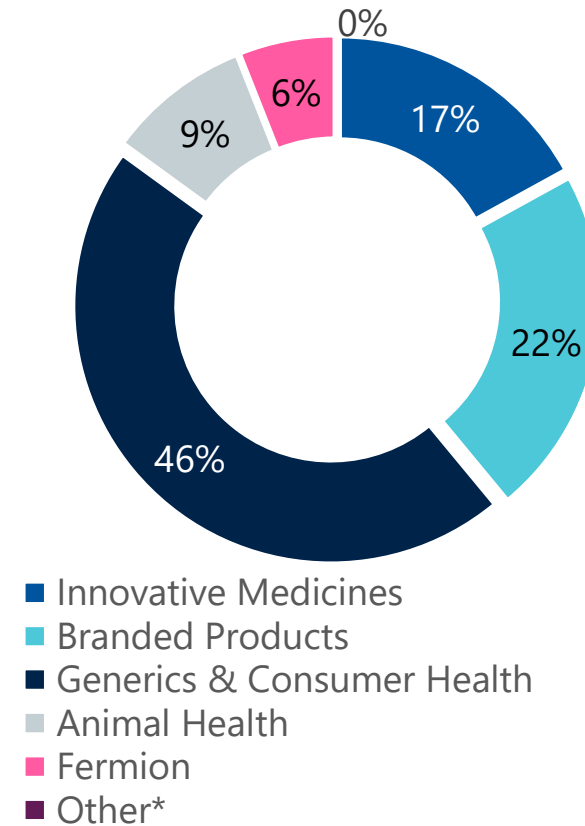


1	Product & service sales without sales margin and product mix change and exchange rate effect	5	Milestones
2	Product sales margin and product mix change but without exchange rate effect	6	Other operating income and expenses
3	Exchange rate effect on gross margin	7	Fixed cost
4	Royalties		

