

# Review by the President & CEO

Timo Lappalainen

# 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.

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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 Executive Management Board





## Highlights in January-December 2021

# Orion performed again well amid the pandemic - many good news from the development programs

## R&D

- The primary endpoint of ARASENS was met, ARANOTE trial was initiated
- EMA granted MA for Animal Health's Bonqat® and Tessie®
- Of the CYP11A1 projects, ODM-208 selected for the next development stage
- ODM-105 to clinical development
- New early research phase collaboration agreements

## Business

- Nubeqa® sales booked by Orion showed strong growth
- Operating costs lower than anticipated e.g. due to COVID-19 pandemic
- Orion received sales and marketing rights for ganaxolone in Europe

## Operating environment

- Production costs rising - difficult to pass on to own sales prices
- Risk of availability disruptions in products or raw materials remain high
- Orion has increased inventories of raw materials, supplies and products

## Dividend

The Board of Directors proposes EUR 1.50 dividend per share

## Key figures 1–12/2021

Net sales

**1,041**

MEUR (1,078)  
-3%

Operating profit

**243**

MEUR (280)  
-13%

Operating profit  
margin

**23%**

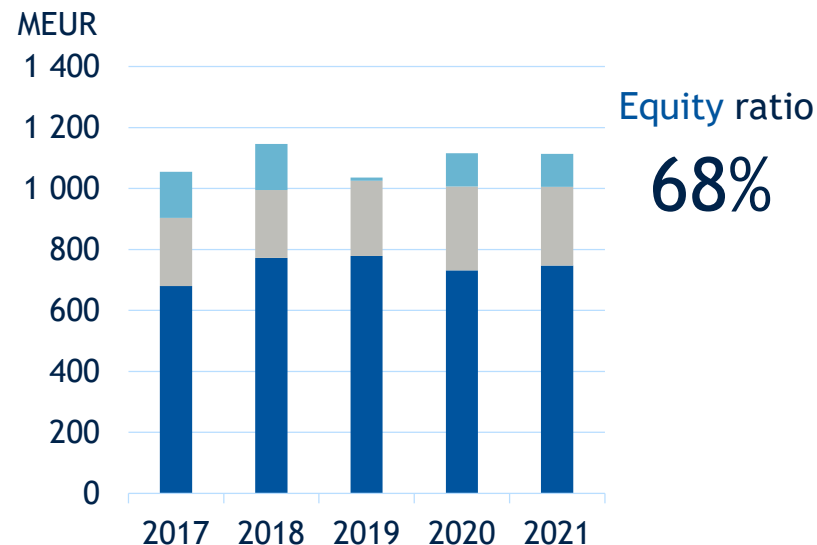
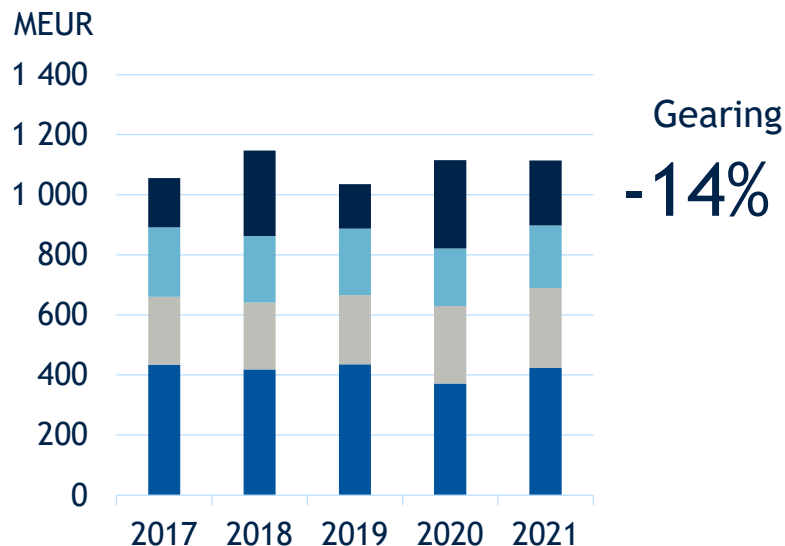
(26%)

