



Orion Interim Report 1-9/2020

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-September 2020

Orion is prepared for the second wave of COVID-19 pandemic

1 Orion is prepared for the second wave of the COVID-19 by seeking to ensure the continuity of the production and the availability of pharmaceutical products by eg. increasing inventories.

2 Net sales grew slightly. Due to net sales growth, favourable margin structure of the sales and lower expenses the operating profit increased clearly.



3 REFALS study (ODM-109) did not meet its endpoints.

4 New data from ARAMIS study published at ASCO and in The New England Journal of Medicine.

5 Orion is renewing R&D organisation.

New Proprietary Products and R&D pipeline as growth drivers - after ODM-109 failure more emphasis on other opportunities

OPPORTUNITIES



Darolutamide
mHSPC*

Easyhaler® tiotropium*

Animal Health R&D*

~~ODM-109*~~

In-licensing and product acquisitions

Proprietary
Products

Specialty
Products

Animal
Health

R&D

Expansion to new geographical market areas

THREATS/CHALLENGES



Generic
competition

Pricing pressure

Tightening competition

Failures in R&D programmes

*) requires successful clinical trials

COVID-19 pandemic impacts on Orion

The most important thing is to take care of the health and safety of employees, the continuity of production and patient safety in ongoing clinical trials.



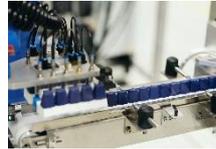
The March demand spike impact of Gx and OTC products has levelled off.



Disruptions in the global supply chains possible but the risk of impacts in 2020 has further lowered.



Strong increase in demand in March-April after which demand returned to a more normal level.



The inventory levels of products and raw materials are good.



The impact of March demand spike has levelled off.



Some delays in some R&D programs.

Key figures 1–9/2020

Net sales

823

MEUR (776)
+6%

Operating profit

246

MEUR (198)
+24%

Operating profit
margin

30%

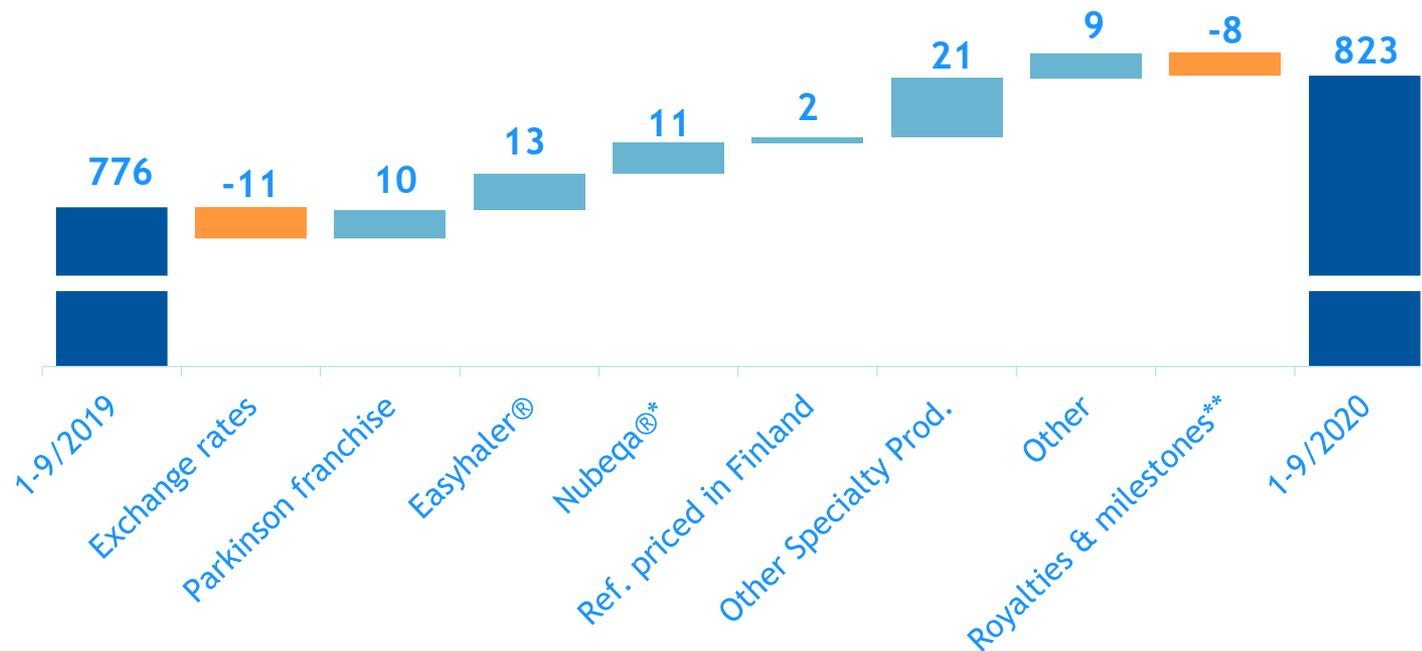
(25%)

