



Orion Group
Half-Year Financial Report 1-6/2021



Contents

Orion Group Half-Year Financial Report 1-6/2021	3
Key figures	3
President and CEO Timo Lappalainen: Orion's operating profit excluding milestone payments on par with previous year	4
Outlook for 2021 (provided on 9 February 2021)	5
Financial review for 1 January-30 June 2021	6
Key business targets for 2021 - status at the end of June	8
Business review	9
Research and development	14
Personnel	15
Significant legal proceedings	15
Key events in January-June 2021	16
Key events after the reporting period	16
Shares and shareholders	17
Orion's dividend distribution policy	18
Financial objectives	18
Outlook for 2021	19
Basis for outlook in more detail	19
Near-term risks and uncertainties	20
Upcoming events	22
Tables	23
Appendices	27

Orion Group Half-Year Financial Report 1-6/2021

- Net sales totalled EUR 524 million (EUR 572 million in 1-6/2020).
- Operating profit was EUR 146 (181) million.
- Profit before taxes was EUR 145 (180) million.
- Equity ratio was 68% (65%).
- ROCE before taxes was 36% (44%).
- ROE after taxes was 32% (38%).
- Basic earnings per share were EUR 0.82 (1.02).
- Cash flow per share before financial items was EUR 0.53 (0.90).
- The outlook for 2021 remains unchanged. Orion estimates that net sales in 2021 will be slightly lower than in 2020 (net sales in 2020 were EUR 1,078 million). Operating profit is estimated to be lower or clearly lower than in 2020 (operating profit in 2020 was EUR 280 million).

Key figures

	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Net sales, EUR million	254.9	292.5	-12.8%	523.6	572.4	-8.5%	1,078.1
EBITDA, EUR million	82.0	110.7	-25.9%	168.0	209.2	-19.7%	336.5
% of net sales	32.2%	37.8%		32.1%	36.6%		31.2%
Operating profit, EUR million	71.0	96.4	-26.3%	146.0	180.8	-19.2%	280.1
% of net sales	27.9%	33.0%		27.9%	31.6%		26.0%
Profit before taxes, EUR million	70.4	96.5	-27.1%	145.2	179.9	-19.3%	278.3
% of net sales	27.6%	33.0%		27.7%	31.4%		25.8%
Profit for the period, EUR million	56.0	75.6	-26.0%	115.5	143.0	-19.2%	219.9
% of net sales	22.0%	25.8%		22.1%	25.0%		20.4%
R&D expenses, EUR million	28.8	32.3	-10.9%	53.9	59.2	-8.9%	123.2
% of net sales	11.3%	11.1%		10.3%	10.3%		11.4%
Capital expenditure, EUR million	14.4	10.8	+33.1%	26.4	21.2	+24.8%	48.5
% of net sales	5.7%	3.7%		5.0%	3.7%		4.5%
Interest-bearing net liabilities, EUR million				-51.1	-53.2	-4.0%	-185.8
Basic earnings per share, EUR million	0.40	0.54	-26.0%	0.82	1.02	-19.2%	1.56
Cash flow per share before financial items, EUR	0.33	0.56	-40.1%	0.53	0.90	-41.2%	1.85
Equity ratio, %				68.2%	65.3%		66.7%
Gearing, %				-7.3%	-7.5%		-25.4%
ROCE (before taxes), %				35.6%	44.4%		34.8%
ROE (after taxes), %				32.3%	38.4%		29.1%
Average personnel during the period				3,362	3,336	+0.8%	3,337

President and CEO Timo Lappalainen:

Orion's operating profit excluding milestone payments on par with previous year

“2021 has marched on steadily despite the exceptional circumstances brought on by the COVID-19 pandemic. For Orion, this has meant continuing to focus on looking after the health and safety of our employees and ensuring production continuity, product availability and patient safety in ongoing clinical trials.

Orion's net sales in January-June 2021 were EUR 524 (572) million and the company's operating profit was EUR 146 (181) million. The anticipated decline in net sales and operating profit was mainly attributable to three factors: the milestone payments that were clearly smaller than in the comparison period, a drop in the sales of Dexdor® and Simdax® owing to the expiration of their product patent protection and the expiration of a significant distribution agreement for veterinary drugs last year. Nubeqa® product net sales booked by Orion increased as strongly as expected. The Specialty Products unit's net sales were at a good level on the whole, although they did decrease from the strong comparison period. In some product groups, the demand has been clearly weaker than normal. This owes itself to various restrictions relating to the COVID-19 pandemic, which have resulted in a reduced prevalence of seasonal illnesses as opposed to the norm and a dip in the number of medical appointments. These consequences of the pandemic also had a negative effect on the demand for the Easyhaler® products. The Animal Health unit's business developed vigorously in all markets due to new product launches and distribution agreements, among other things. On the whole, the unit's net sales fell short of the comparison period because of the said expiration of a significant distribution agreement.

During the review period, we received positive news of our research and development projects, as Tessie®, a veterinary drug developed by Orion, was recommended for marketing authorisation by the Committee for Medical Products for Veterinary Use (CVMP) of the European Medicines Agency (EMA) and Bonqat®, another veterinary drug developed by Orion, received a marketing authorisation from the European Commission.

More good news came in from Orion's digital therapies development projects, as the VIRPI trial, which examined the effects of utilising virtual reality therapy in the treatment of chronic low back pain, reported positive results in June.

In the review period, we decided to discontinue the development of a new dry powder inhaler and focus on developing the existing Easyhaler® platform as well as improving competitiveness. The Easyhaler® technology has been on the market for decades and is the subject of continued development.

The estimate concerning the completion of the Phase III ARASENS clinical trial on darolutamide with Bayer was updated in the review period, and the trial is currently expected to reach primary completion in the final quarter of 2021. Orion's other key clinical development projects proceeded as expected in the review period.

The global pharmaceutical supply chains have functioned fairly well from Orion's perspective throughout the pandemic, and so far we have not experienced any material disruptions or shortages. To our current knowledge, no disruptions or shortages are expected to affect the outlook for the rest of 2021 either. The risk associated with disturbances in global supply and logistics chains continues to be higher than usual, and we have taken various measures to mitigate it, such as increasing the stock levels of products, raw materials and supplies clearly above their long-term averages. Travel and other restrictions resulting from the pandemic have not caused labour shortages at Orion so far, and we have been able to carry out all maintenance procedures and scheduled production shutdowns as planned, even those requiring special expertise.

In the review period, we continued our determined work to achieve Orion's strategic growth target and commenced preparations to expand our non-European operations to Australia and New Zealand, among other things. Last year, we expanded our operations to Singapore, Malaysia and Thailand, and operations in these countries have started as planned. We have also continued our systematic work to identify and evaluate targets for product and business acquisitions.”

Outlook for 2021 (provided on 9 February 2021)

Orion estimates that net sales in 2021 will be slightly lower than in 2020 (net sales in 2020 were EUR 1,078 million).

Operating profit is estimated to be lower or clearly lower than in 2020 (operating profit in 2020 was EUR 280 million).

Basis for the outlook and an overview of near-term risks and uncertainties are provided on pages 19-22 of this review.

Financial review for 1 January-30 June 2021

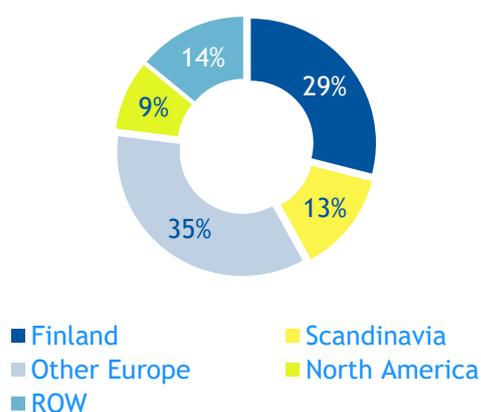
Change in reporting

Orion Group revised its accounting practice as of 1 January 2021 by re-assigning some expenses associated with manufacturing and purchasing, previously reported as administrative expenses, to the cost of goods sold. The change does not affect reported key figures, operating profit or balance sheet, but it reduces previously reported administrative expenses for 2020 by EUR 7.3 million and correspondingly raises the cost of goods sold. More information on the impact of the revision is provided in the notes to this review.

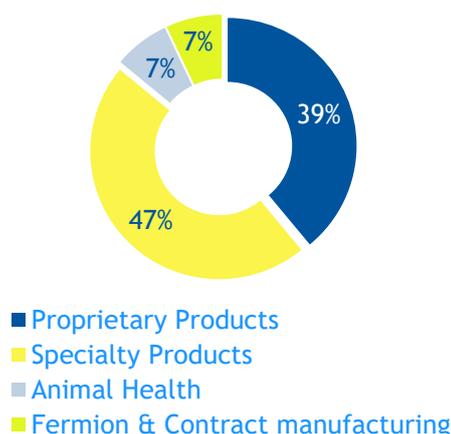
Net sales

Orion Group's net sales in January-June 2021 totalled EUR 524 (572) million, a decrease of 9%. Exchange rate fluctuations impacted net sales negatively by EUR 1 million during the period. Net sales of Orion's top ten pharmaceuticals amounted to EUR 238 (245) million. They accounted for 45% (43%) of the total net sales.

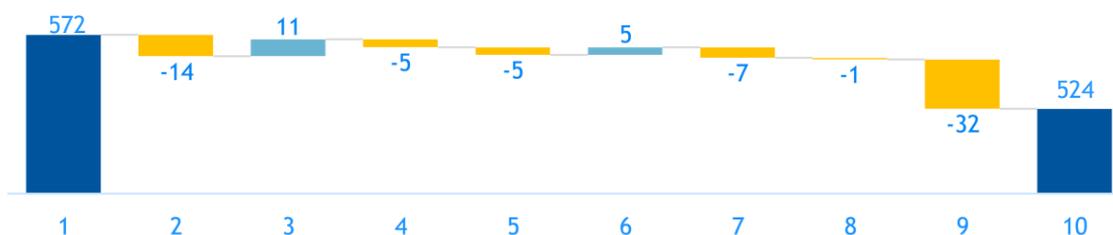
Net sales split by region
1-6/2021



Net sales split by business units
1-6/2021



Development of net sales 1-6/2021 vs. 1-6/2020



1	Net sales in 1-6/2020	6	Other Proprietary Products and Specialty Products
2	Dexdor®	7	Animal Health and Fermion & Contract manufacturing
3	Nubeqa® (product sales & royalty)	8	Exchange rates
4	Simdax®	9	Royalties & milestones (without Nubeqa® royalties)
5	Easyhaler® product portfolio	10	Net sales in 1-6/2021

Operating profit

The Orion Group's operating profit was down by 19% at EUR 146 (181) million. EBITDA was down by 20% at EUR 168 (209) million.

