



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

# Disclaimer

This presentation contains forward-looking statements which involve risks and uncertainty factors. These statements are not based on historical facts but relate to the Company's future activities and performance. They include statements about future strategies and anticipated benefits of these strategies.

These statements are subject to risks and uncertainties. Actual results may differ substantially from those stated in any forward-looking statement. This is due to a number of factors, including the possibility that Orion may decide not to implement these strategies and the possibility that the anticipated benefits of implemented strategies are not achieved. Orion assumes no obligation to update or revise any information included in this presentation.

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



## Highlights in January-June 2021

# Orion's operating profit without milestones at previous year's level

## Net sales & operating profit

- Milestones EUR 2 (33) million
- Nubeqa® sales booked by Orion showed strong growth
- Specialty Products had a good start for the year despite net sales declined from the strong comparison period
- Animal Health business developed well but ending of a major distribution agreement in the end of 2020 pressed down the net sales
- Due to the pandemic, operational expenses lower than in H1 2020

## R&D

- EMA recommendation for Animal Health's Bonqat® and Tessie®
- Positive results from digital therapy VIRPI study

## COVID-19

- Orion was able to secure the continuity of production
- No disruptions in the availability of products or raw materials but as the pandemic continues, the risk of disruptions increases
- Securing the health and safety of employees and patients in on-going clinical trials was a priority

# Key figures 1-6/2021

Net sales

**524**

MEUR (572)  
-9%

Operating profit

**146**

MEUR (181)  
-19%

Operating profit  
margin

**28%**

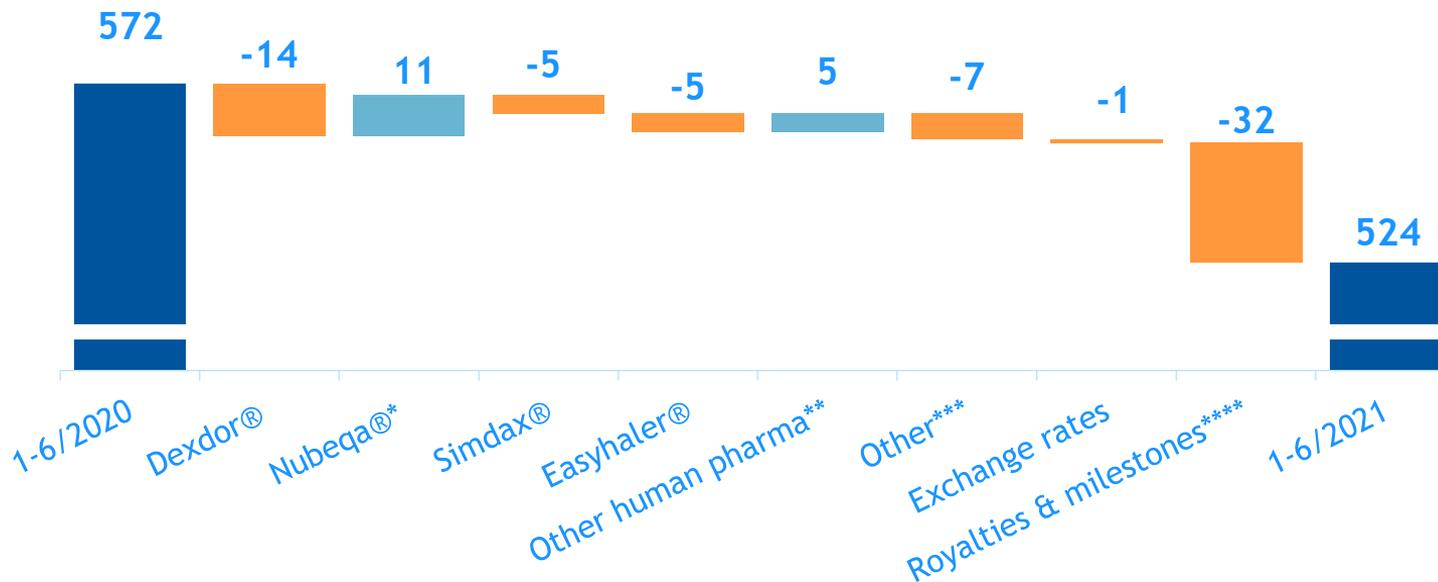
(32%)