Cash flow per share
before financial
items

1.52

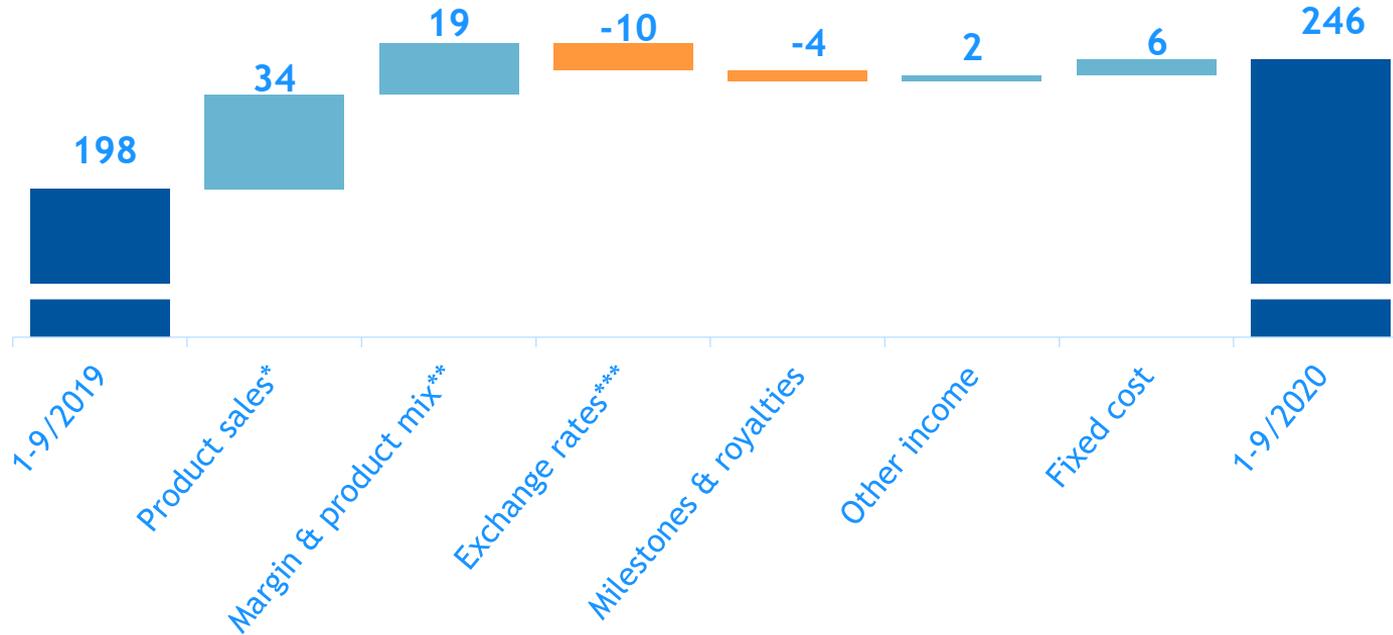
EUR (1.28)
+18%

Development of net sales in 1-9/2020 vs. 1-9/2019



* Nubeqa® product sales & royalty ** Royalties & milestones (without Nubeqa® royalties)

Development of operating profit in 1-9/2020 vs. 1-9/2019

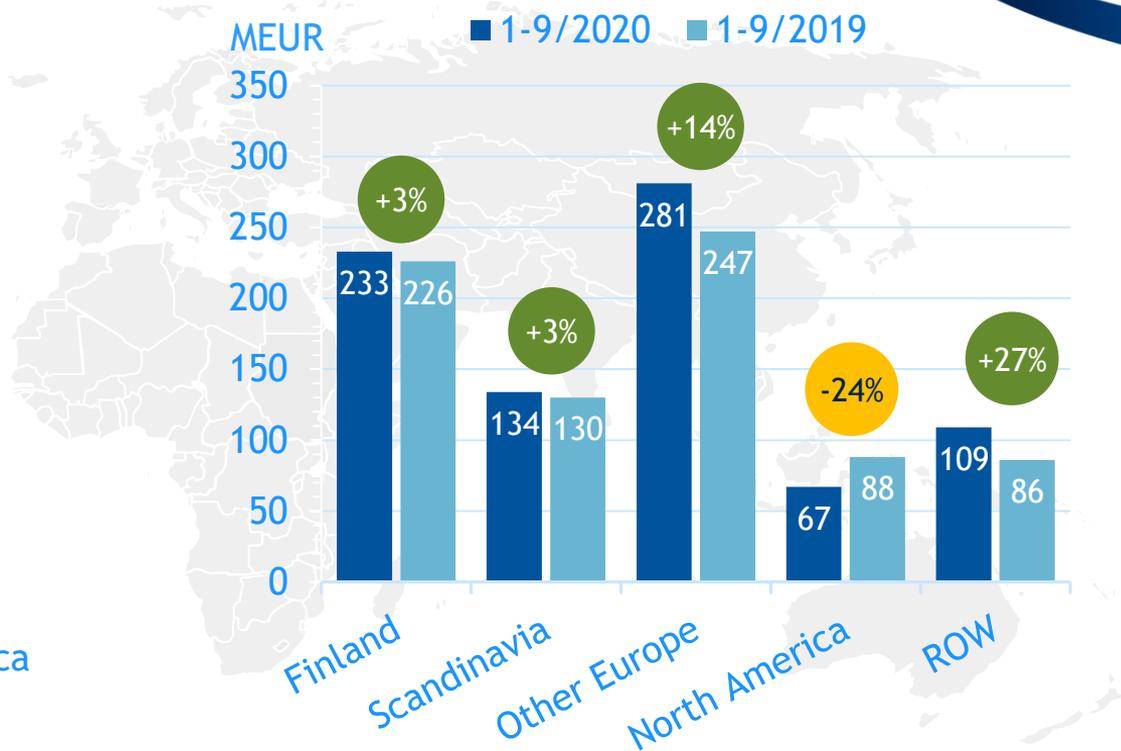
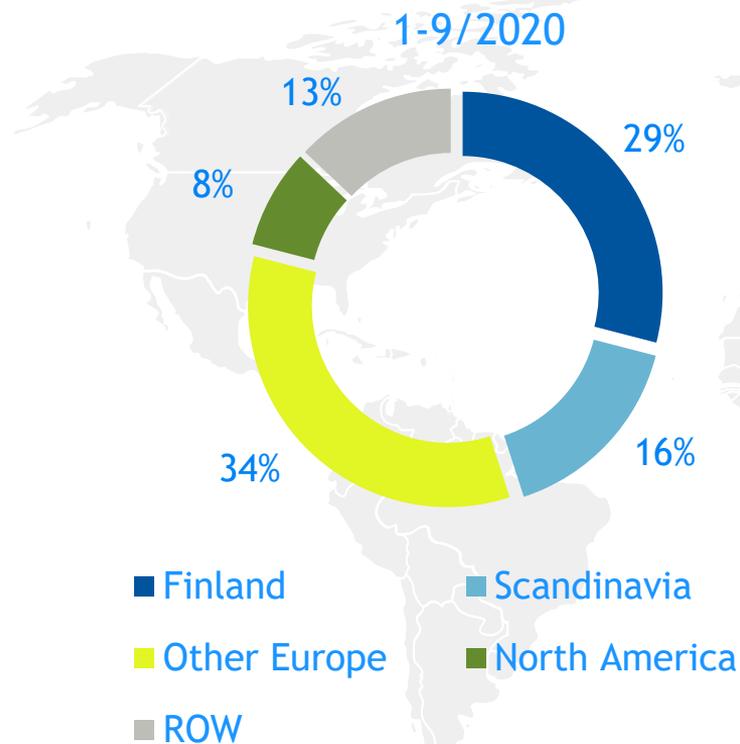


