

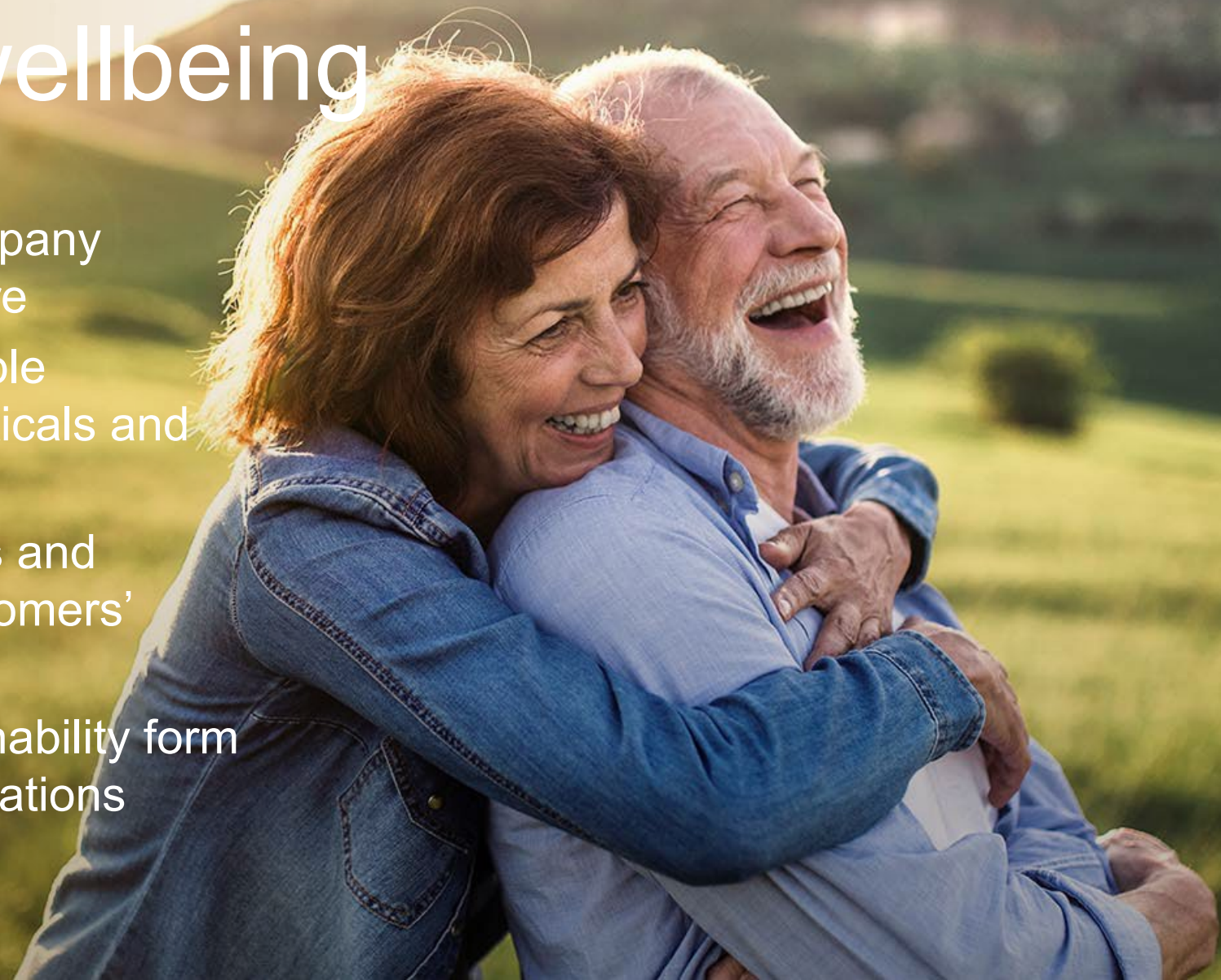
# Oriola's year 2024

CEO Katarina Gabrielson



# Value creation in health and wellbeing

- Health and wellbeing company part of critical infrastructure
- Ensure the safe and reliable distribution of pharmaceuticals and health products
- Broad portfolio of services and products to meet our customers' needs
- Quality, safety and sustainability form the foundation of our operations