The effect of the decrease in net sales as calculated in local currencies on the gross profit of product and service sales was EUR 10 million negative. Price, cost and product portfolio changes had a negative impact of EUR 14 million and currency rate changes a positive impact of EUR 1 million. In all, with the joint impact of these items, the gross profit from product and service sales was EUR 23 million less than in the comparative period.

Milestone payments accounted for EUR 2 (33) million and royalties for EUR 12 (10) million of net sales and operating profit. The increase in other operating income had a EUR 3 million positive impact on the operating profit. Operating profit includes a EUR 4 million sales gain on a real estate transaction booked in the second quarter.

Operating expenses decreased by EUR 15 million.



1	Operating profit in 1-6/2020	5	Milestones & royalties
2	Product & service sales without sales margin and product mix change and exchange rate effect	6	Other income
3	Product sales margin and product mix change but without exchange rate effect	7	Fixed cost
4	Exchange rate effect on gross margin	8	Operating profit in 1-6/2021

Operating expenses

The Group's sales and marketing expenses were down by 9% and totalled EUR 92 (102) million. The decrease is mainly due to costs remaining below normal in the review period due to the COVID-19 pandemic, while in the comparative period in January-March 2020 costs were still roughly at their normal level.

Research and development expenses were reduced by 9% and totalled EUR 54 (59) million. They accounted for 10% (10%) of the Group's net sales. Research projects are reported in more detail under the 'Research and development' section of this review.

Administrative expenses were EUR 22 (23) million.

Other operating income and expenses amounted to EUR 5 (2) million (positive).

Group's profit

Profit for the period was EUR 116 (143) million.

Basic earnings per share were EUR 0.82 (1.02). Equity per share was EUR 4.97 (5.05).

The return on capital employed before taxes (ROCE) was 36% (44%) and the return on equity after taxes (ROE) 32% (38%).

Financial position

The Group's gearing was -7% (-8%) and the equity ratio 68% (65%).

The Group's total liabilities at 30 June 2021 were EUR 343 (397) million. At the end of the period, interest-bearing liabilities amounted to EUR 108 (159) million, including EUR 105 (106) million of long-term liabilities.

The Group had EUR 159 (212) million of cash and cash equivalents and money market investments at the end of the review period.

Cash flow

Cash flow from operating activities was EUR 100 (147) million. Cash flow deteriorated mainly due to the result being below that of the comparative period. In the review period, EUR 45 (37) million was tied up in working capital.

The cash flow from investing activities was EUR -26 (-21) million.

The cash flow from financing activities was EUR -212 (-62) million. The difference is due to the loans of EUR 150 million drawn in the comparative period.

Capital expenditure

The Group's capital expenditure totalled EUR 26 (21) million. This comprised EUR 21 (18) million on property, plant and equipment and EUR 5 (3) million on intangible assets.

Key business targets for 2021 - status at the end of June

TARGET		Status on 30/6/2021
Nubeqa®	Supporting sales growth and co-promotion in Europe with Bayer	
	Positive outcome from Phase III ARASENS trial	
	Taking phase III ARANOTE trial forward together with Bayer	
Easyhaler® product portfolio	Sales growth	
ODM-208	Taking the development program forward according to plan	
Finland	Maintenance and strengthening of market position	
Scandinavia	Reinforcing Orion's position in generic prescription drugs	
Future growth enablement	In-licensing of new products	
	Portfolio enhancement through product acquisitions and M&A	

	= proceeded on target		= behind target		= target not attainable		= not known
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Orion regularly monitors the progress of these goals in its financial reviews.

Business review

Review of the Finnish human pharmaceuticals market

Finland is the most important individual market for Orion, generating more than a quarter of the Group's net sales. According to Pharmarket statistics (1-6/2021), the total sales of Orion's human pharmaceuticals in January-June 2021, including both medicinal and non-medicinal products, were at the previous year's level. The prevalence of seasonal illnesses such as common respiratory tract infections has been lower than normal due to which the market volumes were lower than normal especially in the self-care products.

Orion's biggest product group in Finland are reference-priced prescription drugs in the pharmacy channel. The sales of Orion's reference-priced prescription drugs increased, while the total market fell from the comparison period. The average price of reference-priced drugs in the market declined by approximately 8% from the comparative period (Source: Pharmarket). The impact of constant price competition on Orion has been significant due to the Company's broad product range and significant market share in Finland.

Despite the challenging operating environment, Orion has maintained its position as leader in marketing pharmaceuticals in Finland. Orion has a particularly strong position in reference-priced prescription drugs and self-care products, with its market share being a quarter of the market in each.

Sales of human pharmaceuticals in Finland (medicinal and non-medicinal products):

EUR million	1-6/21	1-6/20	Change %
Total sales of human pharmaceuticals (hospital and pharmacy channel)			
Market	1,426	1,421	+0%
Orion	154	154	+0%
Prescription drugs total (pharmacy channel)			
Market	789	782	+1%
Orion	89	87	+2%
Reference priced prescription drugs (pharmacy channel) *			
Market	215	228	-6%
Orion	51	50	+2%
Self-care products (pharmacy channel)			
Market	197	207	-5%
Orion	49	53	-7%

* 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 and market share figures in the comparative period may deviate from previously published data.

Source: Pharmarket sales statistics 1-6/2021

Orion's market share in the sales of human pharmaceuticals in Finland (medicinal and non-medicinal products):

Orion's market share, %	1-6/21	1-6/20
Human pharmaceuticals in total (hospital and pharmacy channel)	11%	11%
Prescription drugs total (pharmacy channel)	11%	11%
Reference priced prescription drugs (pharmacy channel) *	24%	22%
Self-care products (pharmacy channel)	25%	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, sales and market share figures in the comparative period may deviate from previously published data.

Source: Pharmarket sales statistics 1-6/2021

Orion's sales network

Orion's products are sold globally in over one hundred countries. Orion is engaged in the sale of human pharmaceuticals in Europe, Singapore, Thailand and Malaysia. Additionally, Orion is preparing to expand its non-European operations to Australia and New Zealand. Elsewhere in the world, Orion products are sold by the company's partners. Orion is engaged in the sale of veterinary drugs in the Nordic countries and in parts of Eastern Europe. Elsewhere, these products are sold by partners. The company is also engaged in the sale of Fermion and contract manufacturing products and services globally.

Proprietary Products

The product portfolio of the Proprietary Products unit consists of prescription products in three therapy areas: neurological disorders, oncology and critical care, and inhaled pulmonary drugs under Easyhaler® product portfolio.

Net sales of the unit in January-June 2021 were down by 17% and totalled EUR 202 (243) million. A substantial part of the decline is attributable to milestone payments that were smaller than in the comparison period, amounting to EUR 2 (33) million in the review period.

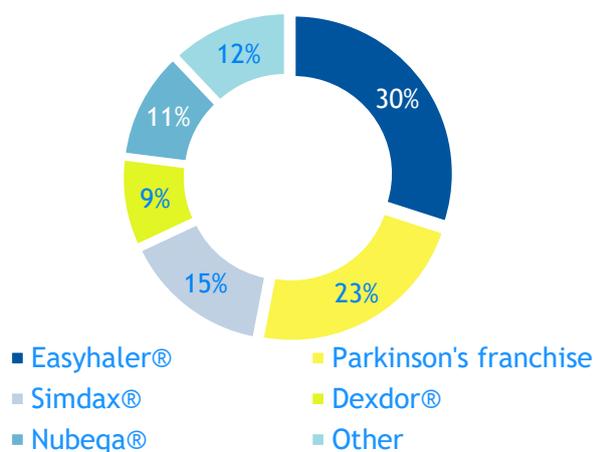
Net sales by product

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Easyhaler® product portfolio	30	26	+12%	56	61	-9%	115
Stalevo®, Comtess® and Comtan®	23	25	-6%	52	53	-0%	99
Simdax®	15	15	-4%	29	35	-16%	62
Dexdor®	8	18	-53%	20	34	-40%	55
Nubeqa®*	11	4	+179%	19	8	+140%	17
Other**	12	44	-73%	26	52	-51%	73
TOTAL	99	132	-25%	202	243	-17%	420

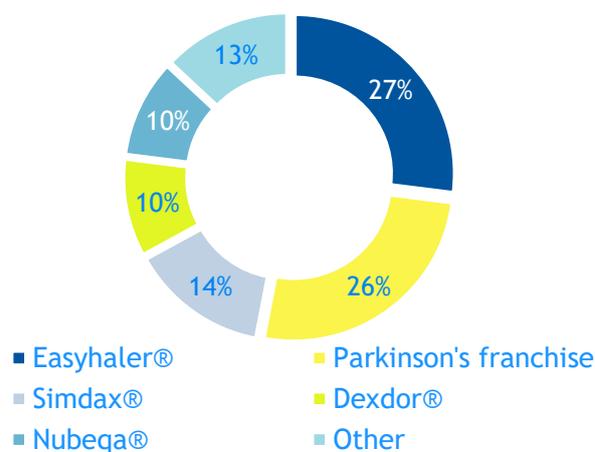
*) includes product sales to Bayer and royalties booked by Orion

**) includes milestone payments and products such as Enanton®, Precedex® and pharmaceuticals sold for use in clinical trials. In January-June 2021, net sales of darolutamide sold for use in clinical trials were EUR 9 (7) million.

