



Half-Year Report January-June 2024

18 July 2024

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Agenda

- Q2 2024 highlights
- Operating environment
- Segments
- Financial review
- Q&A

Q2 24

Net sales

440 (389) +13%

EUR million

Adjusted EBIT excl. Dose Sweden

4.9 (4.2) +18%

EUR million

Adjusted EBIT

5.1 (3.4) +53%

EUR million

Continued sales growth in both segments

- Net sales growth driven by both Distribution and Wholesale segments
- Profitability improvement was supported by net sales growth, lower operating expenses, and lower freight costs.
- Implementation of our refined strategy, launched at the end of last year, has progressed well
- At joint venture company Kronans Apotek the focus remains on long-term profitability improvement, integration activities and business development – the new management has put new measures in place to improve the business.

Sale of Svensk dos AB

- The agreement to sell all shares in Svensk dos AB to Apotekstjänst Sverige AB was signed in October.
- On 29 April, the Swedish Competition Authority (Konkurrensverket) announced its decision on prohibiting Oriola's sale of Svensk dos AB to Apotekstjänst Sverige AB due to negative effects on the competition in the market.
- Apotekstjänst Sverige AB and Oriola have appealed the decision.
- The tender market structure and dynamics in Sweden have not changed, which is why we will also consider other options for exiting the Swedish dose dispensing business.

Note: Svensk dos was acquired by Oriola in 2016.



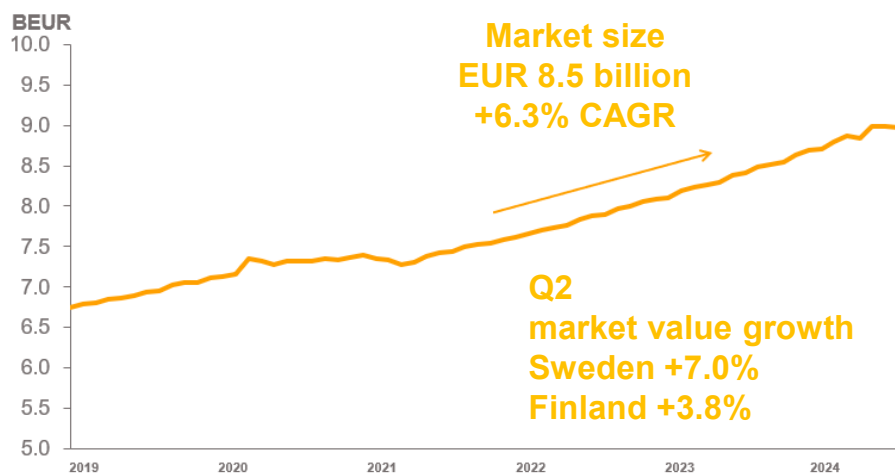
Operating environment

- Overall operating environment has stabilised, and consumer confidence has slightly improved.
- Cost inflation has slowed down, with more stabilised energy and fuel prices.
- The challenges in the availability of pharmaceuticals have continued in Europe.
- Value of the pharmaceutical distribution market continued a steady growth driven by a good demand for high-value pharmaceuticals, while the volumes declined in the Finnish market.

Pharmaceutical wholesale markets growing

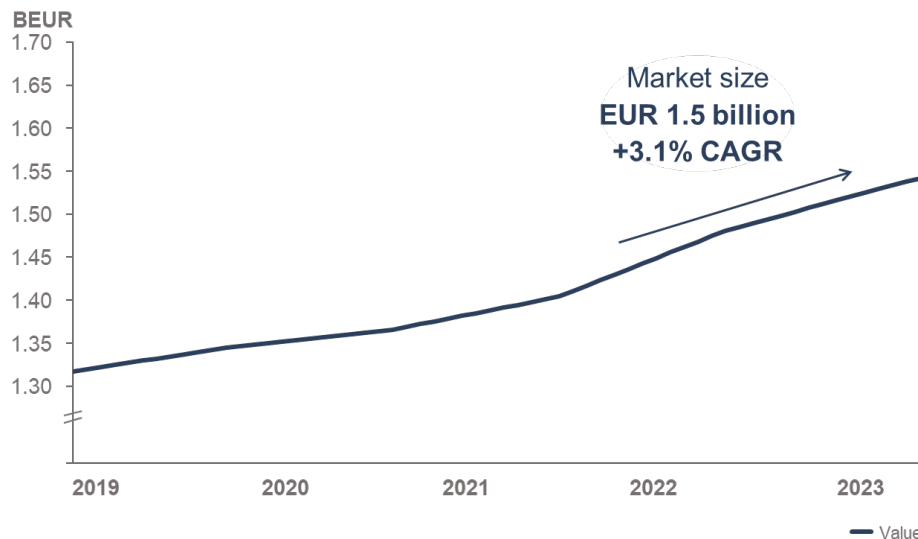
Finland and Sweden markets combined

Pharmaceutical distribution



Source: IQVIA, LTK. Market size is 12 month rolling market value. SEK/EUR average exchange rate for 2023. CAGR 2022-2023.

Consumer health

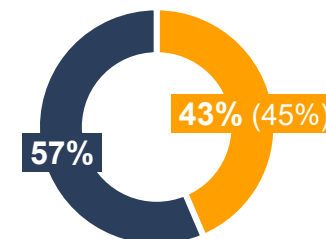


Source: Euromonitor. Market size is 12 month rolling market value. SEK/EUR average exchange rate for 2023. CAGR 2022-2023.