# Strong position in the health and wellbeing markets in Finland and Sweden

Invoicing  
**EUR 3.8 billion**

Net sales  
**EUR 1.7 billion**

Adjusted EBIT  
**EUR 21.6 million**

excluding Swedish dose dispensing business

**934 employees**



# Market drivers creating opportunities

## Ageing population

- In 2024, 21% of the population in the Nordics was aged 65 or older, a figure projected to rise to 23% by 2030.

## Wellbeing and healthcare

- Rising living standards and a growing focus on both physical and mental health and wellbeing.

## Online pharmaceuticals and digitalisation

- Clear shift in consumers purchasing patterns towards online channels.
- Digitalisation and AI provide opportunities to increase efficiency and optimisation.

## Specialty products

- Increasing need for personalised medical treatments and vaccines is driving demand for advanced logistics services.
- Medicine shortages increase the importance of special licensed medicines.



# Our ambitious financial targets

## GROWTH

Annual sales growth at the rate of market, minimum 4%

## PROFITABILITY

Adjusted EBIT margin above 3%

## EQUITY

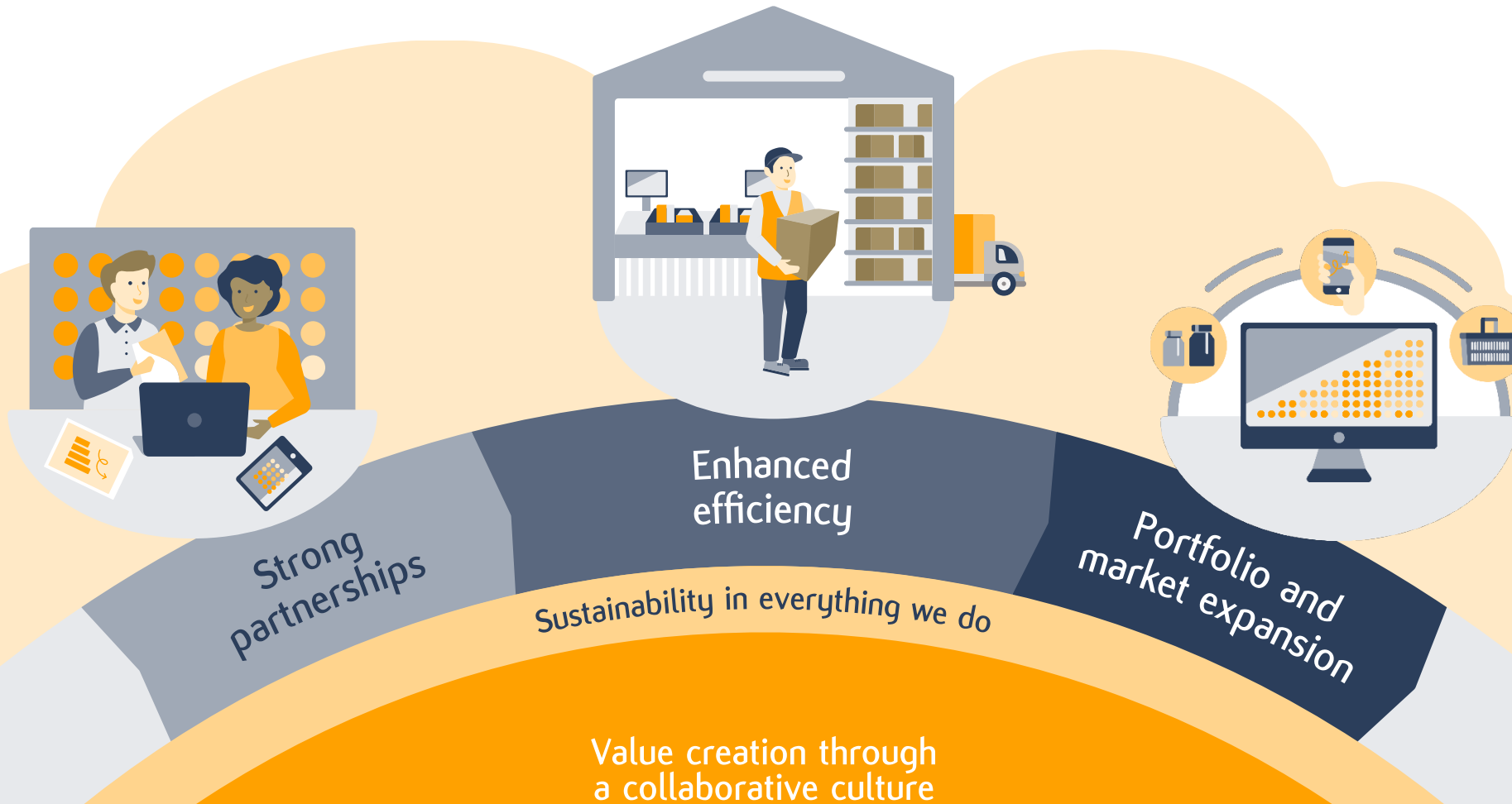
Return on equity >20%

## DIVIDEND POLICY

Oriola's aim is to pay out an increasing annual dividend of 2/3 of net profit.



# Three strategic goals defining our future



# Improved customer-centricity and strong partnerships



## 2024 HIGHLIGHTS IN DISTRIBUTION

- Acquired new distribution customers leveraging our wide service portfolio and our advanced logistics capabilities.
- Renewed existing distribution agreements – no strategic accounts lost.
- Strengthened warehouse capabilities to better serve the growing e-commerce sales channel.
- Ahead of the upcoming deregulation of the pharmacy market in Finland, continued to prepare and build capabilities to increase services to customers.

# Expansion of wholesale business

## 2024 HIGHLIGHTS IN WHOLESAL

- Introduced new products and suppliers to our portfolio.
- A wide range of products meets better customers' needs and provides the convenience of obtaining everything from a single partner.
- Expanded to new sales channels to ensure products are widely accessible in Finland and Sweden.