Cash flow per share  
before financial  
items

**0.96**

EUR (1.85)  
-48%

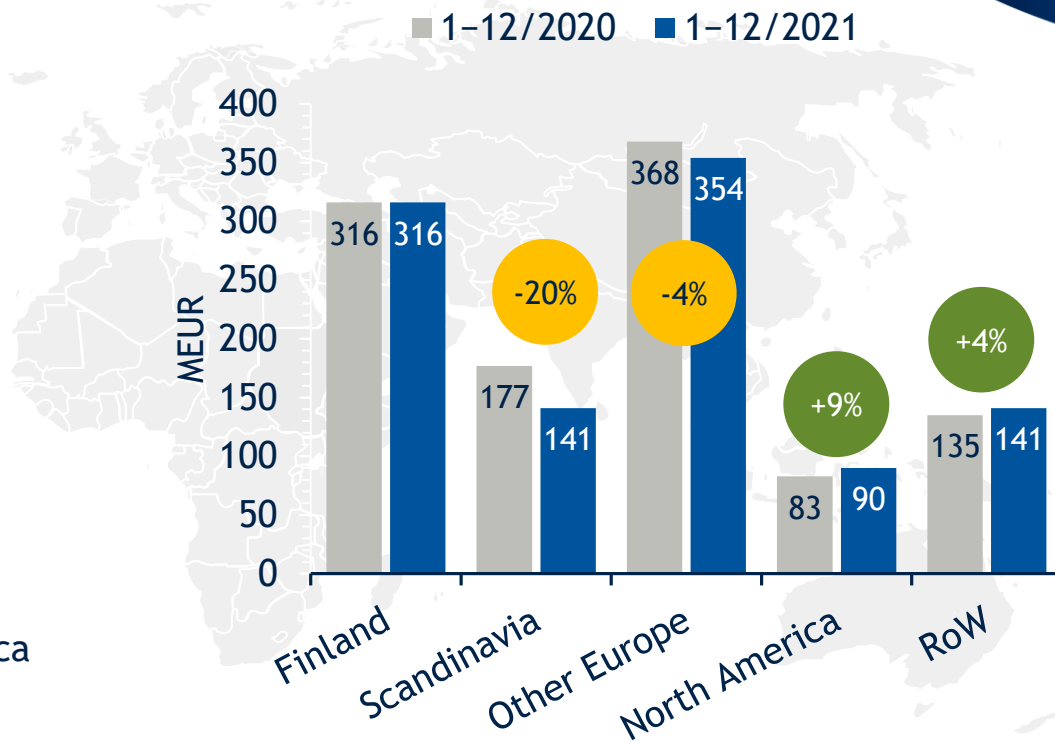
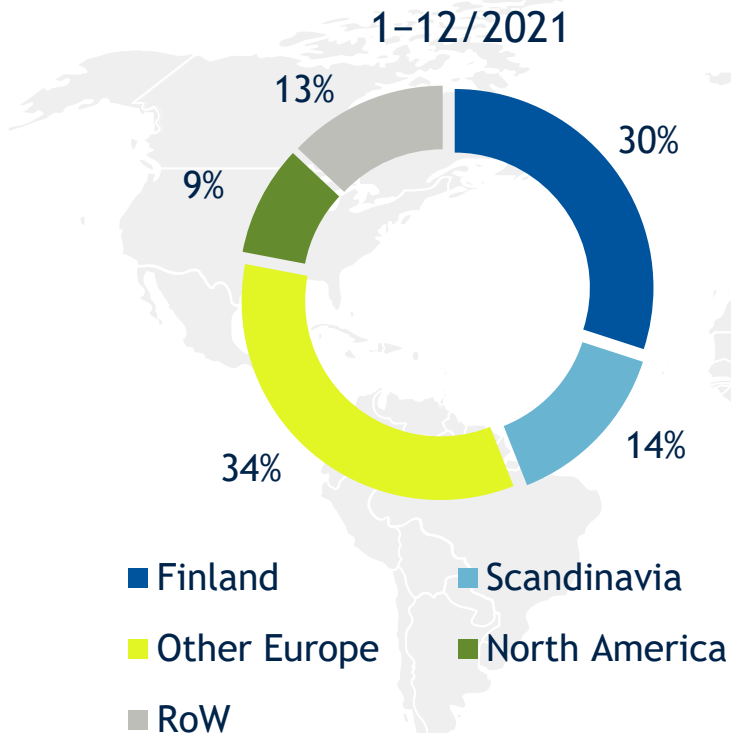
# Orion has a strong balance sheet



- Cash and money market investments
- Receivables
- Inventories
- Non-current assets