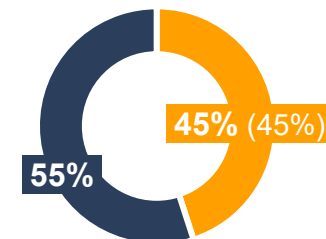
Market shares

Pharmaceutical distribution

Sweden

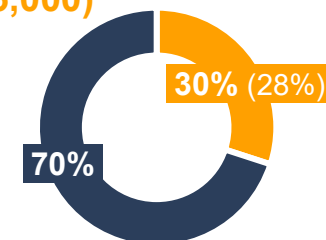


Finland



Dose dispensing in Finland

112,000 (105,000) patients



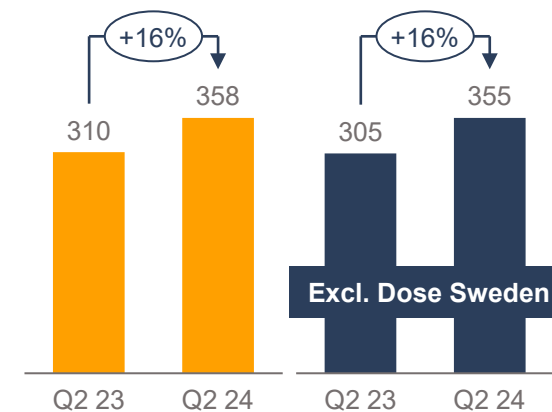
Legend: Oriola (orange), Others (dark blue)



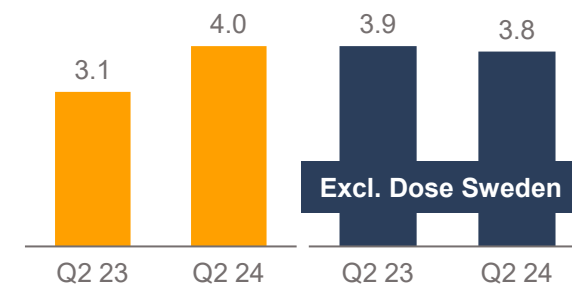
Distribution segment

- Net sales growth driven by value growth in the pharmaceutical distribution market in Sweden and Finland
- Profitability improved by 30%
- Lower cost base year-on-year
- Profitability improvement offset negative impact due to lower volumes and the move of clinical trials under the management of advisory services in Wholesale segment
- Stable market shares in Finland, slight decline in Sweden
- Renewed contracts and price increases

Net sales EUR million



Adjusted EBIT EUR million

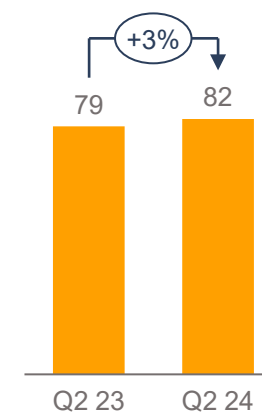




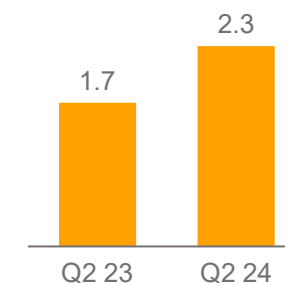
Wholesale segment

- Growth on topline supported by wider product portfolio in Sweden and growth in all customer segments
- Move of clinical trials under the management of advisory services impacts net sales and EBIT positively
- Long-term strategic goal to grow wholesale business
- Capabilities in the warehouses developed to better serve and meet the needs of the growing e-com channel in Sweden