- Developed own brands, such as Gefilus lactic acid bacteria products and Apteekkarin.
- Introduced Dexal to the Swedish market.





# Data-driven decisions for the pharmaceutical industry



## 2024 HIGHLIGHTS IN ADVISORY

- Expanded data-driven services to providing value adding services to the pharmaceutical industry
- Oriola Insights was launched at the beginning of 2024
- A data-driven service providing insights into healthcare patterns and pharmaceutical usage, supporting pharmaceutical companies in their decision-making and market access strategies

# Strategic investment in ERP and warehouse management

- Renewal of Oriola's ERP (enterprise resource planning) and warehouse management during 2025–2027
- **One common system to enable harmonising business processes, strengthening data management and enhancing customer experience.**
- The value of the total investment is about EUR 35 million of which about 10% treated as capex rest as cost and adjusting item.
- Project started in January 2024 and the new system will be deployed in phases during 2025–2027.
- **The first deployment in Sweden followed by deployment in Finland.**



# Sale of Svensk dos AB completed



Note: Svensk dos was acquired by Oriola in 2016.

- **The agreement to sell all shares in Svensk dos AB to Apotekstjänst Sverige AB was signed in October 2023.**
- On 29 April 2024, the Swedish Competition Authority (Konkurrensverket) prohibited the sale due to negative effects on the competition in the market.
- On 20 November 2024, the Swedish Patent and Market Court rejected Apotekstjänst Sverige AB's appeal.
- The Swedish Patent and Market Court of Appeal (Patent- och marknadsöverdomstolen) approved Apotekstjänst Sverige AB's appeal on 7 March 2025 and thereby the prohibition by the Swedish Competition Authority was repealed.
- **The sale was completed on 1 April 2025.**

# New operating model from 1 January onwards

- Operating model renewal to accelerate strategy execution.
- Enhances Oriola's growth opportunities and competitiveness in a rapidly changing business environment.
- Further strengthen customer focus and sales growth, as well as to improve efficiency and profitability.