Net sales split 4-6/2021



Net sales split 1-6/2021



In January-June 2021, Orion booked a total of EUR 19 (8) million of product sales for deliveries of Nubeqa® (darolutamide) to Bayer and in royalties from the same product. Nubeqa® is indicated for the treatment of non-metastatic castration-resistant prostate cancer.

Bayer holds global commercial rights to darolutamide. In Europe, however, Orion and Bayer are co-promoting. In addition, Orion will manufacture the product for global markets. Besides milestone payments, Orion will also receive tiered royalties on global darolutamide sales, which will be approximately 20% including product sales to Bayer. Initially the royalty will be slightly lower, and as sales increase, royalties may increase slightly. Orion also has the possibility to receive one-off payments from Bayer when certain global annual sales targets are met for the first time.

Orion's Easyhaler® is a dry-powder inhaler developed in-house, for which Orion has developed Easyhaler®-adapted dry powder formulations of several well-known generic active pharmaceutical ingredients (salbutamol, beclometasone, budesonide, formoterol, salmeterol and fluticasone). Total net sales of the Easyhaler® product portfolio for treatment of asthma and chronic obstructive pulmonary disease fell below the strong comparative period by 9% and amounted to EUR 56 (61) million in January-June 2021. Medical appointments have reduced in number around Europe due to the COVID-19 pandemic, which has reflected negatively on the entire dry-powder pulmonary drug market and thereby on the demand for Easyhaler® products. However, Easyhaler® products fared better than the general market in Orion's key markets. Sales of the budesonide-formoterol combined formulation decreased by 7% and was EUR 34 (37) million. The sales of other Easyhaler® products (beclometasone, budesonide, formoterol, salbutamol and salmeterol-fluticasone combined formulation) decreased by 12% and stood at EUR 21 (24) million.

Besides Orion's sales, co-marketing partner Menarini sells the budesonide-formoterol combined formulation in France and in a few Southern European countries. The first marketing authorisation applications have also been submitted outside Europe. Menarini is in charge of selling the budesonide-formoterol combined formulation in the Asia and Pacific region, and Hikma Pharmaceuticals PLC in the Middle East and North Africa.

Orion's drugs for treatment of Parkinson's disease are Stalevo® (active pharmaceutical ingredients carbidopa, levodopa and entacapone) and Comtess®/Comtan® (entacapone). Their total net sales in January-June 2021 were EUR 52 (53) million.

Orion markets its own Parkinson's drugs in Europe and in Singapore, Thailand and Malaysia. Elsewhere, the products are sold by partners. The most important single market for Orion's Parkinson's drugs is currently Japan, where Orion has a distribution agreement with Novartis.

Breakdown of sales of Parkinson's drugs:

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %
Deliveries to key partners	10	13	-29%	25	28	-11%
Orion's own sales	14	11	+23%	27	24	+13%

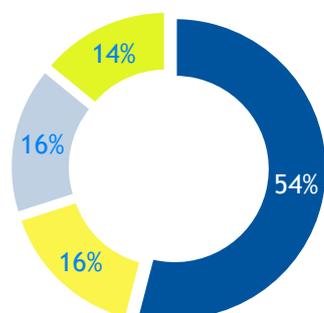
Net sales of Orion's Dexdor® intensive care sedative (dexmedetomidine) decreased by 40% to EUR 20 (34) million. As was to be expected, the decline accelerated from the first quarter, during which the demand for intensive care sedatives still remained higher than normal due to the COVID-19 pandemic. Sales were extremely strong in the comparative period despite the launch of generic competition, due to increased demand caused by the COVID-19 pandemic as well as shortages in some competing products in the markets. The demand for Precedex® also remained at an above-normal level due to the pandemic. Sales of Precedex® totalled EUR 6 (7) million in January-June 2021.

Simdax® (levosimendan), a drug for treatment of acute decompensated heart failure is sold in some 60 countries worldwide. Net sales of the product in January-June 2021 were down by 16% at EUR 29 (35) million. The sales declined from the strong comparative period mainly due to falling prices in some markets. Simdax® is a liquid infusion concentrate, and its formulation patent in key markets expired in September 2020.

Specialty Products

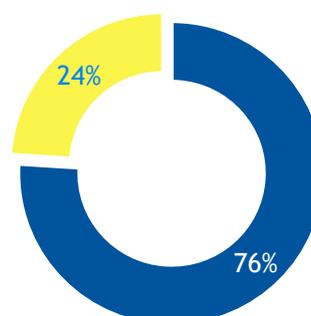
The net sales of the Specialty Products unit, comprising generic (off-patent) prescription drugs (including biosimilars) and self-care products, in January-June 2021 amounted to EUR 244 (249) million, a decline of 2%. Despite the decline, the unit's net sales were at a good level. The comparative period was exceptionally strong, as the COVID-19 pandemic caused a massive spike in demand for pharmaceuticals and self-care products in Finland and other key markets in March 2020, but not in the review period. Owing to the coronavirus pandemic and related restrictions implemented in various countries, the prevalence of seasonal illnesses, such as common respiratory tract infections, has been lower than normal, and there has been a decline in non-critical medical appointments and thereby in the number of prescriptions issued. This phenomenon has had a negative impact on the entire generic drugs and self-care products market and thereby also on the sales of Orion's Specialty Products unit. Of the net sales of Specialty Products, generic prescription drugs accounted for 76% (75%) and self-care products for 24% (25%).

Net sales split 1-6/2021



- Finland
- Scandinavia
- Eastern Europe & Russia
- ROW

Net sales split by product groups 1-6/2021



- Generic prescription drugs
- Self-care

Breakdown of Specialty Products' net sales by product group 4-6/2021:

EUR million	4-6/21	4-6/20	Change %	Share of unit's net sales 4-6/21	Share of unit's net sales 4-6/20
Generic prescription drugs	92	89	+3%	76%	78%
Self-care products	29	25	+13%	24%	22%
TOTAL	121	114	+6%		

Breakdown of Specialty Products' net sales by product group 1-6/2021:

EUR million	1-6/21	1-6/20	Change %	Share of unit's net sales 1-6/21	Share of unit's net sales 1-6/20
Generic prescription drugs	185	188	-2%	76%	75%
Self-care products	60	61	-2%	24%	25%
TOTAL	244	249	-2%		

The Specialty Products unit's most important market areas are Finland, Scandinavia and Eastern Europe and Russia. The unit's sales in Finland in January-June 2021 were down by 5% and amounted to EUR 133 (139) million. The decrease is mainly due to the sales of self-care products that were weaker than in the comparison period. The slow decline of the prices of reference-priced generic drugs due to price competition has continued with negative impacts on the net sales of the Specialty Products unit in Finland.

In Scandinavia, the sales of Specialty Products totalled EUR 38 (42) million, down by 11%. In Eastern Europe and Russia, Specialty Products' sales were up by 17% and amounted to EUR 40 (34) million. The growth was boosted by the timing of the deliveries of certain products, but the business in Eastern Europe and Russia developed favourably in other respects as well. Specialty Products' sales in regions other than Finland, Scandinavia and Eastern Europe and Russia stood at EUR 34 (34) million.

Animal Health

In the Nordic countries and some Eastern European markets Orion itself sells veterinary drugs, and in other markets the Company operates through partners. In addition, in the Nordic countries Orion markets and sells veterinary drugs manufactured by several other companies. Orion's Animal Health unit has a strong market position in the Nordic countries, its home markets.

Net sales of the Animal Health unit in January-June 2021 were down by 13% and amounted to EUR 37 (43) million. The unit's business developed vigorously in all markets, due to new product launches and distribution agreements, among other things. This favourable development mitigated the decrease in total net sales, which was mainly due to the expiration of a major distribution agreement in Scandinavia on 31 December 2020. The comparison period's net sales were burdened by the timing of some partner deliveries. Sales of animal sedative products accounted for 50% (37%), or EUR 18 (16) million, of the unit's total net sales. The animal sedative product family comprises Orion's animal sedatives Dexdomitor® (dexmedetomidine), Domitor® (medetomidine) and Domosedan® (detomidine), and antagonist Antisedan® (atipamezole), which reverses the effects of the sedatives.

In the review period, Orion's Tessie® (tasipimidine) received recommendation for a marketing authorisation from the Committee for Medical Products for Veterinary Use (CVMP) of the European Medicines Agency (EMA). After the review period, the European Commission granted a marketing authorisation to Orion's Bonqat® (pregabalin). Bonqat® is indicated for alleviation of acute anxiety and fear associated with transportation and veterinary visits in cats. Tessie® is indicated for short term alleviation of situational anxiety and fear in dogs triggered by noise or the owner's departure.

Fermion and contract manufacturing

Fermion manufactures active pharmaceutical ingredients for Orion and other pharmaceutical companies. Its product range comprises nearly 30 pharmaceutical ingredients. Fermion produces the active pharmaceutical ingredients for Orion's in-house developed proprietary drugs. For other pharmaceutical companies Fermion manufactures generic pharmaceutical ingredients and offers contract manufacturing services for development and manufacturing of new active pharmaceutical ingredients.

Net sales of Fermion and contract manufacturing excluding deliveries for Orion's own use were down by 4% and totalled EUR 38 (40) million. In recent years order cycles in the trade in pharmaceutical raw materials have become ever shorter, and this has led to clearly greater fluctuation in business volume than before within each year and between different years. Demand for Fermion products has been good, and production capacity has been nearly fully utilised.

Research and development

The Group's R&D expenses in January-June 2021 totalled EUR 54 (59) million, down by 9%. They accounted for 10% (10%) of the Group's net sales. R&D expenses also include expenses related to development of the current portfolio. The core therapy areas of Orion's pharmaceutical R&D are neurological disorders, oncology and respiratory diseases, for which Orion develops inhaled pulmonary drugs. Orion also develops veterinary drugs and selected generic drugs.

Orion has focused on managing the safety and continued treatment of patients involved in clinical trials during the COVID-19 pandemic. However, the exceptional circumstances may cause delays in ongoing projects for example due to slower than anticipated patient recruitment.

