

The logo for Orion, featuring the word "ORION" in a bold, white, sans-serif font. Above the letter "O" is a white, curved swoosh that extends to the right and then curves back down.

Building well-being

ORION GROUP

Interim Report January-September 2024





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Orion Group Interim Report January–September 2024

- Net sales totalled EUR 1,108.0 (January–September 2023: 868.5) million
- Operating profit was EUR 323.8 (182.0) million
- Basic earnings per share were EUR 1.83 (1.01)
- Cash flow from operating activities per share was EUR 1.46 (0.50)
- The outlook for 2024 was upgraded during the reporting period on 11 September 2024: Net sales are estimated to be EUR 1,470 million to EUR 1,510 million. Operating profit is estimated to be EUR 370 million to EUR 400 million. Previously net sales were estimated to be EUR 1,440 to EUR 1,480 and operating profit was estimated to be EUR 350 million to EUR 380 million.

Key figures

	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Net sales, EUR million	471.3	301.1	+56.5%	1,108.0	868.5	+27.6%	1,189.7
EBITDA, EUR million	215.0	93.5	> 100 %	362.3	220.4	+64.4%	326.4
% of net sales	45.6%	31.1%		32.7%	25.4%		27.4%
Operating profit, EUR million	202.0	80.0	> 100 %	323.8	182.0	+77.9%	274.9
% of net sales	42.9%	26.6%		29.2%	21.0%		23.1%
Profit before taxes, EUR million	201.4	78.5	> 100 %	321.5	179.5	+79.1%	271.9
% of net sales	42.7%	26.1%		29.0%	20.7%		22.9%
Profit for the period, EUR million	160.8	61.4	> 100 %	256.5	141.6	+81.1%	216.8
% of net sales	34.1%	20.4%		23.1%	16.3%		18.2%
Research and development expenses, EUR million	36.7	27.2	+34.5%	117.1	90.3	+29.7%	126.9
% of net sales	7.8%	9.1%		10.6%	10.4%		10.7%
Capital expenditure, excluding acquired in business combinations, EUR million	21.8	31.0	-29.5%	56.3	66.7	-15.5%	92.7
% of net sales	4.6%	10.3%		5.1%	7.7%		7.8%
Acquired in business combination, net of cash, EUR million					0.1		0.1
Interest-bearing net liabilities, EUR million				66.7	122.5	-45.6%	93.3
Basic earnings per share, EUR	1.14	0.44	> 100 %	1.83	1.01	+80.9%	1.54
Cash flow from operating activities per share, EUR	0.48	0.23	> 100 %	1.46	0.50	> 100%	0.85
Equity ratio, %				58.0%	61.8%		62.3%
Gearing, %				7.2%	14.6%		10.5%
Return on capital employed (before taxes), %				38.5%	22.9%		25.3%
Return on equity (after taxes), %				37.7%	21.6%		24.1%
Average personnel during the period				3,756	3,699	+1.5%	3,710



President and CEO Liisa Hurme:

Nubeqa® becomes first-ever Orion-originated blockbuster

"In January-September 2024, our net sales increased by 27.6 percent to EUR 1,108.0 (868.5) million and operating profit increased by 77.9 percent to EUR 323.8 (182.0) million.

Two significant milestone payments, totalling EUR 130 million (EUR 70 million related to Nubeqa® sales and EUR 60 million related to contract conversion with MSD), contributed significantly to the strong growth in net sales and operating profit. Excluding major milestones (EUR 30 million in 2023 and EUR 130 million in 2024), net sales increased by 16.6% to EUR 978.0 (838.5) million, and operating profit increased by 27.5% to EUR 193.8 (152.0) million.

Of the individual products or product groups, Nubeqa® and Easyhaler® continued to perform well. The Animal Health business division benefited from the recovery in partner and market demand compared to the comparison period. I'm also glad that the revenue of the Generics and Consumer Health business division showed positive development. There is still work to be done to stabilise the growth of the business division, but we are heading in the right direction in implementing our strategy.

In July we, together with MSD, converted the co-development and co-commercialisation agreement for opevesostat and other candidates targeting CYP11A1 to an exclusive global license for MSD. The conversion of this collaboration into a license agreement allows Orion to focus our resources to progress our other promising development candidates while both remaining well positioned to benefit from the development and potential commercialisation of opevesostat and meeting our financial objectives. We believe MSD provides the best choice to maximise the potential of opevesostat, a compound discovered by Orion's scientists. As a result of the contract conversion, we released a EUR 60 million item from our balance sheet to the net sales and operating profit of third quarter of 2024.

The results of the ARANOTE trial, conducted together with our partner Bayer, were presented during the review period at the ESMO 2024 Congress and in The Journal of Clinical Oncology. Based on the results, Bayer has already submitted applications in the US and the EU to extend the marketing authorisation for darolutamide.

In September, we received historic news for Orion, when Bayer announced that Nubeqa's in-market sales exceeded the EUR 1 billion mark this year. This is the first time in history that an Orion-originated product reaches this significant milestone. In addition, we recorded a milestone payment of EUR 70 million related to the sale of Nubeqa for the review period. Nubeqa's sales milestone payments still have one milestone payment of EUR 180 million remaining, which we currently estimate could be achieved in 2026.

After the reporting period, in October, we decided to terminate the ODM-111 development program. Recent findings from a non-clinical toxicology study indicate that the profile of ODM-111 does not support long-term use of the molecule. Altogether we consider the therapeutic window of ODM-111 too narrow, and thus it is not feasible for Orion to continue the development program but rather focus on other promising programs in our pipeline. Also in October, our partner Marinus announced that their phase III TrustTSC trial with ganaxolone did not meet its primary endpoint, and that Marinus is discontinuing further ganaxolone clinical development. We are currently assessing our strategic next steps with ganaxolone.

We continue to strengthen Orion's early-stage research as part of our growth strategy. One indication of this is the agreement with Aitia aimed to benefit from the Gemini Digital Twins platform to discover new cancer treatments. During the reporting period, we also took an important step forward in our sustainability agenda, as the Science Based Targets initiative (SBTi) confirmed Orion's science-based near-term climate targets.

Orion's third quarter of 2024 was very eventful and I am very proud of what we at Orion have achieved ourselves and together with our great partners."



Outlook for 2024 (updated on 11 September 2024)

Net sales are estimated to be EUR 1,470 million to EUR 1,510 million.

Operating profit is estimated to be EUR 370 million to EUR 400 million.

Basis for the outlook and an overview of near-term risks and uncertainties are provided at the end of this review.

Previous outlook for 2024 (provided on 1 July 2024)

Net sales are estimated to be EUR 1,440 million to EUR 1,480 million.

Operating profit is estimated to be EUR 350 million to EUR 380 million.

Net sales and profits in July–September 2024

Net sales

Orion Group's net sales increased by 56.5% and totalled EUR 471.3 (301.1) million. The growth was driven by two significant milestone payments, totalling EUR 130 million (EUR 70 million related to Nubeqa® sales and EUR 60 million related to contract conversion with MSD), Nubeqa®, Easyhaler® product portfolio, Generics and Consumer Health business division and the Animal Health business division. The net sales of the comparison period includes a milestone payment of EUR 30 million. Excluding major milestones (EUR 30 million in Q3 2023 and EUR 130 million in Q3 2024), net sales increased by 25.9% to EUR 341.3 (271.1) million.

Exchange rate fluctuations had a EUR 1.0 million positive impact on net sales.

Operating profit

Orion Group's operating profit increased by more than 100% and totalled EUR 202.0 (80.0) million. The increase was due to two significant milestone payments, totalling EUR 130 million, and growing net sales and especially the growth of Nubeqa royalties. The operating profit of the comparison period includes a milestone payment of EUR 30 million. Excluding major milestones

(EUR 30 million in Q3 2023 and EUR 130 million in Q3 2024), operating profit increased by 43.9% to EUR 72.0 (50.0) million.

Operating expenses increased by EUR 30.9 million. The increase was mainly due to planned increase in sales and marketing as well as research and development expenses. Other operating income and expenses accounted for EUR 5.1 (0.4) million. Other operating income includes a EUR 3.4 million item, which is the final item related to the transfer of the Orion Pension Fund's B fund to a pension insurance company at the end of 2023.

Profit for the period

Profit for the period increased by more than 100% and totalled EUR 160.8 (61.4) million. Basic earnings per share were EUR 1.14 (0.44).