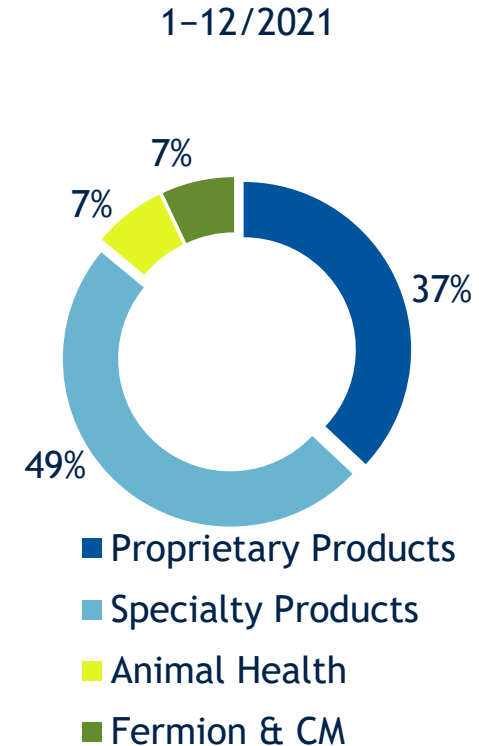
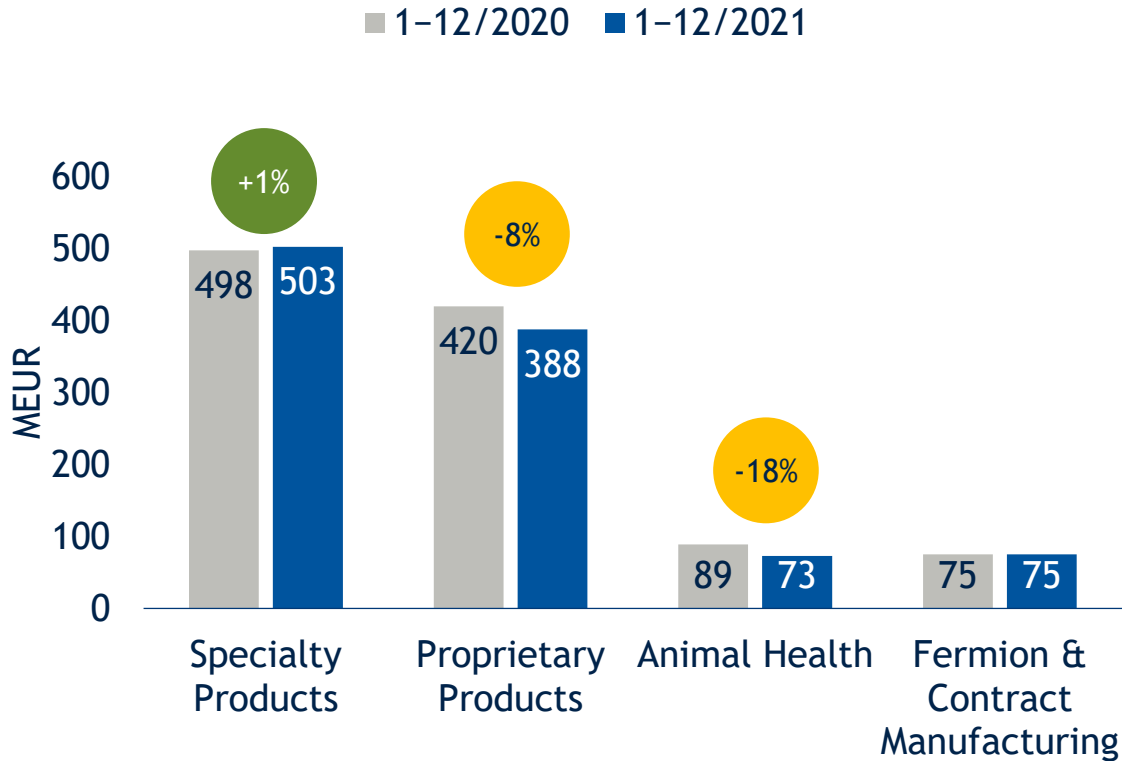
- Interest-bearing liabilities
- Non-interest-bearing liabilities
- Equity