Key clinical development projects

Project	Indication	PHASE			Registration
		I	II	III	
Darolutamide ¹⁾ ARASENS	Prostate cancer (mHSPC)	I	II	III	
Darolutamide ¹⁾ ARANOTE	Prostate cancer (mHSPC)	I	II	III	
ODM-208 (CYP11A1 inhibitor)	Prostate cancer (CRPC)	I	II		
ODM-209 (CYP11A1 inhibitor)	Prostate cancer (CRPC), breast cancer	I			
Easyhaler® tiotropium	COPD	Bioequivalence study			
indacaterol-glycopyrronium	COPD	Bioequivalence study			

¹⁾ In collaboration with Bayer

=Phase completed
 =Phase ongoing
 =Status changed

Orion is working on a project to expand the Easyhaler® product portfolio for the treatment of asthma and COPD by developing a tiotropium formulation for European markets. The bioequivalence study with the formulation is ongoing. Tiotropium is a long-acting anticholinergic bronchodilator used in the treatment of chronic obstructive pulmonary disease.

Orion constantly evaluates future competitiveness of current products and technologies as well as of those under development. Based on its evaluation, Orion has decided to discontinue the development of a new-generation dry powder inhaler and focus on developing the existing Easyhaler® platform as well as improving competitiveness. Estimates on future market development and the potential for new products are in a constant state of flux, and currently Orion no longer perceives the extra potential generated by a new device sufficient enough to justify further investments in its development or building related production capacity. Orion is currently assessing the opportunity to develop an indacaterol-glycopyrronium combined formulation indicated for the treatment of COPD to be used with the Easyhaler® device mainly for the European markets. The combined formulation was previously being developed for the new dry powder inhaler. Glycopyrronium and indacaterol are long-acting bronchodilators.

In addition, Orion has together with Propeller Health an ongoing development project in which the Easyhaler® device is equipped with a sensor that monitors the use of the device.

Orion and Bayer have an ongoing Phase III clinical trial (ARASENS), which evaluates the efficacy and safety of darolutamide in the treatment of patients with newly diagnosed metastatic hormone-sensitive prostate cancer (mHSPC) who are starting hormone therapy. The treatment is darolutamide in combination with hormonal therapy (androgen deprivation therapy, ADT) and docetaxel, a chemotherapy drug. The trial is estimated to be completed in the last quarter of 2021.

Orion has also initiated Phase III clinical ARANOTE trial with Bayer. The ARANOTE trial investigates the efficacy and safety of darolutamide in combination with androgen deprivation therapy (ADT) versus placebo plus ADT in patients with metastatic hormone-sensitive prostate cancer (mHSPC).

Orion has an ongoing Phase II clinical trial on the ODM-208 molecule, a novel selective hormone synthesis inhibitor (CYP11A1 inhibitor). In preclinical studies, the ODM-208 has shown antitumor activity. It has potential efficacy also for those cancers that have become resistant to the standard hormonal treatments. Orion is the first pharmaceutical company to develop a drug that works with this mechanism. The trial will investigate the efficacy, safety and tolerability of the drug candidate in prostate cancer patients.

Orion has an ongoing Phase I clinical trial on the ODM-209 molecule. This molecule is a selective hormone synthesis inhibitor (CYP11A1 inhibitor) much like the ODM-208. In preclinical studies, the ODM-209 has shown antitumor activity. Like ODM-208, it has potential efficacy also for those hormone-dependent cancers that have become resistant to the standard hormonal treatments. The trial will investigate the safety and tolerability of the drug candidate in prostate cancer and breast cancer patients.

Orion has two ongoing clinical projects in the field of digital therapies. The VIRPI (Pilot Study of a Virtual Reality Software for Chronic Pain) trial investigated the impacts of using virtual reality software in treating chronic low back pain. The results of this trial published in June 2021 were positive, and Orion is currently looking for a partner for further development and commercialisation of a digital therapy software solution for treatment of chronic pain. The ODD-402 project in collaboration with Healthcare Group investigates how the care of Parkinson's patients could be developed, personalised and improved using a digital tool that collects data from patients.

Orion has several projects in the early research phase, investigating cancer and various neurological diseases including rare ones, among others. In the review period, Orion and the Finnish Red Cross Blood Service announced their research collaboration with the aim of developing CAR T-cell therapy. Additionally, Orion has projects underway to develop new veterinary drugs and selected generic drugs.

Personnel

The average number of employees in the Orion Group in January-June 2021 was 3,362 (3,336). At the end of June 2021 the Group had a total of 3,447 (3,424) employees, of whom 2,713 (2,737) worked in Finland and 734 (687) outside Finland.

Salaries and other personnel expenses in January-June 2021 totalled EUR 120 (118) million.

Significant legal proceedings

Companies belonging to the Orion Group are parties to various legal disputes, which are not, however, considered to be significant legal proceedings for the Group.

Key events in January-June 2021

- 18 Jan 2021 Orion Animal Health and Vetoquinol announced that they are expanding collaboration.
- 8 Feb 2021 Orion and Bayer announced that they are initiating a new phase III ARANOTE trial with darolutamide.
- 25 Mar 2021 Orion Corporation's Annual General Meeting was held in Espoo.
- 17 May 2021 Orion Animal Health's Bonqat® (pregabalin) received positive opinion from EMA's Committee for Medical Products for Veterinary Use (CVMP).
- 25 May 2021 Orion announced that the company is investigating possible sale of its pharmaceutical manufacturing plant in Kuopio.
- 8 Jun 2021 Orion and the Finnish Red Cross Blood Service announced collaboration to develop new CAR T-cell therapy.
- 9 Jun 2021 Orion reported that in its clinical trial, patients suffering from chronic pain had found substantial relief in digital therapy that utilises virtual reality.
- 21 Jun 2021 Orion Animal Health's Tessie® (tasipimidine) received positive opinion from EMA's Committee for Medical Products for Veterinary Use (CVMP).

Key events after the reporting period

There were no key events after the reporting period.

Shares and shareholders

On 30 June 2021 Orion had a total of 141,134,278 (141,134,278) shares, of which 35,039,407 (35,443,475) were A shares and 106,094,871 (105,690,803) B shares. The Group's share capital is EUR 92,238,541.46 (92,238,541.46). At the end of June 2021 Orion held 571,314 (671,082) B shares as treasury shares. On 30 June 2021, the aggregate number of votes conferred by the A and B shares was 806,311,697 (813,889,221) excluding treasury shares.

At the end of June 2021, Orion had 80,906 (66,010) registered shareholders.

Voting rights conferred by shares

Each A share entitles its holder to twenty (20) votes at General Meetings of Shareholders and each B share one (1) vote. However, a shareholder cannot vote more than 1/20 of the aggregate number of votes from the different share classes represented at a General Meeting of Shareholders. The Company itself and Orion Pension Fund do not have the right to vote at an Orion Corporation General Meeting of Shareholders.

Both share classes, A and B, confer equal rights to the Company's assets and dividends.

Conversion of shares

The Articles of Association entitle shareholders to demand the conversion of their A shares to B shares within the limitation on the maximum number of shares of a class. A total of 83,386 A shares were converted into B shares in January-June 2021.

A total of 32,884 A shares have been converted into B shares after the reporting period.

Trading in Orion's shares

Orion's A shares and B shares are quoted on Nasdaq Helsinki in the Large Cap group under the Healthcare sector heading under the trading codes ORNAV and ORNBV. Trading in both of the Company's share classes commenced on 3 July 2006, and information on trading in the Company's shares has been available since that date.

On 30 June 2021, the market capitalisation of the Company's shares, excluding treasury shares, was EUR 5,094 million.

Orion shares are also traded on various alternative trading platforms in addition to Nasdaq Helsinki.

Authorisations of the Board of Directors

On 25 March 2021, the Annual General Meeting of Orion Corporation authorised the Board of Directors to decide on issuance of new shares. On the basis of the authorisation, the Board of Directors shall be entitled to decide on the issuance of no more than 14,000,000 new Class B shares. The share issue authorisation shall be valid until the next Annual General Meeting of the Company. The terms are reported in more detail in a stock exchange release on 25 March 2021.

The Board of Directors was authorised by Orion Corporation's Annual General Meeting on 26 March 2019 to decide on a share issue in which shares held by the Company can be conveyed. The Board of Directors is authorised to decide on a share issue in which no more than 850,000 B shares held by the Company can be conveyed. The authorisation to issue shares is valid for five years from the decision taken by the Annual General Meeting. The terms and conditions of the authorisations are reported in more detail in a stock exchange release on 26 March 2019.

The Board of Directors is not authorised to increase the share capital or to issue bonds with warrants or convertible bonds or stock options.

Share-based incentive plans

The Group has one currently operating share-based incentive plan for key persons of the Group: Orion Group's Long-Term Incentive Plan 2019, announced in a stock exchange release published on 6 February 2019.

Share ownership

Orion's shares are in the book-entry system maintained by Euroclear Finland, and Euroclear Finland maintains Orion's official shareholder register.

At the end of June 2021, Orion had a total of 80,906 (66,010) registered shareholders, of whom 96% (96%) were private individuals. They held 40% (39%) of the entire share stock and had 61% (61%) of the total votes. There were 56 (58) million nominee-registered and foreign-owned shares, which was 40% (41%) of all shares, and they conferred entitlement to 10% (10%) of the total votes.

At the end of June 2021, Orion held 571,314 (671,082) B shares as treasury shares, which is 0.4% (0.5%) of the Company's total share stock and 0.07% (0.08%) of the total votes.

Flagging notifications

In January-June 2021 Orion Corporation received altogether 15 notifications pursuant to Chapter 9, Section 5 of the Securities Market Act. According to the notifications, the total number of Orion shares owned directly, indirectly or through financial instruments by BlackRock, Inc. and its funds either increased above five (5) per cent or decreased below five (5) per cent of Orion Corporation's total shares.

After the reporting period, Orion Corporation has received from BlackRock, Inc. 3 notifications pursuant to Chapter 9, Section 5 of the Securities Market Act.

The details of the notifications are available at www.orion.fi/en/flaggings.

Orion's dividend distribution policy

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

Financial objectives

Through the financial objectives Orion aims to develop the Group's shareholder value and ensure financial stability and profitable growth. Orion's financial objectives are:

- Growing net sales more rapidly than growth of the pharmaceuticals market. Achievement of this objective requires continuous investment in development of the product portfolio.
- Maintaining profitability at a good level. The aim is operating profit that exceeds 25% of net sales.
- Keeping the equity ratio at least 50%.
- 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.

