



ORION GROUP  
Financial  
Statement Release  
2024





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# Orion Group Financial Statement Release January-December 2024

- Net sales totalled EUR 1,542.4 (January-December 2023: 1,189.7) million
- Operating profit was EUR 416.6 (274.9) million
- Basic earnings per share were EUR 2.35 (1.54)
- Cash flow from operating activities per share was EUR 2.09 (0.85)
- The Board of Directors proposes a dividend of EUR 1.64 (1.62) to be paid for 2024. The dividend is proposed to be paid in two instalments.
- Outlook for 2025: Net sales are estimated to be EUR 1,550 million to EUR 1,650 million. Operating profit is estimated to be EUR 350 million to EUR 450 million.

## Key figures

	10-12/24	10-12/23	Change %	1-12/24	1-12/23	Change %
Net sales, EUR million	434.4	321.1	+35.3%	1,542.4	1,189.7	+29.6%
EBITDA, EUR million	147.1	106.0	+38.8%	509.4	326.4	+56.0%
% of net sales	33.9%	33.0%		33.0%	27.4%	
Operating profit, EUR million	92.7	92.9	-0.2%	416.6	274.9	+51.5%
% of net sales	21.3%	28.9%		27.0%	23.1%	
Profit before taxes, EUR million	91.7	92.4	-0.8%	413.1	271.9	+52.0%
% of net sales	21.1%	28.8%		26.8%	22.9%	
Profit for the period, EUR million	73.4	75.1	-2.3%	329.9	216.8	+52.2%
% of net sales	16.9%	23.4%		21.4%	18.2%	
Research and development expenses, EUR million	62.5	36.6	+70.6%	179.6	126.9	+41.5%
% of net sales	14.4%	11.4%		11.6%	10.7%	
Capital expenditure, excluding acquired in business combinations, EUR million	29.8	26.0	+14.6%	86.1	92.7	-7.1%
% of net sales	6.9%	8.1%		5.6%	7.8%	
Acquired in business combination, net of cash, EUR million					0.1	
Interest-bearing net liabilities, EUR million				121.7	93.3	+30.4%
Basic earnings per share, EUR	0.52	0.54	-2.5%	2.35	1.54	+52.0%
Cash flow from operating activities per share, EUR	0.63	0.35	+81.5%	2.09	0.85	> 100%
Equity ratio, %				61.9%	62.3%	
Gearing, %				12.1%	10.5%	
Return on capital employed (before taxes), %				34.9%	25.3%	
Return on equity (after taxes), %				34.8%	24.1%	
Average number of personnel during the period				3,712	3,710	0.0%



President and CEO Liisa Hurme:

## 2024 was a year of strong growth for Orion

"In January–December 2024, our net sales increased by 29.6 percent to EUR 1,542.4 (1,189.7) million and operating profit increased by 51.5 percent to EUR 416.6 (274.9) million.

Year 2024 was a period of strong growth for Orion. I am particularly pleased that the underlying net sales and operating profit increased clearly. Net sales without significant milestone payments increased by more than 20 percent from the previous year. Operating profit increased by more than 30 percent, excluding significant milestone payments as well as the positive item related to the transfer of the insurance portfolio of Orion Pension Fund's B during the comparison period. Thanks to a strong year, we reached ahead of schedule the ambitious target we set ourselves in 2019 to reach EUR 1.5 billion in net sales by the end of 2025.

Four of our five business divisions increased their net sales in 2024. The Group's growth was driven by the Innovative Medicines business division led by Nubeqa®. We are very pleased with the faster than expected growth, as well as the achievements of our partner Bayer in the market. Nubeqa's in-market sales during the calendar year exceeded EUR 1 billion in September 2024, which was a great milestone for both companies.

The strong pull of the Easyhaler® product portfolio continued throughout the year, driving the growth of the Branded Products business division. The Generics and Consumer Health business division improved its development throughout the year and the growth of a couple of percent in the competitive generic market was a great performance. The Animal Health business division grew strongly, although a large part of the growth can be explained by a return to normal after a weaker year in 2023. Fermion's net sales were at the previous year's level, which is also a good performance, considering that at the same time the demand for the active ingredients of Orion's own innovative medicines has increased.

At the beginning of 2024, we specified our strategy, which was implemented as planned in 2024. Our various businesses developed in line with the strategy and, among other things, the long-lasting gradual expansion of Orion's geographical footprint was continued when we opened our own sales office in Japan. In addition, we continued to expand our product portfolio with new licensing agreements and expand our research network with new cooperation agreements. We also increased investments in research and development, and sales and marketing as planned. These determined investments aim at Orion's growth in both the short and long term. After the reporting period in January 2025, we completed a huge project that started already in 2021, and successfully launched our new enterprise resource planning (ERP) system.

In terms of development projects, we experienced two highlights in July 2024. Together with MSD, we 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 research, development and growth programs. In addition, together with our partner Bayer, we reported that the ARANOTE trial had met its primary endpoint. Based on the results, Bayer has already submitted applications to extend the marketing authorisation for darolutamide in the US, the EU and China. In 2024, we decided to end the ODM-111 development program because the therapeutic window of the molecule turned out to be too narrow. Other of our earlier clinical phase projects progressed as planned.

The year 2024 was eventful and we achieved many great things together. Thank you to all Orionees and our great partners for this. The road is open for growth also in 2025!"



## Net sales and profits in October-December 2024

### Net sales

Orion Group's net sales increased by 35.3% and totalled EUR 434.4 (321.1) million. The growth was driven by Innovative Medicines business division and Nubeqa® but also Branded Products, Generics and Consumer Health, and Animal Health business divisions showed strong growth.

Exchange rate fluctuations had a EUR 0.6 million positive impact on net sales.

### Operating profit

Orion Group's operating profit decreased by 0.2% and totalled EUR 92.7 (92.9) million. Operating profit was burdened by a write-down of EUR 17.5 million due to the termination of the ODM-111 project and a write-down of EUR 23.5 million due to the termination of the ganaxolone contract. In addition, the operating profit for the comparison period includes a EUR 30.7 million positive item related to the transfer of the insurance portfolio of Orion Pension Fund's B fund to an external pension insurance company at the end of 2023.

Operating expenses increased by EUR 57.7 million. The increase in costs was due to the aforementioned write-downs and the planned increase in sales and marketing as well as research and development costs. Other operating income and expenses accounted for EUR 2.9 (35.8) million. The figure for the comparison period includes the above-mentioned item related to the transfer of the insurance portfolio of the Orion Pension Fund's B fund.

### Profit for the period

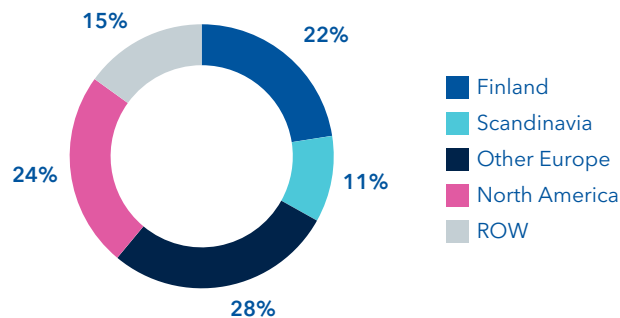
Profit for the period decreased by 2.3% and totalled EUR 73.4 (75.1) million. Basic earnings per share were EUR 0.52 (0.54).