Cash flow per share  
before financial  
items

**0.53**

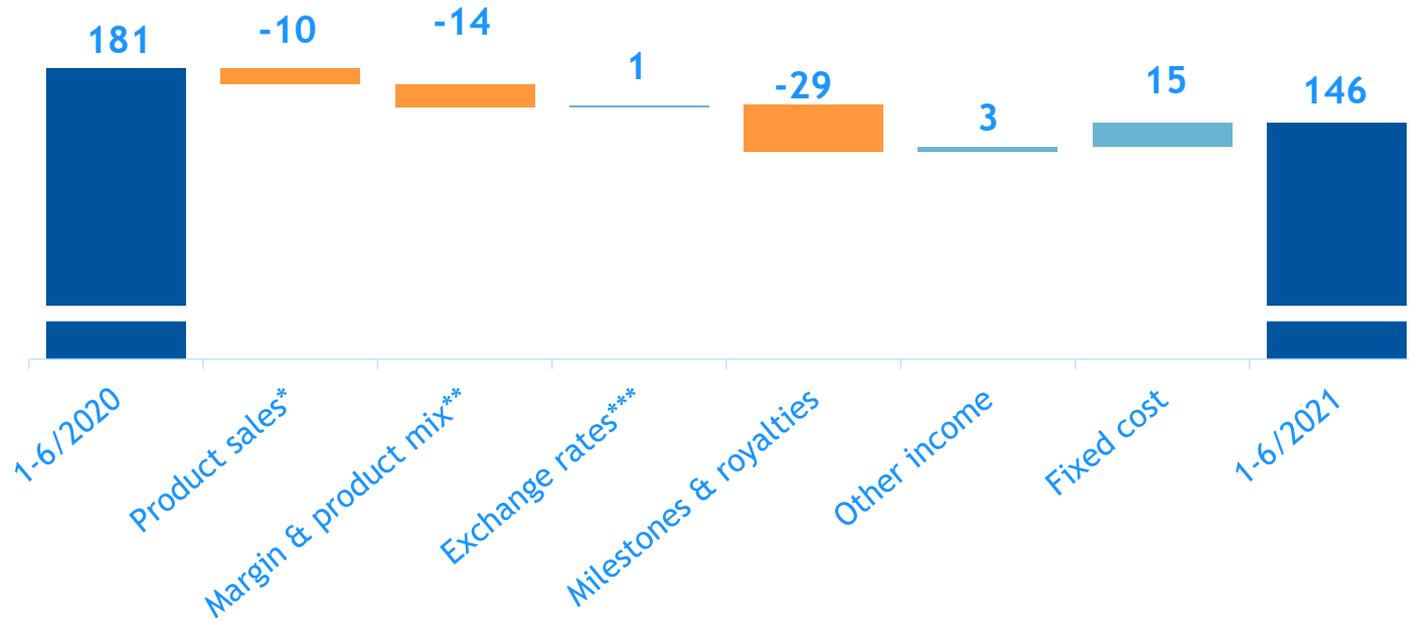
EUR (0.90)  
-41%

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



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

# Development of operating profit in 1-6/2021 vs. 1-6/2020

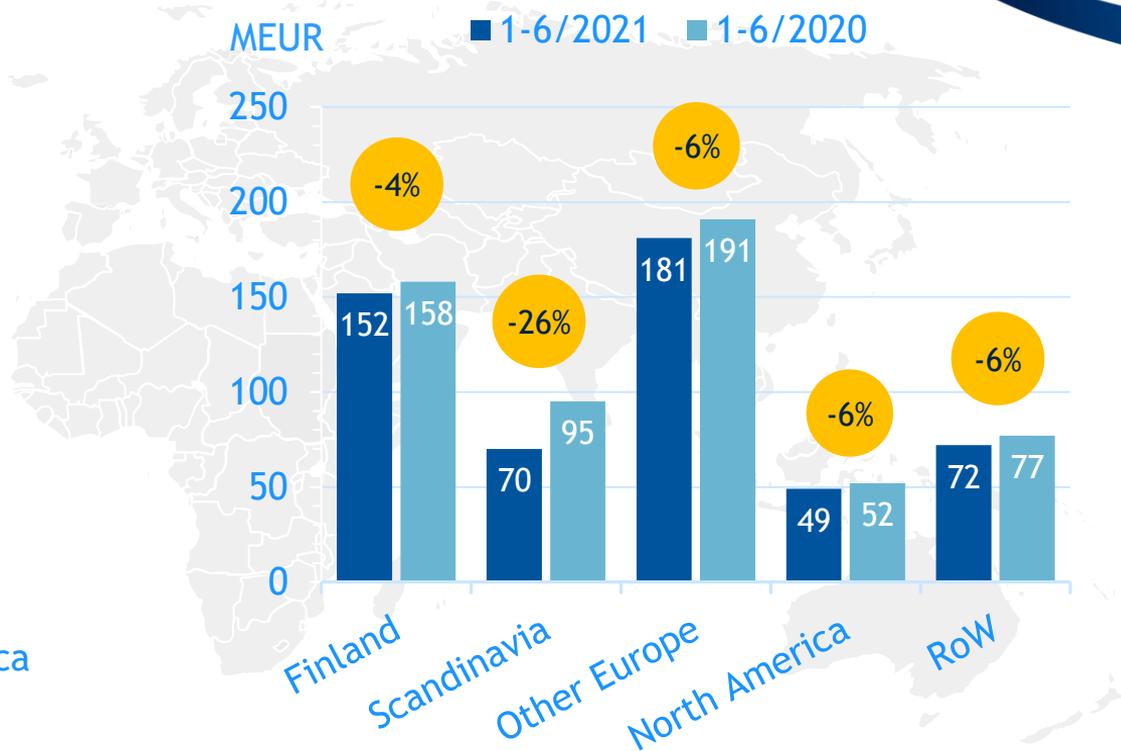
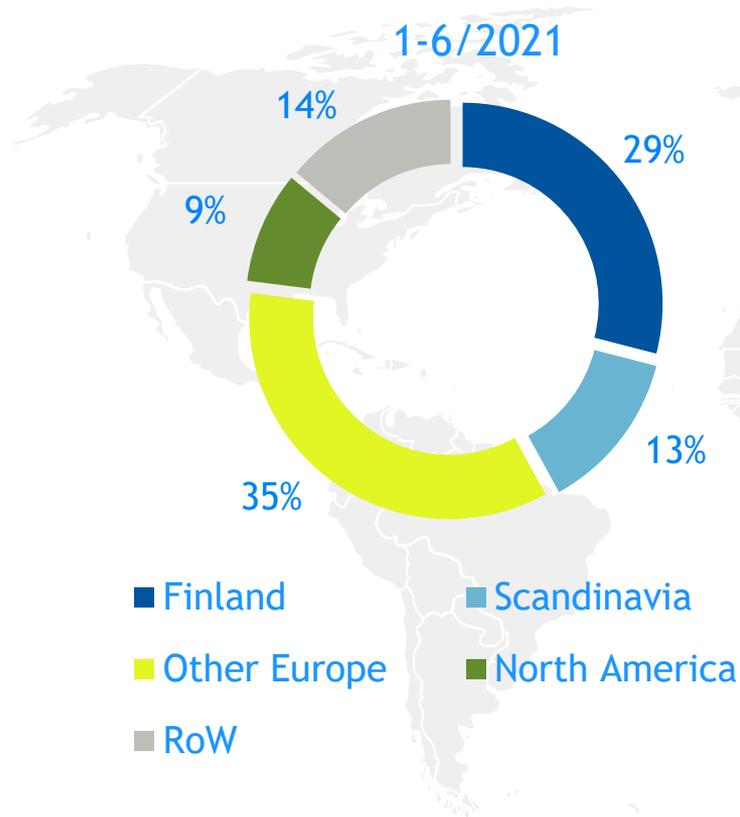


\* Product & service sales without sales margin and product mix change and exchange rate effect