Net sales EUR million



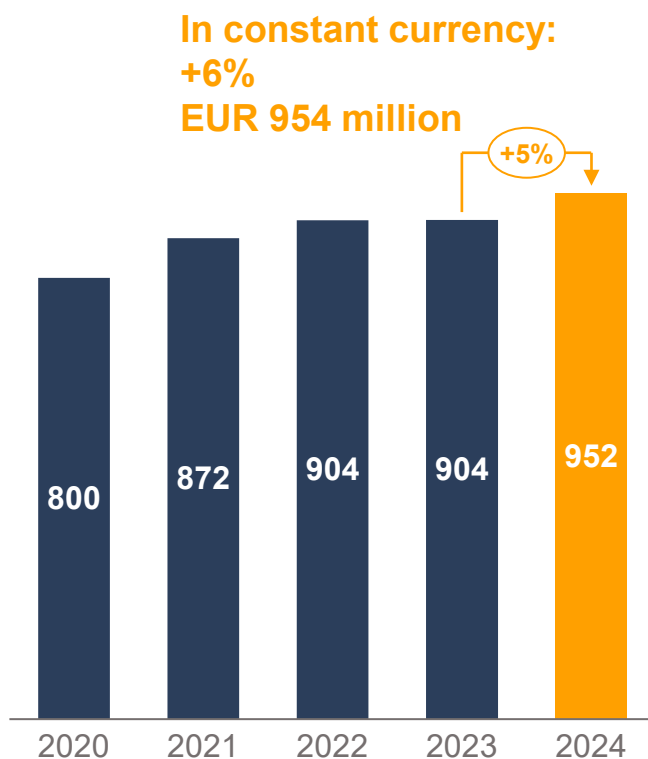
Adjusted EBIT EUR million



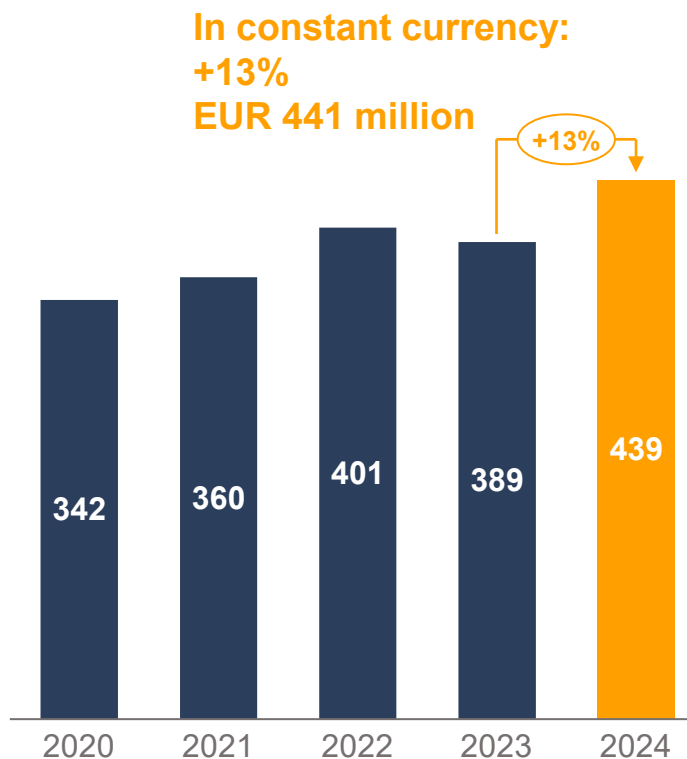
Financial review

Solid development on topline

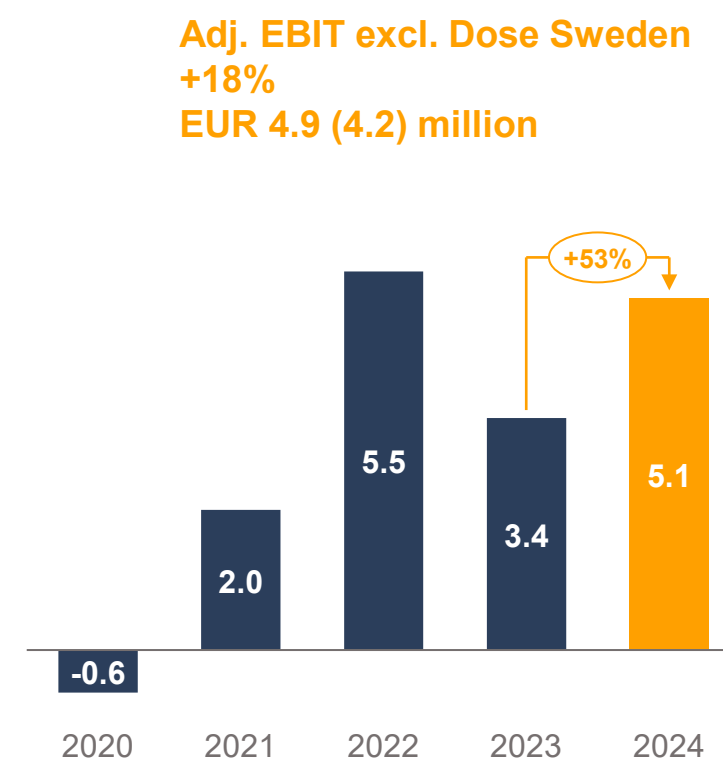