In the short term what actually happens may deviate from the objectives.

Outlook for 2021

Orion estimates that net sales in 2021 will be slightly lower than in 2020 (net sales in 2020 were EUR 1,078 million).

Operating profit is estimated to be lower or clearly lower than in 2020 (operating profit in 2020 was EUR 280 million).

Basis for outlook in more detail

Collaboration agreements with other pharmaceutical companies are an important component of Orion's business model. Agreements often include payments recorded in net sales and operating profit that vary greatly from year to year. Forecasting the timing and amount of these payments is difficult. In some cases they are conditional on terms such as research outcomes which are not known until studies have been completed, the progress of research projects or the attainment of specified sales levels. On the other hand, neither the outcome nor the schedule of contract negotiations is generally known before the final signing of the agreement.

In 2020 Orion received a total of EUR 42 million in milestone payments, most of these in connection with the commercialisation of Nubeqa® in Europe and Japan (EUR 28 million in total) and the transfer of distribution rights to Parkinson's products to new partners around the world. In 2019, Orion received a total of EUR 51 million in milestone payments, of which EUR 45 million in connection with the commercialisation of Nubeqa® in the United States. The net sales and operating profit estimates for 2021 include less than EUR 5 million of milestone payments, a significantly lower figure than in the preceding years.

Orion estimates that its operating profit in 2020 was around EUR 40 million higher due to the impacts of the COVID-19 pandemic than the Company estimated at the beginning of 2020. More than half of this came from the increased international sales of dexmedetomidine products and the rest from lower than anticipated expenses and increased sales of other products. The outlook for 2021 does not contain similar impacts due to the pandemic.

The outlook is based on the assumption that Orion's own production can continue to operate normally despite the COVID-19 pandemic. This requires, among other things, continued success in employee protection so that absence rates do not significantly increase, that personal protective equipment, starting materials, intermediate products and materials are available and that there are no material disruptions in the logistics chains.

The outlook does not include any income or expenses associated with possible product or company acquisitions.

Net sales

Orion continues persistent actions to generate growth more rapidly than growth of the market in the long term. However, in 2021 net sales will be negatively affected by significantly lower milestone payments than in the previous years, generic competition and expiration of a major distribution agreement in the Animal Health unit. In addition, the COVID-19 pandemic significantly increased the demand for some Orion products in 2020, but similar added sales beyond normal demand are not anticipated for the same products in 2021, which negatively affects net sales in comparison with 2020. Following the pandemic and various pandemic-related restrictions, the demand for some product groups, such as products used for treatment of common seasonal flu, has been below normal.

Sales of Orion's Dexdor® and Simdax® will decrease due to generic competition. In 2020, the sales of Dexdor® remained at the previous year's level due to the increased demand caused by the COVID-19 pandemic, but in 2021 its sales are expected to decline.

Nubeqa®, the drug developed by Orion in collaboration with Bayer, received marketing authorisation in the United States in 2019 and in the EU and Japan in 2020. Nubeqa® has now been approved in several other countries as well, and marketing authorisation application filings in other regions are underway or

planned by Bayer. The outlook anticipates that the net sales of Nubeqa® booked by Orion will clearly increase in 2021. Orion's estimate is based on forecasts received from its partner Bayer.

The sales of the Easyhaler® product portfolio is estimated to continue to grow also in 2021 due to combined formulations (budesonide-formoterol and salmeterol-fluticasone) launched in the past few years. However, some uncertainty is associated with the estimate, one of the reasons for this being that the market situation of dry powder formulations of pulmonary drugs has deteriorated in Europe owing to the effects of the COVID-19 pandemic. The sales of Orion's branded Parkinson's drugs (Comtess®, Comtan® and Stalevo®) are estimated to remain at the same level as in the previous year.

The Scandinavian distribution agreement between Orion's Animal Health unit and the animal health company Zoetis, in effect for several years, terminated at the end of 2020. As a consequence, the net sales of Orion's Animal Health unit in 2021 will decrease clearly from the previous year. Distribution of Zoetis products contributed around EUR 28 million to Orion's net sales in 2020.

Sales of generic products account for a significant proportion of Orion's total sales. Decline in the price of generic drugs and availability disruptions due to causes other than the COVID-19 pandemic have impacted Orion's net sales negatively in the past few years. However, the combined negative impact of price decline and product shortages is estimated to be clearly smaller in 2021 than in the previous years. The demand for some generic drugs sold by Orion exceeded normal levels in 2020 due to the COVID-19 pandemic, but the demand for these products is estimated to return to a more normal level this year, negatively affecting net sales development in 2021 in comparison with 2020.

The outlook for 2021 includes under EUR 5 million in milestone payments, which is clearly less than what was booked in 2020 (EUR 42 million) or 2019 (EUR 51 million).

Operating profit

Orion anticipates clearly lower milestone payments in 2021 than in 2020, and the Company's net product sales are expected to decrease slightly from 2020. Operating profit will also be affected by declining sales of the proprietary products Dexdor® and Simdax® due to generic competition. Growing sales of products like Easyhaler® product portfolio or Nubeqa® will not be able to compensate for the resulting decline in operating profit. Orion therefore estimates that operating profit will be lower or clearly lower than in 2020.

Orion anticipates that operating expenses will remain at a similar level with the previous year. Depreciations related to the acquisition of sales and distribution rights for the Parkinson's drugs were booked for the final time in 2020, and this will reduce sales and marketing expenses by around EUR 12 million. At the same time, increasing investments are made in the sales and marketing of products that are experiencing growth. Expenses that saw a decline due to the COVID-19 pandemic are anticipated to return to a more normal level in the second half of 2021. R&D expenses are estimated to remain at a similar level as in the previous year.

The Group's total capital expenditure in 2021 is expected to be more than in 2020, when capital expenditure was EUR 49 million. However, the COVID-19 pandemic may slow down the implementation of planned investments. Orion has launched a project to renew its enterprise resource planning (ERP) system, and renovations of the Company head office in Espoo will also commence in 2021. Most of the investments in these projects will materialise in 2022-2023.

Near-term risks and uncertainties

The outlook is based on the assumption that Orion's own production can continue to operate normally despite the COVID-19 pandemic. The sales of Orion-manufactured products depend on the ability of production and the entire supply chain to operate at the planned level. This involves numerous pandemic-related risks that may cause even material production disruptions. Such risks include the infection of employees, poor availability of personal protective equipment, poorer availability of starting materials and intermediate products as well as logistics chain disruptions.

In the course of 2020, as the agreement with Novartis expired, Orion transferred the distribution of the Parkinson's drugs Stalevo® and Comtan® to new partners in most non-European markets with the exception of Japan. Orion started to sell these products on its own in Singapore, Malaysia and Thailand and continues to sell them in Europe. These changes, as well as continued generic competition affecting sales negatively, have been factored into the outlook for the current year. However, they still entail uncertainty that may materially affect the accuracy of the estimate made at this stage.

The basic patents for Dexdor® and Simdax® have expired and generic competition on these products has begun. In 2020, the COVID-19 pandemic strongly increased the demand for intensive care sedatives, and therefore the sales of Dexdor® decreased far less than anticipated. Its sales are estimated to notably decrease in 2021, but this estimate is subject to uncertainty due to the pandemic situation. Generic competition to Simdax® started in the first markets in 2020. In 2021, net sales of Simdax® are estimated to decrease, but it is difficult to make exact estimates of sales at this point. Actual sales will be affected, among other things, by the timing of the beginning of generic competition in the various markets and the intensity of this competition.

Sales of individual products and also Orion's sales in individual markets may vary, for example depending on the extent to which the ever-tougher price and other competition prevailing in pharmaceutical markets in recent years will specifically focus on Orion's products. Product deliveries to key partners are based on timetables that are jointly agreed in advance. Nevertheless, they can change, for example as a consequence of decisions concerning adjustments of stock levels. In addition, changes in market prices and exchange rates affect the value of deliveries. The COVID-19 pandemic significantly increased the demand for some Orion products in 2020, but similar added sales beyond normal demand are not anticipated for the same products in 2021. There is uncertainty around this estimate, since the path of the pandemic and its impacts on the demand for Orion's products are difficult to assess with any precision. On the other hand, Orion is unaware of how much of the stockpiles acquired by customers in 2020 are remaining and when customers might start using inventories that exceed normal stock levels. Due to the pandemic and various pandemic-related restrictions, the prevalence of many seasonal illnesses has been and still is below normal, whereby the numbers of medical appointments and prescriptions issued have also declined. Non-critical procedures have also been postponed due to the pandemic. These phenomena have negatively impacted the development of the entire pharma market. At present, it is difficult to estimate how long the situation will last or to what extent the eventual waning of the pandemic will manifest as a release of any pent-up demand.

The structural exchange rate risk due to the US dollar has decreased in recent years because the share of Orion's net sales invoiced in dollars has fallen to below ten per cent and at the same time the value of purchases in dollars has increased. The weight of the US dollar will increase due to increasing sales of Nubeqa®. The greatest exchange rate risk at present relates to European currencies such as the Swedish and Norwegian crown and British pound. However, the overall effect of the risk due to currencies of European countries will be abated by the fact that Orion has organisations of its own in most of these countries, which means that in addition to sales income, there are also costs in these currencies. The exchange rate performance of the Japanese yen is significant due to increased sales of Parkinson's drugs in Japan. The exchange rate effect related to the Russian rouble has increased due to the strong volatility of the currency. However, Russian sales are not a significant portion of Orion's entire net sales.