* Product & service sales without sales margin and product mix change and exchange rate effect

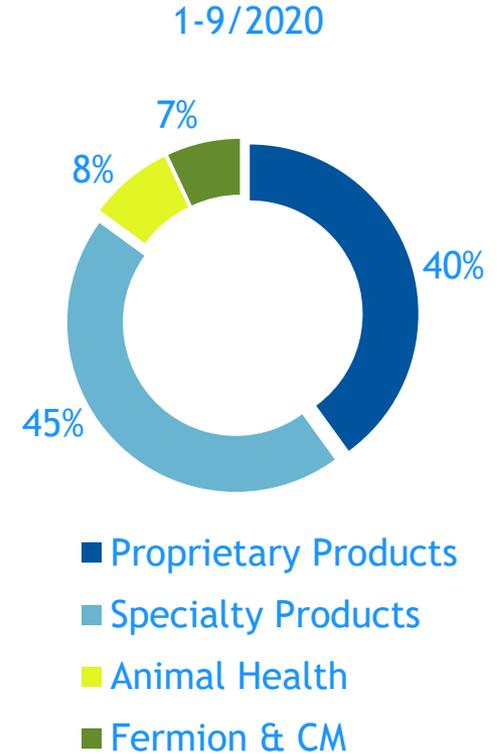
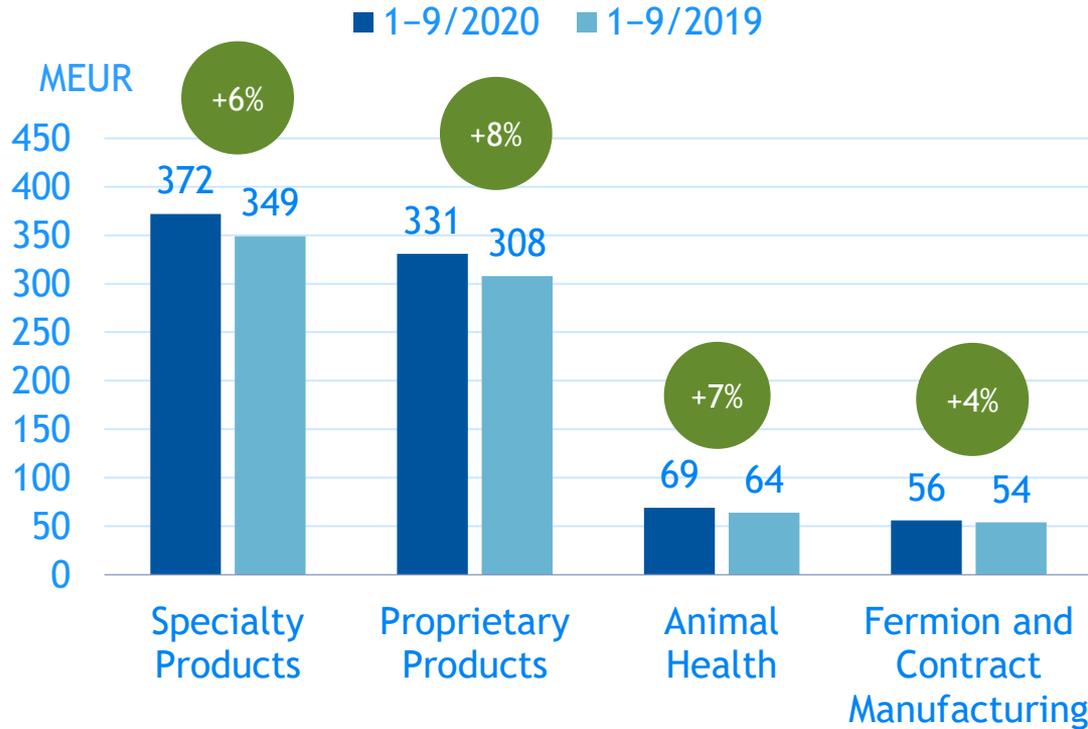
** Product sales margin and product mix change but without exchange rate effect