Business reviews



Sales split in H1 2023

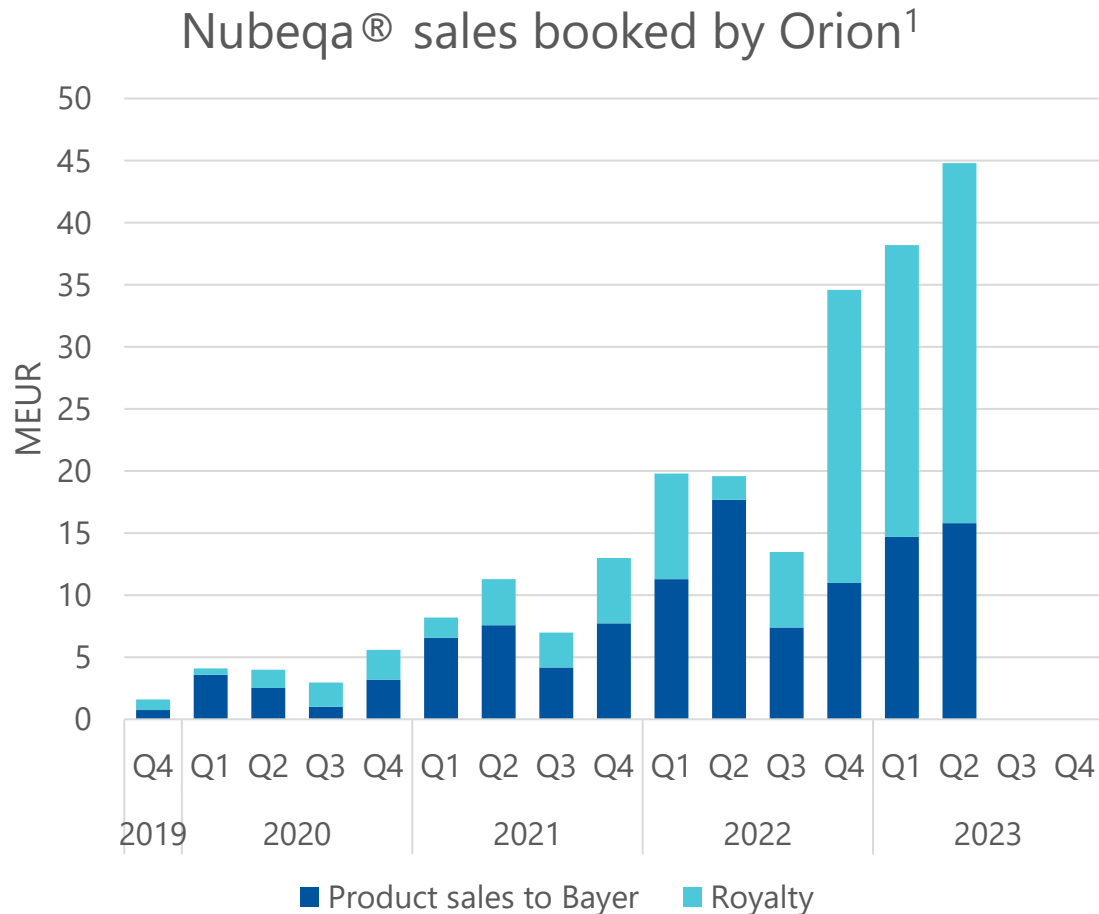


TOP 10 products in H1 2023

	Product or product portfolio	EUR million	vs. H1 2022
1.	Nubeqa®	83.0	+114.3%
2.	Easyhaler® product portfolio	68.2	+4.9%
3.	Entacapone products*	46.8	-27.3%
4.	Simdax®	15.1	-38.2%
5.	Dexdomitor®, Domitor®, Domosedan®, Antisedan®	12.8	-24.6%
6.	Trexan®	12.6	+72.4%
7.	Dexmedetomidine products for human use**	12.2	-47.5%
8.	Burana®	12.0	-1.9%
9.	Divina® series	10.2	-27.4%
10.	Biosimilars	8.9	-9.4%
	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 94.2 million (+114.0%)

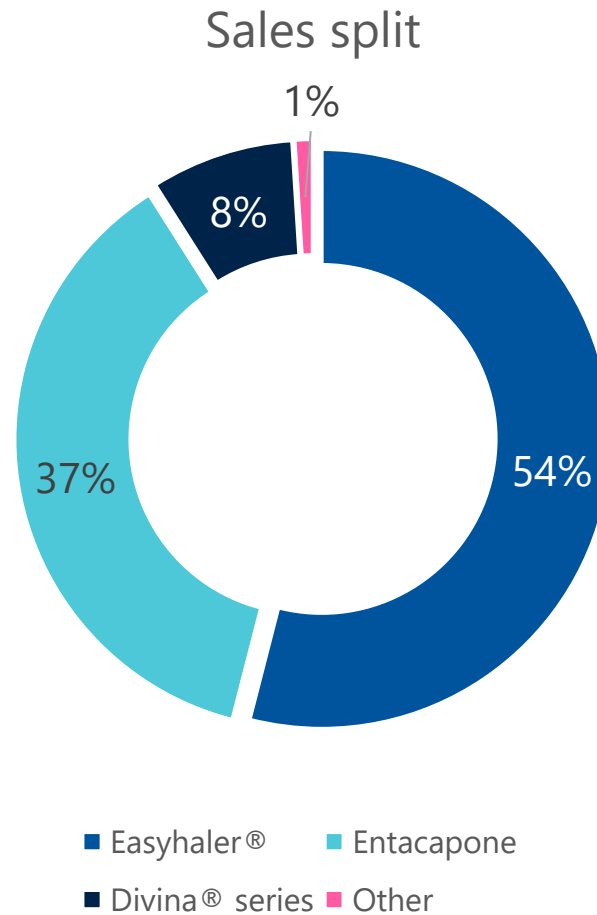
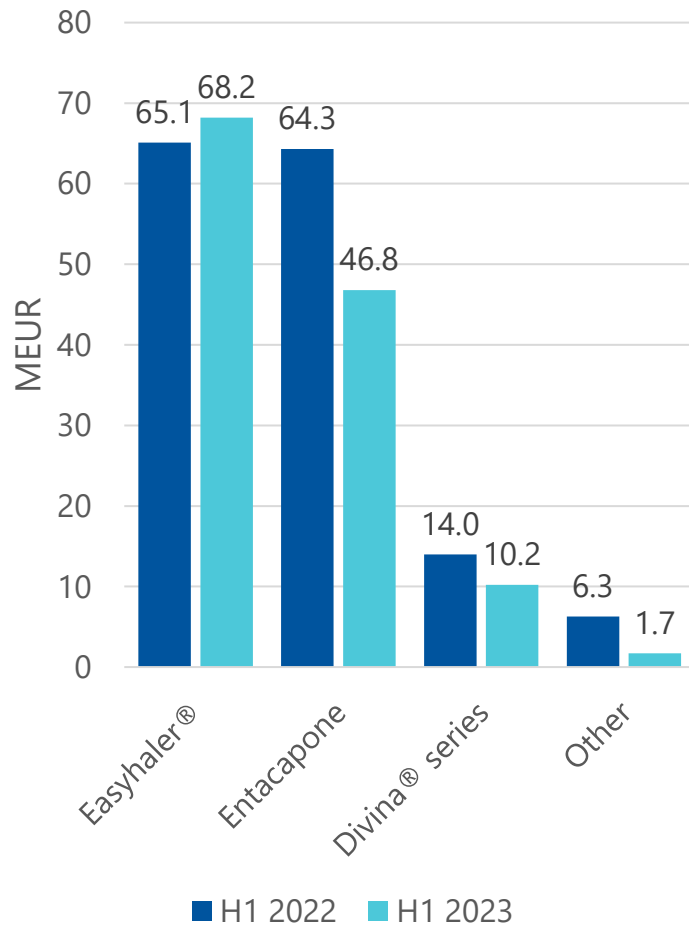