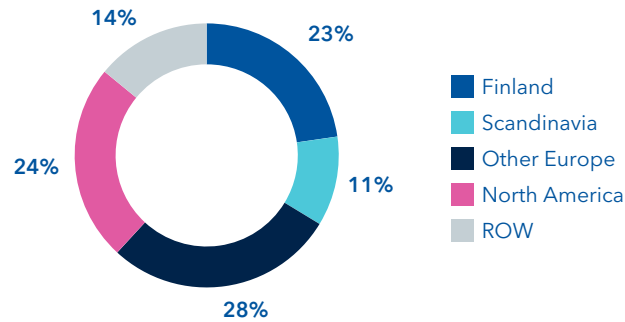


Net sales and profits in January-September 2024

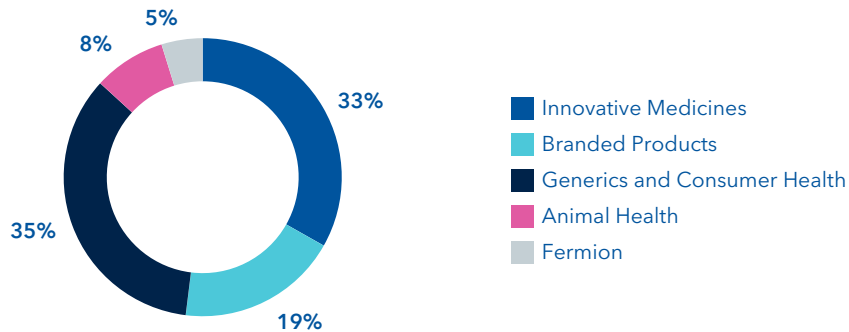
Net sales

Orion Group's net sales increased by 27.6% and totalled EUR 1,108.0 (868.5) million. The growth was driven by two significant milestone payments, totalling EUR 130 million, Nubeqa®, Easyhaler® product portfolio and the Animal Health business division. The net sales of the comparison period includes a milestone payment of EUR 30 million. Excluding major milestones (EUR 30 million in 2023 and EUR 130 million in 2024), net sales increased by 16.6% to EUR 978.0 (838.5) million. Exchange rate fluctuations had a EUR 3.3 million positive impact on net sales. Net sales of Orion's top ten pharmaceuticals amounted to EUR 508.0 (403.3) million. They accounted for 45.8% (46.4%) of total net sales.

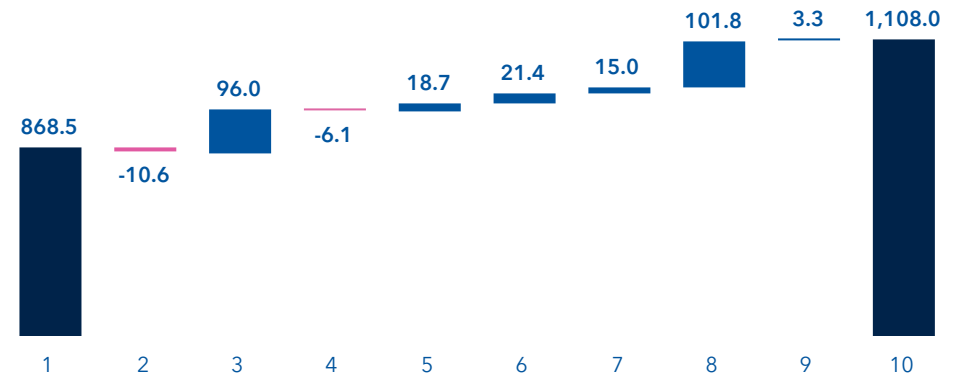
Net sales split by region 1-9/2024



Net sales split by business divisions 1-9/2024



Development of net sales 1-9/2024 vs. 1-9/2023



1	Net sales in 1-9/2023	6	Other products and services (excl. Animal Health and Fermion)
2	Simdax® and dexmedetomidine for human use	7	Animal Health and Fermion
3	Nubeqa® (product sales & royalty)	8	Milestones
4	Entacapone products	9	Exchange rates
5	Easyhaler® product portfolio	10	Net sales in 1-9/2024

The figures in the chart are rounded, which is why the total sums of individual figures may differ from the total sums. Chart not to scale.



Operating profit

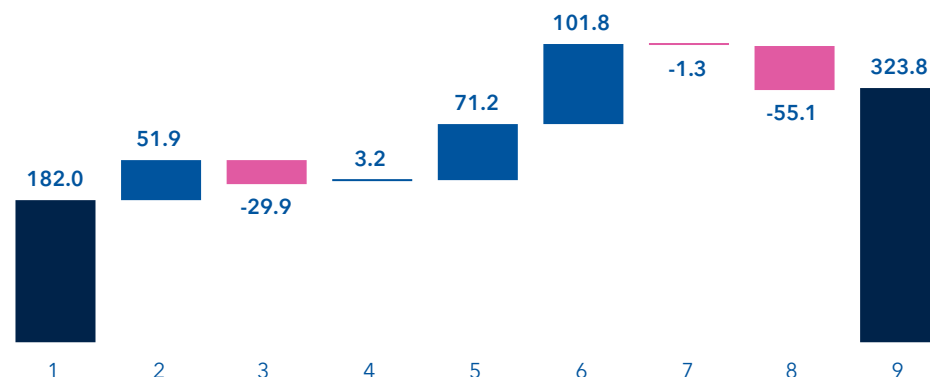
Orion Group's operating profit increased by 77.9% and totalled EUR 323.8 (182.0) million. The increase was due to two significant milestone payments, totalling EUR 130 million, and growing net sales and especially the growth of Nubeqa royalties. The operating profit of the comparison period includes a milestone payment of EUR 30 million. Excluding major milestones (EUR 30 million in 2023 and EUR 130 million in 2024), operating profit increased by 27.5% to EUR 193.8 (152.0) million.

Gross profit from sales in local currencies increased by EUR 51.9 million from the comparative period. Price, cost and product portfolio changes had a negative impact of EUR -29.9 million on gross profit. Currency exchange rate changes had a positive impact of EUR 3.2 million. With the combined impact of these items, the gross profit from product and service sales was EUR 25.2 million higher than in the comparative period.

Milestone payments accounted for EUR 133.3 (31.5) million and royalties for EUR 153.8 (82.6) million of net sales and operating profit. Other operating income and expenses accounted for EUR 6.6 (7.9) million of operating profit.

Operating expenses increased by EUR 55.1 million. The growth was due to planned increases in research and development expenses, and sales and marketing expenses.

Development of operating profit 1-9/2024 vs. 1-9/2023



1	Operating profit in 1-9/2023	6	Milestones
2	Product & service sales without sales margin and product mix change and exchange rate effect	7	Other operating income and expenses
3	Product sales margin and product mix change but without exchange rate effect	8	Fixed cost
4	Exchange rate effect on gross margin	9	Operating profit in 1-9/2024
5	Royalties		

The figures in the chart are rounded, which is why the total sums of individual figures may differ from the total sums.

Operating expenses

Sales and marketing expenses increased by 13.2% and totalled EUR 183.9 (162.5) million. The growth was planned, and it came mostly from increased efforts to support the growth of Easyhaler® product portfolio. Costs are also increased by royalties paid to Endo, the total amount of which increases in line with the increase in Nubeqa® revenues. Research and development expenses increased by 29.7% and totalled EUR 117.1 (90.3) million. R&D costs accounted for 10.6% (10.4%) of the Group's net sales. The growth was planned, and it is explained by the progress of ongoing research and development projects. Administrative expenses increased by 12.8% and were EUR 60.9 (54.0) million.

Profit for the period

Profit for the period totalled EUR 256.5 (141.6) million. Basic earnings per share were EUR 1.83 (1.01).



Financial position and cash flow in January-September 2024

Cash flow from operating activities was significantly better than in the comparative period at EUR 204.6 (70.2) million. The EUR 30 million milestone payment recognised in 2023 increased the cash flow for the period. The main part of the cash flow effect of the transfer of the insurance portfolio of Orion Pension Fund's B Fund (EUR 44.4 million), i.e. the excess cash, was also recognised in the reporting period. Also, working capital increased clearly less than in the comparative period. In addition, the cash flow generated by Nubeqa's product sales and royalties, for example, was clearly better than in the comparative period.

Cash flow from investing activities was EUR -58.9 (-89.9) million. Cash flow of the comparative period includes the upfront payments to Amneal and Jemincare, a total of EUR 33 million.

Cash flow from financing activities was EUR -61.8 (-240.6) million. The difference with the comparative period is due to the timing of dividend payments and due to new debt raised in the second quarter of 2024. Orion signed two EUR 75 million term loan facility agreements in the second quarter of 2024. Of the total EUR 150 million facility, EUR 75 million was in use on 30 June 2024. The term loans mature in two years from the signing with an option to extend the term by one year.

Group's total liabilities as at 30 September 2024 were EUR 683.3 (531.7) million. Interest-bearing liabilities amounted to EUR 256.8 (200.4) million. Of the total interest-bearing liabilities, EUR 227.5 (176.8) million were long-term liabilities. The Group had EUR 190.1 (77.9) million in cash and cash equivalents at the end of the reporting period.

Group's gearing was 7.2% (14.6%) and the equity ratio 58.0% (61.8%). Equity per share was EUR 6.58 (5.99).

Capital expenditure in January-September 2024

Capital expenditure totalled EUR 56.3 (66.7 excluding assets acquired in business combination) million. This comprised EUR 43.7 (52.4) million on property, plant and equipment and EUR 12.6 (14.3) million on intangible assets.



Business review

Orion's operations and sales network

Orion is headquartered in Espoo, Finland. The company has a total of eight production sites, six in Finland, one in France and one in Belgium. The company has two large research centres in Finland and smaller R&D offices in the UK and the US. In addition, Orion's Animal Health division has small R&D operations in France and Belgium. Orion also has back-office operations in India and China.

Orion has decided to outsource the production of its plant in Kuopio, Finland. It is estimated that the Kuopio plant will continue to operate until at least the summer of 2026. Orion has also decided to outsource the manufacture of injection products due to Simdax[®] and Dexdor[®] becoming generic. The outsourcing of the manufacturing of injection products will take place between 2024 and 2027. These decisions are a continuation of Orion's efforts to continuously improve its operations and their efficiency.