# Net sales and profits in January-December 2024

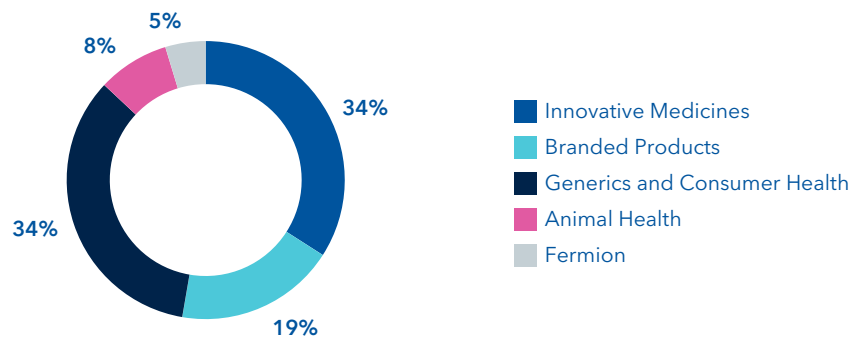
## Net sales

Orion Group’s net sales increased by 29.6% and totalled EUR 1,542.4 (1,189.7) million. Much of the growth came from Innovative Medicines business division, whose strong development was driven by Nubeqa®, as well as two significant milestone payments totalling EUR 130 million. There was one significant milestone payment of EUR 30 million in the comparison period. Sales of Branded Products, Generics and Consumer Health and Animal Health business divisions also developed favourably. Exchange rate fluctuations had a EUR 3.9 million positive impact on net sales. Excluding the significant milestone payments mentioned above, net sales increased by 21.8% to EUR 1,412.4 (1,159.7) million. Net sales of Orion’s top ten pharmaceuticals amounted to EUR 766.2 (563.7) million. They accounted for 49.7% (47.4%) of total net sales.

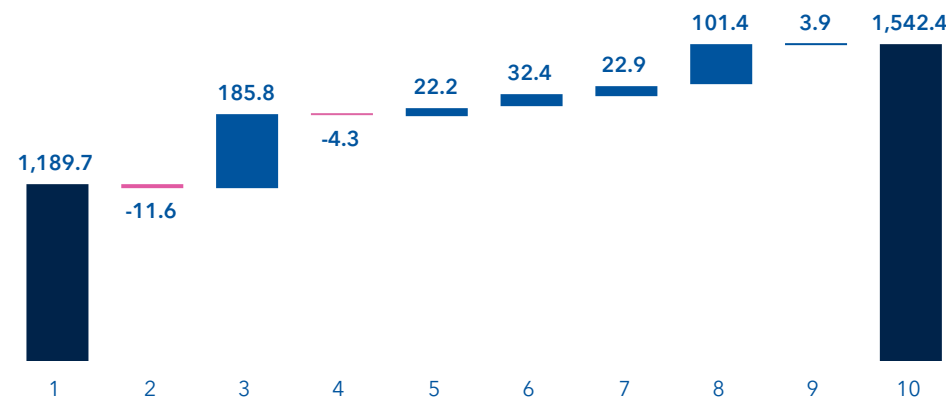
### Net sales split by region 1-12/2024



### Net sales split by business divisions 1-12/2024



### Development of net sales 1-12/2024 vs. 1-12/2023



1	Net sales in 1-12/2023	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 1-12/2024

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 51.5% and totalled EUR 416.6 (274.9) million. The increase was due to growing net sales and especially the growth of Nubeqa® royalties, and two significant milestone payments, totalling EUR 130 million. The operating profit of the comparison period includes a milestone payment of EUR 30 million and a EUR 30.7 million positive item related to the transfer of the insurance portfolio of Orion Pension Fund's B fund to an external pension insurance company at the end of 2023. Excluding major milestones (EUR 30 million in 2023 and EUR 130 million in 2024) and the items related to the transfer of the insurance portfolio of Orion Pension Fund's B fund in 2023 (EUR 30.7 million in 2023 and EUR 3.4 million in 2024), operating profit increased by 32.2% to EUR 283.2 (214.2) million.

Gross profit from sales in local currencies increased by EUR 68.8 million from the comparative period. Price, cost and product portfolio changes had a negative impact of EUR -31.6 million on gross profit. Currency exchange rate changes had a positive impact of EUR 3.1 million. With the combined impact of these items, the gross profit from product and service sales was EUR 40.3 million higher than in the comparative period.

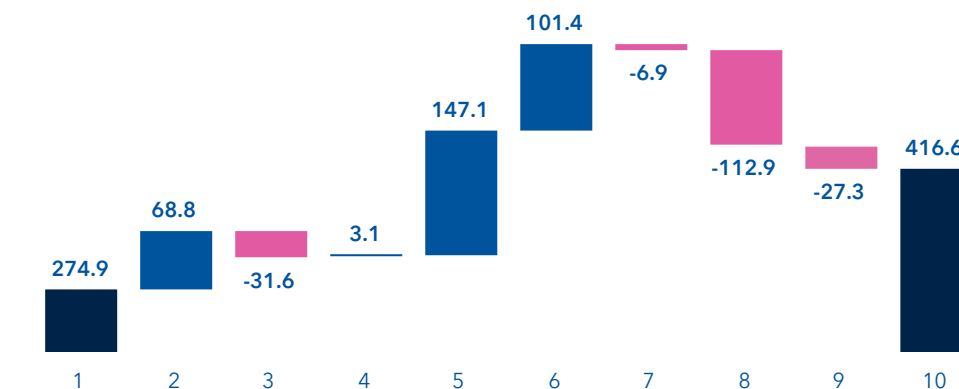
Milestone payments accounted for EUR 133.8 (32.4) million and royalties for EUR 271.0 (123.9) million of net sales and operating profit. Other operating income and expenses accounted for EUR 9.5 (43.7) million of operating profit.

Operating expenses increased by EUR 112.8 million. The costs were partly increased by the write-down of EUR 17.5 million due to the termination of the ODM-111 project and the write-down of EUR 23.5 million due to the termination of the ganaxolone contract. Otherwise, the increase was mainly due to planned increases in research and development costs, as well as sales and marketing expenses.

## Operating expenses

Sales and marketing expenses increased by 23.7% and totalled EUR 278.1 (224.8) million. The EUR 23.5 million write-down related to the termination of the ganaxolone contract is included in the costs for 2024. In other respects, the growth was planned and came mostly from increased efforts to support the growth of the Branded Products business division. Costs were also increased by royalties paid to Endo, the total amount of which increased in line with the increase in Nubeqa® revenues, and by Japan, where Orion established a sales office in 2024. Research and development expenses increased by 41.5% and totalled EUR 179.6 (126.9) million. R&D costs accounted for 11.6% (10.7%) of the Group's net sales. The EUR 17.5 million write-down related to the termination of the ODM-111 project is included in the costs for 2024. Excluding that item, the increase in R&D expenses was planned. Administrative expenses increased by 9.2% and were EUR 81.7 (74.8) million.

## Development of operating profit 1-12/2024 vs. 1-12/2023



1	Operating profit in 1-12/2023	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	Pension fund items
5	Royalties	10	Operating profit in 1-12/2024

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

## Profit for the period

Profit for the period totalled EUR 329.9 (216.8) million. Basic earnings per share were EUR 2.35 (1.54).



## Financial position and cash flow in January-December 2024

Cash flow from operating activities was significantly better than in the comparative period at EUR 293.4 (119.0) 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 -85.2 (-108.4) 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 -108.8 (-243.2) million. The difference with the comparative period is due to a total of EUR 150 million loans raised in 2024.

Group's total liabilities as at 31 December 2024 were EUR 624.1 (548.6) million. Interest-bearing liabilities amounted to EUR 327.3 (200.0) million. Of the total interest-bearing liabilities, EUR 297.2 (171.0) million were long-term liabilities. The Group had EUR 205.6 (106.7) million in cash and cash equivalents at the end of the reporting period.

Group's gearing was 12.1% (10.5%) and the equity ratio 61.9% (62.3%). Equity per share was EUR 7.15 (6.34).

## Capital expenditure in January-December 2024

Capital expenditure totalled EUR 86.1 (92.7 excluding assets acquired in business combination) million. This comprised EUR 63.6 (72.3) million on property, plant and equipment and EUR 22.5 (20.4) 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. Both outsourcings are done to European factories. 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.