¹Orion's sales to Bayer for commercial use + royalties from Bayer

- Nubeqa® sales booked by Orion EUR 83.0 million (+114.3%) in H1 2023
- Marinus received positive CHMP opinion recommending the approval of ganaxolone² – marketing authorisation expected in the coming weeks

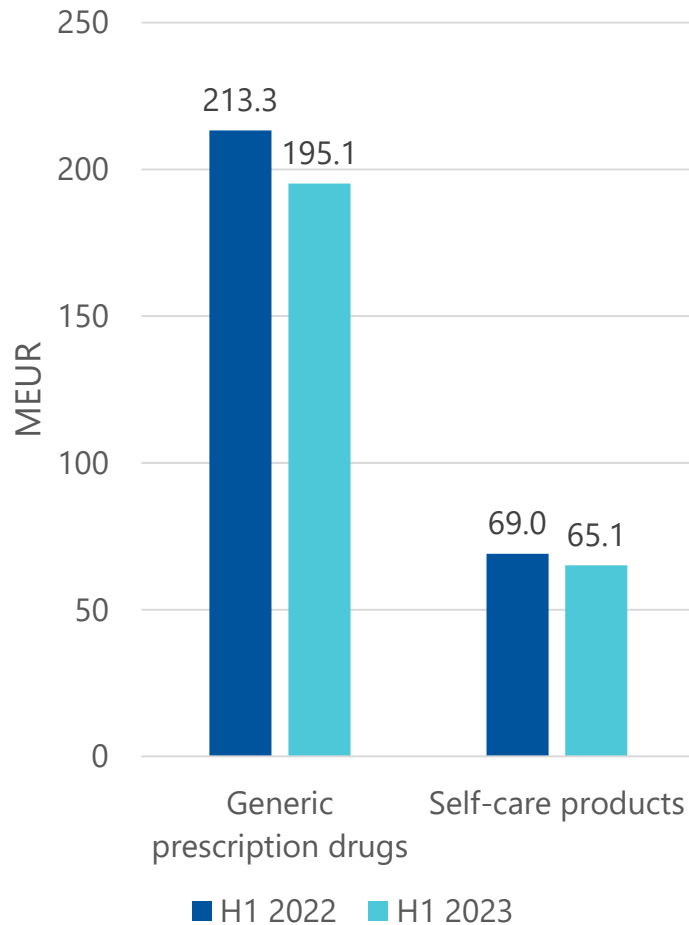
² oral suspension for the adjunctive treatment of epileptic seizures associated with cyclin-dependent kinase-like 5 (CDKL5) deficiency disorder (CDD) in patients two to 17 years of age. Treatment may be continued in patients 18 years of age and older.

Branded Products EUR 126.8 million (-15.2%)

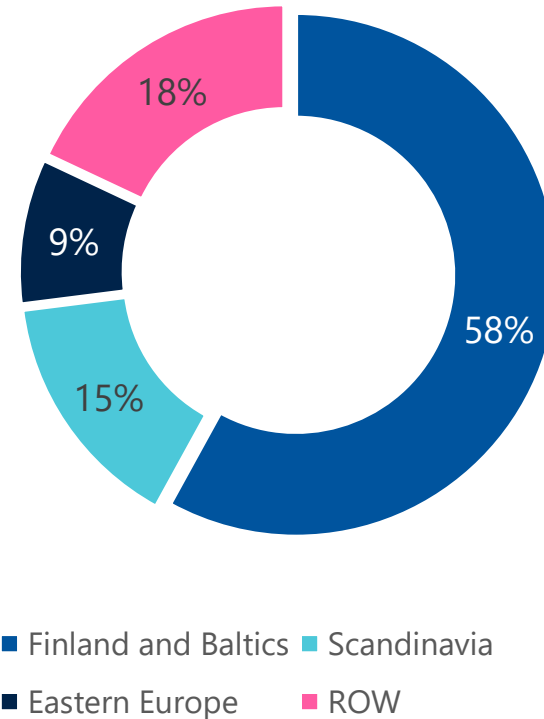


- Easyhaler® product portfolio continued on a growth track
- The decline in entacapone mainly due to lower partner sales which is mainly explained by timing of partner deliveries
- The decline in Divina® series due to discontinuation of business operations in Russia