*** Exchange rate effect on gross margin

Geographical breakdown and development of net sales



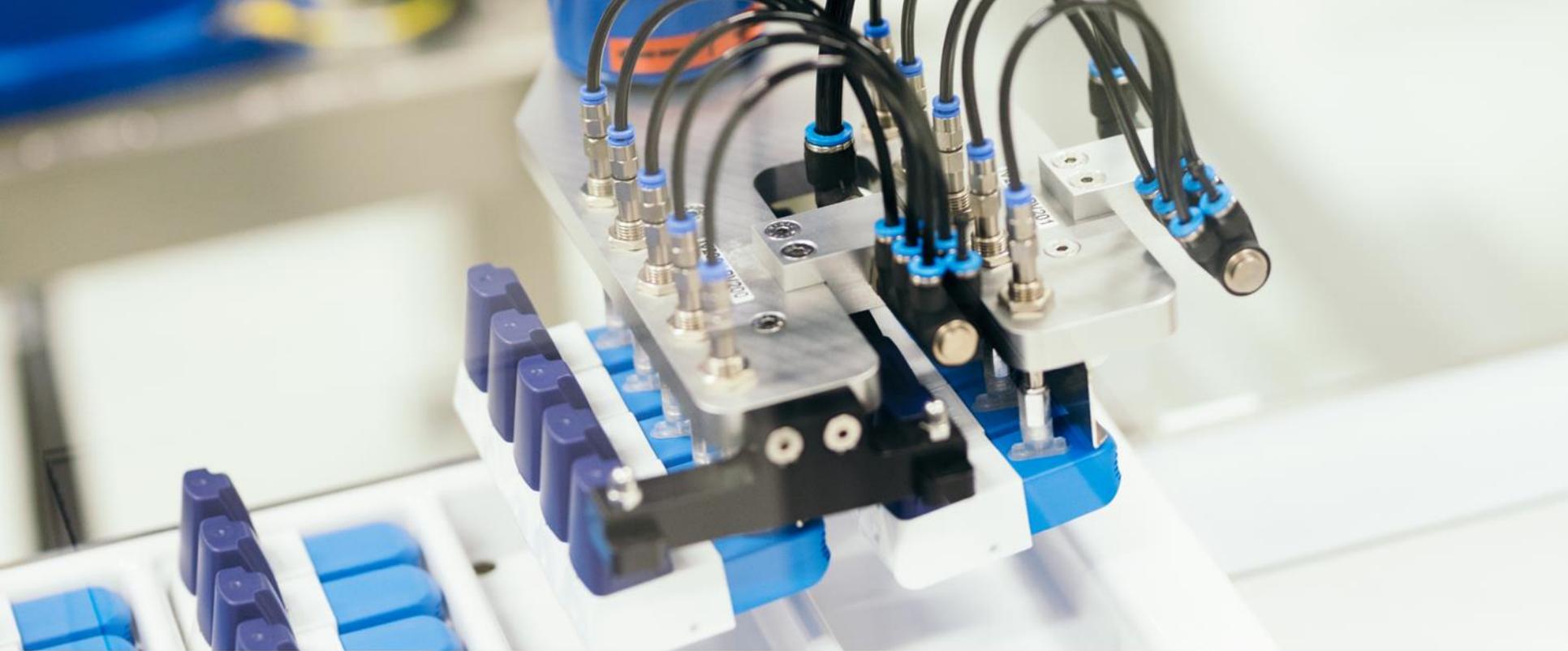
All units showed growth



Best-selling pharmaceuticals 1–9/2020

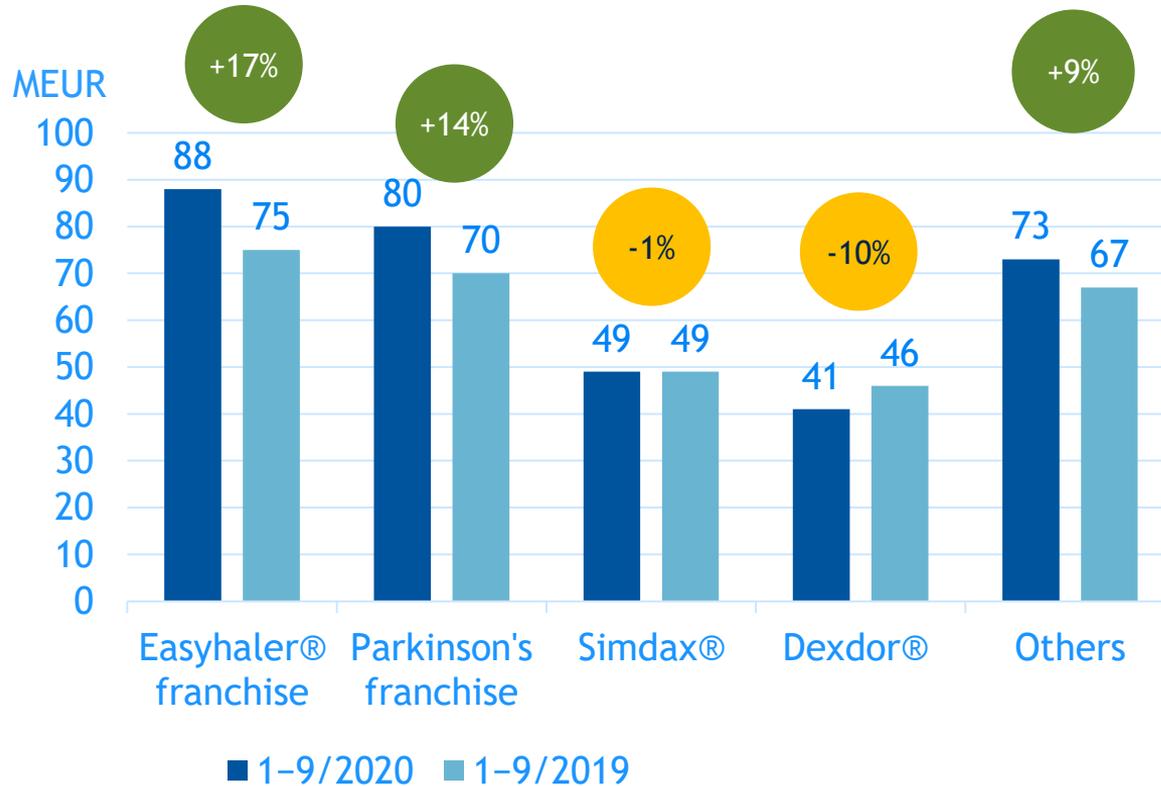
		Indication	Net sales EUR million	Change vs. 1–9/2019
1.		Asthma, COPD	88	+17%
2.		Parkinson's disease	80	+14%
3.		Acute heart failure	49	-1%
4.		Intensive care sedative	41	-10%
5.		Animal sedatives	29	+6%
6.		Inflammatory pain	18	-3%
7.	Divina series 	Menopausal symptoms	16	+11%
8.	Trexan®	Rheumatoid arthritis, cancer	14	+71%
9.	Biosimilars 	Rheumatoid arthritis, inflammatory bowel diseases, lymphoma	13	-55%
10.	Marevan®	Anticoagulant	12	+2%

