

Profitability drivers in place

Although slightly soft in terms of profitability, Oriola's Q2 demonstrated success in the growth story and potential for the profitability trend to follow suite heading into H2.

Solid growth, profitability on previous year levels

Oriola posted solid growth figures in Q2, while profitability development remained modest. Net sales growth exceeded our expectations, up 12% y/y to EUR 493.9m (EUR 473.7m/496.7m Evli/cons.). The adj. EBITDA amounted to EUR 8.1m (Evli EUR 8.7m). The Distribution-segment saw better than expected development through both volumes and margins, with the adj. EBITDA up 35%. The Wholesale-segment saw clearly accelerated growth in the quarter but profitability, contrary to our expectations, declined q/q due to growth related costs and an unfavourable product mix. The combined segment profitability was better than expected and the group level difference mostly due to increased group costs. The profitability of Kronans Apotek was a disappointment, contributing to the weaker earnings, with EPS at EUR -0.03 (EUR 0.01 Evli & cons.).

Expecting more favourable profitability development in H2

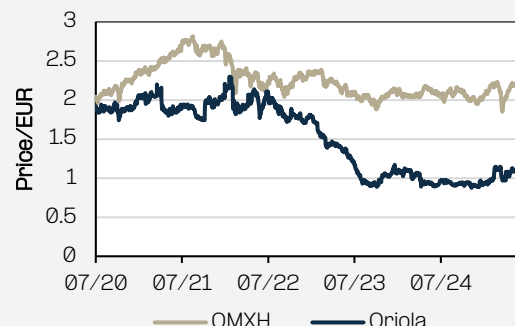
We have raised our growth expectations for H2/25 by ~4%p and slightly for 2026. Our adj. EBITDA estimates overall are largely unchanged and we expect a ~5% y/y improvement in 2025. The adj. EBITDA in H1 was on par with previous year levels, affected by both front-loaded investments and temporary OPEX increases. We anticipate improvements in the adj. EBITDA in H2 through volume growth and OPEX stabilization, with further potential through sales mix and seasonal support in Wholesale. Continued good customer retention and efficiency of newly onboarded customers should also contribute. Overall, the fundamentals for growth in relative profitability appear to be well in place through the underlying efficiency of operations. If Oriola can maintain a similar growth pace as in H1, we see good potential in accelerating the coefficient of profitability improvements.

ACCUMULATE rating with TP or EUR 1.2 (1.15)

Oriola continues to exhibit good potential for volume- and margin-driven earnings growth, further strengthened by the solid growth in Q2. The development of Kronans Apotek in our view remains the main concern. We adjust our TP to EUR 1.2 (1.15) and retain our ACCUMULATE rating.

Rating

➕ Accumulate



Share price, EUR (Last trading day's closing price) **1.12**
Target price, EUR **1.2**

Latest change in recommendation 07-Apr-25
Latest report on company 16-Jul-25
Research paid by issuer: YES
No. of shares outstanding, '000's 185 323
No. of shares fully diluted, '000's 185 323
Market cap, EURm 200
Free float, % 65.4 %
Exchange rate –
Reuters code ORIOLA.HE
Bloomberg code ORIOLA FH
Average daily volume, EURm –
Next interim report 30-Oct-25
Web site oriola.com/investors
Analyst Jerker Salokivi
E-mail jerker.salokivi@evli.com
Telephone +358 9 4766 9149