In 2024, Orion established a sales office in Japan, which initially focuses on the sale of Orion's Parkinson's disease drugs and women's health products.

### Top ten best-selling pharmaceutical products

EUR million	<sup>1</sup>	1-12/24	1-12/23	Change %
Nubeqa® (prostate cancer)	A	368.3	182.5	> 100 %
Easyhaler® product portfolio (asthma, COPD)	B	166.4	144.2	+15.4%
Entacapone products <sup>2</sup> (Parkinson's disease)	B	84.1	88.4	-4.8%
Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	D	31.9	22.8	+40.4%
Burana® (inflammatory pain)	C	24.6	25.1	-2.0%
Divina® series (menopausal symptoms)	B	24.2	21.0	+15.1%
Simdax® (acute decompensated heart failure)	C	19.2	25.7	-25.4%
Dexmedetomidine products for human use <sup>3</sup>	C	16.4	21.5	-23.4%
Fareston® (breast cancer)	C	16.0	13.5	+18.1%
Trexan® (rheumatoid arthritis, cancer)	C	15.0	19.1	-21.2%
<b>Total</b>		<b>766.2</b>	563.7	+35.9%
Share of net sales, %		<b>49.7%</b>	47.4%	

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

<sup>2</sup> Entacapone products include Stalevo®, Comtess®, Comtan® and all other products including entacapone.

<sup>3</sup> 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–December 2024 increased by more than 100% and totalled EUR 525.2 (235.1) 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–December 2024 more than doubled and totalled EUR 368.3 (182.5) million, of which royalties were EUR 267.5 (119.7) million and product sales, i.e., deliveries to Bayer, EUR 100.8 (62.8) 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.

In December 2024, Orion and Marinus Pharmaceuticals, Inc. decided to mutually terminate their European wide marketing and distribution agreement for ganaxolone. Marinus regained ganaxolone's commercial rights in Europe where the compound is approved only for the adjunctive treatment of epileptic seizures associated with rare cyclin-dependent kinase-like 5 (CDKL5) deficiency disorder (CDD) in patients 2 to 17 years of age. As a result of the termination of the agreement, Orion made a write-down of EUR 23.5 million in the last 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–December 2024 increased by 10.2% and were EUR 287.5 (260.9) 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 15.4% and amounted to EUR 166.4 (144.2) million. The sales of the budesonide-formoterol combined formulation increased by 22.3% to EUR 115.4 (94.3) million. The sales of other Easyhaler® products (beclometasone, budesonide, formoterol, salbutamol and salmeterol-fluticasone combined formulation) increased by 2.4% to EUR 51.1 (49.9) 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, 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–December 2024 decreased by 4.8% and amounted to EUR 84.1 (88.4) 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 sales rights returned from Novartis to Orion at the end of 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 15.1% to EUR 24.2 (21.0) 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 2.1% in January–December 2024 and amounted to EUR 528.4 (517.6) million. Sales developed well in all main market areas. 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 2.5% and were EUR 396.3 (386.7) million and the net sales of self-care products increased by 0.9% and were EUR 132.1 (130.9) million.

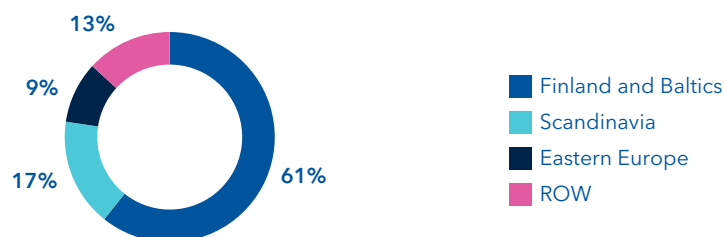
## Net sales split by product groups 1-12/2024



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 division's sales in Finland and Baltics increased by 3.5% and amounted to EUR 320.9 (310.2) 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 12.6% and totalled EUR 87.8 (78.0) million. In Eastern Europe, the division's sales increased by 8.3% and amounted to EUR 50.0 (46.2) million.

Sales in ROW declined by 16.2% and stood at EUR 69.7 (83.2) 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 1-12/2024



## Review of the Finnish human pharmaceuticals market

Finland is an important market for Orion, generating about a fifth 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 (1-12/2024). 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	1-12/24	1-12/23	Change %
<b>Total sales of human pharmaceuticals (hospital and pharmacy channel)</b>			
Market	3,393.5	3,219.2	+5.4%
Orion	351.9	345.3	+1.9%
<b>Prescription drugs total (pharmacy channel)</b>			
Market	1,980.9	1,843.7	+7.4%
Orion	211.7	200.4	+5.6%
<b>Reference priced prescription drugs (pharmacy channel)<sup>1</sup></b>			
Market	516.9	540.2	-4.3%
Orion	113.1	105.9	+6.8%
<b>Self-care products (pharmacy channel)</b>			
Market	493.5	488.2	+1.1%
Orion	121.0	119.1	+1.6%

<sup>1</sup> 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 1-12/2024

## 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 Rest of the World. In addition, Orion markets and sells veterinary drugs manufactured by several other companies.

Net sales of the Animal Health business division in January-December 2024 increased by 23.4% and amounted to EUR 128.2 (103.9) million. The return to a more normal level of sales after a weak year in 2023 partly explains the growth that came from different sources, with animal sedatives being the largest single contributor.



Sales of animal sedative products accounted for 24.9% (21.9%), or EUR 31.9 (22.8) million, of the division'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.

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.

External net sales of Fermion in January-December 2024 decreased by 1.8% and totalled EUR 72.3 (73.7) million. 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-commercialisation agreement for opevesostat (ODM-208/MK-5684), an investigational CYP11A1 inhibitor, and other candidates targeting CYP11A1 into an exclusive global license for MSD. With the exercise of the option, MSD gained 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 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 was associated with the exercise of this option.

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 US 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

After the reporting period in February 2025, Orion's partner Newel Health announced that ROHKEA® VR Therapy (ex-ODD-403) has achieved MDR Class IIa Certification which is an important milestone to commercialise the product in Europe.

After the reporting period In January 2025, Orion and Invenra announced discovery service and commercial license agreement to develop innovative bispecific antibody cancer therapeutics.

In December 2024, Orion and Abilita Therapeutics entered research collaboration and option to license agreement to develop innovative antibody therapeutics.

In November 2024, Orion and Alligator Bioscience amended their agreement concerning two bispecific antibodies.

### Key clinical development projects

Therapy area	Project	Indication	Phase I	Phase II	Phase III	Registration
Oncology	ARANOTE (darolutamide) <sup>1</sup>	Prostate cancer (mHSPC)				Ongoing
Oncology	ARASTEP (darolutamide) <sup>1</sup>	Prostate cancer (BCR)			Ongoing	
Oncology	OMAHA1 (opevesostat) <sup>2</sup>	Prostate cancer (mCRPC)			Ongoing	
Oncology	OMAHA2a (opevesostat) <sup>2</sup>	Prostate cancer (mCRPC)			Ongoing	
Oncology	CYPIDES (opevesostat)	Prostate cancer (mCRPC)		Ongoing		
Oncology	ODM-212 (TEAD inhibitor)	Solid tumours	Ongoing			
Pain/neurology	ODM-105 (tasipimidine)	Insomnia		Ongoing		

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

<sup>2</sup> Trial conducted by Orion's partner MSD with global exclusive rights to opevesostat.

In October 2024, Orion decided to terminate the ODM-111 development program due to too narrow therapeutic window of the molecule. Orion made a write-down of EUR 17.5 million related to the project in the last quarter of 2024.

In September 2024, Orion strengthened its early-stage research with a new research collaboration, when Orion and Aitia enter AI-driven drug discovery and drug simulation collaboration in oncology.

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. Based on the results, Bayer has already submitted applications to extend the marketing authorisation for darolutamide in the US, the EU and China.

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 is available at <https://clinicaltrials.gov/search?term=opevesostat>.