Orion's products are sold globally in over one hundred countries through Orion's own sales network and by partners. Orion has its own sales network in Europe and six countries in the Asia-Pacific region. Elsewhere in the world, Orion's human pharmaceuticals are sold mainly by the company's partners. Orion is engaged in the sale of veterinary drugs through its own sales network in the Nordic countries, Belgium, France, some Eastern European countries and Vietnam. Elsewhere, these products are sold by partners. The company is also engaged in the sale of Fermion and contract manufacturing products and services globally. In addition, Orion markets and sells drugs and products manufactured by several other companies.

Orion has established a sales office in Japan, where initially the company plans to sell women's health products and Parkinson's disease products when the rights of entacapone products in Japan will be repatriated to Orion in the end of 2024.

Top ten best-selling pharmaceutical products

EUR million	¹	1-9/24	1-9/23	Change %	1-12/23
Nubeqa [®] (prostate cancer)	A	216.3	120.3	+79.8%	182.5
Easyhaler [®] product portfolio (asthma, COPD)	B	120.3	101.6	+18.3%	144.2
Entacapone products (Parkinson's disease) ²	B	61.6	67.7	-8.9%	88.4
Dexdomitor [®] , Domitor [®] , Domosedan [®] and Antisedan [®] (animal sedatives)	D	25.8	18.2	+41.5%	22.8
Burana [®] (inflammatory pain)	B	17.8	18.3	-2.5%	25.1
Divina [®] series (menopausal symptoms)	C	17.8	15.6	+13.7%	21.0
Simdax [®] (acute decompensated heart failure)	C	14.2	20.2	-30.0%	25.7
Dexmedetomidine products for human use ³	C	12.1	16.7	-27.3%	21.5
Trexan [®] (rheumatoid arthritis, cancer)	C	11.2	15.4	-27.3%	19.1
Fareston [®] (breast cancer)	C	10.9	9.3	+17.7%	13.5
Total		508.0	403.3	+25.9%	563.7
Share of net sales, %		45.8%	46.4%		0.0

¹ Business division, A = Innovative Medicines, B = Branded Products, C = Generics and Consumer Health, D = Animal Health

² Entacapone products include Stalevo[®], Comtess[®], Comtan[®] and all other products including entacapone.

³ Includes Dexdor[®], Precedex[®] and other dexmedetomidine products for human use



Innovative Medicines

The Innovative Medicines business division includes medicines with patent or other product protection. In addition to the commercial sales and royalties from these products, any milestone payments or other revenue, such as product sales for R&D use, related to the products or research and development projects of the business division, are included in its net sales.

Net sales of the division in January–September 2024 increased by more than 100% and totalled EUR 367.8 (167.0) million. Currently, the net sales of the business division are mainly generated by Orion's sales of Nubeqa®. Orion's sales of Nubeqa® in January–September 2024 increased by 79.8% and totalled EUR 216.3 (120.3) million, of which royalties were EUR 151.3 (79.1) million and product sales, i.e., deliveries to Bayer, EUR 65.0 (41.2) million. In addition, the net sales includes a milestone payment of EUR 70 million related to the sale of Nubeqa®, as well as a EUR 60 million item, recognised as a milestone payment, which was released from the balance sheet to the profit and loss statement when the collaboration agreement with MSD was converted into an exclusive licensing agreement for MSD.

Nubeqa® (darolutamide) is approved in more than 85 countries around the world for the treatment of patients with non-metastatic castration-resistant prostate cancer (nmCRPC), who are at high risk of developing metastatic disease. It is also approved for the treatment of patients with metastatic hormone-sensitive prostate cancer (mHSPC) in combination with chemotherapy in over 80 markets around the world. Filings in other regions are underway or planned by Bayer.

Orion has the right to sell and market ganaxolone (brand name Ztalmy®) in Europe but sales haven't started yet. Ganaxolone is developed by Marinus Pharmaceuticals, Inc., and it is approved for the adjunctive treatment of epileptic seizures associated with cyclin-dependent kinase-like 5 (CDKL5) deficiency disorder (CDD) in patients two to 17 years of age. After the reporting period, in October, Marinus announced that their phase III TrustTSC trial with ganaxolone did not meet its primary endpoint, and that Marinus is discontinuing further ganaxolone clinical development. Orion is currently assessing strategic next steps with ganaxolone which has now opportunities only in an ultra-rare CDD indication. The situation may lead to a product-related write-down in the fourth quarter of 2024.

Branded Products

The Branded Products business division includes products that have a strong brand name which provides a competitive advantage. Currently, most of the business division's products are products developed by Orion. Key products are the Easyhaler® product portfolio, the entacapone products and the Divina® series. Total net sales of the Branded Products business division in January–September 2024 increased by 10.3% and were EUR 207.9 (188.5) million. The growth was mainly driven by the Easyhaler® product portfolio.

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 the treatment of asthma and chronic obstructive pulmonary disease increased by 18.3% and amounted to EUR 120.3 (101.6) million. The sales of the budesonide-formoterol combined formulation increased by 24.3% to EUR 82.5 (66.4) million. The sales of other Easyhaler® products (beclometasone, budesonide, formoterol, salbutamol and salmeterol-fluticasone combined formulation) increased by 7.0% to EUR 37.7 (35.3) million. Orion has announced that the Easyhaler® product portfolio has potential to exceed EUR 200 million in peak annual sales. The estimate is based on, among others, recent initiatives and recommendations by healthcare systems and health organisations to prefer dry-powder inhalers over metered-dose inhalers due to climate reasons.

Orion's entacapone products for the treatment of Parkinson's disease are Stalevo®, Comtess®, Comtan® and other entacapone-containing products. Their total net sales in January–September 2024 decreased by 8.9% and amounted to EUR 61.6 (67.7) million. Sales volume increased but due to declining prices the net sales was lower than in the comparative period. Orion markets entacapone products in Europe and in some countries in the Asia-Pacific region. Elsewhere, the products are sold by partners. The most important individual market for Orion's entacapone products is currently Japan, where Orion is taking over sales when the distribution agreement with Novartis expires in 2024. In June 2024, Orion and Navamedic signed a license and supply agreement for a novel Parkinson's disease treatment Precifit® (Flexilev®), including the OraFID® dispenser. Orion has exclusive right to market, distribute and sell Precifit® across Europe, excluding Sweden, Norway, Denmark, and Iceland.

Sales of the Divina® series of hormone replacement products increased by 13.7% to EUR 17.8 (15.6) million.

Generics and Consumer Health

Net sales of the Generics and Consumer Health business division, comprising generic (off-patent) prescription drugs (including biosimilars) and self-care products, increased by 0.7% in January–September 2024 and amounted to EUR 386.2 (383.6) million. Generic prescription drugs accounted for 75% (75%) and self-care products for 25% (25%) of the business division's net sales. The net sales of generic prescription drugs increased by 1.1% and were EUR 289.7 (286.4) million and the net sales of self-care products decreased by 0.6% and were EUR 96.5 (97.0) million.



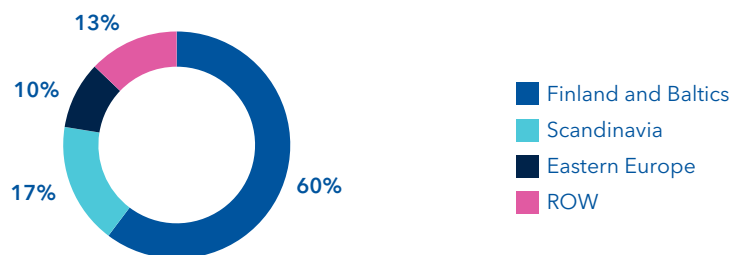
Net sales split by product groups 1-9/2024



The Generics and Consumer Health business division has four geographic regions, which are Finland and Baltics, Scandinavia, Eastern Europe, and Rest of the World (ROW). The unit's sales in Finland and Baltics increased by 2.9% and amounted to EUR 232.8 (226.2) million. The increase came mainly from reference-priced prescription drugs. The general decline in the prices of reference-priced drugs due to price competition continued, but the average price of Orion's reference-priced drugs increased slightly. However, the average price of Orion's reference-priced drugs is still clearly lower than the average price of reference-priced drugs in general in the market. Increase in average price and volume both contributed to the sales growth of Orion. In Scandinavia, the division's sales increased by 14.7% and totalled EUR 66.7 (58.2) million. In Eastern Europe, the division's sales increased by 5.9% and amounted to EUR 37.1 (35.0) million.

Sales in ROW declined by 22.8% and stood at EUR 49.6 (64.3) million. The decline is mostly due to Simdax®, Trexan® and dexmedetomidine products for human use, and due to Russia, where Orion sold remaining inventories in early 2023 before exiting the market.

Geographic split of net sales 1-9/2024



Review of the Finnish human pharmaceuticals market

Finland is an important market for Orion, generating about a quarter of the Group's net sales. Majority of the sales in Finland is generated by the Generics and Consumer Health business division with reference-priced prescription drugs and self-care products being the main product groups in Finland. The table below shows the market development in according to Pharmarket statistics (1-9/2024). The increase in Orion's reference-priced prescription drugs sales is mainly explained by volume growth.