Orion's broad product range may cause risks to the delivery reliability and make it challenging to maintain the high quality standard required in production. The impact of availability disruptions on the Company's net sales has increased in the past few years. The ongoing COVID-19 pandemic has clearly ramped up this risk, as restrictions on travel and other operations and the increase in sick leaves in different parts of the world may cause delayed disruptions in pharmaceuticals' global distribution and logistics chains. As the pandemic circumstances prolong, the disruptions, production volume changes and logistical challenges in other industries may also have unexpected and sudden ramifications that can manifest as shortages of necessary raw materials, supplies and equipment in the chemical and pharmaceutical industries and as increases in prices. The COVID-19 pandemic did not significantly affect the availability of Orion's products in the first half of 2021, but there is a risk of poorer product availability in the second half of the year. Authorities and key customers in different countries carry out regular and detailed inspections of drug development and manufacturing at Orion's production sites. Any remedial actions that may be required may at least temporarily have effects that decrease delivery reliability and increase costs. Orion's product range also contains products manufactured by other pharmaceutical companies and products that Orion manufactures on its own but for which other companies deliver active pharmaceutical or other

ingredients. Orion's product range also contains products manufactured by other pharmaceutical companies and products that Orion manufactures on its own but for which other companies supply active pharmaceutical or other ingredients and components or parts (among these the Easyhaler® products). Possible problems related to the delivery reliability or quality of the products of those manufacturers may cause a risk to Orion's delivery reliability. The single-channel system used for pharmaceuticals distribution in Finland, in which Orion's products have been delivered to customers through only one wholesaler, may also cause risks to delivery reliability.

Research projects always entail uncertainty factors that may either increase or decrease estimated costs. The projects may progress more slowly or faster than assumed, or they may be discontinued. Nonetheless, changes that may occur in ongoing clinical studies, for example due to the COVID-19 pandemic, are reflected in costs relatively slowly and are not expected to have a material impact on earnings in the current year. Owing to the nature of the research process, the timetables and costs of new studies that are being started are known well in advance. They therefore typically do not lead to unexpected changes in the estimated cost structure. Orion often undertakes the last, in other words Phase III, clinical trials in collaboration with other pharmaceutical companies. Commencement of these collaboration relationships and their structure also materially affect the schedule and cost level of research projects.

Collaboration arrangements are an important component of Orion's business model. Possible collaboration and licensing agreements related to these arrangements also often include payments to be recorded in net sales that may materially affect Orion's financial results. In 2014-2020 the annual payments varied from EUR 5 million to EUR 51 million. The payments may be subject to conditions relating to the progress of research projects or sales or to new contracts to be signed, and whether these conditions or contracts materialise and what their timing is will always entail uncertainties.

Upcoming events

Interim Report January-September 2021	Wednesday 20 October 2021
Financial Statement Release for 2021	Thursday 10 February 2022
Annual General Meeting 2022	Planned to be held on Wednesday 23 March 2022
Interim Report January-March 2022	Thursday 28 April 2022
Half-Year Financial Report January-June 2022	Friday 15 July 2022
Interim Report January-September 2022	Thursday 20 October 2022

The Financial Statements and the Report of the Board of Directors for 2021 will be published on the Company's website at the latest in week 9/2022.

Espoo, 19 July 2021

Board of Directors of Orion Corporation

Orion Corporation

Tables

CONSOLIDATED INCOME STATEMENT

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Net sales	254.9	292.5	-12.8%	523.6	572.4	-8.5%	1,078.1
Cost of goods sold	-99.6	-103.5	-3.8%	-214.3	-210.0	+2.0%	-434.4
Gross profit	155.3	189.0	-17.8%	309.3	362.4	-14.6%	643.7
Other operating income and expenses	4.7	0.1		5.4	2.5	+116.1%	5.4
Sales and marketing expenses	-48.1	-48.5	-0.8%	-92.4	-102.0	-9.4%	-204.3
R&D expenses	-28.8	-32.3	-10.9%	-53.9	-59.2	-8.9%	-123.2
Administrative expenses	-12.1	-11.9	+1.7%	-22.3	-22.9	-2.8%	-41.6
Operating profit	71.0	96.4	-26.3%	146.0	180.8	-19.2%	280.1
Finance income	0.0	0.1	-40.0%	0.1	0.1	-4.9%	0.2
Finance expenses	-0.8	-0.0		-0.9	-1.0	-3.8%	-2.0
Profit before taxes	70.4	96.5	-27.1%	145.2	179.9	-19.3%	278.3
Income tax expense	-14.4	-20.9	-31.0%	-29.7	-36.9	-19.4%	-58.4
Profit for the period	56.0	75.6	-26.0%	115.5	143.0	-19.2%	219.9

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OTHER COMPREHENSIVE INCOME INCLUDING TAX EFFECTS

Translation differences	-0.1	0.7		1.2	-2.0		-1.4
Items that may be reclassified subsequently to profit and loss	-0.1	0.7		1.2	-2.0		-1.4
Remeasurement of pension plans	12.9	0.5		58.9	-2.7		-59.4
Items that will not be reclassified to profit and loss	12.9	0.5		58.9	-2.7		-59.4
Other comprehensive income net of tax	12.8	1.2		60.1	-4.7		-60.8
Comprehensive income for the period including tax effects	68.7	76.8	-10.5%	175.6	138.3	+27.0%	159.1
PROFIT ATTRIBUTABLE TO							
Owners of the parent company	56.0	75.6	-26.0%	115.5	143.0	-19.2%	219.9
COMPREHENSIVE INCOME ATTRIBUTABLE TO							
Owners of the parent company	68.7	76.8	-10.5%	175.6	138.3	+27.0%	159.1
Basic earnings per share, EUR¹	0.40	0.54	-26.0%	0.82	1.02	-19.2%	1.56
Diluted earnings per share, EUR¹	0.40	0.54	-26.0%	0.82	1.02	-19.2%	1.56
Depreciation, amortisation and impairment	-11.0	-14.3	-22.9%	-22.0	-28.5	-22.8%	-56.5
Personnel expenses	-61.3	-62.5	-1.9%	-119.7	-118.3	+1.2%	-227.0

¹ The figure has been calculated from the profit attributable to the owners of the parent company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

EUR million	6/21	6/20	Change %	12/20
Property, plant and equipment	321.8	319.6	+0.7%	319.6
Goodwill	13.5	13.5		13.5
Intangible rights	28.9	27.9	+3.4%	26.8
Other intangible assets	2.5	2.8	-10.9%	2.7
Investments in associates	0.1	0.1		0.1
Other investments	0.2	0.2	-4.7%	0.2
Pension asset	55.9	52.2	+7.2%	
Deferred tax assets	2.1	7.0	-69.7%	8.4
Other non-current assets	0.4	0.5	-25.4%	0.5
Non-current assets total	425.4	423.9	+0.4%	371.8
Inventories	272.8	251.1	+8.6%	258.1
Trade receivables	154.3	189.0	-18.4%	157.4
Other receivables	29.9	29.9		33.9
Money market investments		27.7	-100.0%	
Cash and cash equivalents	159.0	184.7	-13.9%	294.4
Current assets total	616.0	682.5	-9.7%	743.7
Assets total	1,041.4	1,106.3	-5.9%	1,115.6

EQUITY AND LIABILITIES

EUR million	6/21	6/20	Change %	12/20
Share capital	92.2	92.2		92.2
Other reserves	3.4	3.0	+14.2%	3.4
Retained earnings	602.8	614.6	-1.9%	635.7
Equity attributable to owners of the parent company	698.5	709.8	-1.6%	731.3
Equity total	698.5	709.8	-1.6%	731.3
Deferred tax liabilities	40.1	41.9	-4.1%	29.3
Pension liability	3.6	3.3	+9.6%	19.9
Provisions	0.5	0.4	+23.6%	0.4
Interest-bearing non-current liabilities	104.9	106.0	-1.0%	105.5
Other non-current liabilities	14.0	16.1	-12.8%	15.0
Non-current liabilities total	163.1	167.6	-2.7%	170.1
Trade payables	82.1	66.8	+23.0%	86.7
Current tax liabilities	1.5	8.4	-81.9%	2.5
Other current liabilities	93.2	100.5	-7.2%	121.8
Current provisions	0.0	0.0	+93.7%	
Interest-bearing current liabilities	2.9	53.2	-94.5%	3.1
Current liabilities total	179.8	228.9	-21.5%	214.1
Liabilities total	342.9	396.5	-13.5%	384.2
Equity and liabilities total	1,041.4	1,106.3	-5.9%	1,115.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Equity attributable to owners of the parent company ¹						Equity total
	Share capital	Other reserves	Remeasurement of pension plans ¹	Treasury shares	Translation differences	Retained earnings	
Equity at 1 January 2020	92.2	3.0	30.5	-24.5	-7.0	685.2	779.4
Profit for the period						143.0	143.0
Other comprehensive income							
Translation differences					-1.5	-0.5	-2.0
Remeasurement of pension plans			-2.7				-2.7
Transaction with owners							
Dividend						-210.4	-210.4
Share-based incentive plan				2.9		-0.5	2.4
Other adjustments						0.2	0.2
Equity at 30 June 2020	92.2	3.0	27.7	-21.5	-8.6	617.0	709.8
Equity at 1 January 2021	92.2	3.4	-28.9	-21.5	-7.9	694.1	731.3
Profit for the period						115.5	115.5
Other comprehensive income							
Translation differences					-0.9	2.1	1.2
Remeasurement of pension plans			58.9				58.9
Transaction with owners							
Dividend						-211.2	-211.2
Share-based incentive plan				3.4		-0.8	2.5
Other adjustments						0.2	0.2
Equity at 30 June 2021	92.2	3.4	29.9	-18.2	-8.8	599.9	698.5