# Geographical breakdown and development of net sales





# Milestones, generic competition and the ending of Animal Health distribution agreement headwinds for revenue



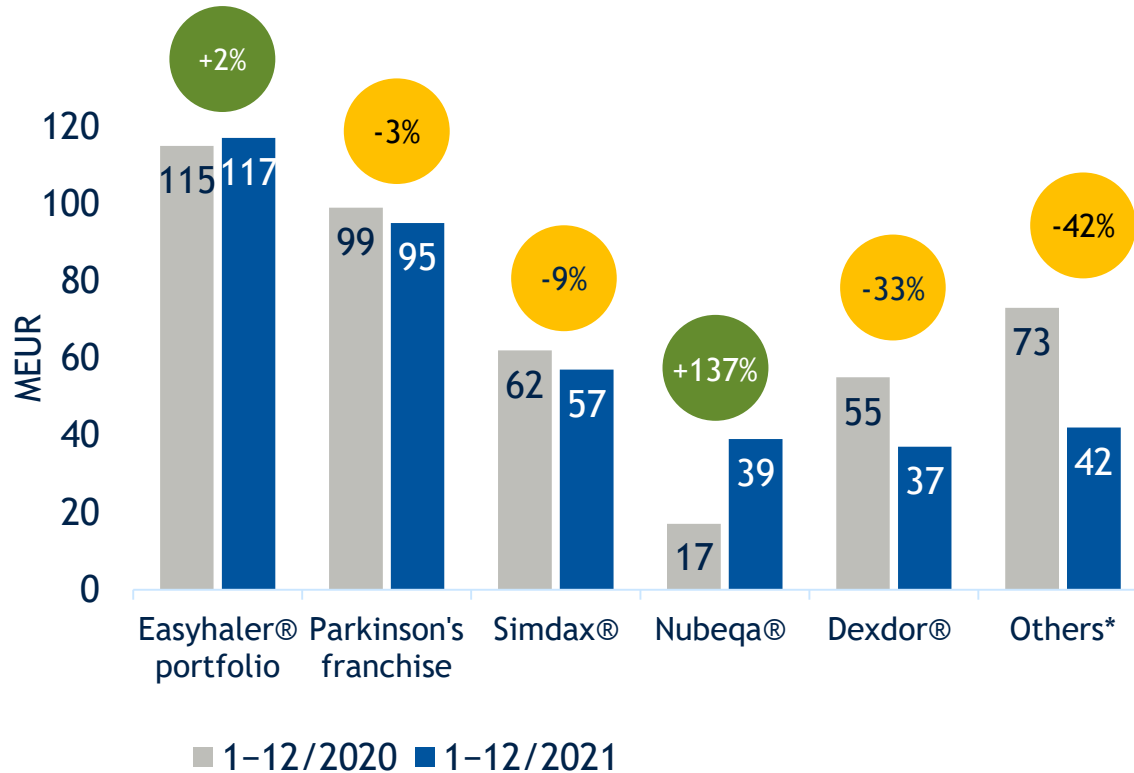
# TOP 10 products in 1–12/2021

		EUR million	vs. 1–12/2020
1.	Easyhaler® product portfolio	117	+2%
2.	Stalevo®, Comtess®, Comtan®	95	-3%
3.	Simdax®	57	-9%
4.	Nubeqa®	39	+137%
5.	Dexdomitor®, Domitor®, Domosedan®, Antisedan®	39	+12%
6.	<i>dexdor</i> ®	37	-33%
7.	Burana®	24	+1%
8.	Divina® series	23	+12%
9.	Solomet®	22	+44%
10.	Biosimilars	22	+24%
	Proprietary Products	Specialty Products	Animal Health