Invoicing Q2 EUR million



Net sales Q2 EUR million

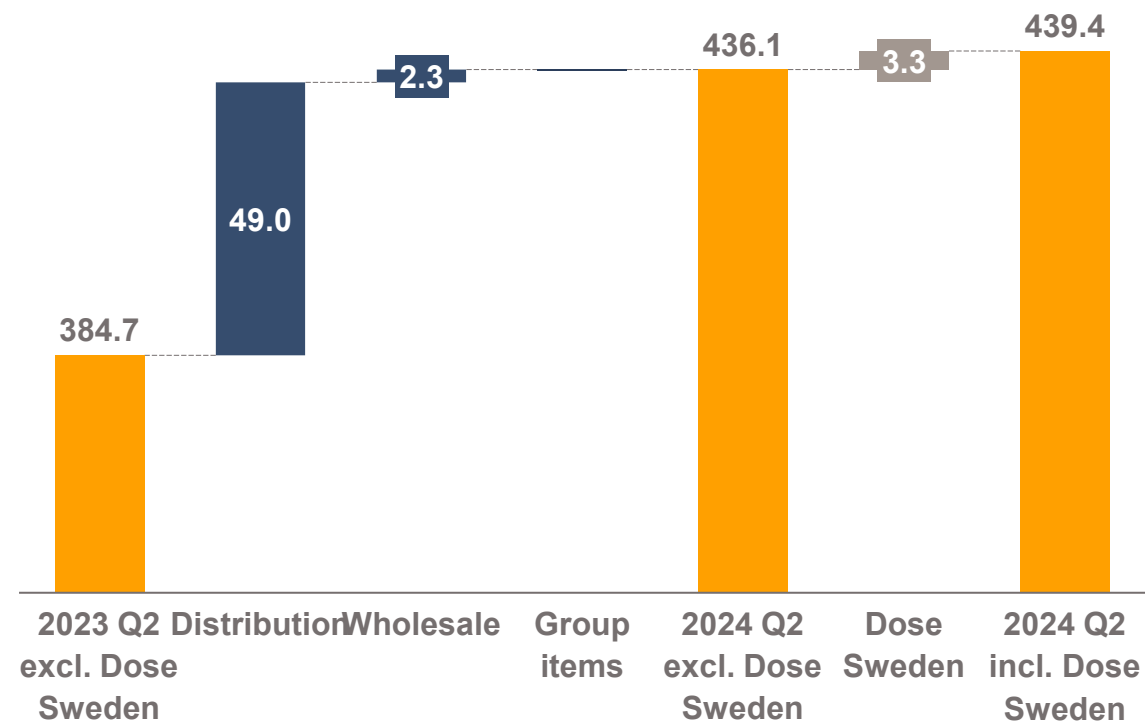


Adjusted EBIT Q2 EUR million

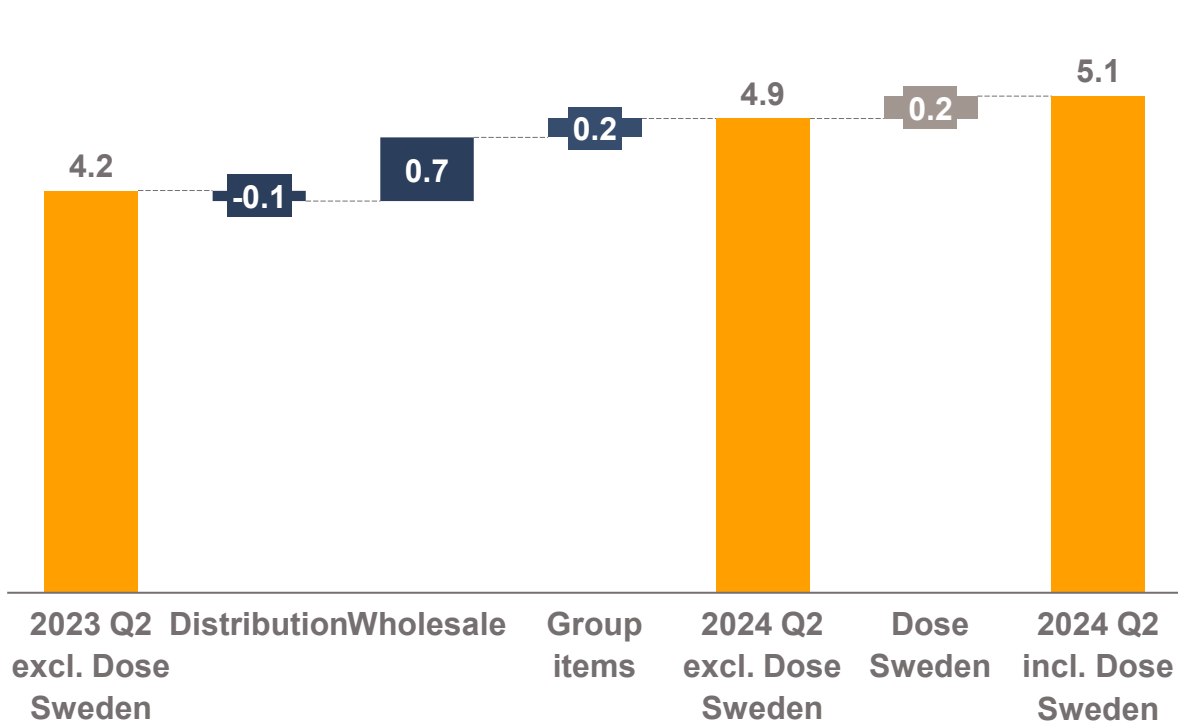


Continued sales growth in both segments