Expected next steps in 2025

- Expanding ODM-212 Phase I with more patients to incorporate more extensive dose evaluation
- Expanding ODM-105 Phase II with more patients



## Personnel

The average number of employees in the Orion Group in January–December 2024 was 3,712 (3,710). Orion has changed the way the number of employees is reported. The company now reports the headcount, while previously it reported the number of full-time equivalents (FTE).

Salaries and other personnel expenses in January–December 2024 totalled EUR 303.9 (273.0) 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.e., 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.

On 19 December 2024, Orion announced that Mikko Kempainen has been appointed as General Counsel and Secretary to the Board of Directors of Orion Corporation, and a member of the Executive Management Board of the Orion Group as of 1 June 2025.

## 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 US 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 US.

In the US, 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.

## Annual General Meeting 2024

The Annual General Meeting of the Shareholders of Orion Corporation was held on 20 March 2024 in Helsinki. In addition to matters in accordance with Section 10 of the Articles of Association and Chapter 5, Section 3 of the Limited Liability Companies Act, the meeting dealt with the Company's remuneration report, remuneration policy and proposals concerning authorisation of the Board of Directors to decide on a share issue by issuing new shares. Distribution of a dividend of EUR 1.62 per share was approved for 2023, in accordance with the Board's proposal. The dividend was paid in two instalments, EUR 0.81 on 3 April 2024 and EUR 0.81 on 23 October 2024.

The decisions taken by the Annual General Meeting and the organising meeting of the Board of Directors were reported in stock exchange releases on 20 March 2024.



## Events in 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.
24 Oct 2024	Orion announced that the company terminates ODM-111 development program due to narrow therapeutic window of the molecule.
19 Nov 2024	Orion and Alligator Bioscience amended their agreement concerning two bispecific antibodies.
19 Dec 2024	Orion announced that Mikko Kemppainen has been appointed as General Counsel and Secretary to the Board of Directors of Orion Corporation, and a member of the Executive Management Board of the Orion Group as of 1 June 2025.
30 Dec 2024	Orion and Marinus terminated agreement for ganaxolone in Europe.

## Events after the reporting period

15 Jan 2025	Orion upgraded full-year outlook for 2024 and provided preliminary information on financial performance for 2024.
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## Financial Statement Documents and Sustainability Reporting

Orion will publish its 2024 Financial Statement Documents, which includes the report of the Board of Directors, Financial Statements, Sustainability Statement and Corporate Governance Statement at the latest in week 11/2025. Orion's Remuneration Report for 2024 will be published separately at the same time.

## Shares and shareholders

On 31 December 2024 Orion had a total of 141,134,278 (141,134,278) shares, of which 32,831,608 (33,351,382) were A shares and 108,302,670 (107,782,896) B shares. The Group's share capital is EUR 92,238,541.46 (92,238,541.46). At the end of December 2024, Orion held 632,855 (782,973) B shares as treasury shares. On 31 December 2024, the aggregate number of votes conferred by the A and B shares was 764,301,975 (774,027,563) 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 519,774 A shares were converted into B shares in January–December 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 31 December 2024, the market capitalisation of the Company's shares, excluding treasury shares, was EUR 6,004.7 million.

In 2024, a total of 1,761,742 of Orion's A shares and 54,904,940 B shares were traded on Nasdaq Helsinki. The total value of the shares traded was EUR 2,320.6 million. During the year, 5.4% of the A shares and 50.7% of the B shares were traded. The average turnover in Orion's shares was 40.2%.

The price of Orion's A shares increased by 8.7% and the price of its B shares increased by 8.9% in 2024. On 31 December 2024 the closing quotation was EUR 42.60 for the A shares and EUR 42.78 for the B shares. The highest quotation for Orion's A shares in 2024 was EUR 49.85 and the lowest quotation was EUR 32.50. The highest quotation for the B shares in 2024 was EUR 50.16 and the lowest quotation was EUR 31.86.

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 December 2024, Orion had a total of 90,222 (88,722) registered shareholders, of whom 96% (95%) were private individuals. They held 38% (39%) of the entire share stock and had 61% (62%) of the total votes. There were 48 (46) million nominee-registered and foreign-owned shares, which was 34% (32%) of all shares, and they conferred entitlement to 9% (9%) of the total votes.

At the end of December 2024, Orion held 632,855 (782,973) B shares as treasury shares, which is 0.45% (0.55%) 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.orionpharma.com/en/flaggings](http://www.orionpharma.com/en/flaggings).

### Management's shareholdings

At the end of 2024, the members of the Board of Directors owned a total of 693,490 of the Company's shares, of which 626,023 were A shares and 67,467 B shares. At the end of 2024, the President and CEO owned 34,673 of the Company's shares, which were all B shares. The members of the Group's Executive Management Board (excluding the President and CEO) owned a total of 165,931 of the Company's shares, which were all B shares. Thus, the Company's executive management held 0.63% of all of the Company's shares and 1.68% of the total votes. These shareholdings include holdings by controlled corporations.





# Strategy

Orion's Board of Directors has confirmed the Company's strategy.

## Global trends and operating environment for pharma Industry

The following key global trends drive growth opportunities and challenges in pharma industry and affect Orion's operating environment:

- Demographics and aging of population: as population ages, the prevalence of various diseases increases, causing increased demand for drugs and treatments.
- Cost pressure in healthcare and pharmaceuticals: the share of healthcare costs of available funds continues to increase, both at national and individual level, creating needs for cost-effective drugs and treatments. Geopolitical developments are decreasing predictability and causing challenges in global supply chains.
- Advancements in science and technologies: personalised medicine, increased genetic and epigenetic data and developments in drug dosing and diagnostics create possibilities and markets for new treatments and therapies.
- Sustainability regulation and demand for sustainability: sustainability and compliance in all business sectors increasingly guide the actions and decisions of consumers, authorities and investors.
- Digitalisation, the use of AI and real time data: The amount and significance of data is growing, and it has become a valuable tool for generating competitive business opportunities. Societies and companies are increasingly relying on artificial intelligence, machine learning, and automation.

## Our purpose is building well-being

Well-being means something unique for each human being in all stages of life. We draw on our century-long experience in healthcare while keeping our sights firmly set on future innovations to support you every step of your way.

Our novel therapies help change the lives of patients across the globe. We serve societies in sustaining health systems with a diverse portfolio of cost-effective and value-adding drugs. Our veterinary products enable pet owners and farmers to care for their animals.

Inspired by our Nordic heritage, we strive to empower people around the world to live their lives to the fullest – today and tomorrow.

## Orion's strategy

Orion is an innovative, research-focused pharmaceutical company with a strong Nordic heritage that serves societies and helps change lives across the globe. All business divisions play a key role in Orion's growth strategy. The three key elements in the strategy are the following:

### 1) Build a customer driven portfolio through our competitive businesses:

- Innovative Medicines focuses on oncology and pain management, leveraging Orion's R&D expertise in these crucial and expanding fields.
- Branded Products continues building on its strength and success in Respiratory and Parkinson's disease.
- Generics and Consumer Health provides a large cost-effective generics portfolio complemented by value-added and complex generics to European hospitals and other selected markets and caters to customer needs with consumer health products with value propositions.
- Animal Health continues building a competitive portfolio for companion and livestock animals.
- Fermion manufactures key APIs to all business divisions.

### 2) Expand to new geographies:

- Strengthen European market position.
- Strengthen and expand operations in Asia Pacific including Japan.
- Establish operations in USA to build R&D and commercialisation capabilities.

### 3) Develop growth enablers:

Orion has determined the following areas where it builds its capabilities in order for the company to achieve strategic success:

- Competences and culture development in accordance with Orion's values.
- Safety and sustainability – Prioritise patient safety and sustainability across the entire product lifecycle, positioning Orion as a trustworthy European partner, known for dependable delivery, transparency, and responsibility.
- Global commercialisation capabilities – build the expertise to enable the global commercialisation of our products on a larger scale.
- Data driven execution excellence – Build expertise and operational models for a data-driven approach, optimising decision-making based on hard data.