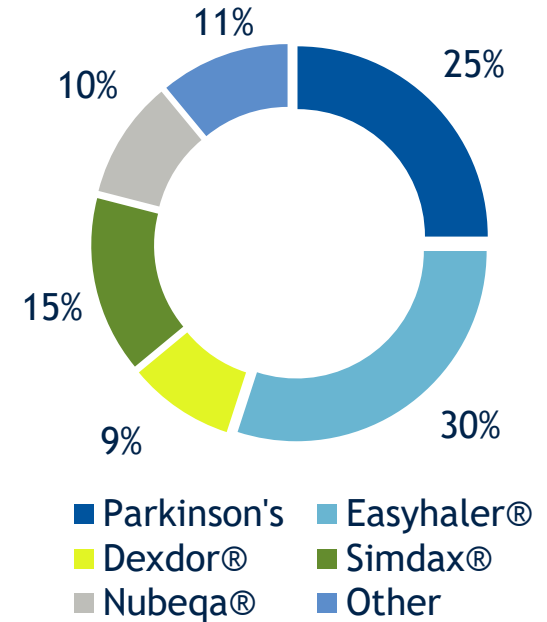


## Proprietary Products

# Nubeqa® continues strong growth as expected



## Proprietary Products sales split 1-12/2021

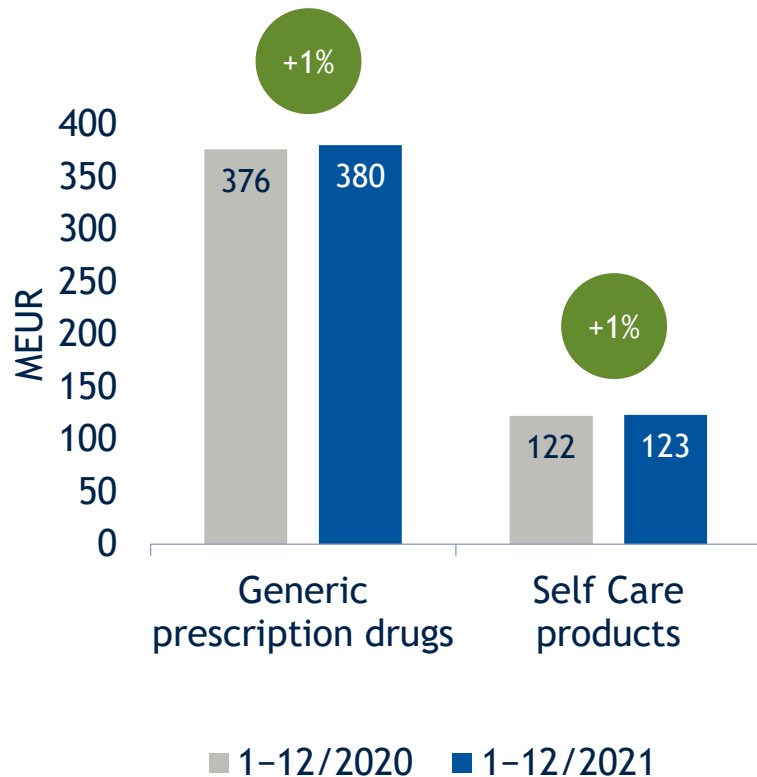


\*) 'Others' include service sales, milestone payments and products such as Enanton®, Precedex® and pharmaceuticals sold for use in clinical trials.

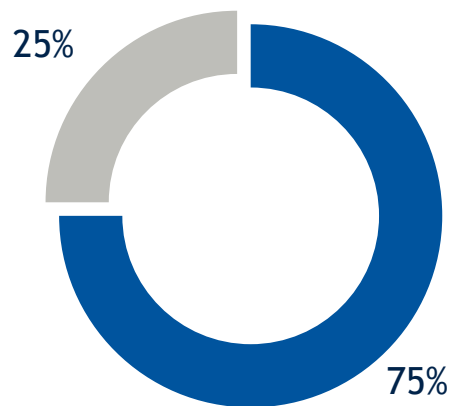


## Specialty Products

# Small growth in both product categories



Sales split 1-12/2021



■ Generic drugs ■ Self-care products

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

The market for reference priced prescription drugs in Finland\* (1-12/2021)

MEUR **433** (451)

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

MEUR **116** (111)

Market development

**-4 %**

Orion's development

**+5 %**

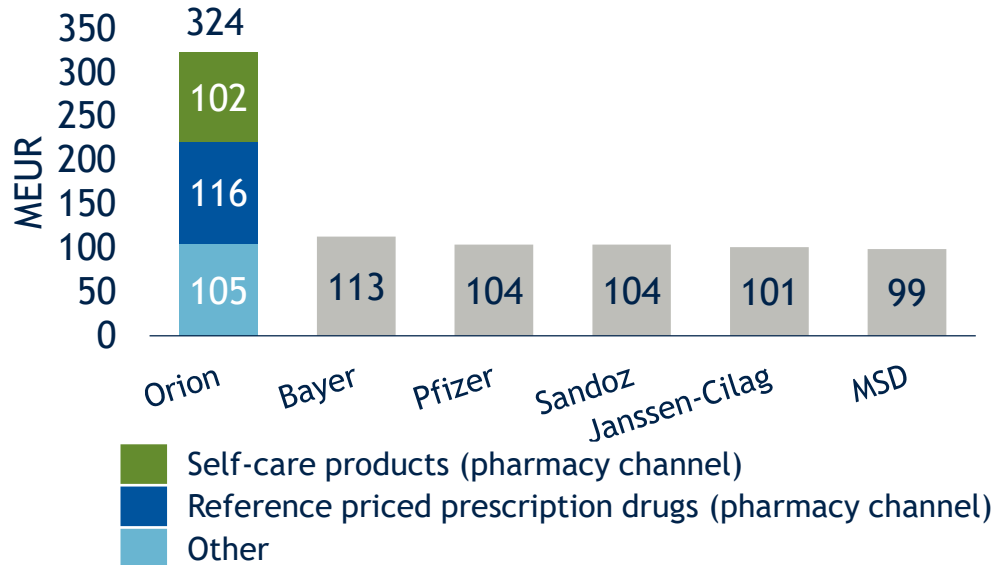


\* The reference-priced prescription drugs group metric counts in products that were reference-priced prescription drugs at the time the statistics were compiled. For this reason, sales figure in the comparative period may deviate from previously published data.