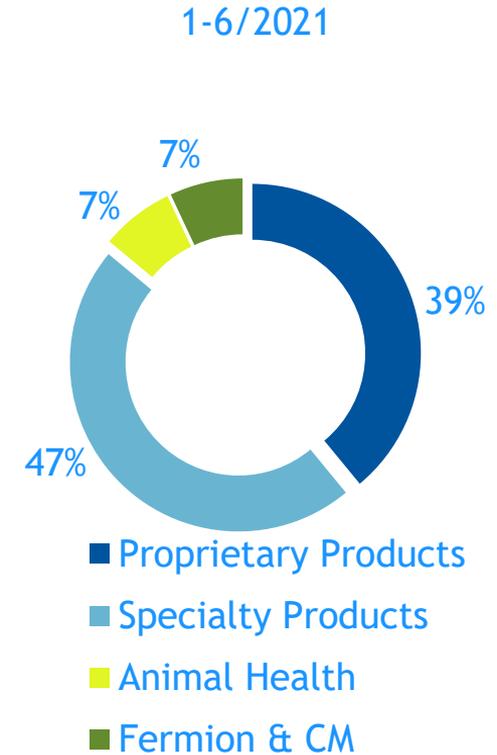
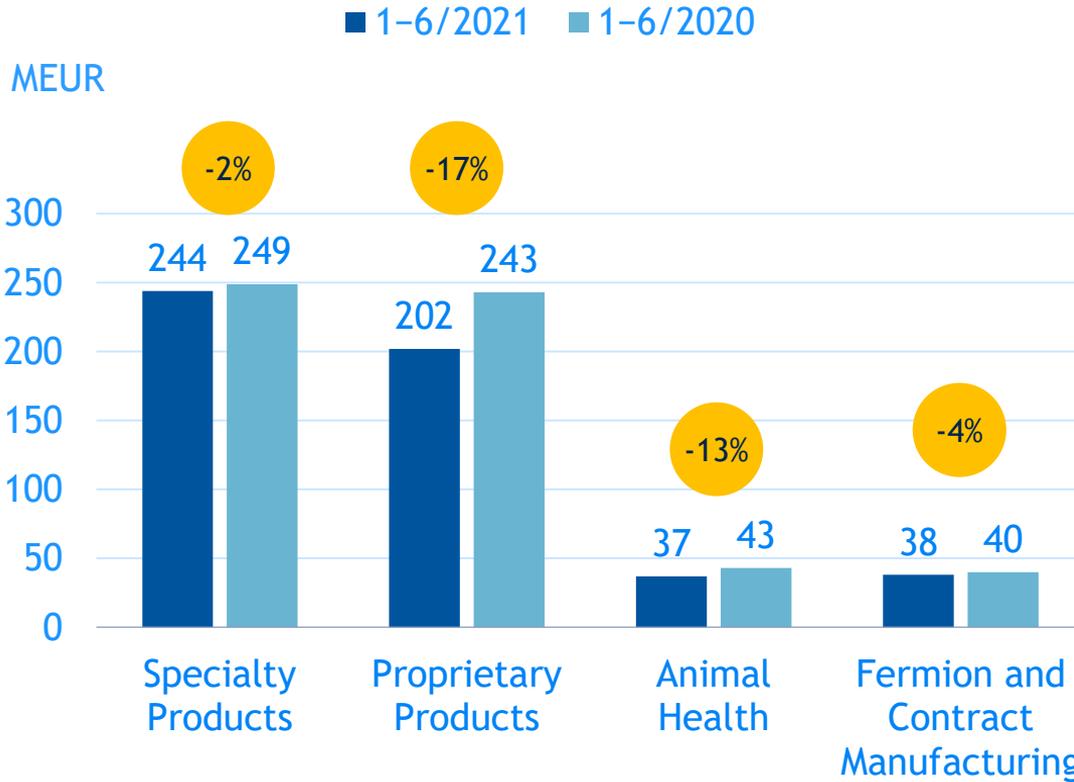
\*\* Product sales margin and product mix change but without exchange rate effect