- Master End-to-End value chain developing competitive advantage in every step from molecule development to marketing and distribution.

#### The roles of the business divisions in Orion's business portfolio:

- In Innovative Medicines patients with cancer and pain meet innovations and disruptive pharma to transform their lives. Innovative Medicines is the global growth driver for Orion.
- Branded Products provides the platform for growth in Europe & Asia. In Branded Products the target is to be an impactful player in Respiratory, Central Nervous System, and Women's Health in Europe and Asia.
- Generics and Consumer Health is Orion's solid bedrock. In Generics and Consumer Health we create everybody access to affordable quality medicines and help individuals to promote their health.
- Animal Health is committed to the well-being of companion animals and livestock.
- Fermion manufactures key APIs to all business divisions.

#### Orion's growth strategy in three steps according to Orion strategic roadmap:

- 1) Strengthen & Expand – Strengthen European and Asia Pacific market positions.
- 2) Build and Invest – Build and invest into global commercial assets and capabilities.
- 3) Accelerate – Grow and maximise value of global assets.

#### Orion's sustainability commitments

- Patient safety as a top priority: Patient safety has been a priority for us for over a hundred years and it continues to be the cornerstone of our daily operations. We play a significant role in ensuring the reliable supply of medications – even in the wake of a crisis.
- Active work for a better environment: We want to be the environmental leaders in our industry. We continuously raise the bar in climate and environmental responsibility, and we challenge others to follow. Orion is committed to working towards no biodiversity loss caused by our business or our value chain. Orion is also determined to keep global warming under 1.5°C, supported by our approved science-based near-term targets. We recognise the importance of sustained climate action and are committed to achieve net-zero emissions by 2050.
- Care for well-being professionals: We want to take care of Orionees – professionals who put their heart and expertise in everything they do. Our workplace is inspiring. We want our people to feel well.

- Ethics at the core of our business: We maintain strict ethical standards and act responsibly in all situations. Together with our partners we are building a transparent and sustainable business.

## 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.

## 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.



## Proposal by the Board of Directors of Orion Corporation to the Annual General Meeting 2025 on the resolution on the use of the profit shown on the Balance Sheet and the distribution of dividend

Orion Corporation's distributable funds at 31 December 2024 are EUR 601,482,478.08, of which the profit for the financial year is EUR 232,653,163.99. The Board of Directors proposes to the Annual General Meeting of Orion Corporation to be held on 3 April 2025 that a dividend of EUR 1.64 per share be paid on the basis of the Balance Sheet confirmed for the financial year that ended on 31 December 2024. No dividend shall be paid on treasury shares held by the Company on the record date for dividend payment.

According to the proposal, the dividend would be paid in two instalments. The first instalment of EUR 0.82 per share would be paid to a shareholder who is on the record date for the payment of the dividend, 7 April 2025, registered in the Company's shareholders' register maintained by Euroclear Finland Oy. The Board of Directors proposes that the first instalment would be paid on 14 April 2025. The second instalment of EUR 0.82 per share would be paid to a shareholder who is on the record date for the payment of the dividend, 16 October 2025, registered in the Company's shareholders' register maintained by Euroclear Finland Oy. The Board of Directors proposes that the second instalment would be paid on 23 October 2025.

The Board of Directors proposes that the Annual General Meeting would authorise the Board of Directors to resolve, if necessary, on a new record date for payment and payment date for the second instalment of the dividend in case of changes in the rules of Euroclear Finland Oy or the regulations regarding the Finnish book-entry system or if other rules binding the Company so require.

In addition, the Board of Directors proposes to the Annual General Meeting that EUR 450,000 of the Company's distributable funds be donated to medical research and other purposes of public interest as decided by the Board of Directors. Any remaining distributable funds would be allocated to retained earnings.

There have been no material changes in the Company's financial position since the end of the financial year. The liquidity of the Company is good and, in the opinion of the Board of Directors, the proposed profit distribution would not compromise the liquidity of the Company.

Espoo, 25 February 2025

Orion Corporation  
Board of Directors



## Outlook for 2025

Net sales are estimated to be EUR 1,550 million to EUR 1,650 million.

Operating profit is estimated to be EUR 350 million to EUR 450 million.

## Basis for outlook

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.

In 2024, Orion booked two material milestones totalling EUR 130 million. The outlook for 2025 does not include any material milestone payments or one-offs.

### Milestone payments received by Orion in 2020-2024

Year	2020	2021	2022	2023	2024
EUR million	42	3	234	32	134

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

### Net sales

The outlook assumes that the Nubeqa® royalties and product sales booked by Orion will clearly increase in 2025. 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.

The Branded Products business division is estimated to grow in 2025. Growth is anticipated to be driven by the Easyhaler® product portfolio but also other products are expected to support the growth. Entacapone products, for example, benefit from the fact that Orion has taken over the sales of the products in Japan. Animal Health business division is anticipated to grow slightly, with growth coming from various products. The net sales of the Generics and Consumer Health, and Fermion business divisions are estimated to be at a similar level as in 2024.

## Operating profit

The underlying operating profit growth, i.e. excluding material milestones, is expected to be driven by Nubeqa® royalties. However, 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 fluctuation 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. Orion's income is increasingly coming from the United States and thus changes in the US dollar exchange rate cause fluctuations in Orion's operating profit.

Research and development costs, and in particular their timing, can also cause fluctuations in operating profit. Although the future costs of research and development projects are known quite well in advance, there are uncertainties about their timing. The start of projects may be delayed, and projects may progress faster or slower than expected. Projects may also have to be terminated, in which case the anticipated costs will not be fully realised. Orion estimates that R&D costs in 2025 will increase from 2024.

Sales and marketing expenses are expected to be at a similar level as in 2024. In 2024, sales and marketing expenses included EUR 23.5 million write down from ganaxolone. In 2025, the growth of underlying sales and marketing expenses is mainly due to growing investments to the Easyhaler® sales in Europe, ramping up the sales and sales force in Japan, and Nubeqa® royalty payable as per an agreement with Endo Pharmaceuticals.

## Capital expenditure

The Group's total capital expenditure in 2025 is expected to be at a similar level as in 2024. The estimate of capital expenditure does not include any investments related to any future material product or company acquisition.

## Near-term risks and uncertainties

Orion is exposed to risks that may arise from its operations or changes in the operating environment. The most significant risk factors described below can potentially have an adverse effect on Orion's business operations, financial position or financial results. Other risks, which are currently either unknown or considered immaterial to Orion may, however, become material in the future.

Orion's own production and other operations are exposed to risks that may materially disrupt their operations or even interrupt them at least temporarily. Such risks include, for example, accidents, damages, natural disasters, strikes, employee illness, conflicts, terrorism, cyber-attacks, hybrid influence, disruption of information or communication systems, disruption of energy



supply, and disruption of supply and logistics chains. Orion's production and business operations are dependent on global supply and logistics chains, the inaction of which may lead to low availability of finished products and raw materials, starting materials, semi-finished products, supplies, equipment and spare parts needed in production.

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 or other 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.