# Sustainability at the core of our business

## ● We strive for

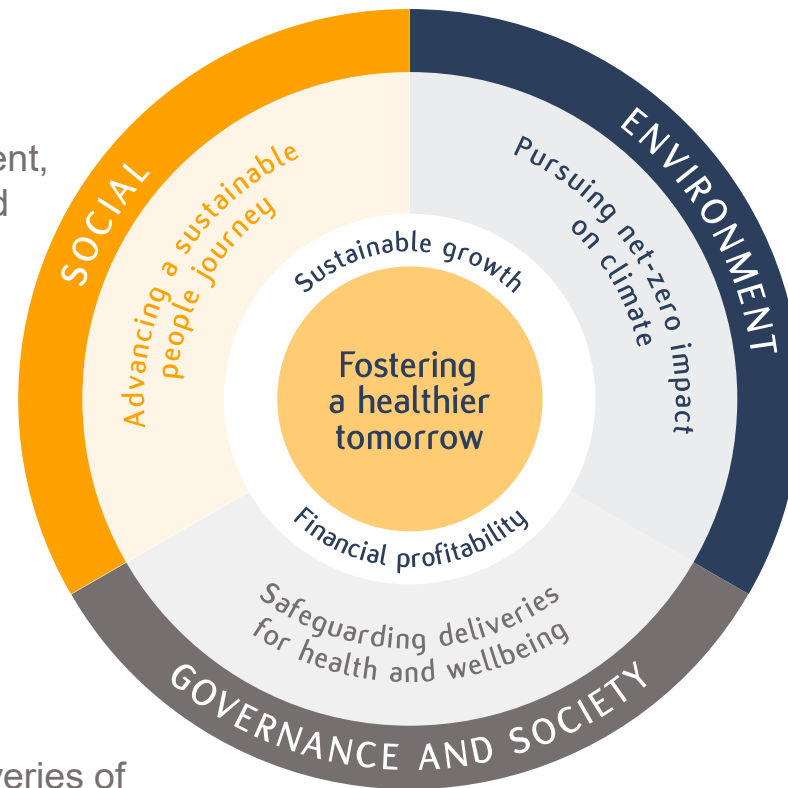
A culture of fair treatment, capable individuals and enabling leaders

Zero accidents

## ● We strive for

Safe and accurate deliveries of pharmaceuticals and other health products to pharmacies, hospital pharmacies and veterinarians and other healthcare operators

Transparent and responsible operations and supply chain practices



## ● We strive for

Carbon neutrality in our own operations by 2025 and across our supply chain by 2023

Increase recycling rate to 90% by 2025

Committed to the UN Sustainable Development Goals (SDGs)



# Sustainability achievements in 2024



## Environment

- Emissions from own operations (Scope 1 and 2) decreased by 90% from 2019 base year
- Recycling rate improved to 85% from 81%
- Science-based emission reduction targets submitted for validation



## Social

- Leadership index 79 (target 80 by 2026)
- New leadership training programme introduced
- Lost time incident frequency (LTIF) rate 5.04 (target 4.5 by 2026)



## Governance and society

- 99.8% picking quality of ordered pharmaceuticals (target 99.0% by 2026)
- 91% of key suppliers covered by Business Partner Code of Conduct (target 100%)