 = Products of Proprietary Products unit

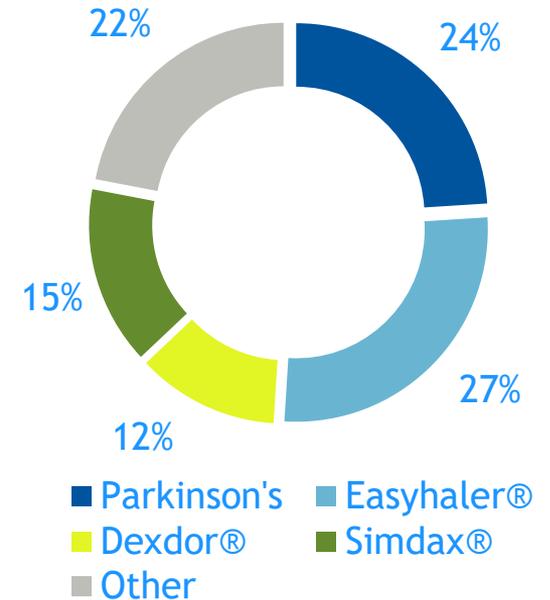


Proprietary Products

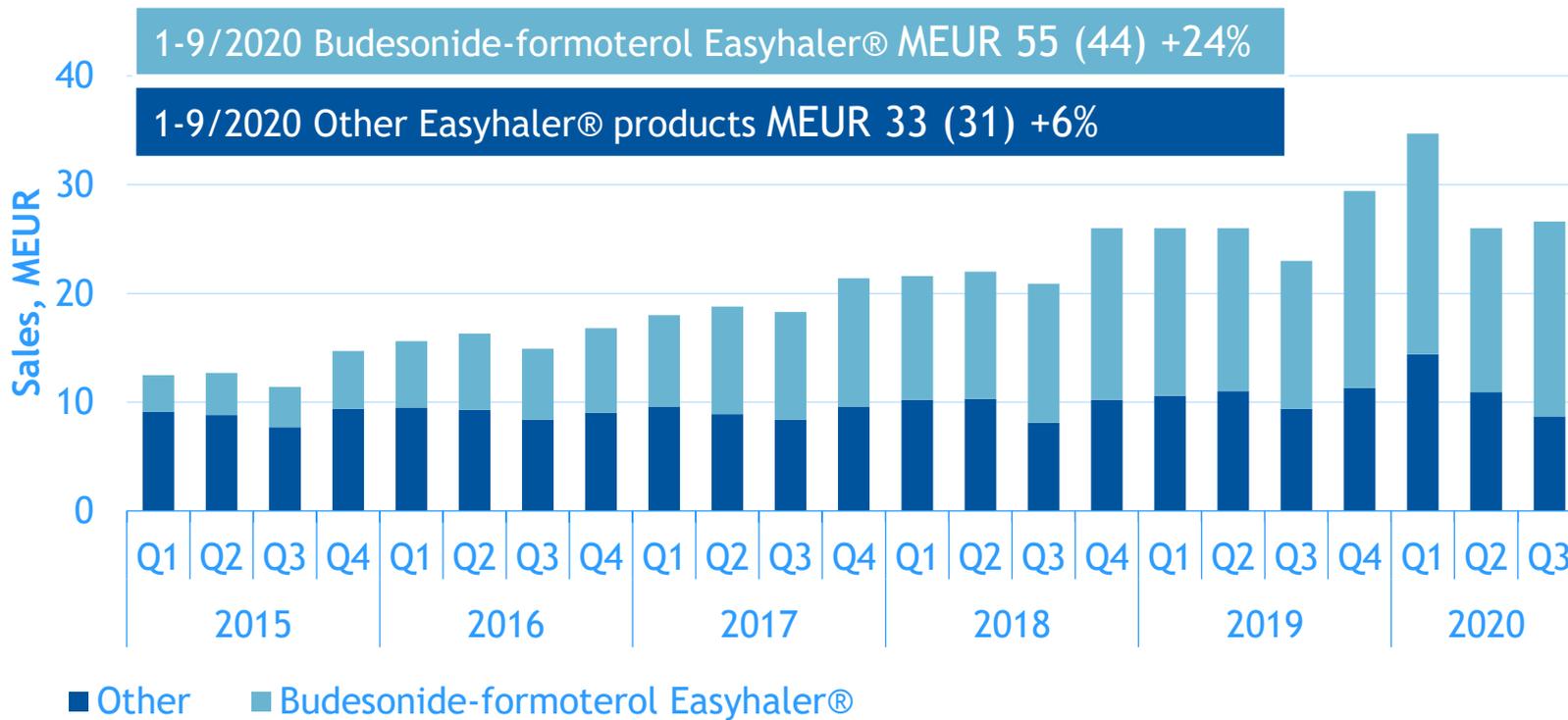
Easyhaler® franchise and Parkinson's franchise growth drivers