\*\*\* Exchange rate effect on gross margin

# Geographical breakdown and development of net sales



# Good development in business operations despite the decline in total net sales



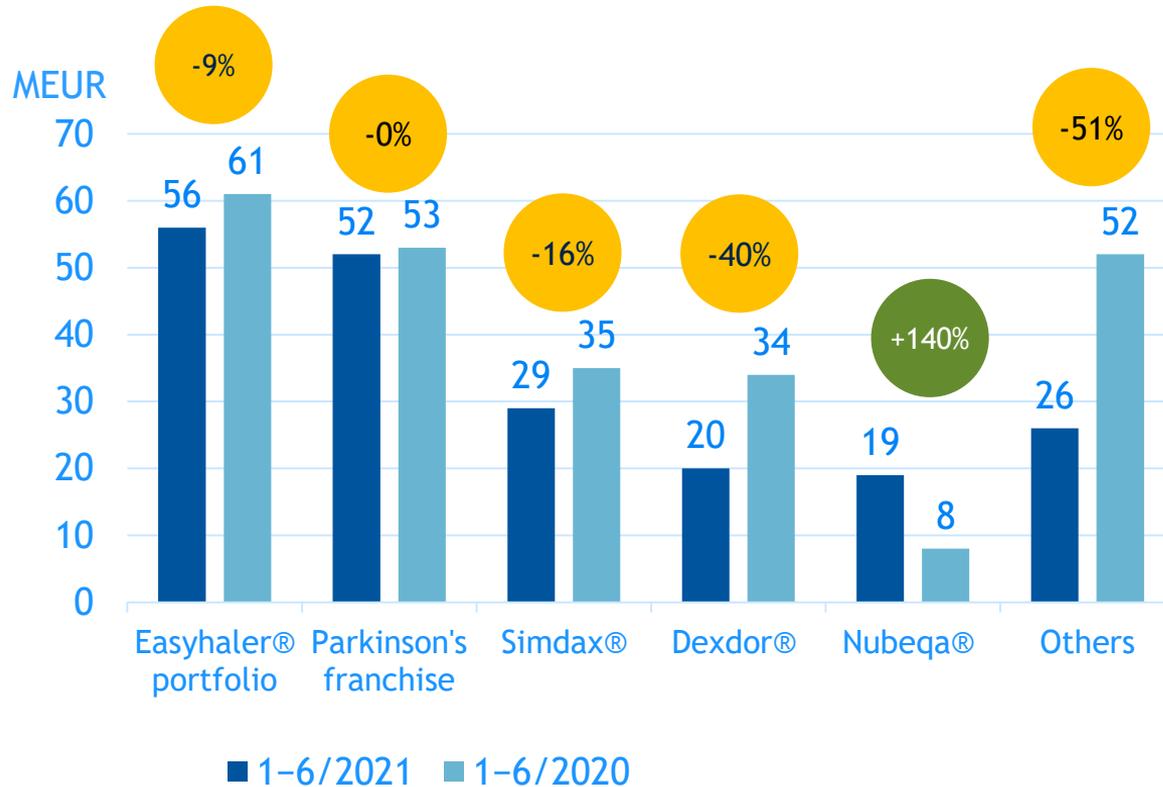
# TOP 10 products in 1-6/2021

		EUR million	vs. 1-6/2020
1.	Easyhaler® product portfolio	56	-9%
2.	Stalevo®, Comtess®, Comtan®	52	-0%
3.	Simdax®	29	-16%
4.	<i>dexdor</i> ®	20	-40%
5.	Nubeqa®	19	+140%
6.	Dexdomitor®, Domitor®, Domosedan®, Antisedan®	18	+18%
7.	Divina® series	12	+14%
8.	Burana®	11	-11%
9.	Solomet®	10	+25%
10.	Biosimilars	10	+17%
Proprietary Products		Specialty Products	Animal Health

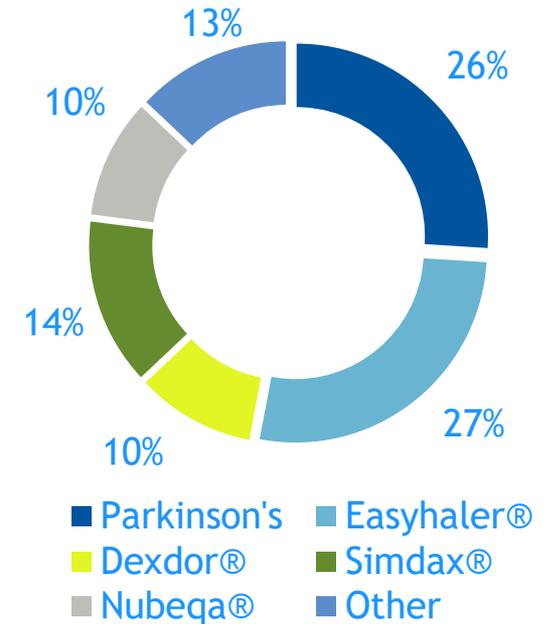


## Proprietary Products

# Expected sales development excluding the Easyhaler® product family



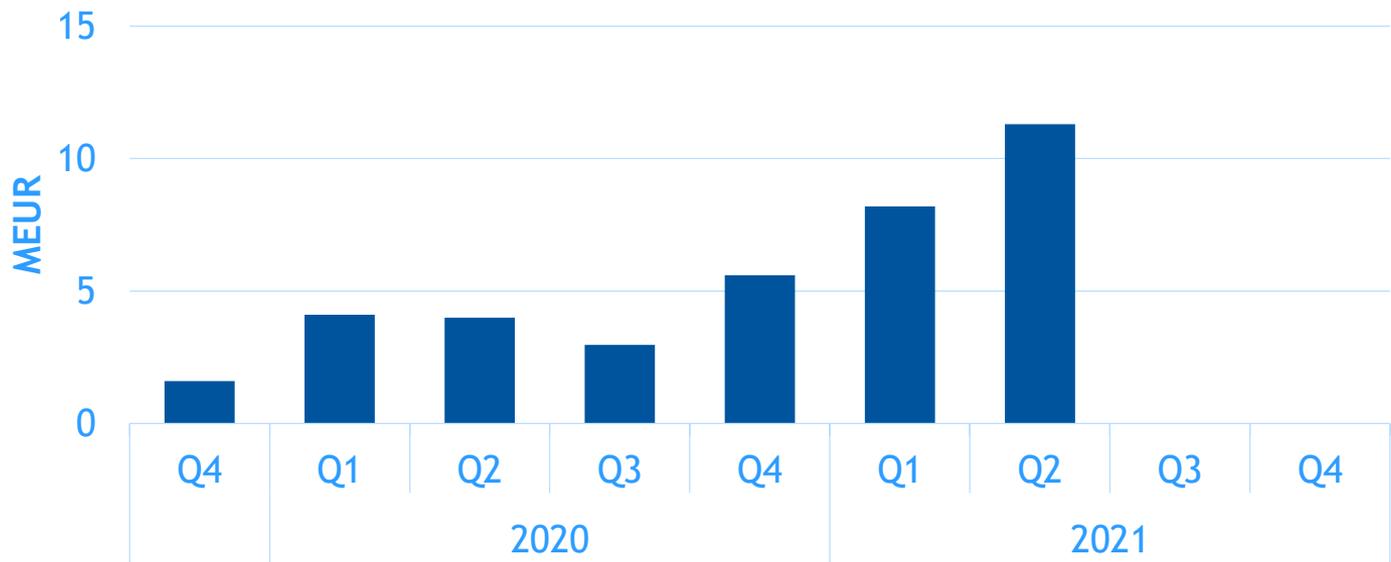
Proprietary Products sales split 1-6/2021