# Financial review

Annual General Meeting 2025





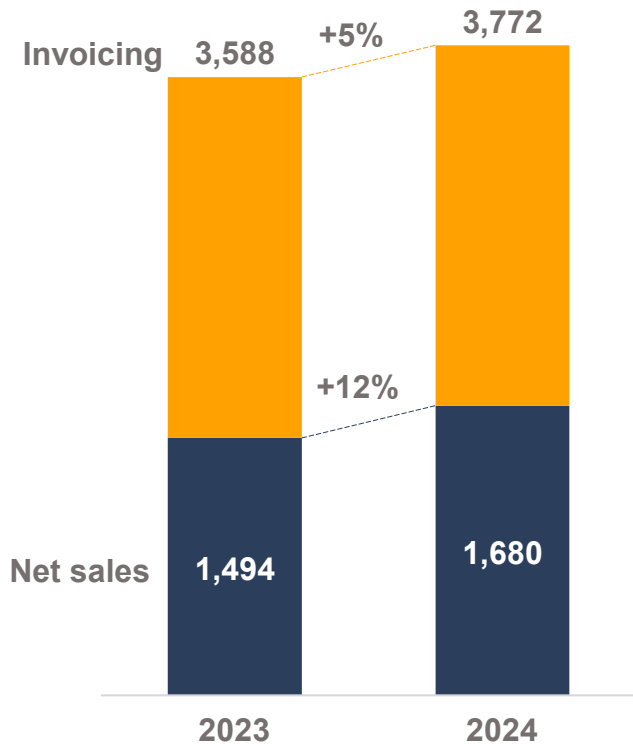
# 2024 in brief: Strategy implementation enhances financial performance

- Overall operating environment stabilised, consumer confidence was weak in Finland and in Sweden.
- Cost inflation slowed down, with more normalised energy and fuel prices.
- Value of the pharmaceutical distribution market continued a steady growth driven by a good demand for high-value pharmaceuticals.
- Sales growth and improved profitability supported by both segments.
- In joint venture company Kronans Apotek's focus was on integrating the two companies and developing the network of nearly 500 pharmacies; e-commerce grew double-digit.



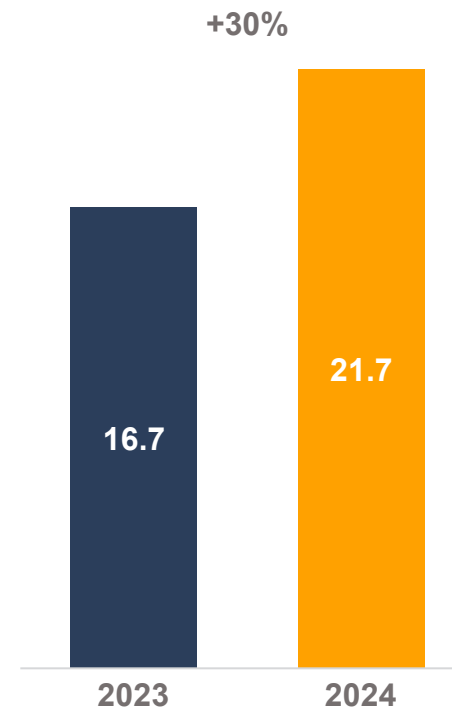
# Improvement throughout the year

## Invoicing and net sales EUR million



- Invoicing increased by 5% to EUR 3.8 billion
- Net sales increased by 12% to EUR 1.7 billion
- Customer changing from consignment to Oriola's inventory in Q3
- **Organic net sales growth 3%**
- Net sales excl. Swedish dose dispensing business EUR 1.7 (1.5) billion