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

EUR million	1-9/24	1-9/23	Change %
Total sales of human pharmaceuticals (hospital and pharmacy channel)			
Market	2,476.7	2,350.3	+5.4%
Orion	254.6	251.7	+1.1%
Prescription drugs total (pharmacy channel)			
Market	1,431.3	1,330.1	+7.6%
Orion	152.9	144.8	+5.6%
Reference priced prescription drugs (pharmacy channel)¹			
Market	351.0	351.6	-0.2%
Orion	81.4	72.6	+12.1%
Self-care products (pharmacy channel)			
Market	364.6	362.5	+0.6%
Orion	88.0	87.1	+1.1%

¹ 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 1-9/2024

Animal Health

Orion sells veterinary drugs itself in the Nordic countries, Belgium, France, some Eastern European markets and Vietnam, while the Company operates through partners in other markets. In addition, Orion markets and sells veterinary drugs manufactured by several other companies.

Net sales of the Animal Health business division in January-September 2024 increased by 20.9% and amounted to EUR 93.2 (77.1) million. The growth came from various sources with animal sedatives being the single largest contributor.

Sales of animal sedative products accounted for 27.7% (23.7%), or EUR 25.8 (18.2) million, of the unit's total net sales. The increase is explained by the recovery in deliveries to partners. 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.

The operations at the new manufacturing plant of the Arques site in France are starting. In April 2024, Orion's partner Zoetis started the launch of Bonqat® in the US.

Fermion

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

Net sales of Fermion in January-September 2024, excluding deliveries for Orion's own use, decreased by -2.1% and totalled EUR 53.0 (54.1) million. In recent years, order cycles in the trade in pharmaceutical raw materials have become increasingly shorter. This has led to clearly greater fluctuation in business volumes than before, both within each annual period and between different years. Demand for Fermion products has been good and production capacity has been nearly fully utilised. The production capacity is increasingly more allocated to the manufacturing of Orion's active pharmaceutical ingredients.

Key licensing and collaboration agreements regarding assets in the clinical development or commercialisation phase

Orion has an agreement with Bayer for the development and commercialisation of darolutamide (i.e. Nubeqa®). Bayer holds global commercial rights to darolutamide, and Orion is entitled to receive annually tiered royalties on global darolutamide sales. The average annual royalty rate is initially approximately 20% including product sales to Bayer. As the annual global sales increase, the average annual royalty rate will increase. If the annual global darolutamide sales were EUR 3 billion, Orion's average annual royalty rate would be slightly above 25%. Orion manufactures the product for global markets, i.e. carries the cost of goods sold, and co-promotes the product in Europe with Bayer. In addition to royalties, Orion is entitled to receive Nubeqa-related sales milestone payments from Bayer that may total EUR 280 million. The first sales milestone (EUR 30 million) was recorded in Q3 2023 and the second (EUR 70 million) in Q3 2024. There is still one milestone payment of EUR 180 million, which, according to Orion's current estimate, could be recorded in 2026.

In July 2024, Orion and MSD (Merck & Co., Inc. Rahway NJ USA) announced the mutual exercise of an option to convert the companies' co-development and co-commercialization agreement for opevesostat (MK-5684/ODM-208), an investigational CYP11A1 inhibitor, and other candidates

targeting CYP11A1 into an exclusive global license for MSD. With the exercise of the option, MSD will gain global exclusive rights to develop and commercialise opevesostat and other candidates targeting CYP11A1 covered by the agreement. Under the terms of the agreement, Orion is now eligible to receive development milestone payments up to USD 30 million, regulatory milestone payments up to USD 625 million and sales-based milestone payments up to USD 975 million as well as annually tiered royalty payments ranging from a low double-digit rate up to a rate in the low twenties on net sales for any commercialised licensed product. The development and regulatory milestones are determined by the scope of a number of treatment indications and multiple geographies. Annual sales exceeding several billion US dollars would be required to reach the total amount of the sales milestones and higher-end of the royalty rate. In addition, as a result of the exercise of the option, MSD will now assume full responsibility for all past and future development and commercialisation expenses associated with the candidates covered by the agreement. As a result of the option exercise and MSD's assumption of expenses, Orion released EUR 60 million that was reserved in July 2022 to cover Orion's share of development cost to be accrued from the balance sheet to net sales and operating profit in Q3 2024. Orion will retain responsibility for the manufacture of clinical and commercial supply for MSD. No payment is associated with the exercise of this option.

Orion has a European wide marketing and distribution agreement with Marinus Pharmaceuticals, Inc. for ganaxolone (i.e. Ztalmu®). Under the terms of the agreement, Orion has the right to sell and market ganaxolone in Europe. Marinus is eligible to receive tiered royalty ranging from low double-digits to low twenties on Orion's future sales. In addition, Marinus is eligible to receive milestone payments upon achievement of certain development and commercialisation milestones. Marinus is the marketing authorisation holder and responsible for current and future clinical trials of ganaxolone. Orion is responsible for market access in all 30 countries comprising the European Economic Area (EEA) as well as in the United Kingdom and Switzerland. Marinus announced in October, that their phase III TrustTSC trial with ganaxolone did not meet its primary endpoint, and that Marinus is discontinuing further ganaxolone clinical development. Orion is currently assessing its strategic next steps with ganaxolone.

Orion has a long-term license agreement with Amneal Pharmaceuticals, Inc. to commercialise Amneal's generic products in Orion territories. Under the terms of the agreement, Orion has exclusive license to commercialise and sell Amneal's generic products in most parts of Europe as well as in Australia and New Zealand. The initial portfolio includes a mix of generic products commercially available in the U.S. today, as well as selected pipeline products currently under development.

In addition to the above agreements, Orion has a number of other licensing agreements with various pharmaceutical companies, all of which are important but not considered key agreements for the Group.



Research and development

The core therapy areas of Orion’s pharmaceutical research are oncology and pain. The company also develops veterinary drugs and selected generic drugs. Orion’s key clinical development projects are listed in the table below.

In the early research phase, Orion has several projects investigating new drug targets in cancer and pain. Additionally, Orion has projects underway to develop new veterinary drugs and selected generic drugs. In addition to the actual drug development, Orion has ongoing projects aimed at optimising treatment outcomes with existing medicines in different indications by collecting and using data on patients and medicine use.

Key R&D events

Orion has strengthened its early-stage research with a new research collaboration. In September, Orion and Aitia enter AI-driven drug discovery and drug simulation collaboration in oncology.

After the reporting period, in October 2024, Orion decided to terminate the ODM-111 development program. Recent findings from a non-clinical toxicology study indicate that the profile of ODM-111 does not support long-term use of the molecule. Altogether Orion considers the therapeutic window of ODM-111 too narrow and thus it is not feasible for the company to continue the development program. Prior non-clinical studies and the clinical Phase I trial with shorter durations of exposure to ODM-111, did not reveal any significant safety concerns. Orion will write down EUR 17.5 million related to the project for the last quarter of 2024. At the same time, the costs related to the ODM-111 project planned for the rest of the year will not be realised to the tune of several million euros.

Key clinical development projects

Project	Indication	Phase I	Phase II	Phase III	Registration
ARANOTE (darolutamide) ¹	Prostate cancer (mHSPC)				Ongoing
ARASTEP (darolutamide) ¹	Prostate cancer (BCR)			Ongoing	
OMAHA1 (opevesostat) ²	Prostate cancer (mCRPC)			Ongoing	
OMAHA2a (opevesostat) ²	Prostate cancer (mCRPC)			Ongoing	
CYPIDES (opevesostat)	Prostate cancer (mCRPC)		Ongoing		
ODM-105 (tasipimidine)	Insomnia		Phase IIa ongoing		
ODM-111 (NaV 1.8 blocker)	Pain	Terminated			
ODM-212 (TEAD inhibitor)	Solid tumours	Ongoing			

¹ In collaboration with Bayer

² Trial conducted by Orion's partner MSD with global exclusive rights to opevesostat

In July 2024, Orion and Bayer’s Phase III ARANOTE trial met its primary endpoint, significantly increasing radiological progression-free survival (rPFS) with darolutamide + androgen deprivation therapy (ADT) compared to placebo plus ADT. More detailed results from the trial were presented during the review period at the ESMO 2024 Congress and in The Journal of Clinical Oncology. Based on the results, Bayer has already submitted applications in the US and the EU to extend the marketing authorisation for darolutamide.

In July 2024, Orion and MSD announced mutual exercise of option providing MSD global exclusive rights to opevesostat. Going forward, Orion will present in its clinical development pipeline only the key, i.e. in practice phase III, trials that the partner MSD conducts with opevesostat. The ongoing Phase II trial CYPIDES is included in Orion's clinical development pipeline, as Orion is conducting this study. Further information on clinical trials with opevesostat can be found at <https://clinicaltrials.gov/search?term=opevesostat>.

Orion Group’s R&D expenses in January–September 2024 increased by 29.7% and totalled EUR 117.1 (90.3) million. They accounted for 10.6% (10.4%) of the Group’s net sales. The growth is explained by the progress of ongoing research and development projects.



Personnel

The average number of employees in the Orion Group in January–September 2024 was 3,756 (3,699). At the end of September 2024, the Group had a total of 3,867 (3,714) employees, of whom 2,915 (2,836) worked in Finland and 952 (878) outside Finland. Orion has changed the way the number of employees is reported, which explains the growth from previous financial reviews. Orion now reports the headcount, while previously Orion reported the number of full-time equivalents (FTE).

Salaries and other personnel expenses in January–September 2024 totalled EUR 223.6 (198.1) million.