➕➕ BUY ➕ ACCUMULATE ➖ REDUCE ➖➖ SELL

KEY FIGURES

| | Sales EURm | EBIT EURm | EBIT % | FCF EURm | EPS EUR | P/E (x) | EV/Sales (x) | EV/EBIT (x) | FCF yield % | DPS EUR |
|--------------------------|---------------|--------------|-------------------------|-------------|------------|------------|-----------------------|----------------|----------------|------------|
| 2023 | 1493.8 | -5.3 | -0.4% | 7.9 | -0.11 | -9.6 | 0.2 | -52.0 | 4.0% | 0.07 |
| 2024 | 1679.7 | 13.6 | 0.8% | 29.8 | -0.11 | -8.1 | 0.1 | 16.0 | 18.5% | 0.07 |
| 2025E | 1907.7 | 3.4 | 0.2% | 16.2 | -0.05 | -20.6 | 0.1 | 49.1 | 8.1% | 0.08 |
| 2026E | 2020.7 | 24.8 | 1.2% | 29.0 | 0.10 | 10.7 | 0.1 | 6.1 | 14.5% | 0.09 |
| 2027E | 2114.2 | 34.1 | 1.6% | 38.2 | 0.17 | 6.5 | 0.1 | 3.8 | 19.1% | 0.10 |
| Market cap, EURm | 200 | | Gearing 2025E, % | | 45.5 % | | CAGR EPS 2024-27, % | | 0.0 % | |
| Net debt 2025E, EURm | 53 | | Price/book 2025E | | 1.7 | | CAGR Sales 2024-27, % | | 8.0 % | |
| Enterprise value, EURm | 166 | | Dividend yield 2025E, % | | 7.4 % | | ROE 2025E, % | | -7.8 % | |
| Total assets 2025E, EURm | 947 | | Tax rate 2025E, % | | -46.2 % | | ROCE 2025E, % | | -1.1 % | |
| Goodwill 2025E, EURm | 35 | | Equity ratio 2025E, % | | 12.3 % | | PEG, P/E 25/CAGR | | 0.0 | |

All the important disclosures can be found on the last pages of this report.