# Nubeqa® sales\* booked by Orion showing strong growth

1-6/2021 Nubeqa® MEUR 19 (8) +140 %

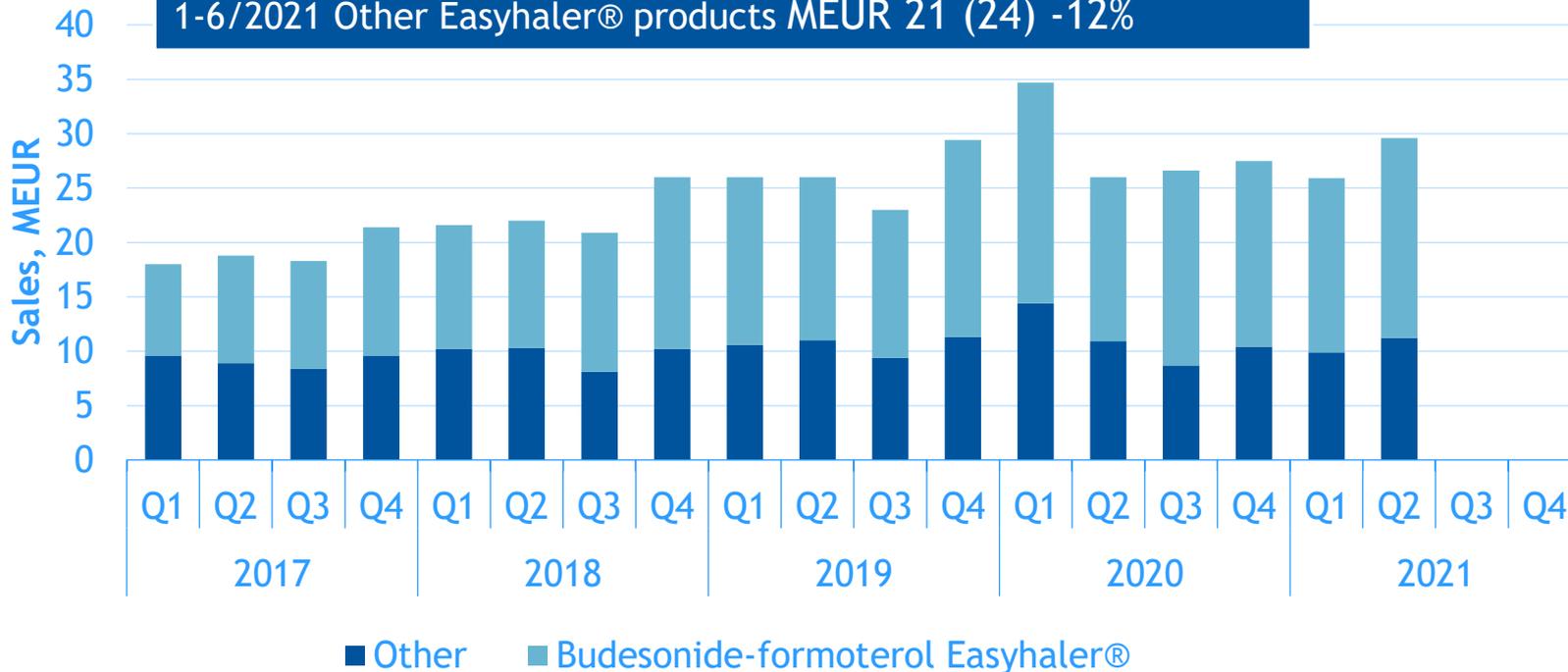


\* Orion's sales to Bayer for commercial use + royalties from Bayer

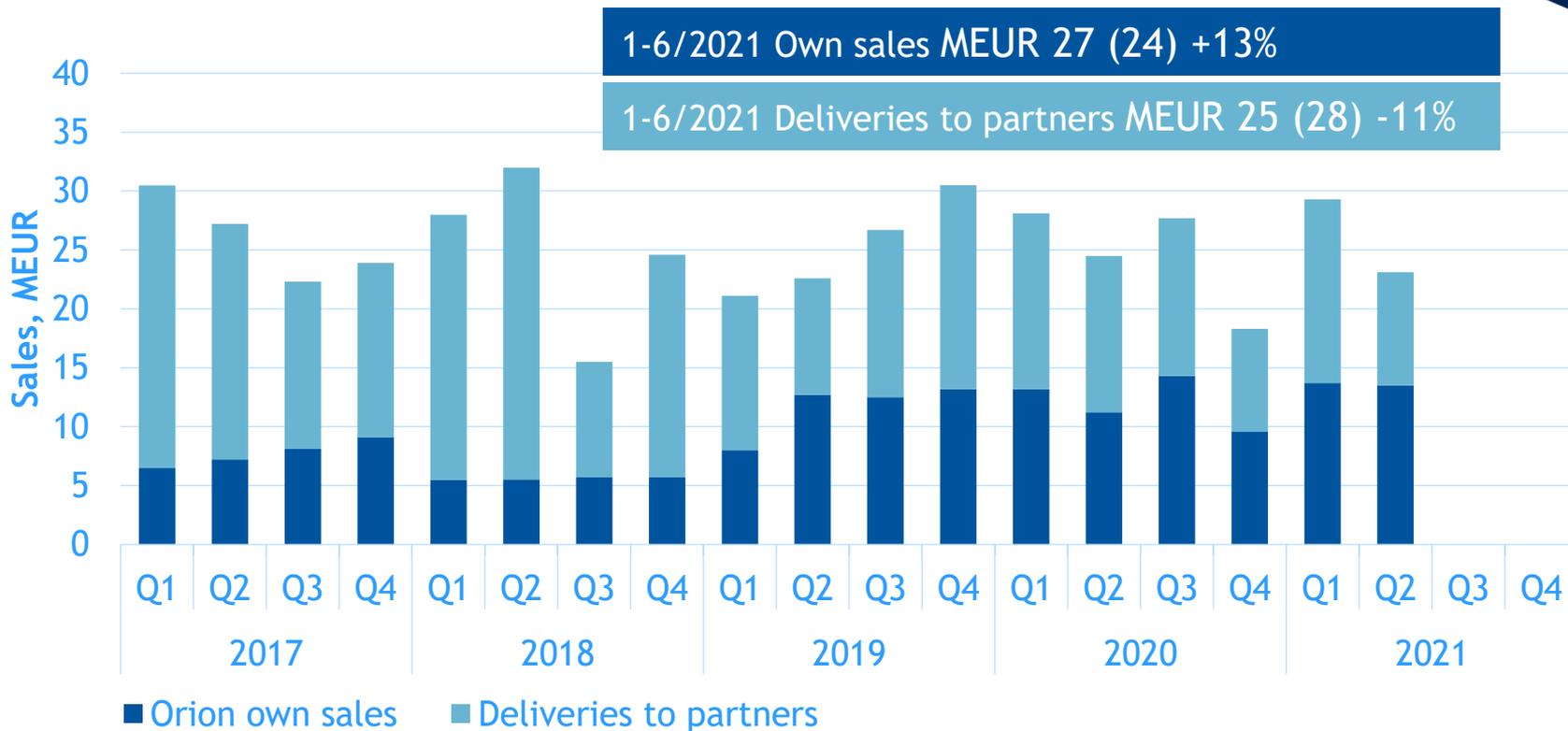
# Easyhaler® product portfolio sales -9%