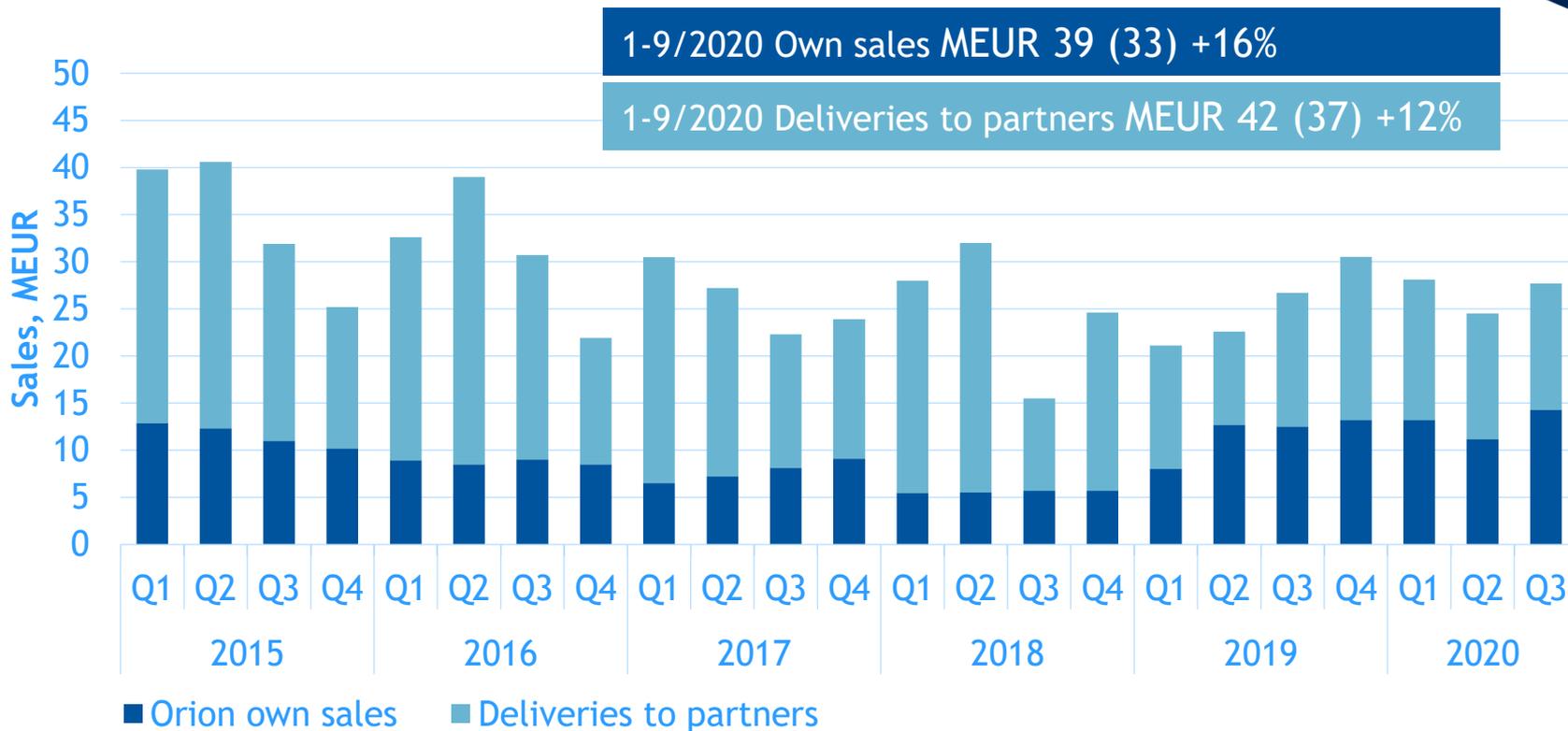
Proprietary Products sales split 1-9/2020



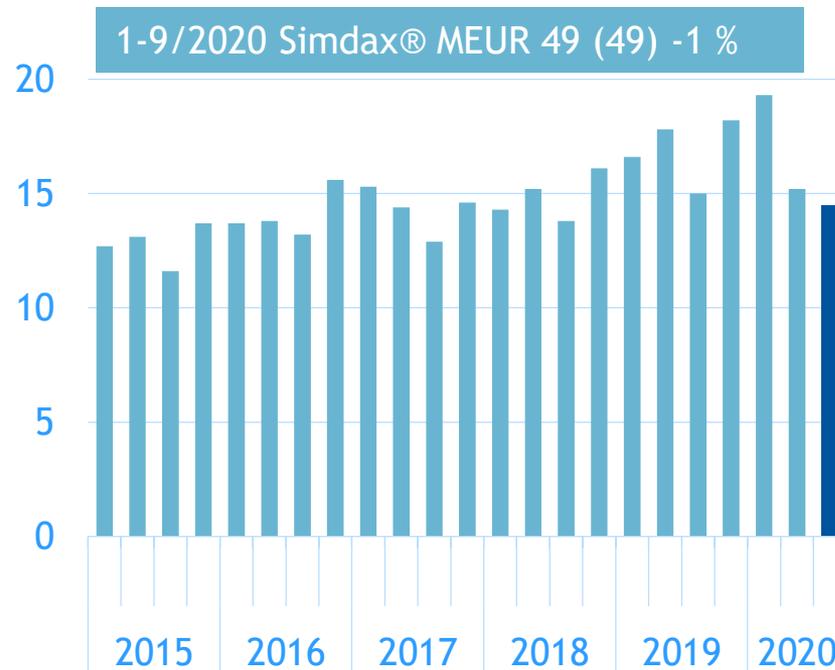
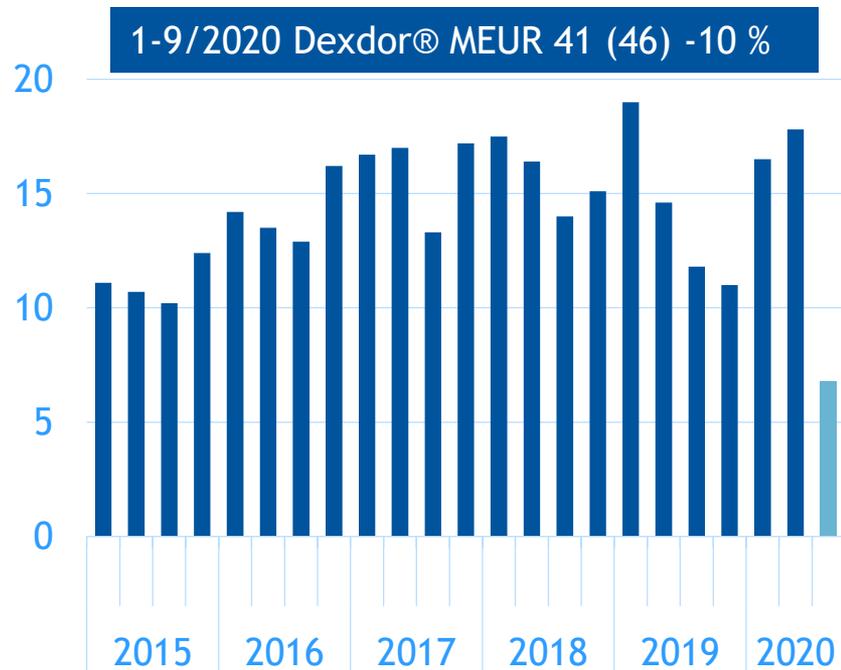
Easyhaler® sales +17%