## Adjusted EBIT\* EUR million

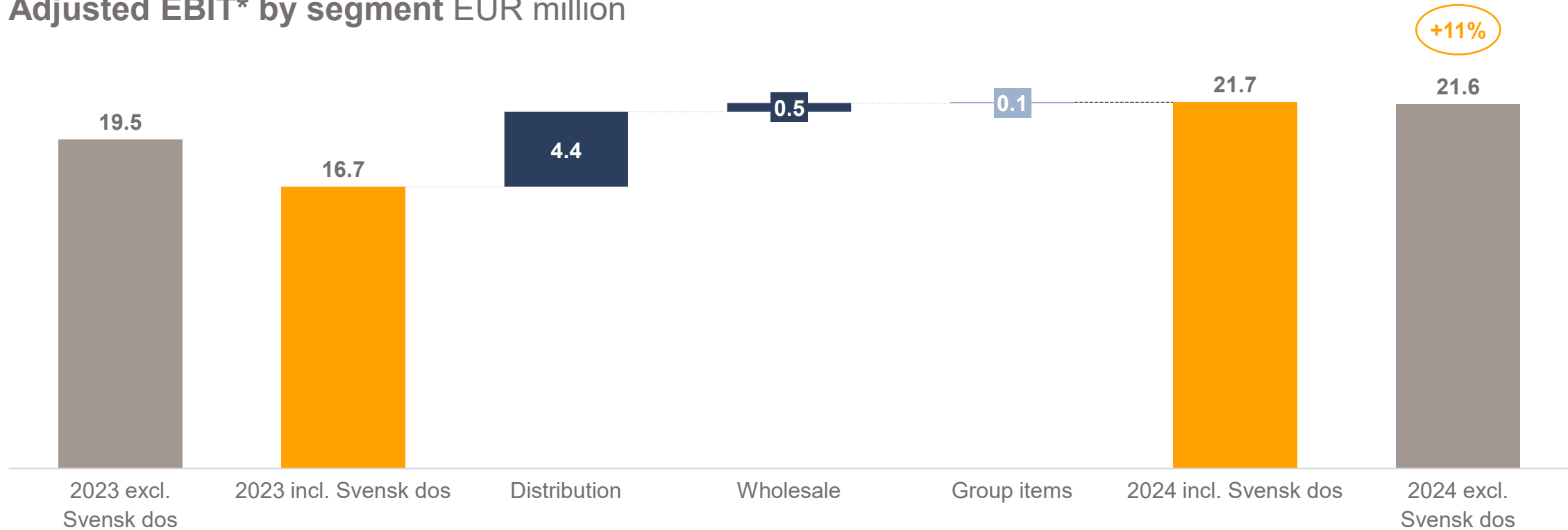


- Adj. EBIT margin 1.3% (1.1%)
- Adjusting items EUR -8.1 million
- **Adj. EBIT excl. Swedish dose dispensing business EUR 21.6 (19.5) million**

\*FY 2024 adj. items MEUR -8.1; cost related to ERP MEUR -7.7 (Group), service level agreement settlement MEUR -0.9 (Wholesale), compensation from a court appeal MEUR 1.4 (Distribution), sale of dose dispensing business in Sweden MEUR -0.8 (Group).

# Adjusted EBIT improved in both segments

Adjusted EBIT\* by segment EUR million



\*FY 2024 adj. items MEUR -8.1; cost related to ERP MEUR -7.7 (Group), service level agreement settlement MEUR -0.9 (Wholesale), compensation from a court appeal MEUR 1.4 (Distribution), sale of dose dispensing business in Sweden MEUR -0.8 (Group).