# Orion is strong in home market Finland

## Human pharma market in Finland 1-12/2021

Medicinal and non-medicinal products  
in hospital and pharmacy channels: EUR 2,984 million



### Reference priced prescription drugs

Orion market share in pharmacy

**27%**

(25%)\*

\* 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%**

(26%)

### Human pharmaceuticals total

Orion market share in hospital & pharmacy

**11%**

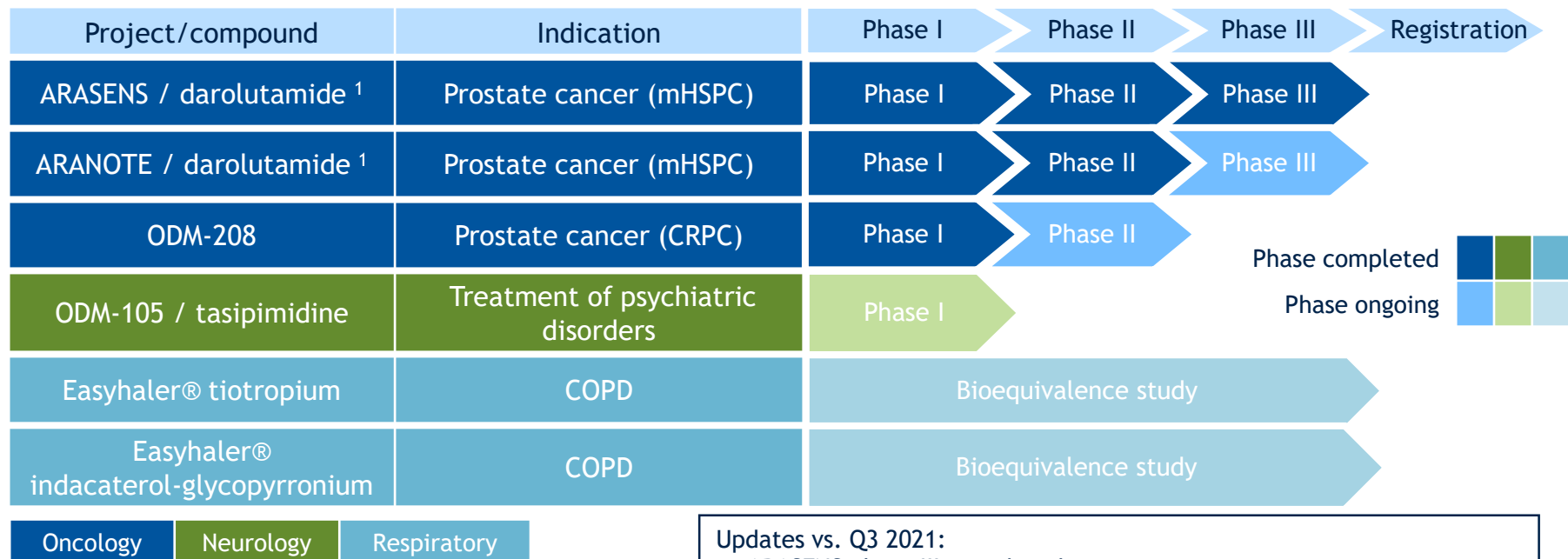
(11%)





## Research and development

# Key clinical development pipeline



<sup>1</sup> In collaboration with Bayer

Updates vs. Q3 2021:

- ARASENS phase III completed
- Development of ODM-209 terminated because ODM-208 chosen for further development

# ARASENS provides new data on darolutamide in the treatment of prostate cancer



2/17/2022

Darolutamide plus androgen deprivation therapy and docetaxel significantly increases overall survival in patients with metastatic hormone-sensitive prostate cancer