| Oriola | 2023 | Q1/'24 | Q2/'24 | Q3/'24 | Q4/'24 | 2024 | Q1/'25 | Q2/'25 | Q3/'25E | Q4/'25E | 2025E | 2026E | 2027E |
|----------------------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|----------------|----------------|--------------|--------------|--------------|
| Net sales | 1494 | 375.1 | 439.4 | 424.4 | 440.7 | 1680 | 447.1 | 493.9 | 474.9 | 491.9 | 1908 | 2021 | 2114 |
| <i>sales growth</i> | <i>-2.9%</i> | <i>4.1%</i> | <i>13.0%</i> | <i>18.6%</i> | <i>14.0%</i> | <i>12.4%</i> | <i>19.2%</i> | <i>12.4%</i> | <i>11.9%</i> | <i>11.6%</i> | <i>13.6%</i> | <i>5.9%</i> | <i>4.6%</i> |
| EBITDA | 30.0 | 6.7 | 8.6 | 4.9 | 7.0 | 27.2 | 6.0 | 1.6 | 6.1 | 7.3 | 21.0 | 36.6 | 45.9 |
| Adj. EBITDA | 7.7 | 8.0 | 8.4 | 9.4 | 33.4 | 7.5 | 8.1 | 9.1 | 10.3 | 35.0 | 44.6 | 53.9 | |
| D&A and impairments | -35.4 | -3.0 | -2.9 | -4.7 | -3.0 | -13.6 | -8.7 | -3.0 | -3.0 | -3.0 | -17.6 | -11.8 | -11.8 |
| EBIT | -5.4 | 3.7 | 5.7 | 0.2 | 4.0 | 13.6 | -2.8 | -1.5 | 3.2 | 4.4 | 3.2 | 24.8 | 34.1 |
| <i>EBIT-margin</i> | <i>-0.4%</i> | <i>1.0%</i> | <i>1.3%</i> | <i>0.0%</i> | <i>0.9%</i> | <i>0.8%</i> | <i>-0.6%</i> | <i>-0.3%</i> | <i>0.7%</i> | <i>0.9%</i> | <i>0.2%</i> | <i>1.2%</i> | <i>1.6%</i> |
| Adj. EBIT | 16.7 | 4.7 | 5.1 | 5.5 | 6.4 | 21.7 | 4.5 | 5.0 | 6.2 | 7.4 | 23.0 | 32.8 | 42.1 |
| <i>adj. EBIT-margin</i> | <i>1.1%</i> | <i>1.3%</i> | <i>1.2%</i> | <i>1.3%</i> | <i>1.5%</i> | <i>1.3%</i> | <i>1.0%</i> | <i>1.0%</i> | <i>1.3%</i> | <i>1.5%</i> | <i>1.2%</i> | <i>1.6%</i> | <i>2.0%</i> |
| Net financials | -7.6 | -2.2 | -1.6 | -1.8 | -1.8 | -7.4 | -1.6 | -1.3 | -1.3 | -1.3 | -5.5 | -5.2 | -5.0 |
| Share of result in JV | -4.8 | -3.5 | -1.3 | -0.6 | -19.5 | -24.9 | -1.0 | -2.9 | -1.7 | -1.2 | -6.7 | 3.0 | 7.3 |
| Profit before taxes | -17.6 | -2.0 | 2.8 | -2.2 | -17.3 | -18.6 | -5.4 | -5.7 | 0.2 | 1.9 | -9.0 | 22.6 | 36.4 |
| Income taxes | -3.1 | -0.4 | -0.9 | 0.3 | -0.5 | -1.5 | 0.0 | 0.6 | -0.4 | -0.6 | -0.4 | -3.9 | -5.8 |
| Net earnings | -20.7 | -2.4 | 1.9 | -1.9 | -17.8 | -20.1 | -5.4 | -5.1 | -0.2 | 1.3 | -9.4 | 18.6 | 30.6 |
| Distribution | 2023 | Q1/'24 | Q2/'24 | Q3/'24 | Q4/'24 | 2024 | Q1/'25 | Q2/'25 | Q3/'25E | Q4/'25E | 2025E | 2026E | 2027E |
| Invoicing | 3283 | 827.2 | 870.6 | 854.1 | 904.6 | 3457 | 912.4 | 976.5 | 945.0 | 1001 | 3835 | 4046 | 4220 |
| <i>invoicing growth %</i> | <i>1.9%</i> | <i>5.9%</i> | <i>5.5%</i> | <i>8.4%</i> | <i>1.8%</i> | <i>5.3%</i> | <i>10.3%</i> | <i>12.2%</i> | <i>10.6%</i> | <i>10.7%</i> | <i>10.9%</i> | <i>5.5%</i> | <i>4.3%</i> |
| Net sales | 1189 | 294.1 | 358.0 | 350.8 | 361.8 | 1365 | 359.2 | 397.8 | 389.0 | 400.0 | 1546 | 1631 | 1701 |
| <i>sales growth %</i> | <i>-0.3%</i> | <i>3.8%</i> | <i>15.5%</i> | <i>23.4%</i> | <i>16.1%</i> | <i>14.8%</i> | <i>22.1%</i> | <i>11.1%</i> | <i>10.9%</i> | <i>10.6%</i> | <i>13.3%</i> | <i>5.5%</i> | <i>4.3%</i> |
| Adj. EBITDA | 6.3 | 6.1 | 7.1 | 8.1 | 27.6 | 7.1 | 8.3 | 8.5 | 9.3 | 33.2 | 37.5 | 44.2 | |
| <i>Adj. EBITDA-%</i> | <i>2.1%</i> | <i>1.7%</i> | <i>2.0%</i> | <i>2.2%</i> | <i>2.0%</i> | <i>2.0%</i> | <i>2.1%</i> | <i>2.2%</i> | <i>2.3%</i> | <i>2.1%</i> | <i>2.3%</i> | <i>2.6%</i> | |
| Wholesale | 2023 | Q1/'24 | Q2/'24 | Q3/'24 | Q4/'24 | 2024 | Q1/'25 | Q2/'25 | Q3/'25E | Q4/'25E | 2025E | 2026E | 2027E |
| Invoicing | 306.2 | 81.2 | 81.8 | 73.8 | 79.1 | 315.9 | 88.1 | 96.1 | 86.0 | 92.0 | 362.2 | 391.2 | 414.6 |
| <i>invoicing growth %</i> | <i>-13.2%</i> | <i>4.6%</i> | <i>3.0%</i> | <i>0.0%</i> | <i>5.1%</i> | <i>3.2%</i> | <i>8.5%</i> | <i>17.5%</i> | <i>16.5%</i> | <i>16.3%</i> | <i>14.7%</i> | <i>8.0%</i> | <i>6.0%</i> |
| Net sales | 305.7 | 81.1 | 81.6 | 73.8 | 79.1 | 315.6 | 88.1 | 96.1 | 86.0 | 92.0 | 362.2 | 390.0 | 413.4 |
| <i>sales growth %</i> | <i>-13.0%</i> | <i>4.6%</i> | <i>2.9%</i> | <i>0.0%</i> | <i>5.3%</i> | <i>3.2%</i> | <i>8.6%</i> | <i>17.8%</i> | <i>16.5%</i> | <i>16.3%</i> | <i>14.8%</i> | <i>7.7%</i> | <i>6.0%</i> |
| Adj. EBITDA | 3.6 | 3.1 | 3.1 | 2.7 | 12.5 | 2.4 | 2.1 | 2.6 | 3.1 | 10.2 | 15.6 | 18.6 | |
| <i>Adj. EBITDA-%</i> | <i>4.4%</i> | <i>3.8%</i> | <i>4.2%</i> | <i>3.4%</i> | <i>4.0%</i> | <i>2.7%</i> | <i>2.2%</i> | <i>3.0%</i> | <i>3.4%</i> | <i>2.8%</i> | <i>4.0%</i> | <i>4.5%</i> | |
| Group admin | 2023 | Q1/'24 | Q2/'24 | Q3/'24 | Q4/'24 | 2024 | Q1/'25 | Q2/'25 | Q3/'25E | Q4/'25E | 2025E | 2026E | 2027E |
| Adj. EBITDA | | -2.2 | -1.1 | -1.8 | -1.4 | -6.7 | -2.0 | -2.3 | -2.0 | -2.1 | -8.4 | -8.5 | -8.9 |