Net sales by segment EUR million

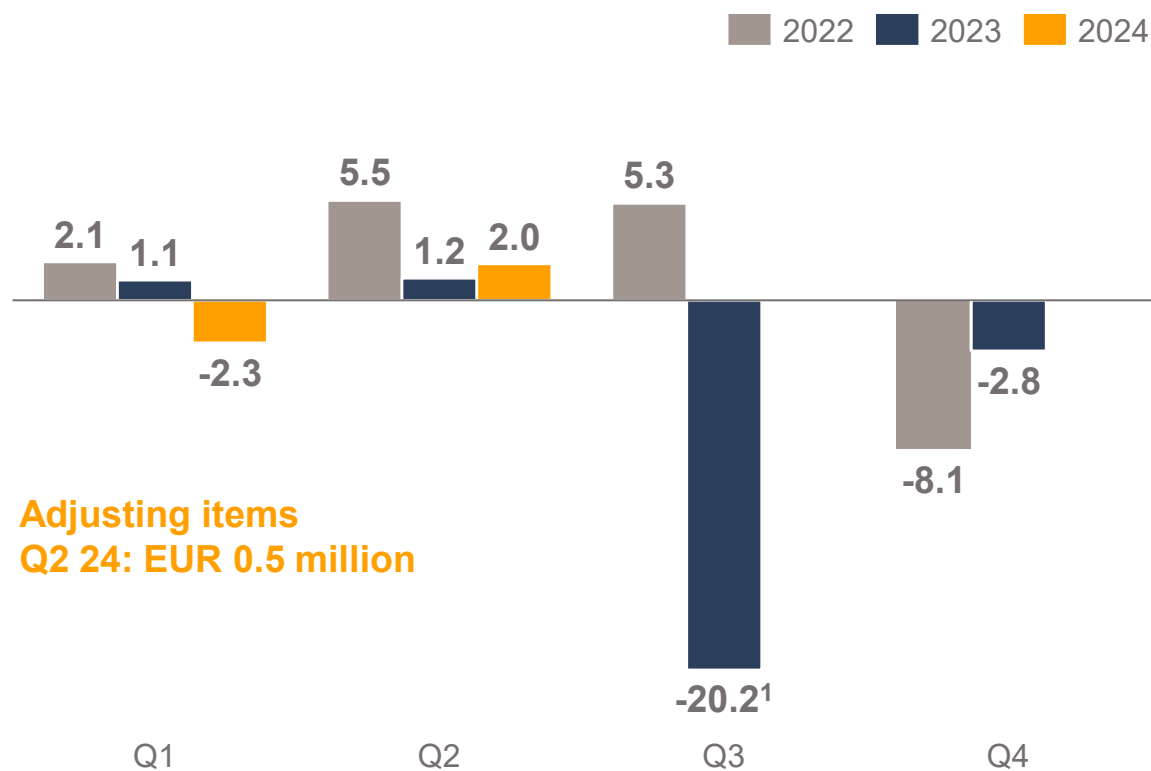


Adjusted EBIT by segment EUR million

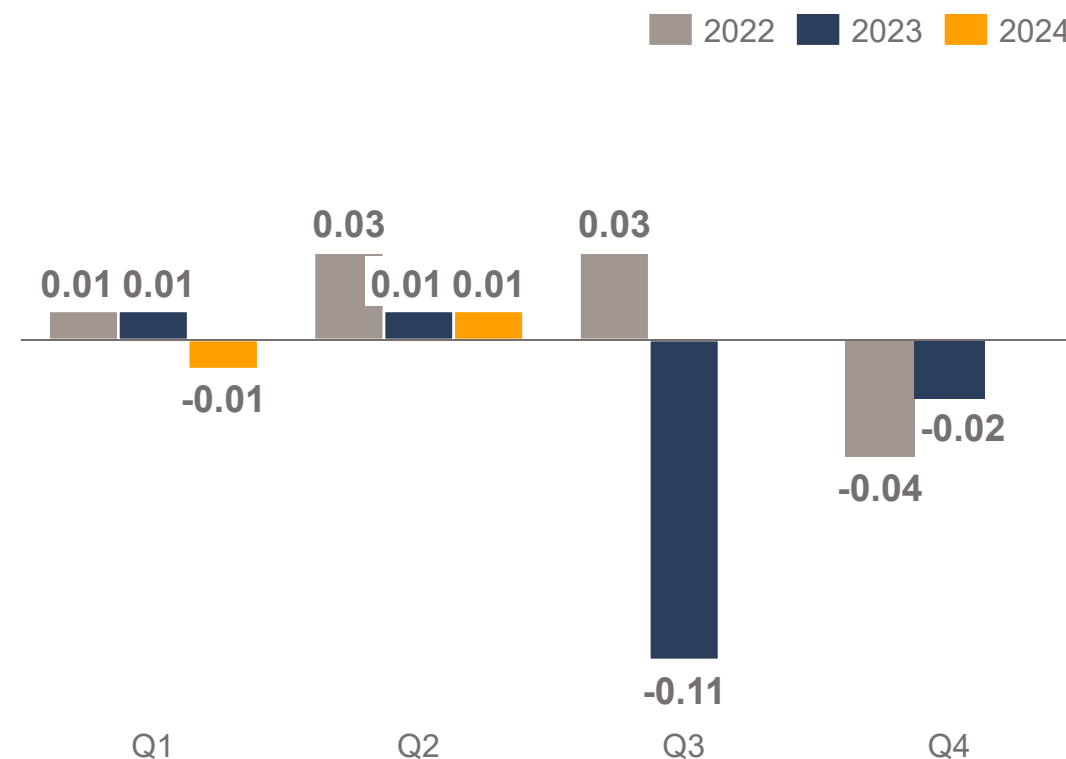


Profit and EPS increased

Profit for the period