1-6/2021 Budesonide-formoterol Easyhaler® MEUR 34 (37) -7%

1-6/2021 Other Easyhaler® products MEUR 21 (24) -12%



# Sales of Parkinson's franchise at the previous year's level



# Dexdor® and Simdax® - impact of generic competition starting to show



1-6/2021 Dexdor® MEUR 20 (34) -40%



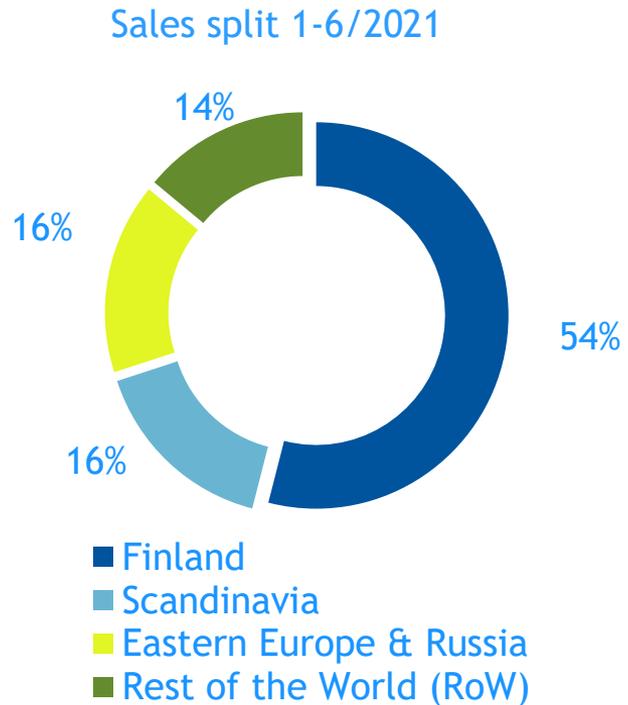
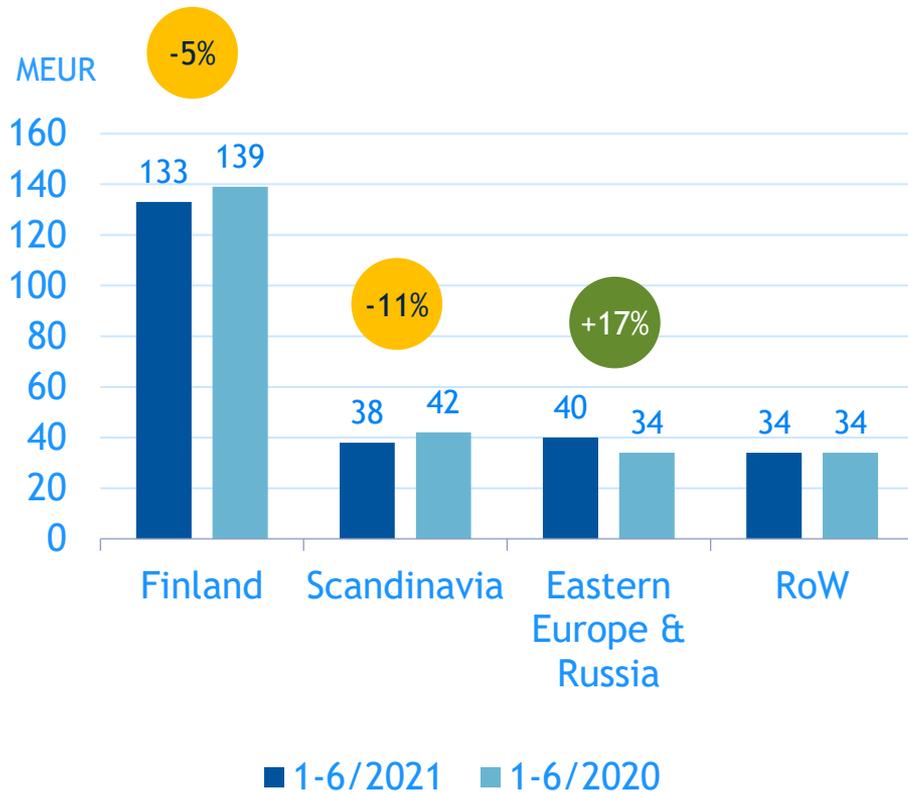
1-6/2021 Simdax® MEUR 29 (35) -16%



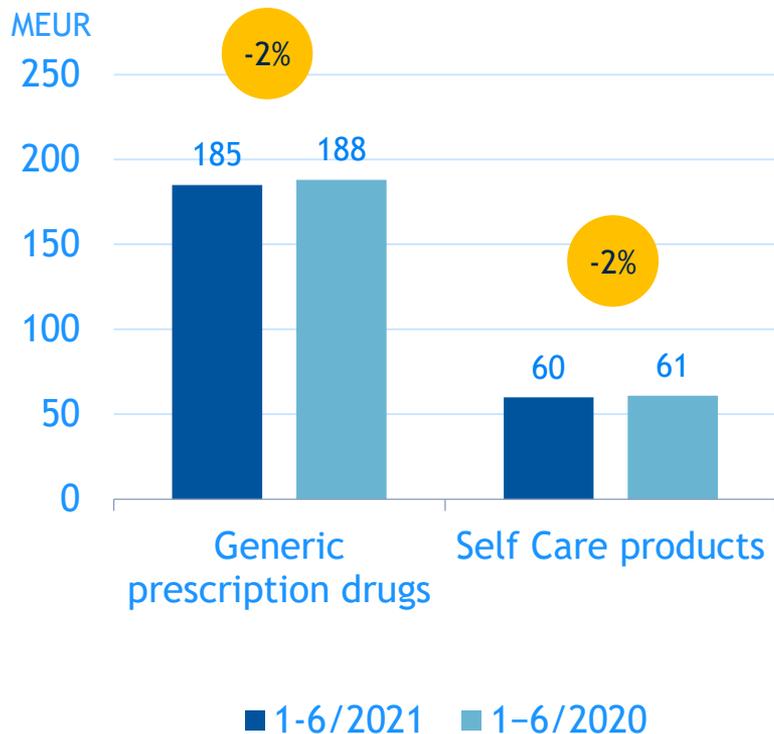


## Specialty Products

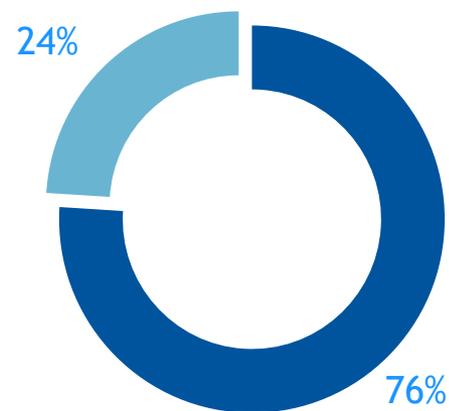
# Good start for the year for Specialty Products even though net sales declined from strong H1 2020