Key currencies that carry an exchange rate risk for Orion are the US dollar, the Swedish krona and the Polish zloty. Other significant currencies are the Danish krone and the Norwegian krone. 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 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. 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 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. Although the future costs of research and development projects are known quite well in advance, there are uncertainties about their timing. The start of projects may be delayed, and projects may progress faster or slower than expected having an impact on predicted costs within an individual year. Projects may also have to be terminated, in which case the anticipated costs will not be fully realised. 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

Annual General Meeting 2025	planned to be held on 3 April 2025
Interim Report January-March 2025	Wednesday 23 April 2025
Capital Markets Day 2025	Thursday 22 May 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, 25 February 2025

Board of Directors of Orion Corporation

## Tables

### CONSOLIDATED INCOME STATEMENT

EUR million	10- 12/24	10- 12/23	Change %	1-12/24	1-12/23	Change %
<b>Net sales</b>	<b>434.4</b>	321.1	+35.3%	<b>1,542.4</b>	1,189.7	+29.6%
Cost of goods sold	<b>-167.1</b>	-144.3	+15.8%	<b>-596.0</b>	-531.9	+12.0%
<b>Gross profit</b>	<b>267.3</b>	176.9	+51.1%	<b>946.4</b>	657.7	+43.9%
Other operating income and expenses	<b>2.9</b>	35.8	-91.9%	<b>9.5</b>	43.7	-78.3%
Sales and marketing expenses	<b>-94.2</b>	-62.3	+51.2%	<b>-278.1</b>	-224.8	+23.7%
Research and development expenses	<b>-62.5</b>	-36.6	+70.6%	<b>-179.6</b>	-126.9	+41.5%
Administrative expenses	<b>-20.7</b>	-20.8	-0.4%	<b>-81.7</b>	-74.8	+9.2%
<b>Operating profit</b>	<b>92.7</b>	92.9	-0.2%	<b>416.6</b>	274.9	+51.5%
Finance income and expenses	<b>-1.1</b>	-0.5	> 100 %	<b>-3.5</b>	-3.0	+14.3%
<b>Profit before taxes</b>	<b>91.7</b>	92.4	-0.8%	<b>413.1</b>	271.9	+52.0%
Income tax expense	<b>-18.3</b>	-17.3	+5.8%	<b>-83.2</b>	-55.1	+51.0%
<b>Profit for the period</b>	<b>73.4</b>	75.1	-2.3%	<b>329.9</b>	216.8	+52.2%

#### PROFIT ATTRIBUTABLE TO

Owners of the parent company	<b>73.4</b>	75.1	-2.3%	<b>329.9</b>	216.8	+52.2%
<b>Basic earnings per share, EUR<sup>1</sup></b>	<b>0.52</b>	0.54	-2.5%	<b>2.35</b>	1.54	+52.0%
<b>Diluted earnings per share, EUR<sup>1</sup></b>	<b>0.52</b>	0.54	-2.5%	<b>2.35</b>	1.54	+52.0%

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

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	12/24	12/23	Change %	1-12/24	1-12/23	Change %
<b>Profit for the period</b>	<b>73.4</b>	75.1	-2.3%	<b>329.9</b>	216.8	+52.2%
Translation differences	<b>0.1</b>	1.1		<b>0.3</b>	-0.3	
<b>Items that may be reclassified subsequently to profit and loss</b>	<b>0.1</b>	1.1		<b>0.3</b>	-0.3	
Remeasurement of pension plans, net of tax	<b>3.7</b>	-27.9		<b>3.7</b>	-16.2	
<b>Items that will not be reclassified to profit and loss</b>	<b>3.7</b>	-27.9		<b>3.7</b>	-16.2	
<b>Other comprehensive income, net of tax</b>	<b>3.8</b>	-26.8		<b>4.0</b>	-16.5	
<b>Comprehensive income for the period</b>	<b>77.2</b>	48.3	+59.7%	<b>333.9</b>	200.3	+66.7%
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO</b>						
Owners of the parent company	<b>77.2</b>	48.3	+59.7%	<b>333.9</b>	200.3	+66.7%



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### ASSETS

EUR million	12/24	12/23	Change %
Property, plant and equipment	417.6	400.9	+4.2%
Goodwill	87.2	87.2	
Intangible rights	81.1	106.8	-24.1%
Other intangible assets	6.8	6.1	+11.9%
Investment in associate	0.1	0.1	
Other investments	0.2	0.2	-0.4%
Pension assets	10.6	6.9	+53.1%
Deferred tax assets	8.3	4.3	+95.1%
Other non-current assets	0.8	0.9	-7.5%
<b>Non-current assets total</b>	<b>612.8</b>	<b>613.3</b>	<b>-0.1%</b>
Inventories	418.6	362.2	+15.6%
Trade receivables	254.9	247.1	+3.2%
Current tax receivables	0.5	0.6	-14.2%
Other receivables	136.8	108.8	+25.7%
Cash and cash equivalents	205.6	106.7	+92.7%
<b>Current assets total</b>	<b>1,016.4</b>	<b>825.3</b>	<b>+23.2%</b>
<b>Assets total</b>	<b>1,629.1</b>	<b>1,438.6</b>	<b>+13.2%</b>

### EQUITY AND LIABILITIES

EUR million	12/24	12/23	Change %
Share capital	92.2	92.2	
Other reserves	5.3	4.6	+15.2%
Cumulative translation adjustments	-10.6	-9.8	+9.2%
Retained earnings	918.0	802.9	+14.3%
<b>Equity attributable to owners of the parent company</b>	<b>1,005.0</b>	<b>890.1</b>	<b>+12.9%</b>
<b>Equity total</b>	<b>1,005.0</b>	<b>890.1</b>	<b>+12.9%</b>
Deferred tax liabilities	35.8	31.8	+12.5%
Pension liabilities	2.8	4.1	-31.2%
Non-current provisions	0.5	0.5	+10.6%
Interest-bearing non-current liabilities	297.2	171.0	+73.8%
Other non-current liabilities	14.4	76.4	-81.2%
<b>Non-current liabilities total</b>	<b>350.7</b>	<b>283.8</b>	<b>+23.6%</b>
Current provisions	2.1	0.0	> 100%
Interest-bearing current liabilities	30.0	29.0	+3.6%
Trade payables	87.1	102.3	-14.9%
Current tax liabilities	9.5	13.3	-28.8%
Other current liabilities	144.7	120.1	+20.5%
<b>Current liabilities total</b>	<b>273.4</b>	<b>264.8</b>	<b>+3.3%</b>
<b>Liabilities total</b>	<b>624.1</b>	<b>548.6</b>	<b>+13.8%</b>
<b>Equity and liabilities total</b>	<b>1,629.1</b>	<b>1,438.6</b>	<b>+13.2%</b>



## 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	
<b>Equity at 1 January 2023</b>	92.2	3.3	-10.8	37.1	-34.8	821.1	823.3	<b>908.1</b>
Profit for the period						216.8	216.8	<b>216.8</b>
<b>Other comprehensive income</b>								
Cumulative translation adjustments			1.0			-1.3	-1.3	<b>-0.3</b>
Remeasurement of pension plans				-16.2			-16.2	<b>-16.2</b>
<b>Transactions with owners</b>								
Dividends paid						-224.9	-224.9	<b>-224.9</b>
Share-based incentive plans					6.8	-0.2	6.6	<b>6.6</b>
Other adjustments		1.3				-1.3	-1.3	<b>0.0</b>
<b>Equity at 31 December 2023</b>	92.2	4.6	-9.8	20.9	-28.0	810.0	802.9	<b>890.1</b>
<b>Equity at 1 January 2024</b>	92.2	4.6	-9.8	20.9	-28.0	810.0	802.9	<b>890.1</b>
Profit for the period						329.9	329.9	<b>329.9</b>
<b>Other comprehensive income</b>								
Cumulative translation adjustments			-0.9			1.2	1.2	<b>0.3</b>
Remeasurement of pension plans				3.7			3.7	<b>3.7</b>
<b>Transactions with owners</b>								
Dividends paid						-228.0	-228.0	<b>-228.0</b>
Share-based incentive plans					3.2	5.3	8.4	<b>8.4</b>
Other adjustments		0.7				-0.1	-0.1	<b>0.6</b>
<b>Equity at 31 December 2024</b>	<b>92.2</b>	<b>5.3</b>	<b>-10.6</b>	<b>24.6</b>	<b>-24.8</b>	<b>918.2</b>	<b>918.0</b>	<b>1,005.0</b>





## CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	10-12/24	10-12/23	1-12/24	1-12/23
Profit before taxes	91.7	92.4	413.1	271.9
Adjustments	55.7	-9.8	41.9	36.1
Change in working capital	-27.9	-27.9	-71.3	-144.8
Net financial items	-3.1	-1.9	-3.2	-3.0
Income taxes paid	-27.5	-4.0	-87.0	-41.2
<b>Total net cash flow from operating activities</b>	<b>88.8</b>	<b>48.9</b>	<b>293.4</b>	<b>119.0</b>
Investments in property, plant and equipment	-17.7	-15.8	-62.3	-65.6
Investments in intangible assets	-9.2	-6.3	-24.6	-51.2
Acquired in business combination, net of cash				-0.1
Sales of property, plant and equipment and other investments	0.6	3.6	1.7	8.5
<b>Total net cash flow from investing activities</b>	<b>-26.3</b>	<b>-18.4</b>	<b>-85.2</b>	<b>-108.4</b>
<b>Cash flow from operating and investing activities, total</b>	<b>62.5</b>	<b>30.4</b>	<b>208.3</b>	<b>10.7</b>
Repayments of lease liabilities	-1.5	-1.3	-5.2	-4.5
Change in current loans		-2.9		-2.1
Proceeds of non-current loans	75.0		150.0	
Repayment of non-current loans	-6.4	1.6	-25.7	-11.8
Dividends paid and other distribution of profits	-114.1		-228.0	-224.9
<b>Total net cash flow from financing activities</b>	<b>-47.0</b>	<b>-2.6</b>	<b>-108.8</b>	<b>-243.2</b>
Net change in cash and cash equivalents	15.5	27.8	99.5	-232.6
Cash and cash equivalents at the beginning of the period	190.1	77.9	106.7	332.6
Foreign exchange differences	-0.1	1.0	-0.6	6.6
<b>Cash and cash equivalents at the end of the period</b>	<b>205.6</b>	<b>106.7</b>	<b>205.6</b>	<b>106.7</b>

## Reconciliation of cash and cash equivalents in statement of financial position

EUR million	10-12/24	10-12/23	1-12/24	1-12/23
Cash and cash equivalents in statement of financial position at the end of the period	205.6	106.7	205.6	106.7
Money market investments at the end of the period				
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>205.6</b>	<b>106.7</b>	<b>205.6</b>	<b>106.7</b>



## Appendices

### NET SALES BY REVENUE FLOWS

EUR million	10-12/24	10-12/23	Change %	1-12/24	1-12/23	Change %
Sale of goods	316.7	278.9	+13.6%	1,137.6	1,033.3	+10.1%
Royalty income	117.2	41.3	> 100 %	271.0	123.9	> 100 %
<b>Total sale of goods</b>	<b>433.9</b>	<b>320.2</b>	<b>+35.5%</b>	<b>1,408.6</b>	<b>1,157.2</b>	<b>+21.7%</b>
Milestone payments	0.5	1.0	-49.6%	133.8	32.4	> 100 %
<b>Total</b>	<b>434.4</b>	<b>321.1</b>	<b>+35.3%</b>	<b>1,542.4</b>	<b>1,189.7</b>	<b>+29.6%</b>

In January-December 2024, EUR 1.9 (1.9) 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	12/24	12/23	Change %	1-12/24	1-12/23	Change %
Innovative Medicines	157.4	68.1	> 100 %	525.2	235.1	> 100 %
Branded Products	79.6	72.4	+9.9%	287.5	260.9	+10.2%
Generics and Consumer Health	142.3	134.0	+6.2%	528.4	517.6	+2.1%
Animal Health	35.0	26.8	+30.6%	128.2	103.9	+23.4%
Fermion	19.4	19.6	-1.3%	72.3	73.7	-1.8%
Translation differences and Other operations	0.7	0.2	> 100 %	0.8	-1.6	> 100 %
<b>Total</b>	<b>434.4</b>	<b>321.1</b>	<b>+35.3%</b>	<b>1,542.4</b>	<b>1,189.7</b>	<b>+29.6%</b>

### QUARTERLY NET SALES BY REGION

EUR million	2024				2023			
	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Finland	95.6	86.7	81.4	83.7	90.6	81.3	82.4	79.2
Scandinavia	41.7	40.4	40.4	40.6	36.4	35.8	36.4	33.8
Other Europe	119.0	115.6	98.2	98.5	87.8	80.4	99.1	99.2
North America	101.9	171.9	48.2	46.7	47.7	51.3	41.3	34.3
Rest of the World	76.2	56.7	60.0	39.0	58.7	52.2	30.6	31.3
<b>Total</b>	<b>434.4</b>	<b>471.3</b>	<b>328.2</b>	<b>308.5</b>	<b>321.1</b>	<b>301.1</b>	<b>289.6</b>	<b>277.9</b>

### OPERATING PROFIT BY QUARTER

EUR million	2024				2023			
	10-12	7-9	4-6	1-3	10-12	7-9	4-6	1-3
Operating profit	92.7	202.0	65.8	56.0	92.9	80.0	46.5	55.5



## TOP TEN BEST-SELLING PHARMACEUTICAL PRODUCTS

EUR million	10-12/24	10-12/23	Change %	1-12/24	1-12/23	Change %
Nubeqa® (prostate cancer)	152.0	62.2	> 100 %	368.3	182.5	> 100 %
Easyhaler® product portfolio (asthma, COPD)	46.2	42.6	+8.5%	166.4	144.2	+15.4%
Entacapone products (Parkinson's disease)	22.5	20.7	+8.7%	84.1	88.4	-4.8%
Dexdomitor®, Domitor®, Domosedan® and Antisedan® (animal sedatives)	6.1	4.5	+36.1%	31.9	22.8	+40.4%
Burana® (inflammatory pain)	6.8	6.8	-0.5%	24.6	25.1	-2.0%
Divina® series (menopausal symptoms)	6.4	5.4	+19.0%	24.2	21.0	+15.1%
Simdax® (acute decompensated heart failure)	5.0	5.5	-8.1%	19.2	25.7	-25.4%
Dexmedetomidine products for human use	4.3	4.8	-9.8%	16.4	21.5	-23.4%
Fareston® (breast cancer)	5.0	4.2	+19.1%	16.0	13.5	+18.1%
Trexan® (rheumatoid arthritis, cancer)	3.9	3.7	+4.2%	15.0	19.1	-21.2%
<b>Total</b>	<b>258.3</b>	<b>160.4</b>	<b>+61.0%</b>	<b>766.2</b>	<b>563.7</b>	<b>+35.9%</b>
Share of net sales, %	59.5%	49.9%		49.7%	47.4%	



## CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	12/24	12/23
Carrying amount at the beginning of the period	400.9	373.3
Additions	63.6	72.3
Depreciation and impairment for the period	-45.3	-43.6
Disposals and other changes	-1.6	-1.1
<b>Carrying amount at the end of the period</b>	<b>417.6</b>	<b>400.9</b>

## CHANGES IN INTANGIBLE ASSETS (EXCLUDING GOODWILL)

EUR million	12/24	12/23
Carrying amount at the beginning of the period	112.9	103.8
Additions	22.5	20.4
Amortisation and impairment for the period	-47.5	-7.9
Disposals and other changes	0.1	-3.4
<b>Carrying amount at the end of the period</b>	<b>88.0</b>	<b>112.9</b>

## 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 31 December 2024 Orion met these financial covenants.

## COMMITMENTS AND CONTINGENCIES

### Contingencies for own liabilities

EUR million	12/24	12/23
Guarantees	2.5	2.6

### 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 US 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 US.

In the US, 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	12/24	12/23
Currency forward contracts and currency swaps	43.3	49.3
Currency options	32.4	28.0