EUR million



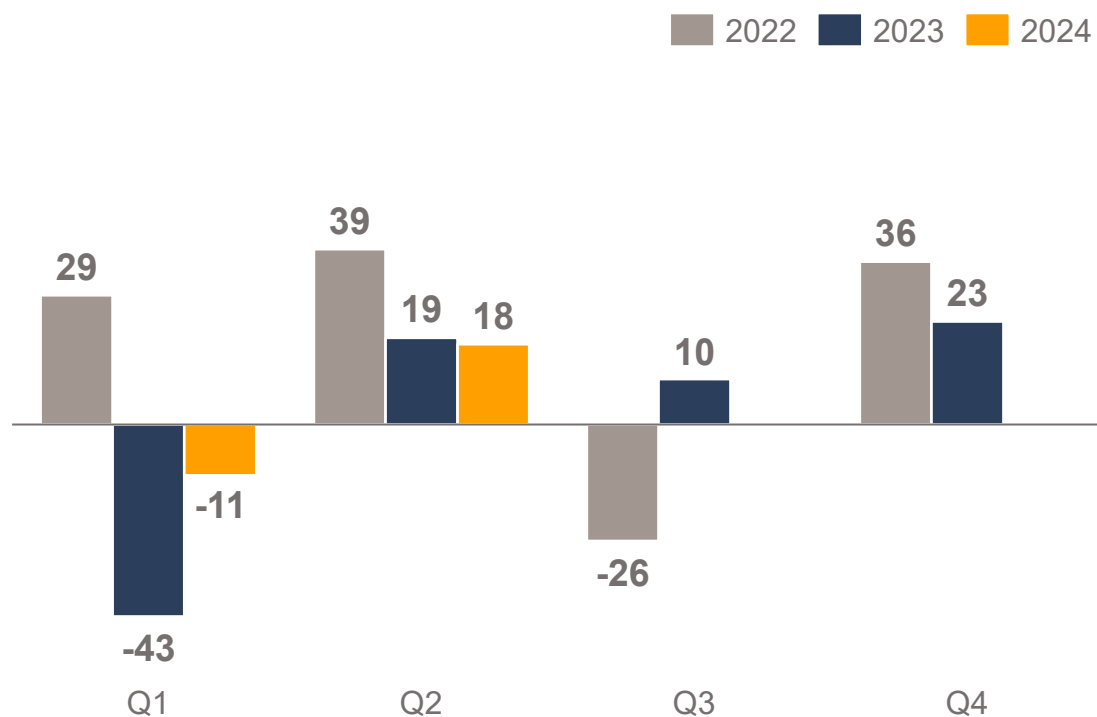
Earnings per share
EUR



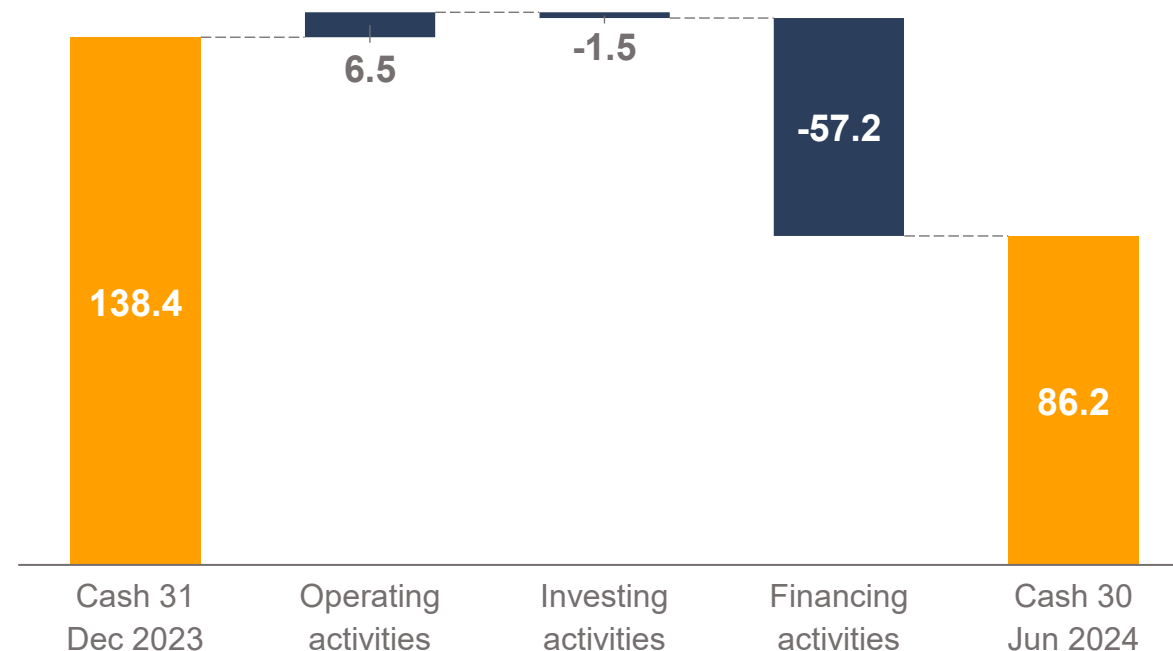
¹Q3 2023 includes impairment loss on goodwill in Dose dispensing cash generating unit