Generics and Consumer Health EUR 260.3 million (-7.8%)

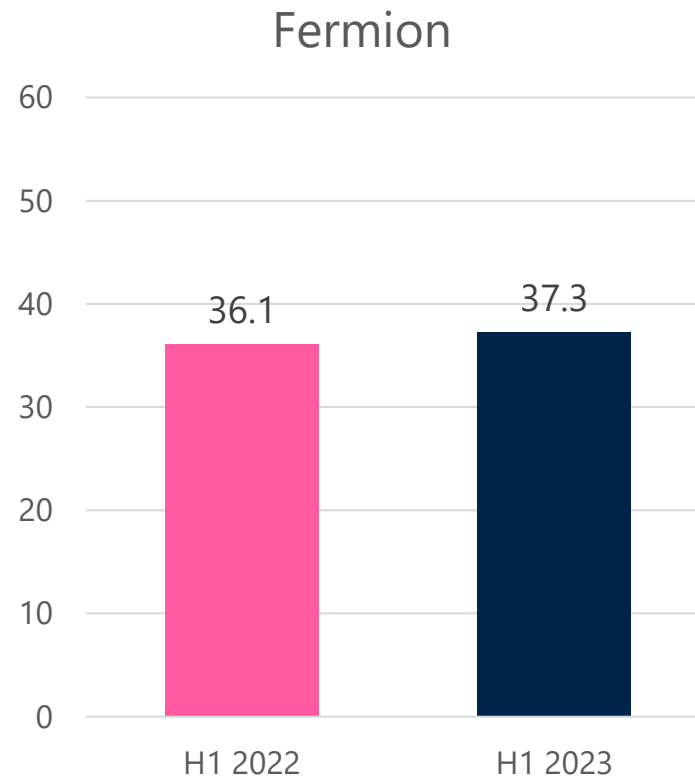
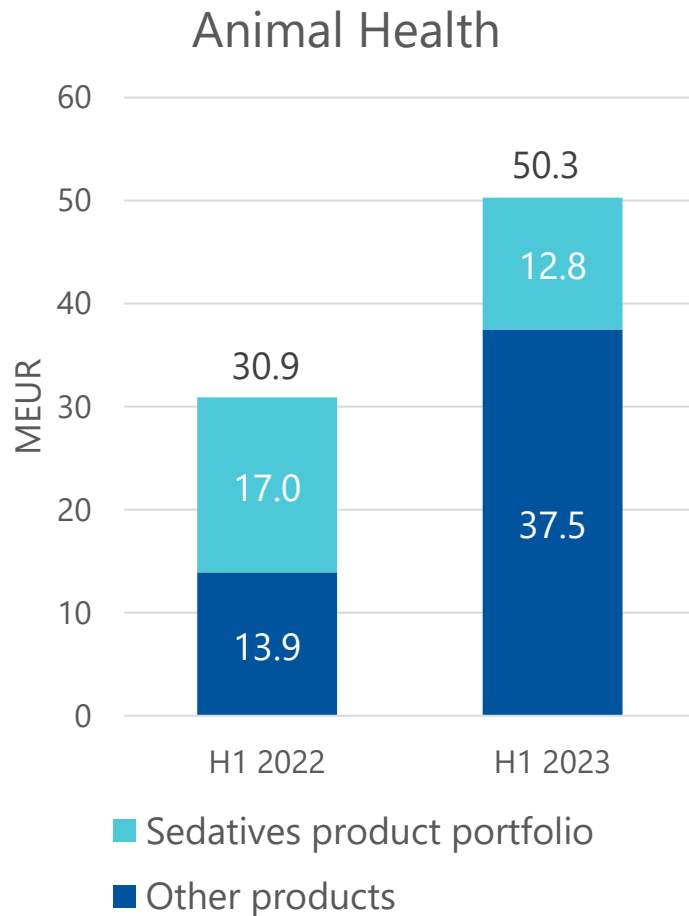


Sales split by geographic areas



- Generic competition pressing the prices and sales of Simdax[®] and dexmedetomidine products for human use
- Discontinuation of business operations in Russia also explains 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
- Weakening demand in animal health market

Key clinical development pipeline

Project/compound	Indication	PHASE I	PHASE II	PHASE III	REGISTRATION
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	Insomnia	Phase completed	Phase ongoing		
ODM-111 (NaV 1.8 blocker)	Pain	Phase ongoing			
ODM-212 (TEAD inhibitor)	Solid tumours				