### Fair values of currency derivatives

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



## FAIR VALUE MEASUREMENT AND HIERARCHY OF FINANCIAL INSTRUMENTS, 31 December 2024

EUR million	Level 1	Level 2	Level 3	Total
Currency derivatives		0.2		0.2
Shares and investments			0.2	0.2
<b>Assets total</b>		0.2	0.2	0.4
Deferred purchase price and earn-out			-10.0	-10.0
Currency derivatives		-0.5		-0.5
<b>Liabilities total</b>		-0.5	-10.0	-10.5

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, 31 December 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	70.8	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

	10-12/24	10-12/23	Change %	1-12/24	1-12/23	Change %
Net sales, EUR million	434.4	321.1	+35.3%	1,542.4	1,189.7	+29.6%
EBITDA, EUR million	147.1	106.0	+38.8%	509.4	326.4	+56.0%
% of net sales	33.9%	33.0%		33.0%	27.4%	
Operating profit, EUR million	92.7	92.9	-0.2%	416.6	274.9	+51.5%
% of net sales	21.3%	28.9%		27.0%	23.1%	
Profit for the period, EUR million	73.4	75.1	-2.3%	329.9	216.8	+52.2%
% of net sales	16.9%	23.4%		21.4%	18.2%	
Research and development expenses, EUR million	62.5	36.6	+70.6%	179.6	126.9	+41.5%
% of net sales	14.4%	11.4%		11.6%	10.7%	
Capital expenditure, excluding acquired in business combinations, EUR million	29.8	26.0	+14.6%	86.1	92.7	-7.1%
% of net sales	6.9%	8.1%		5.6%	7.8%	
Acquired in business combination, net of cash, EUR million					0.1	
Depreciation, amortisation and impairment, EUR million	54.4	13.1	> 100 %	92.8	51.5	+80.1%
Personnel expenses, EUR million	80.3	74.9	+7.3%	303.9	273.0	+11.3%
Equity total, EUR million				1,005.0	890.1	+12.9%
Interest-bearing net liabilities, EUR million				121.7	93.3	+30.4%
Assets total, EUR million				1,629.1	1,438.6	+13.2%
Cash flow from operating activities, EUR million	88.8	48.9	+81.7%	293.4	119.0	> 100%
Equity ratio, %				61.9%	62.3%	
Gearing, %				12.1%	10.5%	
Return on capital employed (before taxes), %				34.9%	25.3%	
Return on equity (after taxes), %				34.8%	24.1%	
Personnel at the end of the period				3,880	3,744	+3.6%
Average number of personnel during the period				3,712	3,710	



## PERFORMANCE PER SHARE

	10-12/24	10-12/23	Change %	1-12/24	1-12/23	Change %
Basic earnings per share, EUR	0.52	0.54	-2.5%	2.35	1.54	+52.0%
Diluted earnings per share, EUR	0.52	0.54	-2.5%	2.35	1.54	+52.0%
Cash flow from operating activities per share, EUR	0.63	0.35	+81.5%	2.09	0.85	> 100%
Equity per share, EUR				7.15	6.34	+12.8%
Proposed dividend per share, EUR				1.64	1.62	+1.2%
Total proposed dividend, EUR million				230.4	227.4	+1.3%
Proposed payout ratio, %				69.8%	104.9%	
<b>A share</b>						
Number of shares at the end of the period				32,831,608	33,351,382	-1.6%
% of total share stock				23.3%	23.6%	
Effective dividend yield according to proposal, %				3.8%	4.1%	
Price/Earnings ratio (P/E)				18.13	25.45	-28.8%
Number of votes excluding treasury shares				656,632,160	667,027,640	-1.6%
% of total votes				85.9%	86.2%	
Total number of shareholders				25,074	24,589	+2.0%
Lowest quotation of review period, EUR				32.50	34.25	-5.1%
Average quotation of review period, EUR				41.38	41.19	+0.5%
Highest quotation of review period, EUR				49.85	55.00	-9.4%
Closing quotation at the end of review period, EUR				42.60	39.20	+8.7%
Trading volume, EUR million				72.9	50.0	+45.8%
Shares traded				1,761,742	1,213,681	+45.2%
% of the total number of shares				5.4%	3.6%	

	1-12/24	1-12/23	Change %
<b>B share</b>			
Number of shares at the end of the period, including treasury shares	108,302,670	107,782,896	+0.5%
% of total share stock	76.7%	76.4%	
Treasury shares	632,855	782,973	-19.2%
Number of shares at the end of the period, excluding treasury shares	107,669,815	106,999,923	+0.6%
Effective dividend yield according to proposal, %	3.8%	4.1%	
Price/Earnings ratio (P/E)	18.20	25.50	-28.6%
Number of votes excluding treasury shares	107,669,815	106,999,923	+0.6%
% of total votes	14.1%	13.8%	
Diluted number of shares, average, excluding treasury shares	107,377,647	106,633,693	+0.7%
% of total share stock	76.1%	75.6%	
Total number of shareholders	72,400	71,309	+1.5%
Lowest quotation of review period, EUR	31.86	32.89	-3.1%
Average quotation of review period, EUR	40.94	40.48	+1.1%
Highest quotation of review period, EUR	50.16	55.16	-9.1%
Closing quotation at the end of review period, EUR	42.78	39.27	+8.9%
Trading volume, EUR million	2,247.7	2,601.5	-13.6%
Shares traded	54,904,940	64,267,609	-14.6%
% of the total number of shares	50.7%	59.6%	
<b>A and B share total</b>			
Number of shares at the end of the period	141,134,278	141,134,278	
Average number of shares during the period excluding treasury shares	140,476,403	140,326,681	+0.1%
Number of votes excluding treasury shares	764,301,975	774,027,563	-1.3%
Diluted number of shares, average, excluding treasury shares	140,532,667	140,361,039	+0.1%
Total number of shareholders	90,222	88,722	+1.7%
Trading volume, EUR million	2,320.6	2,651.5	-12.5%
Shares traded	56,666,682	65,481,290	-13.5%
Total shares traded, % of total shares	40.2%	46.4%	
Market capitalisation at the end of the period excluding treasury shares, EUR million	6,004.7	5,509.3	+9.0%



## 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	=	$\frac{\text{Equity attributable to owners of the parent company}}{\text{Number of shares at the end of the period, excluding treasury shares}}$	

Dividend per share, EUR	=	$\frac{\text{Dividend to be distributed for the period}}{\text{Number of shares at the end of the period, excluding treasury shares}}$	
Payout ratio, %	=	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$	
Effective dividend yield, %	=	$\frac{\text{Dividend per share}}{\text{Closing quotation of the period}} \times 100$	
Price/earnings ratio (P/E)	=	$\frac{\text{Closing quotation of the period}}{\text{Earnings per share}}$	
Average share price, EUR	=	$\frac{\text{Total EUR value of shares traded}}{\text{Average number of traded shares during the period}}$	
Market capitalisation, EUR million	=	$\frac{\text{Number of shares at the end of the period excluding treasury shares}}{\text{Closing quotation of the period}}$	



## REPORTING

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.

## ACCOUNTING POLICIES

The Consolidated Financial Statements of the Orion Group have been prepared in accordance with International Financial Reporting Standards (IFRS) applying the IAS and IFRS standards as well as IFRIC interpretations effective at 31 December 2024. New standards or amendments to standards, effective from January 1, 2024, has had no material impact to consolidated financial statements. The policies and calculation methods applied during the period can be found on the Orion website at <http://www.orionpharma.com/investors>.

The information published in this release is based on Orion's audited financial statements for 2024. Orion Corporation's financial statement release has been prepared in accordance with the accounting policies set out in International Accounting Standard 34 on Interim Financial Reporting. Orion has applied the same accounting principles in the preparation of the Financial Statement Release as in the Financial Statements for 2024.

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. 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 2024 amounted to EUR 1,542 million and the company had about 3,700 employees at the end of the year. Orion's A and B shares are listed on Nasdaq Helsinki.