Positive cash flow in Q2

Quarterly net cash flow from operating activities
EUR million



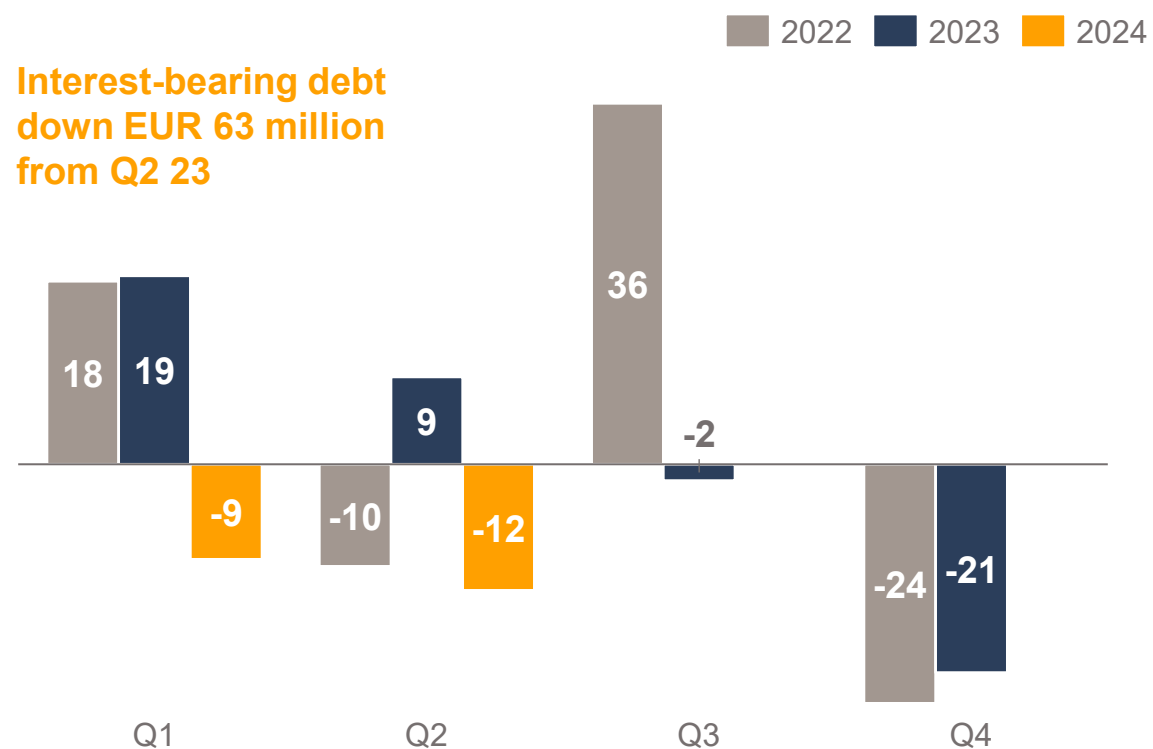
YTD 2024 change in cash
EUR million



Net debt on a low level

Net interest-bearing debt

EUR million



Net interest-bearing debt items

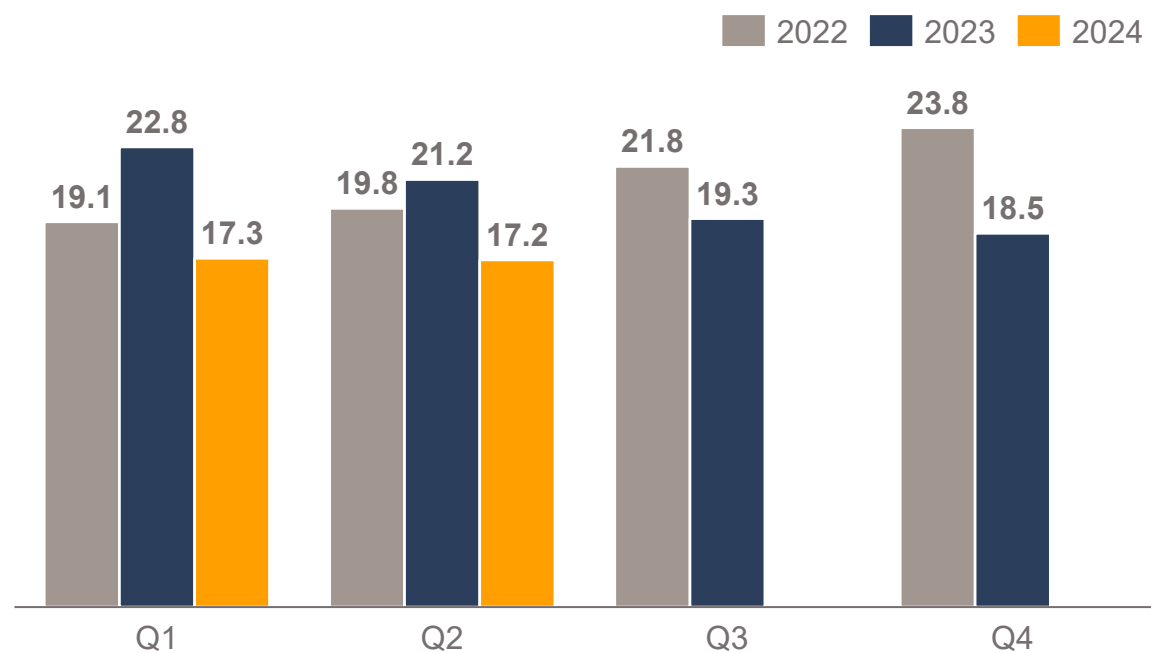
EUR million

Net interest-bearing debt item	30 Jun 2024	30 Jun 2023
Bank loans (syndicated Bank & term)	32.0	58.6
Commercial papers	19.8	52.6
Advance payment from pharmacies	14.1	15.7
Lease liabilities	7.9	10.2
Cash and cash equivalents	86.2	128.4
Net interest-bearing debt	-12.5	8.7
Sold trade receivables	55.3	91.5
Gearing % ²	-8.1	4.5