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. Q1'2023:

- ARASENS removed as registration completed in key markets
- Indication specified for ODM-105 and phase II initiated
- ODM-212 added

The outcome of Orion's double materiality assessment in accordance with Orion's Sustainability Agenda



Patient safety as a top priority

1. Products that are effective, high-quality and safe to use
2. Safety of patients, consumers and animals
3. Responsible research & development of new medicines and treatments
4. Providing accurate product information and supporting correct use of medicines
5. Ensuring product availability and accessibility in primary markets



Active work for a better environment

6. Impacts on biodiversity & ecosystems: Reducing pharmaceuticals in the environment
7. Resource efficient manufacturing, including energy and materials
8. Reducing GHG emissions
9. Promoting green chemistry



Care for well-being professionals

10. Employee health, safety & well-being, equal treatment and work-related rights
11. Diverse and inclusive work community
12. Future capabilities and talent development



Ethics at the core of our business

13. Ethical business conduct
14. Good corporate governance practices, including sustainability governance
15. Data protection, information security and privacy
16. Transparent and sustainable supply chain, including consideration for health & safety and work-related rights
17. Regulatory compliance



Find out more about Orion's ESG matters on Capital Market Day's Sustainability update: [Capital Markets Day 2023 \(orion.fi\)](https://orion.fi)

Outlook for 2023 (specified)

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

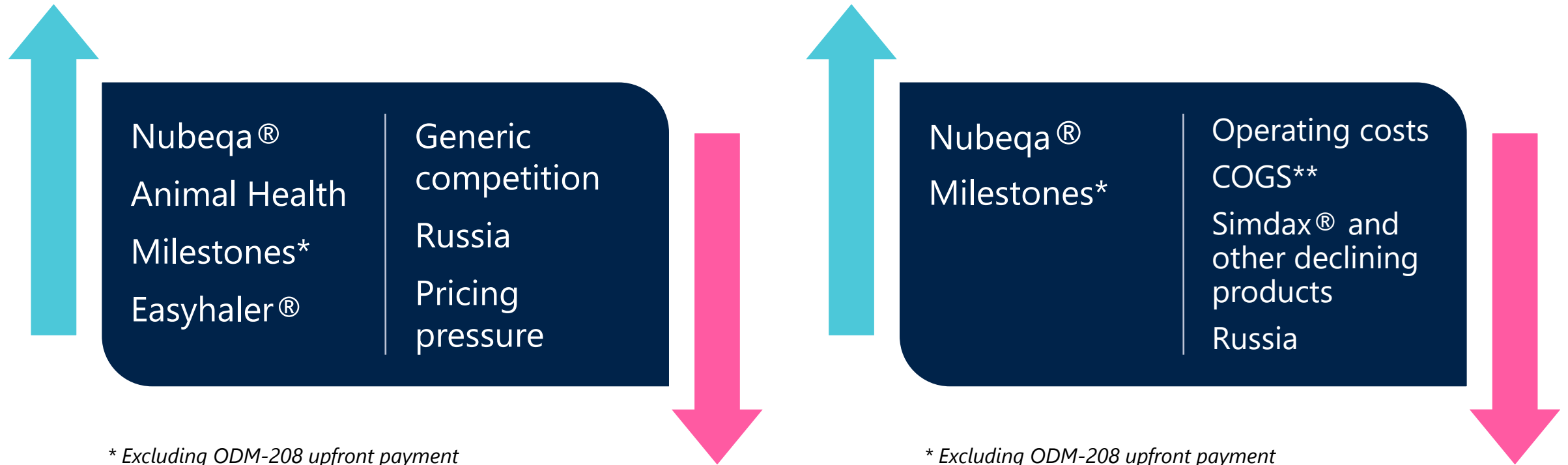
Operating profit is estimated to be **slightly higher** than in 2022 without the EUR 208 million net impact from the ODM-208 upfront payment and without the possible transfer of the insurance portfolio of Orion Pension Fund's B fund (operating profit in 2022 without the net impact of the ODM-208 upfront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



Basis for the outlook – key contributors

Net sales

Operating profit



* Excluding ODM-208 upfront payment

* Excluding ODM-208 upfront payment

** Cost of goods sold



Upcoming events

Interim Report 1–9/2023	26/10/2023
Financial Statement Release for 2023	13/2/2024
AGM 2024 planned to be held on	20/3/2024
Interim Report 1–3/2024	25/4/2024
Half-Year Financial Report 1–6/2024	18/7/2024
Interim Report 1–9/2024	29/10/2024