Source: Oriola, Evli Research estimates

| VALUATION | | | |
|------------------------|----------------------|-----------------|-----------------------|
| Base case | Implied value (EURm) | Per share (EUR) | Notes |
| Core business | 242 | 1.30 | 10.5x 2025e adj. EBIT |
| Share of joint venture | 65 | 0.35 | 7.0x 2027e EBITA |
| Other investments | 14 | 0.08 | Q2/25 BV |
| Net debt | 74 | 0.40 | Q2/25 |
| Sold trade receivables | -103 | -0.56 | Q2/25 |
| Equity value | 291 | 1.57 | |

Source: Evli Research

| VALUATION RESULTS | BASE CASE DETAILS | VALUATION ASSUMPTIONS | ASSUMPTIONS FOR WACC | |
|--------------------------|-------------------------------|-------------------------|----------------------------------|--------|
| Current share price | 1.08 PV of Free Cash Flow | 273 Long-term growth, % | 1.5 % Risk-free interest rate, % | 2.50 % |
| DCF share value | 3.26 PV of Horizon value | 313 WACC, % | 7.8 % Market risk premium, % | 5.8 % |
| Share price potential, % | 201.6 % Unconsolidated equity | 87 Spread, % | 0.5 % Debt risk premium % | 2.5 % |
| Maximum value | 3.5 Marketable securities | 114 Minimum WACC, % | 7.3 % Equity beta coefficient | 0.95 |
| Minimum value | 3.0 Debt – dividend | –183 Maximum WACC, % | 8.3 % Target debt ratio, % | 20 % |
| Horizon value, % | 53.5 % Value of stock | 604 No. of shares, Mn | 185.3 Effective tax rate, % | 20 % |