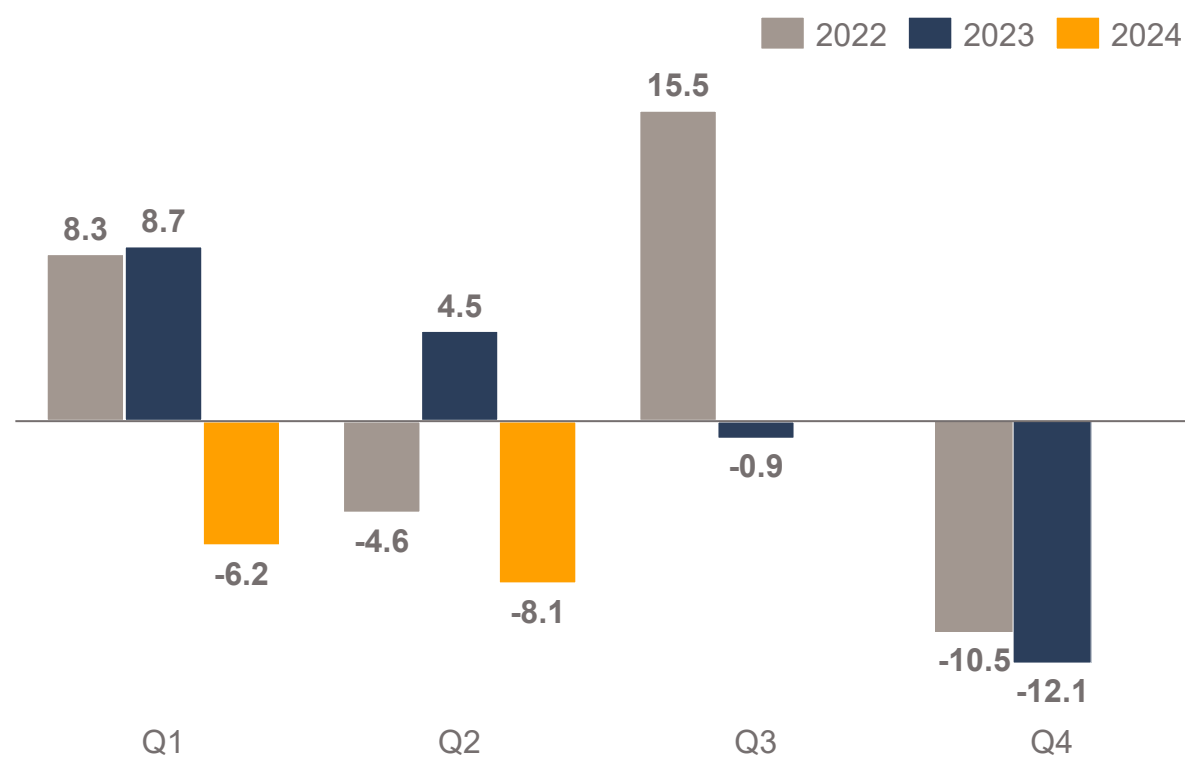
²Excluding the impact of IFRS 16 gearing would have been -13.2% (-0.8%)

Financial position remained strong

Equity ratio %



Gearing¹ %



¹Excluding the impact of IFRS 16 gearing would have been -13.2% (-0.8%)



Kronans Apotek (Swedish Pharmacy Holding)

Key figures, EUR million	2024 4-6	2023 4-6	Change %	2024 1-6	2023 1-6	Change %	2023 1-12
Net sales	291.9	288.7	1.1	578.3	568.4	1.7	1,126.9
EBITA	0.6	3.6	-83.7	-3.8	5.3	-170.9	0.7
EBITA %	0.2	1.3		-0.7	0.9		0.1
Adjusted EBIT	0.3	2.3	-84.9	-4.6	2.3	-303.6	-2.0
Adjusted EBIT %	0.1	0.8		-0.8	0.4		-0.2
Net interest-bearing debt	82.5	68.2	21.0	82.5	68.2	21.0	93.0

Kronans Apotek's adjusted EBIT and net result were burdened by amortisations related to the purchase price allocations (PPA), which also have a significant impact on the recognised share of result of joint venture in Oriola's statement of comprehensive income.

Kronans Apotek is an important strategic partner for Oriola, and Oriola will actively support Kronans Apotek's value creation as a major shareholder. Kronans Apotek expects its full profit potential to materialise by the end of 2025.

New CEO Tomas Rupšys from 17 April 2024.

Outlook 2024

In 2024, the pharmaceutical distribution market is expected to continue to grow. A continuation of a weak consumer confidence might impact the wholesale market development.

The recent overall inflationary environment and related cost pressures may have an impact on Oriola's profitability.

Oriola expects the adjusted EBIT, excluding the dose dispensing business in Sweden, for the year 2024 to increase from the adjusted EBIT for 2023 (EUR 19.5 million).

Published on 16 February 2024

Q2 24

Key takeaways

Continued sales growth in both segments

Improved profitability of underlying business

Solid financial position



Our next event

30 October 2024
Q3 Interim Report

Thank you for joining us!



A photograph of a man with glasses and a beard, wearing a grey t-shirt and blue jeans, kneeling on a wooden floor. He is smiling and holding the hands of a young child who is taking steps. The child is wearing a white long-sleeved shirt and brown pants. The room is brightly lit with sunlight streaming in from a window in the background. A white table is visible on the left, and a hanging basket is on the right. The text "Health for life" is overlaid in a large, orange, sans-serif font across the center of the image.

Health for life