¹ The Group has revaluated the pension assets of Orion Pension Fund on 30 June 2021. Besides, the Group has updated the discount rate assumption used in the pension liability calculation for the reporting period. The discount rate in the period 1-6/2021 has been raised to 0.8 percent (0.5 percent in the fiscal year 2020). The combined effect on pension asset and liability in the balance sheet due to the revaluation of the pension assets and the discount rate change in the period 1-6/2021 increases the net amount of pension asset and liability by 73.6 million euros compared to 31 December 2020. The change in pension receivable and liability has been directly recognised as an increase in equity under other comprehensive income, stated with deferred tax impact.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1-6/21	1-6/20	1-12/20
Profit before taxes	145.2	179.9	278.3
Adjustments	21.0	31.7	58.2
Change in working capital	-45.1	-36.6	27.1
Net financial items	-0.8	-0.8	-1.8
Income taxes paid	-20.1	-26.9	-62.7
Total net cash flow from operating activities	100.2	147.4	299.1
Investments in property, plant and equipment	-20.6	-18.9	-34.0
Investments in intangible assets	-9.7	-2.9	-6.7
Sales of property, plant and equipment and other investments	4.3	0.6	1.0
Total net cash flow from investing activities	-26.0	-21.1	-39.7
Cash flow from operating and investing activities, total	74.2	126.2	259.4
Current loans raised	0.0	49.5	1.6
Repayments of current loans	-0.4	-0.4	-5.6
Non-current loans raised		100.0	100.0
Dividends paid and other distribution of profits	-211.2	-211.0	-211.1
Total net cash flow from financing activities	-211.6	-61.8	-115.1
Net change in cash and cash equivalents	-137.4	64.3	144.3
Cash and cash equivalents at the beginning of the period	294.4	149.0	149.0
Foreign exchange differences	2.0	-0.9	1.1
Cash and cash equivalents at the end of the period	159.0	212.4	294.4
Reconciliation of cash and cash equivalents in statement of financial position			
Cash and cash equivalents in statement of financial position at the end of the period	159.0	184.7	294.4
Money market investments at the end of the period		27.7	
Cash and cash equivalents in the statement of cash flows	159.0	212.4	294.4

Appendices

NET SALES BY REVENUE FLOWS

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Sale of goods	247.0	252.7	-2.2%	509.9	529.3	-3.7%	1,017.6
Royalty income	7.2	7.2	+0.2%	12.0	9.9	+21.6%	18.7
Total sale of goods	254.2	259.8	-2.2%	521.9	539.2	-3.2%	1,036.3
Milestone payments	0.7	32.7	-97.7%	1.7	33.2	-94.9%	41.8
Group total	254.9	292.5	-12.8%	523.6	572.4	-8.5%	1,078.1

In the period 1-6/21 EUR 0.3 (0.3) million of the sales revenue from clinical phase R&D falls under Milestone payments and EUR 9.4 (6.8) million under Sale of goods. Sales revenue from clinical phase R&D are reported under Sale of goods once the product is commercially available. EUR 1.0 (1.0) million has been entered as income from performance obligations transferred to customers over time and they are included in the Milestone payments. The Group recorded EUR 4.2 (-0.0) million of sales revenue to Sale of goods and Royalty income from performance obligations satisfied during previous financial periods.

NET SALES BREAK-DOWN

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Proprietary products ¹⁾	98.9	131.6	-24.8%	202.4	242.9	-16.7%	420.2
Specialty Products	120.6	114.3	+5.6%	244.3	249.2	-2.0%	498.4
Animal Health	17.6	19.5	-9.5%	36.9	42.6	-13.5%	89.3
Fermion and contract manufacturing	16.9	24.8	-31.9%	38.1	39.7	-4.0%	74.9
Other	0.8	2.3	-63.8%	1.9	-2.0	+194.5%	-4.7
Group total	254.9	292.5	-12.8%	523.6	572.4	-8.5%	1,078.1

¹⁾ The net sales of Proprietary Products during the period 1-6/21 includes EUR 1.0 (1.0) million of sales revenue for performance obligations to be transferred to customers that will be entered as income over time.

NET SALES AND OPERATING PROFIT BY QUARTER

EUR million	2021		2020		2019			
	4-6	1-3	10-12	7-9	4-6	1-3	10-12	7-9
Net sales	254.9	268.7	255.4	250.3	292.5	279.9	274.5	283.7
Operating profit	71.0	75.0	34.2	65.1	96.4	84.4	55.0	90.7

GEOGRAPHICAL BREAKDOWN OF NET SALES BY QUARTER

EUR million	2021		2020		2019			
	4-6	1-3	10-12	7-9	4-6	1-3	10-12	7-9
Finland	78.0	74.2	83.3	74.7	73.8	84.2	83.0	76.2
Scandinavia	33.8	36.5	43.0	39.5	43.6	51.0	46.2	42.0
Other Europe	86.6	94.1	87.0	89.2	104.1	87.3	87.5	78.1
North America	23.1	25.6	15.9	15.0	29.9	21.7	14.8	57.8
Other markets	33.5	38.3	26.2	31.9	41.1	35.7	42.9	29.6
Group total	254.9	268.7	255.4	250.3	292.5	279.9	274.5	283.7

TOP TEN BEST-SELLING PHARMACEUTICAL PRODUCTS

EUR million	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Easyhaler® product family (asthma, COPD)	29.6	26.3	+12.3%	55.5	61.0	-9.0%	115.1
Stalevo®, Comtess® and Comtan® (Parkinson's disease)	23.1	24.5	-5.6%	52.4	52.6	-0.3%	98.6
Simdax® (acute decompensated heart failure)	14.5	15.2	-4.5%	29.1	34.5	-15.8%	62.1
Dexdor® (intensive care sedative)	8.5	17.8	-52.5%	20.4	34.3	-40.5%	54.8
Nubeqa® (prostate cancer)	11.3	4.0	+178.6%	19.4	8.1	+140.2%	16.6
Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	9.0	6.8	+31.7%	18.5	15.7	+18.1%	34.8
Divina series (menopausal symptoms)	5.9	4.3	+35.6%	11.7	10.2	+14.0%	20.6
Burana® (inflammatory pain)	5.6	3.8	+47.8%	10.7	12.1	-11.3%	23.4
Solomet® (inflammatory diseases, among others)	4.1	3.9	+4.5%	10.3	8.2	+24.8%	15.5
Biosimilars (rheumatoid arthritis, inflammatory bowel diseases)	5.5	3.5	+57.9%	10.0	8.6	+16.8%	17.7
Total	116.9	110.2	+6.1%	238.0	245.3	-3.0%	459.3
Share of net sales	46 %	38 %		45 %	43 %		43 %

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	6/21	6/20	12/20
Carrying amount at the beginning of the period	319.6	320.9	320.9
Additions	21.3	18.1	36.9
Disposals	-0.4	-0.8	-1.3
Depreciation, amortisation and impairment	-18.8	-18.5	-37.0
Carrying amount at the end of the period	321.8	319.6	319.6

CHANGES IN INTANGIBLE ASSETS (EXCLUDING GOODWILL)

EUR million	6/21	6/20	12/20
Carrying amount at the beginning of the period	29.5	37.6	37.6
Additions	5.1	3.0	11.6
Disposals	-0.0	-0.0	-0.1
Depreciation, amortisation and impairment	-3.2	-9.9	-19.4
Carrying amount at the end of the period	31.4	30.7	29.5

CHANGES IN FINANCIAL LIABILITIES

Orion has withdrawn during the financial year 2020 a long-term loan of 100 million Euros from European Investment Bank. The first repayment of the loan will be made in the financial year 2022 and the last repayment will be in the financial year 2030. In addition, Orion has undrawn committed credit limit facilities in the value of 100 million Euros. Orion has withdrawn in Q1/2020 a short-term loan of 50 million Euros from the before mentioned committed credit limit facility, which was repaid in Q3/2020. If the financial covenants determined in the terms of the credit limit agreements of the company and loan agreement of the European Investment Bank are breached, the lender optionally has the right to demand early repayment of the loan. As of 30 June 2021 Orion met these financial covenants.

COMMITMENTS AND CONTINGENCIES

EUR million	6/21	6/20	12/20
CONTINGENCIES FOR OWN LIABILITIES			
Guarantees	7.0	6.8	7.1
OTHER LIABILITIES			
Other liabilities	0.3	0.3	0.3

Commitments

Orion has commitments for the acquisition of property, plant and equipment, which mainly concern existing factories and premises in Finland.

DERIVATIVES

EUR million	6/21	6/20	12/20
CURRENCY FORWARD CONTRACTS AND CURRENCY SWAPS			
Fair value, EUR million	-0.1	-0.0	0.1
Nominal value, EUR million	27.8	20.7	20.6
CURRENCY OPTIONS			
Fair value, EUR million	-0.0	-0.0	0.0
Nominal value, EUR million	33.9	24.6	30.6

FAIR VALUE MEASUREMENT AND HIERARCHY OF FINANCIAL INSTRUMENTS

EUR million	Level 1	Level 2	Level 3	Total
Derivatives				
Currency derivatives		0.1		0.1
Other investments				
Shares and investments			0.2	0.2
Assets total		0.1	0.2	0.3
Derivatives				
Currency derivatives		-0.3		-0.3
Liabilities total		-0.3		-0.3

The fair value of level 1 financial instrument is based on quotations available in active markets. The fair value of level 2 derivatives is based on data feeds available in the markets. The fair value of level 3 financial instruments cannot be estimated on the basis of data available in the markets.

In the Group the principle is applied that transfers between levels of fair value hierarchy are recognised on the date on which the event triggering the transfer occurred.

No transfers between levels occurred during the reporting period.

RELATED PARTY TRANSACTIONS

The Group's material related party transactions relate to pension contributions paid to the Orion Pension Fund and services acquired from Lääkärikeskus Aava Oy.

EUR million	1-6/21	1-6/20	1-12/20
Management's employment benefits	5.5	6.0	7.0

BASIC SHARE INFORMATION, 30 JUNE 2021

	A share	B share	Total
Trading code on Nasdaq Helsinki	ORNAV	ORNBV	
Listing day	1 Jul 2006	1 Jul 2006	
ISIN code	FI0009014369	FI0009014377	
ICB code	4500	4500	
Reuters code	ORNAV.HE	ORNBV.HE	
Bloomberg code	ORNAV.FH	ORNBV.FH	
Share capital, EUR million	22.9	69.3	92.2
Counter book value per share, EUR	0.65	0.65	
Minimum number of shares			1
Maximum number of A and B shares, and maximum number of all shares	500,000,000	1,000,000,000	1,000,000,000
Votes per share	20	1	

Both share classes, A and B, confer equal rights to the Company's assets and dividends.