| DCF valuation, EURm | 2024 | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E | 2034E | TERMINAL |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|----------|
| Net sales | 1 680 | 1 908 | 2 021 | 2 114 | 2 199 | 2 287 | 2 378 | 2 450 | 2 523 | 2 599 | 2 638 | 2 677 |
| Sales growth (%) | 12.4% | 13.6% | 5.9% | 4.6% | 4.0% | 4.0% | 4.0% | 3.0% | 3.0% | 3.0% | 1.5% | 1.5% |
| Operating income (EBIT) | 14 | 3 | 25 | 34 | 40 | 41 | 43 | 37 | 38 | 39 | 40 | 40 |
| Operating income margin % | 0.8% | 0.2% | 1.2% | 1.6% | 1.8% | 1.8% | 1.8% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| + Depreciation+amort. | 13 | 18 | 12 | 12 | 9 | 10 | 11 | 12 | 13 | 13 | 14 | |
| EBITDA | 27 | 21 | 37 | 46 | 48 | 51 | 54 | 49 | 50 | 52 | 53 | |
| – Paid taxes | –5 | –2 | –5 | –7 | –8 | –8 | –9 | –7 | –8 | –8 | –8 | |
| – Change in NWC | 21 | 17 | 8 | 7 | 6 | 6 | 7 | 5 | 5 | 5 | 3 | |
| NWC / Sales, % | –6.5% | –6.6% | –6.6% | –6.6% | –6.7% | –6.7% | –6.7% | –6.7% | –6.7% | –6.8% | –6.8% | |
| + Change in other liabs | | | | | | | | | | | | |
| – Operative CAPEX | –3 | –15 | –4 | –5 | –8 | –8 | –8 | –9 | –9 | –9 | –9 | |
| opCAPEX / Sales, % | 0.5% | 0.4% | 0.5% | 0.5% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | |
| – Acquisitions | | | | | | | | | | | | |
| + Divestments | | | | | | | | | | | | |
| – Other items | 0 | 6 | | | | | | | | | | |
| = FCFF | 42 | 32 | 36 | 41 | 39 | 41 | 44 | 38 | 39 | 41 | 39 | 635 |
| = Discounted FCFF | | 31 | 32 | 34 | 30 | 30 | 29 | 23 | 23 | 22 | 19 | 313 |
| = DFCF min WACC | | 31 | 32 | 34 | 31 | 30 | 30 | 24 | 23 | 23 | 20 | 355 |
| = DFCF max WACC | | 31 | 32 | 33 | 30 | 29 | 28 | 23 | 22 | 21 | 19 | 277 |

Sensitivity analysis, EUR

| | | Terminal WACC | | | | |
|--------------------|---------|---------------|--------|--------|--------|--------|
| | | 5.77 % | 6.77 % | 7.77 % | 8.77 % | 9.77 % |
| Terminal EBIT–% | –0.50 % | 0.68 | 0.87 | 0.98 | 1.05 | 1.08 |
| | 0.50 % | 2.67 | 2.35 | 2.12 | 1.95 | 1.81 |
| | 1.50 % | 4.66 | 3.83 | 3.26 | 2.84 | 2.53 |
| | 2.50 % | 6.65 | 5.30 | 4.39 | 3.74 | 3.25 |
| | 3.50 % | 8.64 | 6.78 | 5.53 | 4.64 | 3.98 |