Changes in Executive Management

On 23 January 2024, Orion announced that René Lindell has been appointed Chief Financial Officer of Orion Group as of 1 May 2024. Lindell started already as of 1 April 2024 as Executive Advisor (until 30 April 2024) and member of the Group Executive Management Board. Lindell's predecessor Jari Karlson retired on 30 April 2024.

On 1 February 2024, Julia Macharey started as Senior Vice President of Orion Group's new People & Culture group-level function and member of the Executive Management Board of Orion Group.

On 22 March 2024, Orion announced that the Corporate Strategy and Program Management (CSPMO) unit will become part of the Finance and Corporate Business Development group-level function, and as a result of the change, SVP Virve Laitinen will step down from the Orion Executive Management Board and will report to the Chief Financial Officer of the Orion Group as a Head of CSPMO. The change took effect on 1 April 2024.

On 7 May 2024, Orion announced that Olli Huotari, Senior Vice President responsible for Corporate Functions organisation (including, i.a., Communications, Compliance, Corporate Responsibility, Intellectual Property Rights, Legal Affairs and Public Affairs) of the Orion Group and Secretary to the Board of Directors of Orion Corporation, and a member of the Executive Management Board of the Orion Group has informed the company of his decision to leave Orion. In order to secure a proper transition of responsibilities to his successor, Orion and Huotari have agreed that Huotari will continue in his current positions at Orion (including the membership of the Executive Management Board of the Orion Group) until 31 May 2025, after which he will leave the company.

Significant legal proceedings

On 26 October 2023, Orion Corporation filed together with Bayer et al a patent infringement lawsuit against Hetero USA Inc. et al in the United States District Court for the District of Delaware. Hetero USA Inc. (et al) has filed an Abbreviated New Drug Application ("ANDA") for Nubeqa® (darolutamide) with the U.S. Food and Drug Administration seeking approval to commercialise a generic version of Nubeqa® prior to certain patents expiring in 2036 and 2038. However, according to Orion's information, the ANDA as filed does not seek approval prior to the expiry of the compound patent protection for Nubeqa® (darolutamide) in the U.S.

In the U.S., generic pharmaceutical companies may apply for an ANDA after a certain time has lapsed from the grant of the marketing authorisation of the originator's product, and such applications will occur in the ordinary course of business.

In addition to the above, 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–September 2024

11 Jan 2024	Orion announced that the insurance portfolio of Orion Pension Fund's B fund was transferred to an external pension insurance company.
23 Jan 2024	René Lindell was appointed Chief Financial Officer of Orion Group as of 1 May 2024.
20 Mar 2024	Orion Corporation's Annual General Meeting was held in Helsinki.
22 Mar 2024	Orion announced that the Corporate Strategy and Program Management (CSPMO) unit will become part of the Finance and Corporate Business Development unit, and as a result of the change, SVP Virve Laitinen will step down from the Orion Executive Management Board and will report to the Chief Financial Officer of the Orion Group as a Head of CSPMO.
7 May 2024	Orion announced that Olli Huotari, Senior Vice President responsible for Corporate Functions organisation of the Orion Group and Secretary to the Board of Directors of Orion Corporation, and a member of the Executive Management Board of the Orion Group, has decided to leave the company. Huotari will continue in his current positions until 31 May 2025.
1 Jul 2024	Orion and MSD announced mutual exercise of option providing MSD global exclusive rights to opevesostat, an investigational CYP11A1 inhibitor, for the treatment of metastatic castration-resistant prostate cancer.
1 Jul 2024	Orion upgraded full-year outlook for 2024.
17 Jul 2024	Orion announced that phase III ARANOTE trial of darolutamide in combination with androgen deprivation therapy in men with metastatic hormone-sensitive prostate cancer had met its primary endpoint.
11 Sep 2024	Orion upgraded full-year outlook for 2024.

Key events after the reporting period

24 Oct 2024	Orion's partner Marinus announced that their phase III TrustTSC trial with ganaxolone did not meet its primary endpoint, and that Marinus is discontinuing further ganaxolone clinical development.
24 Oct 2024	Orion announced that the company terminates ODM-111 development program due to narrow therapeutic window of the molecule.

Shares and shareholders

On 30 September 2024 Orion had a total of 141,134,278 (141,134,278) shares, of which 32,974,309 (33,438,382) were A shares and 108,159,969 (107,695,896) B shares. The Group's share capital is EUR 92,238,541.46 (92,238,541.46). At the end of September 2024, Orion held 632,855 (782,973) B shares as treasury shares. On 30 September 2024, the aggregate number of votes conferred by the A and B shares was 767,013,294 (775,680,563) excluding treasury shares.

Voting rights conferred by shares

Each A share entitles its holder to twenty (20) votes at General Meetings of Shareholders and each B share to 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 377,073 A shares were converted into B shares in January–September 2024.

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 September 2024, the market capitalisation of the Company's shares, excluding treasury shares, was EUR 6,909.9 million.

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

Authorisations of the Board of Directors

On 20 March 2024, the Annual General Meeting of Orion Corporation authorised the Board of Directors to decide on a share issue by issuing new shares. 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 of the authorisation are reported in more detail in a stock exchange release on 20 March 2024.



On 23 March 2022, the Annual General Meeting authorised the Board of Directors to decide on a share issue by conveying own shares. The Board of Directors is entitled to decide on the conveyance of no more than 1,000,000 own Class B shares held by the Company. The authorisation to convey own shares is valid for five years from the decision of the Annual General Meeting. The terms of the authorisation are reported in more detail in a stock exchange release on 23 March 2022.

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 2022, announced in a stock exchange release published on 10 February 2022.

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 September 2024, Orion had a total of 90,372 (87,639) registered shareholders, of whom 96% (95%) were private individuals. They held 39% (39%) of the entire share stock and had 61% (62%) of the total votes. There were 47 (48) million nominee-registered and foreign-owned shares, which was 33% (34%) of all shares, and they conferred entitlement to 9% (9%) of the total votes.

At the end of September 2024, Orion held 632,855 (782,973) B shares as treasury shares, which is 0.4% (0.6%) of the Company's total share stock and 0.08% (0.10%) of the total votes.

Flagging notifications

Orion received no flagging notifications during the reporting period.

The details of the notifications published by Orion 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 for 2024-2028 are:

- To grow net sales with a compound average annual growth rate (CAGR) of at least 8%.
- To grow operating profit faster than net sales.
- To maintain an equity ratio of at least 50% and to generate return on equity (ROE) of 25% or higher.
- To increase the dividend per share annually with a payout ratio of 50% to 100%.

Achievement of these objectives requires continuous and sufficient investments in development of the product portfolio and growth. Received milestone payments which are part of Orion's business model can generate volatility in short term growth on net sales and operating profit.



Outlook for 2024 (updated on 11 September 2024)

Net sales are estimated to be EUR 1,470 million to EUR 1,510 million.

Operating profit is estimated to be EUR 370 million to EUR 400 million.

Previous outlook for 2024 (provided on 1 July 2024)

Net sales are estimated to be EUR 1,440 million to EUR 1,480 million.

Operating profit is estimated to be EUR 350 million to EUR 380 million.

Basis for outlook in more detail

Collaboration agreements with other pharmaceutical companies are an integral part 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 R&D outcomes which are not known until studies have been completed, the progress of R&D projects or the attainment of specified sales levels. Regarding possible new contracts under negotiation, neither the outcome nor the schedule of contract negotiations is generally known before the final signing of the agreement.

Orion is eligible to receive milestone payments from Bayer based on sales of the Nubeqa® product upon meeting certain global annual sales thresholds for the first time. In 2023 Orion received one such milestone payment of EUR 30 million. The outlook for 2024 includes one Nubeqa® sales-related milestone payment of EUR 70 million which is included in both the net sales outlook and the operating profit outlook and which was recorded in Q3 2024.

In addition, both the net sales outlook and the operating profit outlook include a EUR 60 million item which Orion released from the balance sheet in Q3 2024 after Orion and MSD exercised an option in July 2024 to convert the companies' co-development and co-commercialisation agreement for opevesostat (MK-5684/ODM-208), an investigational CYP11A1 inhibitor, and other candidates targeting CYP11A1 into an exclusive global license for MSD.

The outlook does not include any other material milestone payments or one-offs.

The outlook assumes that Orion's own production and other operations will be able to operate normally throughout the year, and the supply chains of raw materials or ready-made products are not facing significant disruptions. These and other risks are discussed in more detail under 'Near-term risks and uncertainties'.

The outlook does not include income, expenses or other impacts related to any future material product or company acquisition or divestment.

Milestone payments received by Orion in 2019-2023

Year	2019	2020	2021	2022	2023
EUR million	51	42	3	234	32

Net sales

The outlook assumes that the net sales of Nubeqa® booked by Orion, and thus the net sales of the Innovative Medicines business division, will clearly increase in 2024. Orion's assumption is based on forecasts received from its partner Bayer. However, it is difficult to predict the exact level of product sales and royalties of a strongly growing product for the whole year. In addition, the EUR 70 million Nubeqa®-related milestone increases the net sales of the Innovative Medicines business division. The net sales of the business division increases also due to the EUR 60 million item that was released from the balance sheet in Q3 2024.

The Branded Products and Animal Health business divisions are also estimated to improve their net sales in 2024. Branded Products growth is anticipated to be driven by the Easyhaler® product portfolio. The sales volume of entacapone products is recovering after challenging year 2023. At the same time, however, the market conditions for the entacapone products continue to be tough with increasing competition and declining prices in many markets, and as a result, the sales of the entacapone products are anticipated to be flat or decline slightly in 2024. Animal Health growth is anticipated to be driven by the sedatives portfolio, products in launch phase and improving market conditions.