# Good start for the year for Specialty Products even though net sales declined from strong H1 2020



Sales split 1-6/2021



■ Generic drugs ■ Self-care products

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

The market for reference priced prescription drugs in Finland\* (1-6/2021)

MEUR **215** (228)



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

MEUR **51** (50)

Market development

**-6%**

Orion's development

**+2%**

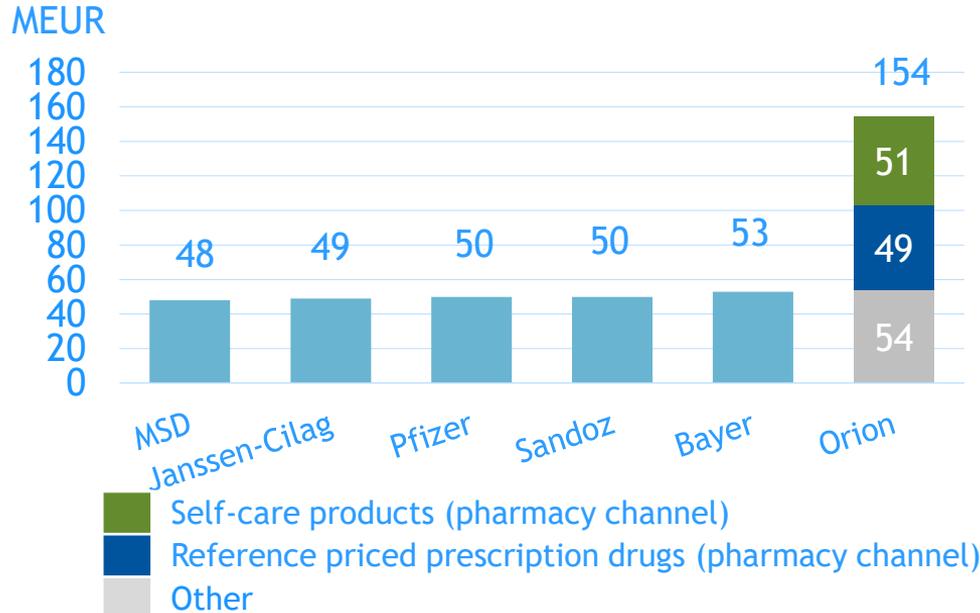
\* The reference-priced prescription drugs group metric counts in products that were reference-priced prescription drugs at the time the statistics were compiled. For this reason, sales figure in the comparative period may deviate from previously published data.

# Orion is strong in home market Finland

## Human pharma market in Finland 1-6/2021

Medicinal and non-medicinal products

in hospital and pharmacy channels: EUR 1,421 million



### Reference priced prescription drugs

Orion market share in pharmacy

**24%**

(22%)\*

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

### Self-care products

Orion market share in pharmacy

**25%**  
(25%)

### Human pharmaceuticals total

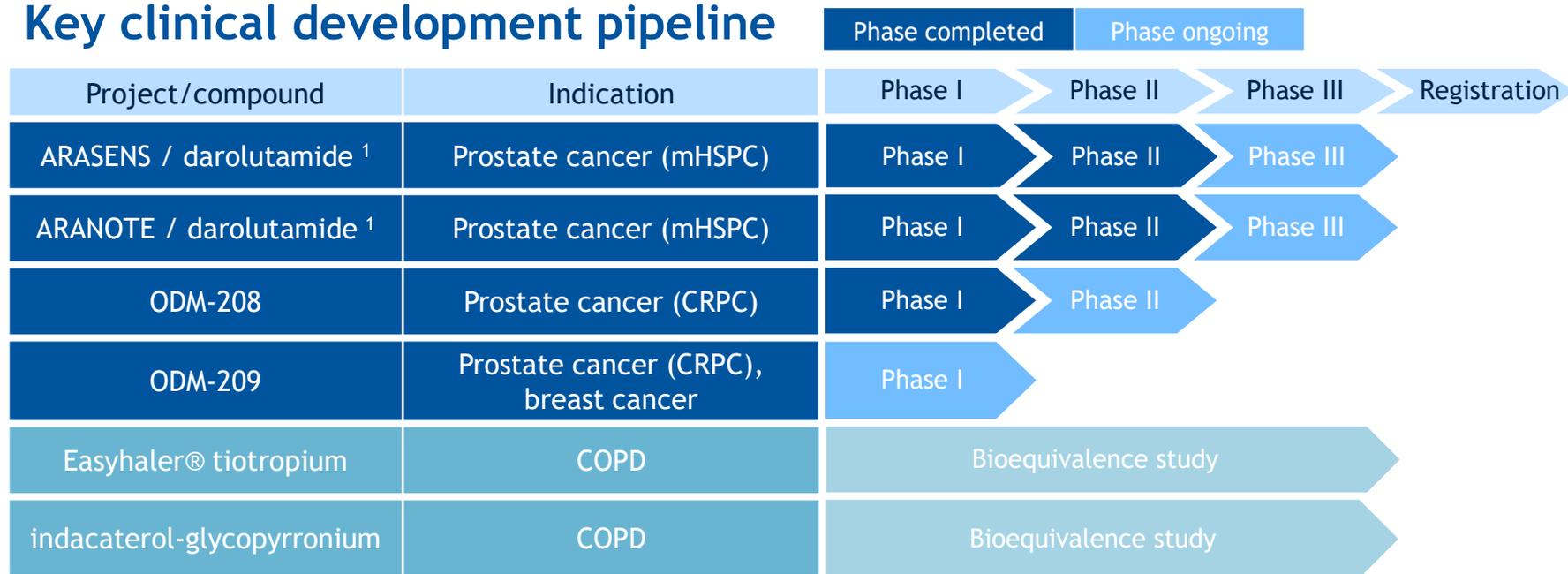
Orion market share in hospital & pharmacy

**11%**  
(11%)



## Research and development

# Key clinical development pipeline



Oncology

Respiratory

Updates vs. Q1 2021:

- Development of a new dry-powder inhaler stopped. Orion is evaluating the possibility to develop indacaterol-glycopyrronium combination product for Easyhaler® platform.