KEY FINANCIAL FIGURES

	4-6/21	4-6/20	Change %	1-6/21	1-6/21	Change %	1-12/20
Net sales, EUR million	254.9	292.5	-12.8%	523.6	572.4	-8.5%	1,078.1
EBITDA, EUR million	82.0	110.7	-25.9%	168.0	209.2	-19.7%	336.5
% of net sales	32.2%	37.8%		32.1%	36.6%		31.2%
Operating profit, EUR million	71.0	96.4	-26.3%	146.0	180.8	-19.2%	280.1
% of net sales	27.9%	33.0%		27.9%	31.6%		26.0%
Profit for the period, EUR million	56.0	75.6	-26.0%	115.5	143.0	-19.2%	219.9
% of net sales	22.0%	25.8%		22.1%	25.0%		20.4%
R&D expenses, EUR million	28.8	32.3	-10.9%	53.9	59.2	-8.9%	123.2
% of net sales	11.3%	11.1%		10.3%	10.3%		11.4%
Capital expenditure, EUR million	14.4	10.8	+33.1%	26.4	21.2	+24.8%	48.5
% of net sales	5.7%	3.7%		5.0%	3.7%		4.5%
Depreciation, amortisation and impairment, EUR million	11.0	14.3	-22.9%	22.0	28.5	-22.8%	56.5
Personnel expenses, EUR million	61.3	62.5	-1.9%	119.7	118.3	+1.2%	227.0
Equity total, EUR million				698.5	709.8	-1.6%	731.3
Interest-bearing net liabilities, EUR million				-51.1	-53.2	-4.0%	-185.8
Assets total, EUR million				1,041.4	1,106.3	-5.9%	1,115.6
Cash flow from operating activities, EUR million				100.2	147.4	-32.0%	299.1
Equity ratio, %				68.2%	65.3%		66.7%
Gearing, %				-7.3%	-7.5%		-25.4%
ROCE (before taxes), %				35.6%	44.4%		34.8%
ROE (after taxes), %				32.3%	38.4%		29.1%
Personnel at the end of the period				3,447	3,424	+0.7%	3,311
Average personnel during the period				3,362	3,336	+0.8%	3,337

PERFORMANCE PER SHARE

	4-6/21	4-6/20	Change %	1-6/21	1-6/20	Change %	1-12/20
Basic earnings per share, EUR	0.40	0.54	-26.0%	0.82	1.02	-19.2%	1.56
Diluted earnings per share, EUR	0.40	0.54	-26.0%	0.82	1.02	-19.2%	1.56
Cash flow per share before financial items, EUR	0.33	0.56	-40.1%	0.53	0.90	-41.2%	1.85
Equity per share, EUR				4.97	5.05	-1.7%	5.21
A share							
Number of shares at the end of the period				35,039,407	35,443,475	-1.1%	35,122,793
% of total share stock				24.8%	25.1%		24.9%
Number of votes excluding treasury shares				700,788,140	708,869,500	-1.1%	702,455,860
% of total votes				86.9%	87.1%		87.0%
Total number of shareholders				23,018	20,455	+12.5%	22,015
Closing quotation at the end of previous financial year, EUR				37.40	40.95	-8.7%	40.95
Lowest quotation of review period, EUR				34.55	29.60	+16.7%	29.60
Average quotation of review period, EUR				37.08	40.63	-8.7%	40.26
Highest quotation of review period, EUR				41.05	48.45	-15.3%	48.45
Closing quotation at the end of review period, EUR				36.20	43.05	-15.9%	37.40
Trading volume, EUR million				29.0	64.3	-54.8%	102.5
Shares traded				783,780	1,582,348	-50.5%	2,547,090
% of the total number of shares				2.2%	4.5%		7.3%
B share							
Number of shares at the end of the period, including treasury shares				106,094,871	105,690,803	+0.4%	106,011,485
% of total share stock				75.2%	74.9%		75.1%
Treasury shares				571,314	671,082	-14.9%	671,082
Number of shares at the end of the period, excluding treasury shares				105,523,557	105,019,721	+0.5%	104,340,403
Number of votes excluding treasury shares				105,523,557	105,019,721	+0.5%	104,340,403
% of total votes				13.1%	12.9%		13.0%
Total number of shareholders				64,725	51,867	+24.8%	56,487
Closing quotation at the end of previous financial year, EUR				37.53	41.27	-9.1%	41.27
Lowest quotation of review period, EUR				32.51	30.02	+8.3%	30.02
Average quotation of review period, EUR				36.07	41.53	-13.1%	40.69
Highest quotation of review period, EUR				39.42	48.80	-19.2%	48.80
Closing quotation at the end of review period, EUR				36.25	43.06	-15.8%	37.53
Trading volume, EUR million				1,582.1	2,455.8	-35.6%	4,213.9
Shares traded				43,863,233	59,143,836	-25.8%	103,556,863
% of the total number of shares				41.3%	56.0%		97.7%
A and B share total							
Number of shares at the end of the period				141,134,278	141,134,278		141,134,278
Average number of shares during the period excluding treasury shares				140,529,892	140,551,222		140,506,969
Total number of votes conferred by the shares				806,311,697	813,889,221	-0.9%	807,796,263
Total number of shareholders				80,906	66,010	+22.6%	72,003
Trading volume, EUR million				1,611.2	2,520.0	-36.1%	4,316.4
Shares traded				44,647,013	60,726,184	-26.5%	106,103,953
Total shares traded, % of total shares				31.6%	43.0%		75.2%
Market capitalisation at the end of the period excluding treasury shares, EUR million				5,093.7	6,048.0	-15.8%	5,267.0

ADJUSTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR 2020

1) Comparative information previously reported in the interim report and financial statement release.

2) Adjusted comparative information

	1-3/20		1-6/20		1-9/20		1-12/20	
	1)	2)	1)	2)	1)	2)	1)	2)
Cost of goods sold	104.8	106.5	206.3	210.0	311.4	316.9	427.0	434.4
Gross profit	175.1	173.4	366.1	362.4	511.3	505.8	651.0	643.7
Administrative expenses	12.8	11.1	26.7	22.9	37.4	31.9	48.9	41.6

As of 1 January 2021, Orion Group revised its accounting practice by re-assigning some expenses associated with manufacturing and purchasing, previously reported as administrative expenses, to the cost of goods sold. The change does not affect reported key figures, operating profit or balance sheet, but it reduces previously reported administrative expenses for 2020 by EUR 7.3 million and correspondingly raises the cost of goods sold.

REPORTING

Orion has a single business area or operating segment that forms the basis of reporting. Orion's net sales are itemised as follows:

- Proprietary Products (patented prescription products for three therapy areas)
- Specialty Products (off-patent generic prescription products, to which biosimilars are included, and self-care products)
- Animal Health (veterinary products for pets and production animals)
- Fermion and Contract manufacturing (manufacture of active pharmaceutical ingredients for Orion and manufacture of pharmaceuticals for other companies)

In addition to these, net sales reporting contains one further item, "Other operations", which mostly comprises the impacts of exchange rate changes on Orion's net sales.

ACCOUNTING POLICIES

This report has been prepared in accordance with the accounting policies set out in International Accounting Standard 34 on Interim Financial Reporting. The same accounting principles have been applied as in the 2020 financial statements, besides which the amendments to existing IFRS and IAS standards endorsed by the EU have been adopted as of 1 January 2021.

New amendments to existing IFRS and IAS standards adopted from 1 January 2021 have not affected the consolidated financial statements.

The policies and calculation methods applied during the period can be found on the Orion website at <http://www.orion.fi/en/investors>.

OTHERS

The figures in this report have not been audited.

The figures in parentheses are for the comparative period, i.e. the corresponding period of the previous year. All the figures in this report have been rounded, which is why the total sums of individual figures may differ from the total sums shown.

CALCULATION OF THE KEY FIGURES

EBITDA	=	Operating profit, depreciation + impairment losses	
Interest-bearing net liabilities	=	Interest-bearing liabilities - Cash and cash equivalents - Money market investments	
Return on capital employed (ROCE), %	=	$\frac{\text{Profit before taxes + Interest and other finance expenses}}{\text{Total assets - Non-interest-bearing liabilities (average during the period)}} \times 100$	
Return on equity (ROE), %	=	$\frac{\text{Profit for the period}}{\text{Total equity (average during the period)}} \times 100$	
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Total assets - Advances received}} \times 100$	
Gearing, %	=	$\frac{\text{Interest-bearing liabilities - Cash and cash equivalents - Money market investments}}{\text{Equity}} \times 100$	
Earnings per share, EUR	=	$\frac{\text{Profit available for the owners of the parent company}}{\text{Average number of shares during the period, excluding treasury shares}}$	
Cash flow per share before financial items, EUR	=	$\frac{\text{Cash flow from operating activities + Cash flow from investing activities}}{\text{Average number of shares during the period, excluding treasury shares}}$	
Equity per share, EUR	=	$\frac{\text{Equity attributable to owners of the parent company}}{\text{Number of shares at the end of the period, excluding treasury shares}}$	
Dividend per share, EUR	=	$\frac{\text{Dividend to be distributed for the period}}{\text{Number of shares at the end of the period, excluding treasury shares}}$	
Payout ratio, %	=	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$	
Effective dividend yield, %	=	$\frac{\text{Dividend per share}}{\text{Closing quotation of the period}} \times 100$	
Price/earnings ratio (P/E)	=	$\frac{\text{Closing quotation of the period}}{\text{Earnings per share}}$	
Average share price, EUR	=	$\frac{\text{Total EUR value of shares traded}}{\text{Average number of traded shares during the period}}$	
Market capitalisation, EUR million	=	Number of shares at the end of the period × Closing quotation of the period	

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Orion is a globally operating Finnish pharmaceutical company - a builder of well-being. Orion develops, manufactures and markets human and veterinary pharmaceuticals and active pharmaceutical ingredients. The company is continuously developing new drugs and treatment methods. The core therapy areas of Orion's pharmaceutical R&D are neurological disorders, oncology and respiratory diseases for which Orion develops inhaled pulmonary medication. Orion's net sales in 2020 amounted to EUR 1,078 million and the company had about 3,300 employees at the end of the year. Orion's A and B shares are listed on Nasdaq Helsinki.