ORIGINAL ARTICLE | FEB 17, 2022



The NEW ENGLAND  
JOURNAL of MEDICINE

## Darolutamide and Survival in Metastatic, Hormone-Sensitive Prostate Cancer

M.R. Smith and Others | 10.1056/NEJMoa2119115

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**Overall survival with darolutamide versus placebo in combination with androgen-deprivation therapy and docetaxel for metastatic hormone-sensitive prostate cancer in the phase 3 ARASENS trial.**





## Orion and responsibility

# 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**

tCO<sub>2</sub>e (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

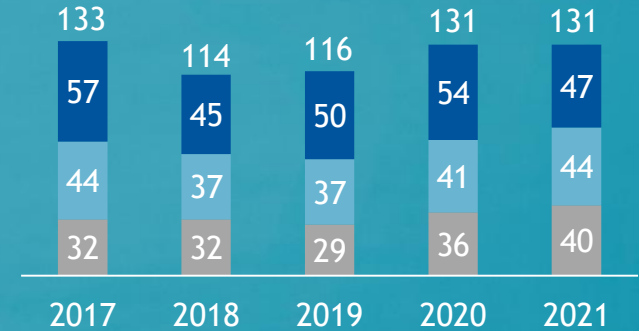
**653**

(3,410)

# Orion's tax footprint in Finland



Taxes and withholding taxes, EUR million



- Corporation tax on operating profit
- Tax withheld on wages
- Taxes withheld on dividend paid to Finnish shareholders and paid to the tax authorities by Orion