The Generics and Consumer Health business division continues to suffer from the decline of Simdax® and dexmedetomidine products due to generic competition and falling prices, but less than in recent years. The overall volume of generic products is expected to grow. Due to the aforementioned reasons, the net sales of the Generic and Consumer Health business division in 2024 is assumed to be at a similar level as in 2023.

Fermion has been operating at very near full capacity over the past few years. The share of manufacturing of the active pharmaceutical ingredients of Orion's own proprietary drugs is estimated to increase, which may restrict capacity allocated to external business.



Operating profit

Gross profit is expected to increase clearly driven by growing Nubeqa® royalties, the EUR 60 million item that was released from the balance sheet in Q3 2024, and the EUR 70 million Nubeqa®-related sales milestone.

The range in the operating profit estimate is mainly due to Nubeqa's sales booked by Orion and the development of R&D costs. It is difficult to predict the exact level of royalties of a strongly growing product for the whole year. Any variance from the predicted level can have a notable impact on Orion's operating profit. Also, the mechanism by which each quarter's product deliveries are always fully deducted from the next quarter's royalty payments is causing variance to operating profit. Even though this impact on operating profit is only temporary, the timing of product deliveries may have notable impact on Orion's operating profit in one calendar year.

Over the past few years, Orion has been determined to increase its investment in early-stage research in line with its growth strategy. This work is now starting to bear fruit and several projects are approaching the clinical development phase. Progressing these projects will also require significantly higher R&D expenditure than in the past. At the same time, projects in the clinical development phase have advanced and will advance during 2024, which will increase project costs. However, there are uncertainties related to the progress and timing of projects, which may mean that not all the costs projected for 2024 will materialise.

Sales and marketing expenses are expected to increase mainly due to growing investments to the Easyhaler® sales and increasing Nubeqa® royalty payable as per an agreement with Endo Pharmaceuticals.

Capital expenditure

The Group's total capital expenditure in 2024 is expected to be at a similar level as in 2023, when capital expenditure was EUR 93 million. The estimate of capital expenditure does not include any investments related to any future material product or company acquisition.

Near-term risks and uncertainties

The outlook assumes that Orion's own production and other operations will be able to operate normally. The realisation of sales of Orion-manufactured products requires that production and the related supply chains and other operations are able to operate at the planned level. There are a number of risks that could even materially disrupt Orion's production or other operations. Such risks include, for example, accidents, strikes, employee illness, poor availability of supplies, equipment, spare parts, products, energy, starting materials or semi-finished products, and the failure of logistics chains or serious disruptions to information or communication systems. Current risks to supply and logistics chains include geopolitical conflicts and unrest around the world. In addition to conflicts and unrest, any other unforeseen changes in the operating environment

could cause disruptions to Orion's production, supply chains or other operations. Such risks may include accidents, strikes, natural disasters, epidemics and pandemics, wars, terrorism, cyber-attacks or hybrid influencing.

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. Changes in pharmaceutical regulation in individual markets or more broadly, for example at EU level, may affect the sales and profitability of Orion's products. Changes in overall market demand may also have negative impact on sales.

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.

Currently no single currency is posing a material exchange rate risk for Orion. Key currencies that carry an exchange rate risk are the US dollar and European currencies other than EUR. However, the overall effect of the risk arising from currencies of European countries will be abated by the fact that Orion has organisations of its own in most European 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 sales of Parkinson's drugs in Japan.

The current geopolitical conflicts and unrest, and other challenges in the global supply and logistics chains of pharmaceuticals have increased the already elevated risk of supply disruptions. Moreover, the disruptions, production volume changes and logistical challenges experienced 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 possible rise of raw material prices and other supply chain costs deteriorates the profitability of Orion's products, since in the pharmaceutical industry it is very difficult to pass on cost increases to the prices of own products, especially prescription medicines, particularly in Europe. If high cost inflation occurs, it will pose a risk to Orion's profitability.

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 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 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 size and costs of new studies that are being started are known relatively well in advance. However, there are uncertainties in the timing and progression of any individual study. Any changes in the timing of new research or development phases that are being launched may have a material impact on the projected cost structure within a single year. 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. 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. The upfront and milestone payments paid by Orion to its collaborators, which are recorded as investments in intangible assets in balance sheet, include write-down risk that may be realised if, for example, a collaborative research project fails or otherwise has to be discontinued.

Upcoming events

Financial Statement Release for 2024	Tuesday 25 February 2025
Annual General Meeting 2025	planned to be held on 3 April 2025
Interim Report January-March 2025	Wednesday 23 April 2025
Half-Year Financial Report January-June 2025	Friday 18 July 2025
Interim Report January-September 2025	Tuesday 28 October 2025

The Financial Statements and the Report of the Board of Directors for 2024 will be published on the Company's website at the latest in week 11/2025.

Espoo, 29 October 2024

Board of Directors of Orion Corporation

Tables

CONSOLIDATED INCOME STATEMENT

EUR million	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Net sales	471.3	301.1	+56.5%	1,108.0	868.5	+27.6%	1,189.7
Cost of goods sold	-151.9	-129.8	+17.0%	-428.9	-387.6	+10.6%	-531.9
Gross profit	319.4	171.2	+86.5%	679.1	480.9	+41.2%	657.7
Other operating income and expenses	5.1	0.4	> 100 %	6.6	7.9	-16.8%	43.7
Sales and marketing expenses	-65.8	-49.8	+32.2%	-183.9	-162.5	+13.2%	-224.8
Research and development expenses	-36.7	-27.2	+34.5%	-117.1	-90.3	+29.7%	-126.9
Administrative expenses	-20.0	-14.6	+37.6%	-60.9	-54.0	+12.8%	-74.8
Operating profit	202.0	80.0	> 100 %	323.8	182.0	+77.9%	274.9
Finance income and expenses	-0.6	-1.5	-62.9%	-2.4	-2.6	-7.1%	-3.0
Profit before taxes	201.4	78.5	> 100 %	321.5	179.5	+79.1%	271.9
Income tax expense	-40.7	-17.2	> 100 %	-65.0	-37.8	+71.7%	-55.1
Profit for the period	160.8	61.4	> 100 %	256.5	141.6	+81.1%	216.8

PROFIT ATTRIBUTABLE TO

Owners of the parent company	160.8	61.4	> 100 %	256.5	141.6	+81.1%	216.8
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Basic earnings per share, EUR¹	1.14	0.44	> 100 %	1.83	1.01	+80.9%	1.54
Diluted earnings per share, EUR¹	1.14	0.44	> 100 %	1.83	1.01	+80.9%	1.54

¹Earnings per share has been calculated from the profit attributable to the owners of the parent company.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Profit for the period	160.8	61.4	> 100 %	256.5	141.6	+81.1%	216.8
Translation differences	0.2	-0.2		0.2	-1.4		-0.3
Items that may be reclassified subsequently to profit and loss	0.2	-0.2		0.2	-1.4		-0.3
Remeasurement of pension plans, net of tax	0.0	9.7		0.0	11.7		-16.2
Items that will not be reclassified to profit and loss	0.0	9.7		0.0	11.7		-16.2
Other comprehensive income, net of tax	0.3	9.5		0.2	10.3		-16.5
Comprehensive income for the period	161.0	70.9	> 100 %	256.7	151.9	+69.0%	200.3

COMPREHENSIVE INCOME ATTRIBUTABLE TO

Owners of the parent company	161.0	70.9	> 100 %	256.7	151.9	+69.0%	200.3
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

EUR million	9/24	9/23	Change %	12/23
Property, plant and equipment	409.8	392.1	+4.5%	400.9
Goodwill	87.2	87.2		87.2
Intangible rights	114.7	104.6	+9.6%	106.8
Other intangible assets	6.3	4.2	+49.2%	6.1
Investment in associate	0.1	0.1		0.1
Other investments	0.2	0.2	-0.5%	0.2
Pension assets	6.9	66.5	-89.6%	6.9
Deferred tax assets	6.1	7.1	-14.2%	4.3
Other non-current assets	0.9	0.3	> 100 %	0.9
Non-current assets total	632.0	662.3	-4.6%	613.3
Inventories	404.4	344.7	+17.3%	362.2
Trade receivables	218.4	193.2	+13.0%	247.1
Current tax receivables	2.5	5.6	-54.6%	0.6
Other receivables	160.2	88.4	+81.3%	108.8
Cash and cash equivalents	190.1	77.9	> 100 %	106.7
Current assets total	975.7	709.8	+37.5%	825.3
Assets total	1,607.7	1,372.1	+17.2%	1,438.6