Parkinson's franchise sales +14%



Dexdor® and Simdax®



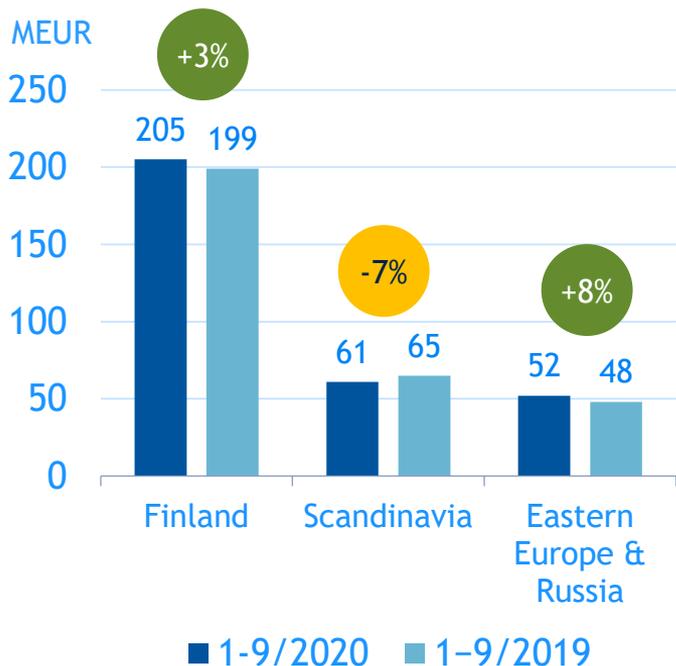


Specialty Products

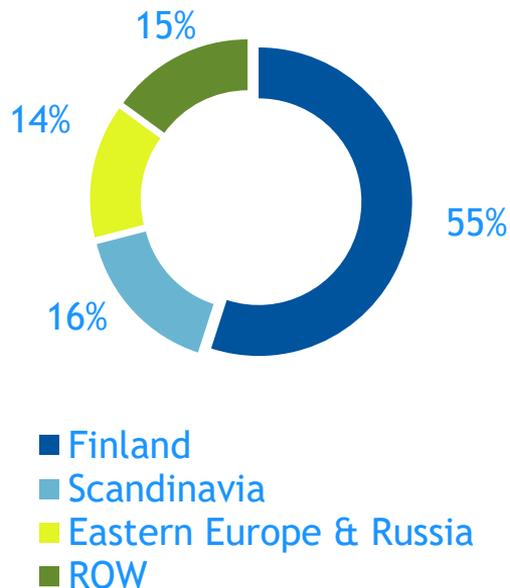
Specialty Products: COVID-19 related demand spike levelled off further



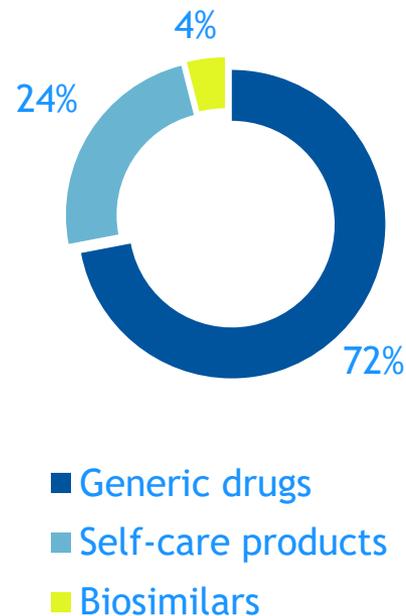
Development of net sales



Net sales by region
1-9/2020



Net sales by products
1-9/2020



In Finland, market for reference priced prescription drugs levelled off after demand spike in March

The market for reference priced prescription drugs in Finland (1-9/2020)

MEUR **340** (339)