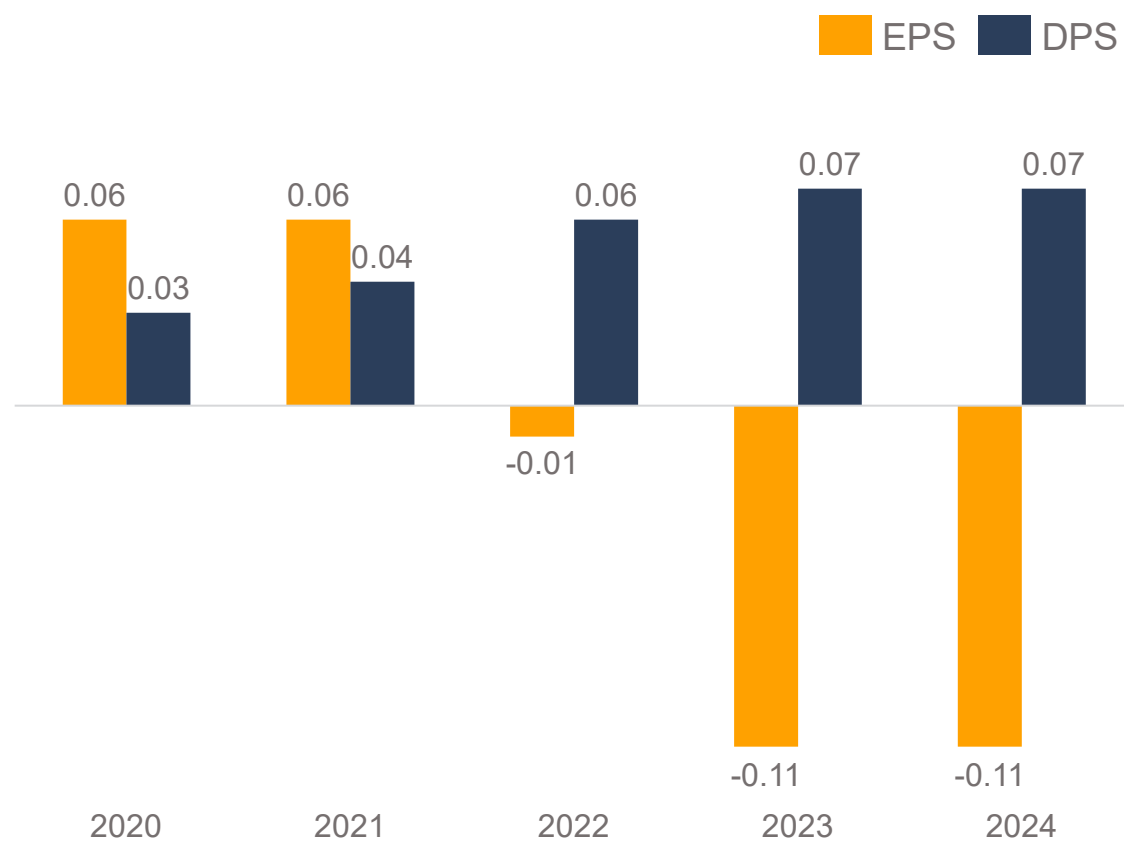
# Profit for the period burdened by loss in joint venture

## Group key figures

	2024	2023	Change %
Invoicing, EUR million	3,771.8	3,587.7	5.1
Net sales, EUR million	1,679.7	1,493.8	12.4
Adjusted EBIT, EUR million	21.7	16.7	30.0
Adjusting items, EUR million	-8.1	-21.9	
EBIT, EUR million	13.6	-5.3	358.3
Loss for the period, EUR million	-20.1	-20.7	2.9
Earnings per share, EUR	-0.11	-0.11	2.9
Net cash flow from operating activities, EUR million	38.7	9.6	
Interest-bearing net debt, EUR million	-37.4	-20.6	
Gearing, %	-28.0	-12.1	
Equity ratio, %	15.4	18.5	

# Board's dividend proposal

## Dividend payout EUR per share



The Board of Directors proposes to the AGM that a dividend of **EUR 0.07 per share** be paid for 2024.

Record date: 4 April 2025

Payment date: 15 April 2025



# Outlook

In 2025, the pharmaceutical distribution market is expected to continue to grow. Value growth is expected to be driven by high-value pharmaceuticals and products requiring advanced logistics. The uncertainty in the geopolitical environment remains, and the availability issues of certain pharmaceuticals are expected to continue.

Consumer confidence is expected to remain weak, which may have an impact on the wholesale market. Typically in economic uncertainty, consumers tend to shift purchases to low-price categories.

**For 2025, Oriola expects the adjusted EBITDA excluding the Swedish dose dispensing business to increase from the previous year (2024: EUR 33.3 million). The expectation of improved adjusted EBITDA is based on growing markets and strategy execution.**

Outlook published on 4 March 2025.

# Key takeaways

Continued market growth

New operating model to accelerate strategy execution

Sales growth, profitability and efficiency improvement

Sustainability activities and setting of new sustainability targets progresses



Thank you