EQUITY AND LIABILITIES

EUR million	9/24	9/23	Change %	12/23
Share capital	92.2	92.2		92.2
Other reserves	5.3	3.3	+60.4%	4.6
Cumulative translation adjustments	-10.8	-10.8	-0.4%	-9.8
Retained earnings	837.6	755.6	+10.8%	802.9
Equity attributable to owners of the parent company	924.4	840.4	+10.0%	890.1
Equity total	924.4	840.4	+10.0%	890.1
Deferred tax liabilities	33.7	45.6	-26.1%	31.8
Pension liabilities	3.7	2.8	+30.8%	4.1
Non-current provisions	0.5	0.5	-1.9%	0.5
Interest-bearing non-current liabilities	227.5	176.8	+28.7%	171.0
Other non-current liabilities	14.1	76.8	-81.6%	76.4
Non-current liabilities total	279.5	302.5	-7.6%	283.8
Current provisions	0.4	0.0	> 100%	0.0
Interest-bearing current liabilities	29.3	23.6	+24.4%	29.0
Trade payables	96.6	81.9	+18.0%	102.3
Current tax liabilities	20.5	6.2	> 100 %	13.3
Other current liabilities	256.9	117.4	> 100%	120.1
Current liabilities total	403.8	229.2	+76.2%	264.8
Liabilities total	683.3	531.7	+28.5%	548.6
Equity and liabilities total	1,607.7	1,372.1	+17.2%	1,438.6



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Equity attributable to owners of the parent company							Equity total
	Share capital	Other reserves	Cumulative translation adjustments	Remeasurement of pension plans	Treasury shares	Retained earnings	Retained earnings total	
Equity at 1 January 2023	92.2	3.3	-10.8	37.1	-34.8	821.1	823.3	908.1
Profit for the period						141.6	141.6	141.6
Other comprehensive income								
Cumulative translation adjustments			0.0			-1.3	-1.3	-1.4
Remeasurement of pension plans				11.7			11.7	11.7
Transactions with owners								
Dividends paid						-224.9	-224.9	-224.9
Share-based incentive plans					6.8	-1.6	5.2	5.2
Other adjustments		0.0				0.0	0.0	0.0
Equity at 30 September 2023	92.2	3.3	-10.8	48.8	-28.0	734.8	755.6	840.4
Equity at 1 January 2024	92.2	4.6	-9.8	20.9	-28.0	810.0	802.9	890.1
Profit for the period						256.5	256.5	256.5
Other comprehensive income								
Cumulative translation adjustments			-1.0			1.2	1.2	0.2
Remeasurement of pension plans				0.0			0.0	0.0
Transactions with owners								
Dividends paid						-227.3	-227.3	-227.3
Share-based incentive plans					3.2	1.9	5.1	5.1
Other adjustments		0.7				-0.9	-0.9	-0.2
Equity at 30 September 2024	92.2	5.3	-10.8	20.9	-24.8	841.4	837.6	924.4



CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	7-9/24	7-9/23	1-9/24	1-9/23	1-12/23
Profit before taxes	201.4	78.5	321.5	179.5	271.9
Adjustments	-44.8	16.7	-13.8	45.9	36.1
Change in working capital	-75.1	-50.0	-43.4	-116.9	-144.8
Net financial items	1.3	-0.4	0.0	-1.1	-3.0
Income taxes paid	-15.7	-11.9	-59.6	-37.1	-41.2
Total net cash flow from operating activities	67.2	33.0	204.6	70.2	119.0
Investments in property, plant and equipment	-16.7	-18.6	-44.6	-49.8	-65.6
Investments in intangible assets	-5.7	-4.7	-15.4	-44.9	-51.2
Acquired in business combination, net of cash				-0.1	-0.1
Sales of property, plant and equipment and other investments	0.3	0.7	1.1	4.9	8.5
Total net cash flow from investing activities	-22.1	-22.7	-58.9	-89.9	-108.4
Cash flow from operating and investing activities, total	45.1	10.3	145.7	-19.8	10.7
Changes in current loans including leasing liabilities	-1.2	-1.5	-3.7	-2.4	-6.6
Proceeds of non-current loans			75.0		
Repayment of non-current loans	-6.4	-6.4	-19.2	-13.4	-11.8
Dividends paid and other distribution of profits	-0.0	-0.6	-113.8	-224.9	-224.9
Total net cash flow from financing activities	-7.6	-8.5	-61.8	-240.6	-243.2
Net change in cash and cash equivalents	37.5	1.8	84.0	-260.4	-232.6
Cash and cash equivalents at the beginning of the period	152.5	74.6	106.7	332.6	332.6
Foreign exchange differences	0.2	1.5	-0.5	5.6	6.6
Cash and cash equivalents at the end of the period	190.1	77.9	190.1	77.9	106.7

Reconciliation of cash and cash equivalents in statement of financial position

EUR million	7-9/24	7-9/23	1-9/24	1-9/23	1-12/23
Cash and cash equivalents in statement of financial position at the end of the period	190.1	77.9	190.1	77.9	106.7
Money market investments at the end of the period					
Cash and cash equivalents in the statement of cash flows	190.1	77.9	190.1	77.9	106.7



Appendices

NET SALES BY REVENUE FLOWS

EUR million	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Sale of goods	271.3	243.0	+11.7%	820.9	754.4	+8.8%	1,033.3
Royalty income	69.5	27.6	> 100 %	153.8	82.6	+86.1%	123.9
Total sale of goods	340.8	270.6	+25.9%	974.7	837.0	+16.4%	1,157.2
Milestone payments	130.5	30.5	+328.0%	133.3	31.5	> 100 %	32.4
Total	471.3	301.1	+56.5%	1,108.0	868.5	+27.6%	1,189.7

In January–September 2024, EUR 1.4 (1.4) million has been entered as income from performance obligations transferred to customers over time and they are included in the Milestone payments.

NET SALES BREAK-DOWN

EUR million	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Innovative Medicines	230.2	72.8	> 100 %	367.8	167.0	> 100 %	235.1
Branded Products	66.7	61.7	+8.1%	207.9	188.5	+10.3%	260.9
Generics and Consumer Health	128.9	123.3	+4.6%	386.2	383.6	+0.7%	517.6
Animal Health	31.3	26.8	+17.1%	93.2	77.1	+20.9%	103.9
Fermion	14.4	16.7	-13.6%	53.0	54.1	-2.1%	73.7
Translation differences and Other operations	-0.4	-0.2	+69.2%	0.0	-1.8	> 100 %	-1.6
Total	471.3	301.1	+56.5%	1,108.0	868.5	+27.6%	1,189.7

QUARTERLY NET SALES BY REGION

EUR million	2024			2023			2022	
	7-9	4-6	1-3	10-12	7-9	4-6	1-3	10-12
Finland	86.7	81.4	83.7	90.6	81.3	82.4	79.2	89.4
Scandinavia	40.4	40.4	40.6	36.4	35.8	36.4	33.8	34.8
Other Europe	115.6	98.2	98.5	87.8	80.4	99.1	99.2	100.2
North America	171.9	48.2	46.7	47.7	51.3	41.3	34.3	35.2
Other markets	56.7	60.0	39.0	58.7	52.2	30.6	31.3	34.9
Total	471.3	328.2	308.5	321.1	301.1	289.6	277.9	294.5

OPERATING PROFIT BY QUARTER

EUR million	2024			2023			2022	
	7-9	4-6	1-3	10-12	7-9	4-6	1-3	10-12
Operating profit	202.0	65.8	56.0	92.9	80.0	46.5	55.5	40.7



TOP TEN BEST-SELLING PHARMACEUTICAL PRODUCTS

EUR million	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Nubeqa® (prostate cancer)	95.2	37.3	> 100 %	216.3	120.3	+79.8%	182.5
Easyhaler® product portfolio (asthma, COPD)	39.1	33.4	+16.9%	120.3	101.6	+18.3%	144.2
Entacapone products (Parkinson's disease)	18.4	20.9	-11.8%	61.6	67.7	-8.9%	88.4
Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	7.0	5.4	+29.1%	25.8	18.2	+41.5%	22.8
Burana® (inflammatory pain)	6.1	6.2	-1.8%	17.8	18.3	-2.5%	25.1
Divina® series (menopausal symptoms)	5.9	5.5	+8.4%	17.8	15.6	+13.7%	21.0
Simdax® (acute decompensated heart failure)	4.1	5.1	-19.4%	14.2	20.2	-30.0%	25.7
Dexmedetomidine products for human use	3.6	4.5	-20.5%	12.1	16.7	-27.3%	21.5
Trexan® (rheumatoid arthritis, cancer)	3.9	2.8	+40.6%	11.2	15.4	-27.3%	19.1
Fareston® (breast cancer)	3.1	2.8	+10.7%	10.9	9.3	+17.7%	13.5
Total	186.4	123.9	+50.4%	508.0	403.3	+25.9%	563.7
Share of net sales, %	39.6%	41.2%		45.8%	46.4%		47.4%



CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	9/24	9/23	12/23
Carrying amount at the beginning of the period	400.9	373.3	373.3
Additions	43.7	52.4	72.3
Depreciation and impairment for the period	-33.8	-32.5	-43.6
Disposals and other changes	-1.1	-1.0	-1.1
Carrying amount at the end of the period	409.8	392.1	400.9

CHANGES IN INTANGIBLE ASSETS (EXCLUDING GOODWILL)

EUR million	9/24	9/23	12/23
Carrying amount at the beginning of the period	112.9	103.8	103.8
Additions	12.6	14.3	20.4
Amortisation and impairment for the period	-4.7	-6.0	-7.9
Disposals and other changes	0.1	-3.3	-3.4
Carrying amount at the end of the period	121.0	108.9	112.9

CHANGES IN FINANCIAL LIABILITIES

Orion Group has loan agreements that include financial covenants. If the financial covenants in the terms of the loan agreements are breached, the lenders optionally have the right to demand early repayment of the loan. As at 30 September 2024 Orion met these financial covenants.