Market development

+0%



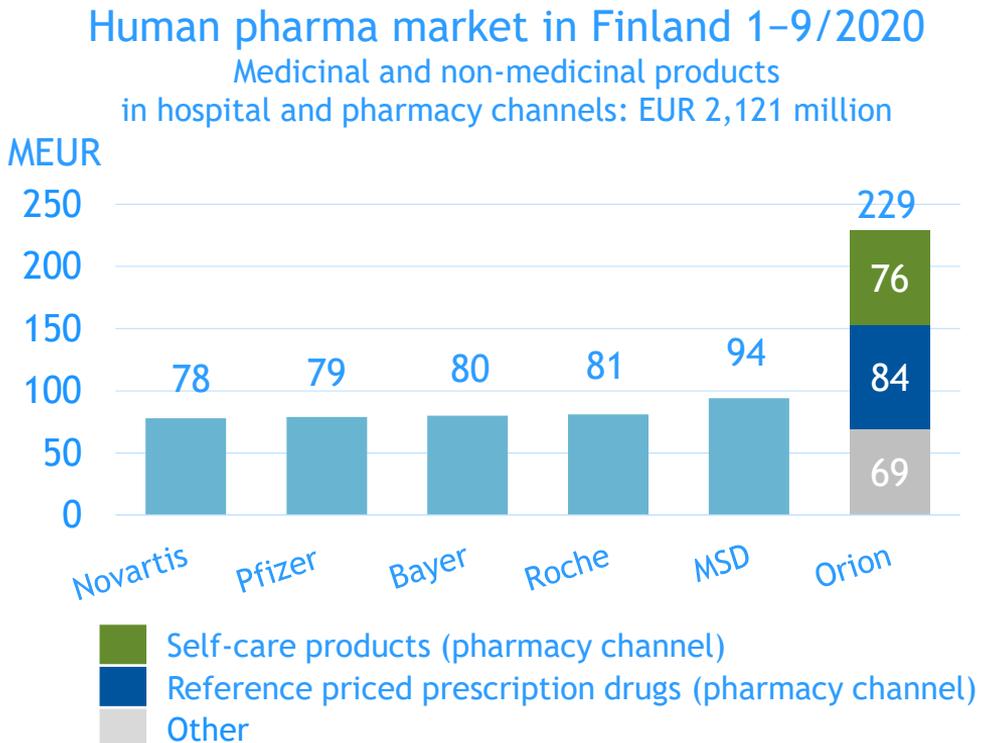
The sales of Orion's reference priced prescription drugs in Finland

MEUR **84** (83)

Orion's development

+2%

Orion is strong in home market Finland



Reference priced prescription drugs

Orion market share in pharmacy

25%

(24%)

Self-care products

Orion market share in pharmacy

25%

(25%)

Human pharmaceuticals total

Orion market share in hospital & pharmacy

11%

(11%)



Research and development

Orion's key clinical drug development projects

Project	Indication	Phase			Registration
Easyhaler® tiotropium	COPD	Bioequivalence study			
Darolutamide ¹⁾	Prostate cancer (mHSPC)	I	II	III	
ODM-203 (targeted FGFR+VEGFR inhibitor) ²⁾	Solid tumours	I	II		
ODM-207 (BET protein inhibitor) ²⁾	Cancer	I			
ODM-208 (CYP11A1 inhibitor)	Prostate cancer (CRPC)	I			
ODM-209 (CYP11A1 inhibitor)	Prostate cancer (CRPC), breast cancer	I			

¹⁾ In collaboration with Bayer

²⁾ Search for partner ongoing for the next possible phase

= Completed
 = Ongoing
 = Status changed

More information on R&D projects: www.orion.fi/en/rd/orion-rd/pipeline/

Orion's key business targets in 2020

1.

Commercialisation of darolutamide in Europe. ARASENS trial (metastatic prostate cancer) continues in order to expand the indication for the molecule.

- First commercial sales of darolutamide in Japan and the EU.
- Fully recruited ARASENS trial estimated to complete in 2021.

2.

Development of orally administered levosimendan (ODM-109) for ALS in phase III clinical trial (REFALS) and preparation for its possible commercialisation. The potential of different R&D projects are reviewed with consideration of the total R&D portfolio.

- REFALS study did not meet its endpoints.
- Orion currently has no plans concerning the establishment of commercial operations in the United States.
- Searching for partners for the development of ODM-203 and ODM-207.

Orion's key business targets in 2020

3.	Strengthening Orion's position as the most significant provider of generic drugs in Finland. Competitive product portfolio in Specialty Products and strengthening of product launches.	<ul style="list-style-type: none">• Orion is a clear market leader both in self-care products and reference priced prescription drugs in Finland and Orion grew faster than the market.
4.	Accelerating the growth of the Easyhaler® product family and strengthening its market position. Salmeterol-fluticasone launch in Europe.	<ul style="list-style-type: none">• Easyhaler® product family sales increased by 17 per cent.
5.	Evaluation of new in-licensing opportunities in Europe, particularly in the area of hospital care.	<ul style="list-style-type: none">• The work continues.

Orion's preparedness for the second wave of COVID-19

MATERIAL THEMES OF SUSTAINABILITY

Ensuring patient safety and reliable supply of medications



- Ensuring reliable supply of medications is the most important task for Orion at the moment
 - Product inventories at a good level
 - Ensuring the availability of raw and starting materials and externally sourced ready-made products
 - Readiness to prioritise production and increase capacity if necessary
 - Ensuring the safety of patients in clinical trials

Responsibility for employees, the environment and the ethics and transparency of operations



- Taking care of the health and safety of employees is essential
 - Specific measures taken in critical production and quality control to ensure the continuation of production
 - Masks for work-related travelling and commuting
 - Reducing non-essential contacts
 - Virtual audits at production sites



Outlook

Outlook for 2020 (provided on 19 October 2020)

Net sales

Orion estimates that in 2020 net sales will be **at a similar level** as in 2019 or **slightly higher** than in 2019 (net sales in 2019 were EUR 1,051 million).

Operating profit

Operating profit is estimated to be **higher or clearly higher** than in 2019 (in 2019 operating profit was EUR 253 million).



Orion calendar

Financial Statement Release
for 2020

9/2/2021

AGM planned to be held

25/3/2021

Interim Report 1-3/2021

27/4/2021

Half-Year Financial Report

19/7/2021

Interim Report 1-9/2021

20/10/2021



Building well-being