## How has Orion managed amid Covid-19

# Orion has coped with challenges



No disruptions in production



Availability of raw materials etc. secured



No significant increase in sick leaves



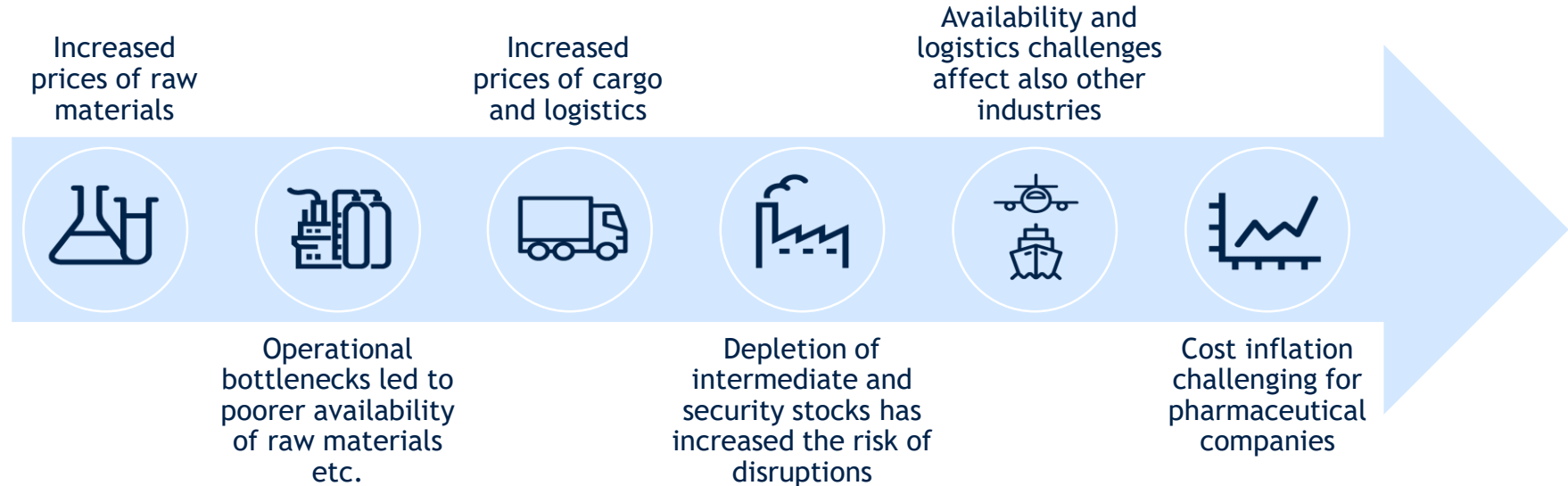
Availability of medicines secured



No major delays in R&D programs



# Supply chains have challenges even without Covid-19



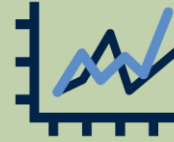


## Orion's strategic growth target 2025

# Orion's financial objectives and outcome in 2021



**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.**

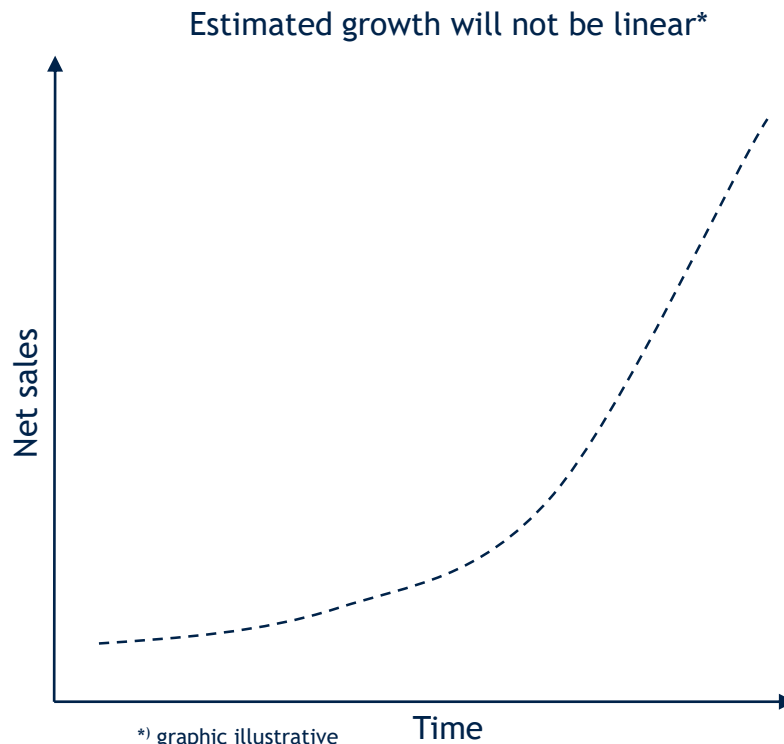
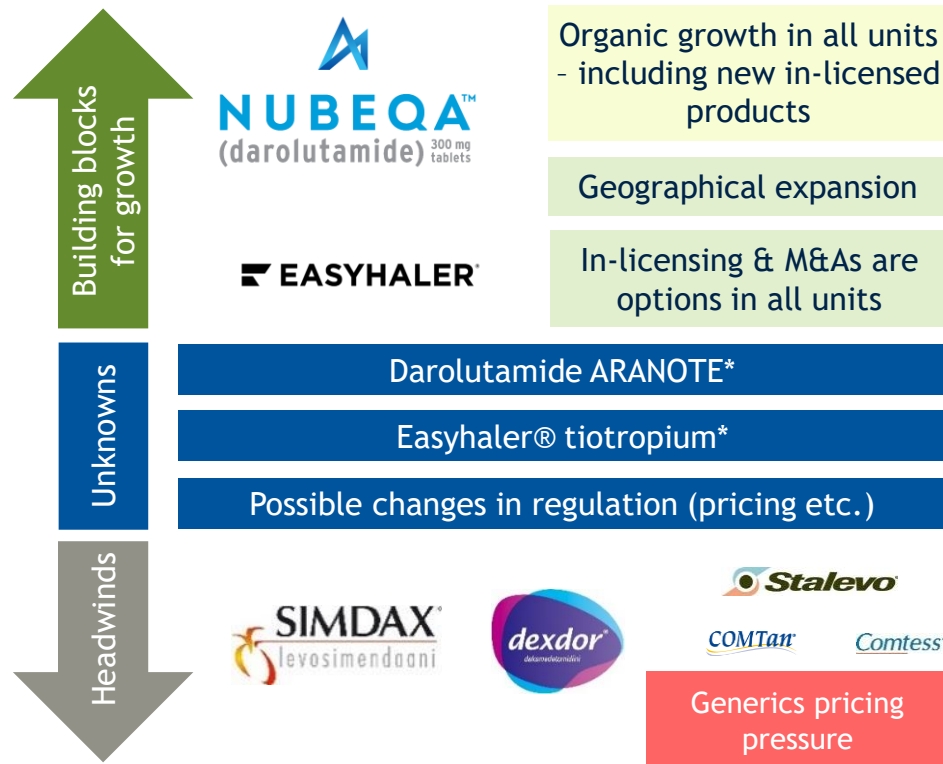
**STRATEGIC GROWTH TARGET: EUR 1.5 BILLION NET SALES BY THE END OF 2025**

Financial targets are all important

Right balance needed

Relative importance of targets change over time

# Path to the 2025 target from 2022 onwards - main drivers





## Outlook for 2022

## 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





## Building well-being