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

# Key business targets in 2021

	TARGET	STATUS on 30 Jun 2021
	Supporting sales growth and co-promotion in Europe with Bayer	Proceeded on target
	Positive outcome from Phase III ARASENS trial	Not known
	Taking phase III ARANOTE trial forward together with Bayer	Proceeded on target
<b>EASYHALER</b>	Sales growth	Behind target
<b>ODM-208</b>	Taking the development program forward according to plan	Proceeded on target
<b>Finland</b>	Maintenance and strengthening of market position	Behind target
<b>Scandinavia</b>	Reinforcing Orion's position in generic prescription drugs	Behind target
<b>Enable future growth</b>	In-licensing of new products	Proceeded on target
	Portfolio enhancement through product acquisitions and M&A	Behind target



Proceeded on target



Behind target



Target not attainable



Not known

# Corporate responsibility - targets and performance in 2020

CORPORATE RESPONSIBILITY FOCUS AREA	TARGET	2020 PERFORMANCE
 Patient safety and ensuring reliable supply of medications	Ensuring availability of pharmaceutical products	●
	Ensuring patient safety	●
 Environment	Improving energy efficiency	●
	Reducing greenhouse gas emissions	●
	Reducing the share of hazardous waste from total waste	●
 Responsibility for Orionees	Lost-Time Injury Frequency (LTIF 1) is 3.0 by the end of 2020	●
	Decrease absences due to illness	●
 Business ethics and transparency	Code of Conduct training for all employees	●
	100% of active packaging material, raw material and product suppliers signed Third Party Code of Conduct	●
	Trainings on anti-corruption and anti-bribery matters.	●



## Outlook

# Outlook for 2021

## Net sales

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

## Operating profit

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

# Key assumptions behind the outlook

## Net sales

- + Nubeqa®
- + Other growing products
- Milestones
- *dexdor*®
- Simdax®
- Animal Health
- /? Specialty Products

## Operating profit

- + Nubeqa®
- + No more depreciation expenses from Parkinson's franchise
- Milestones
- *dexdor*®
- Simdax®
- Normalisation of cost level (without Parkinson's depreciation)
- /? Specialty Products



## Upcoming events

Interim Report 1-9/2021 Financial Statement Release for 2021	20/10/2021 10/2/2022
AGM planned to be held Interim Report 1-3/2022	23/3/2022 28/4/2022
Half-Year Financial Report Interim Report 1-9/2022	15/7/2022 20/10/2022

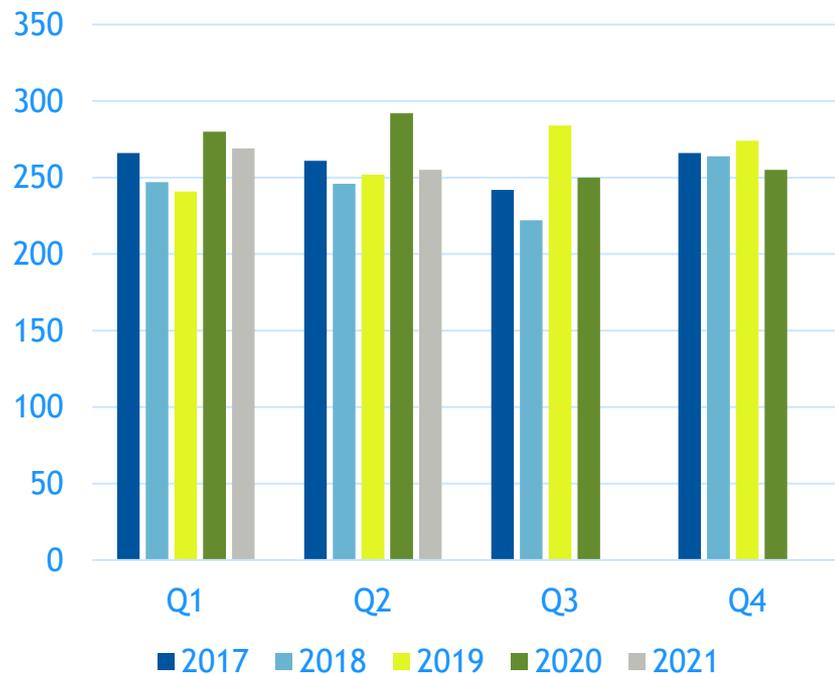


**Building well-being**

# Appendix

# Net sales and operating profit by quarter (MEUR)

## Net sales

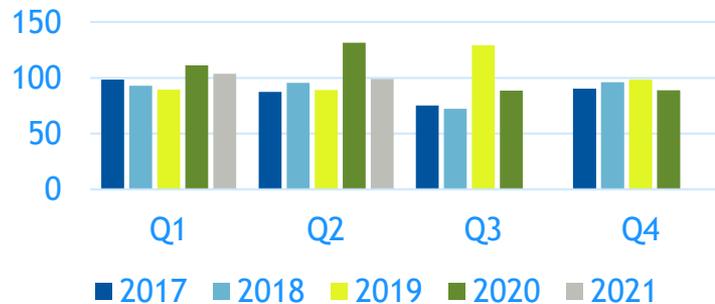


## Operating profit



# Quarterly net sales by unit (MEUR)

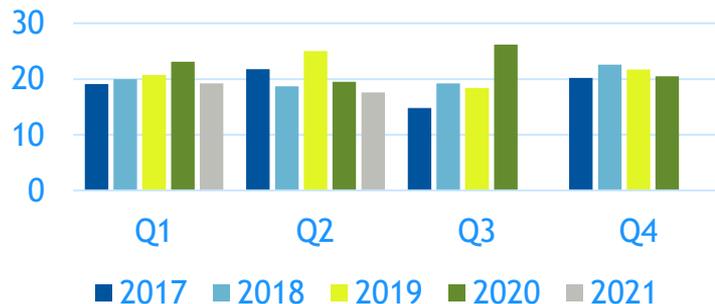
## Proprietary Products



## Specialty Products



## Animal Health



## Fermion & Contract Manufacturing