COMMITMENTS AND CONTINGENCIES

Contingencies for own liabilities

EUR million	9/24	9/23	12/23
Guarantees	2.9	4.1	2.6
Other liabilities		0.3	

Commitments

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

Significant legal proceedings

On 26 October 2023, Orion Corporation filed together with Bayer et al a patent infringement lawsuit against Hetero USA Inc. et al in the United States District Court for the District of Delaware. Hetero USA Inc. (et al) has filed an Abbreviated New Drug Application ("ANDA") for Nubeqa® (darolutamide) with the U.S. Food and Drug Administration seeking approval to commercialise a generic version of Nubeqa® prior to certain patents expiring in 2036 and 2038. However, according to Orion's information, the ANDA as filed does not seek approval prior to the expiry of the compound patent protection for Nubeqa® (darolutamide) in the U.S.

In the U.S., generic pharmaceutical companies may apply for an ANDA after a certain time has lapsed from the grant of the marketing authorisation of the originator's product, and such applications will occur in the ordinary course of business.

In addition to the above, 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.

DERIVATIVES

Nominal values of currency derivatives

EUR million	9/24	9/23	12/23
Currency forward contracts and currency swaps	34.2	32.8	49.3
Currency options	33.3	33.1	28.0

Fair values of currency derivatives

EUR million	9/24	9/23	12/23
Currency forward contracts and currency swaps	0.0	-0.2	0.3
Currency options	0.0	-0.1	-0.1



FAIR VALUE MEASUREMENT AND HIERARCHY OF FINANCIAL INSTRUMENTS, 30 September 2024

EUR million	Level 1	Level 2	Level 3	Total
Currency derivatives		0.2		0.2
Shares and investments			0.2	0.2
Assets total		0.2	0.2	0.4
Deferred purchase price and earn-out			-9.3	-9.3
Currency derivatives		-0.2		-0.2
Liabilities total		-0.2	-9.3	-9.5

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 prices 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.

BASIC SHARE INFORMATION, 30 September 2024

	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	21.5	70.7	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

	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Net sales, EUR million	471.3	301.1	+56.5%	1,108.0	868.5	+27.6%	1,189.7
EBITDA, EUR million	215.0	93.5	> 100 %	362.3	220.4	+64.4%	326.4
% of net sales	45.6%	31.1%		32.7%	25.4%		27.4%
Operating profit, EUR million	202.0	80.0	> 100 %	323.8	182.0	+77.9%	274.9
% of net sales	42.9%	26.6%		29.2%	21.0%		23.1%
Profit for the period, EUR million	160.8	61.4	> 100 %	256.5	141.6	+81.1%	216.8
% of net sales	34.1%	20.4%		23.1%	16.3%		18.2%
Research and development expenses, EUR million	36.7	27.2	+34.5%	117.1	90.3	+29.7%	126.9
% of net sales	7.8%	9.1%		10.6%	10.4%		10.7%
Capital expenditure, excluding acquired in business combinations, EUR million	21.8	31.0	-29.5%	56.3	66.7	-15.5%	92.7
% of net sales	4.6%	10.3%		5.1%	7.7%		7.8%
Acquired in business combination, net of cash, EUR million					0.1		0.1
Depreciation, amortisation and impairment, EUR million	13.0	13.5	-3.6%	38.5	38.4	+0.1%	51.5
Personnel expenses, EUR million	69.1	57.4	+20.3%	223.6	198.1	+12.8%	273.0
Equity total, EUR million				924.4	840.4	+10.0%	890.1
Interest-bearing net liabilities, EUR million				66.7	122.5	-45.6%	93.3
Assets total, EUR million				1,607.7	1,372.1	+17.2%	1,438.6
Cash flow from operating activities, EUR million	67.2	33.0	> 100 %	204.6	70.2	> 100%	119.0
Equity ratio, %				58.0%	61.8%		62.3%
Gearing, %				7.2%	14.6%		10.5%
Return on capital employed (before taxes), %				38.5%	22.9%		25.3%
Return on equity (after taxes), %				37.7%	21.6%		24.1%
Personnel at the end of the period				3,867	3,714	+4.1%	3,744
Average personnel during the period				3,756	3,699	+1.5%	3,710



PERFORMANCE PER SHARE

	7-9/24	7-9/23	Change %	1-9/24	1-9/23	Change %	1-12/23
Basic earnings per share, EUR	1.14	0.44	> 100 %	1.83	1.01	+80.9%	1.54
Diluted earnings per share, EUR	1.14	0.44	> 100 %	1.83	1.01	+80.9%	1.54
Cash flow from operating activities per share, EUR	0.48	0.23	> 100 %	1.46	0.50	> 100%	0.85
Equity per share, EUR				6.58	5.99	+9.9%	6.34
A share							
Number of shares at the end of the period				32,974,309	33,438,382	-1.4%	33,351,382
% of total share stock				23.4%	23.7%		23.6%
Number of votes excluding treasury shares				659,486,180	668,767,640	-1.4%	667,027,640
% of total votes				86.0%	86.2%		86.2%
Total number of shareholders				25,081	24,267	+3.4%	24,589
Lowest quotation of review period, EUR				32.50	34.25	-5.1%	34.25
Average quotation of review period, EUR				40.65	42.96	-5.4%	41.19
Highest quotation of review period, EUR				49.85	55.00	-9.4%	55.00
Closing quotation at the end of review period, EUR				49.05	37.15	+32.0%	39.20
Trading volume, EUR million				59.5	35.8	+66.3%	50.0
Shares traded				1,462,581	832,428	+75.7%	1,213,681
% of the total number of shares				4.4%	2.5%		3.6%



	1-9/24	1-9/23	Change %	1-12/23
B share				
Number of shares at the end of the period, including treasury shares	108,159,969	107,695,896	+0.4%	107,782,896
% of total share stock	76.6%	76.3%		76.4%
Treasury shares	632,855	782,973	-19.2%	782,973
Number of shares at the end of the period, excluding treasury shares	107,527,114	106,912,923	+0.6%	106,999,923
Number of votes excluding treasury shares	107,527,114	106,912,923	+0.6%	106,999,923
% of total votes	14.0%	13.8%		13.8%
Diluted number of shares, average, excluding treasury shares	107,147,565	106,500,679	+0.6%	106,633,693
% of total share stock	75.9%	75.5%		75.6%
Total number of shareholders	72,550	70,520	+2.9%	71,309
Lowest quotation of review period, EUR	31.86	32.89	-3.1%	32.89
Average quotation of review period, EUR	39.84	41.46	-3.9%	40.48
Highest quotation of review period, EUR	50.16	55.16	-9.1%	55.16
Closing quotation at the end of review period, EUR	49.22	37.22	+32.2%	39.27
Trading volume, EUR million	1,732.4	2,029.5	-14.6%	2,601.5
Shares traded	43,482,230	48,944,111	-11.2%	64,267,609
% of the total number of shares	40.2%	45.4%		59.6%
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	140,468,003	140,318,382	+0.1%	140,326,681
Total number of votes conferred by the shares, excluding treasury shares	767,013,294	775,680,563	-1.1%	774,027,563
Diluted number of shares, average, excluding treasury shares	140,555,036	140,326,025	+0.2%	140,361,039
Total number of shareholders	90,372	87,639	+3.1%	88,722
Trading volume, EUR million	1,791.8	2,065.2	-13.2%	2,651.5
Shares traded	44,944,811	49,776,539	-9.7%	65,481,290
Total shares traded, % of total shares	31.8%	35.3%		46.4%
Market capitalisation at the end of the period excluding treasury shares, EUR million	6,909.9	5,221.5	+32.3%	5,509.3



CALCULATION OF THE KEY FIGURES

EBITDA	=	Operating profit + Depreciation + Amortisation + 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 (basic and diluted)	=	$\frac{\text{Profit attributable to the owners of the parent company}}{\text{Average number of shares during the period, excluding treasury shares}}$
Cash flow from operating activities per share, EUR	=	$\frac{\text{Cash flow from operating activities}}{\text{Average number of shares during the period, excluding treasury shares}}$
Equity per share, EUR	=	$\frac{\text{Equity attributable to owners of the parent company}}{\text{Number of shares at the end of the period, excluding treasury shares}}$
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 excluding treasury shares x Closing quotation of the period

ACCOUNTING POLICIES

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

- Innovative Medicines
- Branded Products
- Generics and Consumer Health
- Animal Health
- Fermion.

In addition to these, net sales reporting contains one further item, "Translation differences and Other operations", which mostly comprises the impact of translation differences on Orion's net sales.

This report has been prepared in accordance with the accounting policies set out in IAS 34 Interim Financial Reporting. The same accounting principles have been applied as in the 2023 financial statements, besides which the amendments to existing IFRS and IAS standards endorsed by the EU have been adopted as of 1 January 2024. New amendments to existing IFRS and IAS standards adopted from 1 January 2024 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>.

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.

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Orion is a globally operating Finnish pharmaceutical company - a builder of well-being for over a hundred years. We develop, manufacture and market human and veterinary pharmaceuticals and active pharmaceutical ingredients. Orion has an extensive portfolio of proprietary and generic medicines and self-care products. The core therapy areas of our pharmaceutical R&D are oncology and pain. Proprietary products developed by Orion are used to treat cancer, neurological diseases and respiratory diseases, among others. Orion's net sales in 2023 amounted to EUR 1,190 million and the company had about 3,600 employees at the end of the year. Orion's A and B shares are listed on Nasdaq Helsinki.