INTERIM FIGURES

| EVLI ESTIMATES, EURm | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2024 | 2025Q1 | 2025Q2 | 2025Q3E | 2025Q4E | 2025E | 2026E | 2027E |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Net sales | 375.1 | 439.5 | 424.4 | 440.7 | 1 679.7 | 447.2 | 493.8 | 474.9 | 491.9 | 1 907.7 | 2 020.7 | 2 114.2 |
| EBITDA | 6.7 | 8.5 | 5.0 | 7.0 | 27.1 | 6.0 | 1.6 | 6.1 | 7.3 | 21.0 | 36.6 | 45.9 |
| <i>EBITDA margin (%)</i> | <i>1.8%</i> | <i>1.9%</i> | <i>1.2%</i> | <i>1.6%</i> | <i>1.6%</i> | <i>1.3%</i> | <i>0.3%</i> | <i>1.3%</i> | <i>1.5%</i> | <i>1.1%</i> | <i>1.8%</i> | <i>2.2%</i> |
| EBIT | 3.7 | 5.6 | 0.3 | 4.0 | 13.6 | -2.8 | -1.4 | 3.2 | 4.4 | 3.4 | 24.8 | 34.1 |
| <i>EBIT margin (%)</i> | <i>1.0%</i> | <i>1.3%</i> | <i>0.1%</i> | <i>0.9%</i> | <i>0.8%</i> | <i>-0.6%</i> | <i>-0.3%</i> | <i>0.7%</i> | <i>0.9%</i> | <i>0.2%</i> | <i>1.2%</i> | <i>1.6%</i> |
| Net financial items | -5.7 | -2.8 | -2.5 | -21.2 | -32.1 | -2.6 | -4.1 | -3.0 | -2.5 | -12.1 | -2.2 | 2.3 |
| Pre-tax profit | -2.0 | 2.9 | -2.2 | -17.2 | -18.5 | -5.4 | -5.5 | 0.2 | 1.9 | -8.7 | 22.6 | 36.4 |
| Tax | -0.4 | -0.9 | 0.2 | -0.5 | -1.5 | | | -0.4 | -0.6 | -1.0 | -3.9 | -5.8 |
| <i>Tax rate (%)</i> | <i>22.6%</i> | <i>21.0%</i> | <i>12.5%</i> | <i>21.7%</i> | <i>23.8%</i> | | | <i>20.0%</i> | <i>20.0%</i> | <i>-46.2%</i> | <i>20.0%</i> | <i>20.0%</i> |
| Net profit | -2.3 | 2.0 | -2.0 | -17.7 | -20.0 | -5.4 | -5.5 | -0.2 | 1.3 | -9.7 | 18.6 | 30.6 |
| EPS | -0.01 | 0.01 | -0.01 | -0.10 | -0.11 | -0.03 | -0.03 | 0.00 | 0.01 | -0.05 | 0.10 | 0.17 |
| EPS adj. (diluted) | -0.01 | 0.01 | -0.01 | -0.10 | -0.11 | -0.03 | -0.03 | 0.00 | 0.01 | -0.05 | 0.10 | 0.17 |
| Dividend per share | | | | | 0.07 | | | | | 0.08 | 0.09 | 0.10 |
| | | | | | | | | | | | | |
| SALES, EURm | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2024 | 2025Q1 | 2025Q2 | 2025Q3E | 2025Q4E | 2025E | 2026E | 2027E |
| Distribution | 294.1 | 358.0 | 350.8 | 361.8 | 1 364.7 | 359.2 | 397.8 | 389.0 | 400.0 | 1 546.0 | 1 631.0 | 1 701.2 |
| Wholesale | 81.1 | 81.7 | 73.7 | 79.1 | 315.6 | 88.1 | 96.1 | 86.0 | 92.0 | 362.2 | 390.0 | 413.4 |
| Other | -0.1 | -0.2 | -0.1 | -0.2 | -0.6 | -0.2 | -0.2 | -0.1 | -0.1 | -0.5 | -0.4 | -0.4 |
| Total | 375.1 | 439.5 | 424.4 | 440.7 | 1 679.7 | 447.2 | 493.8 | 474.9 | 491.9 | 1 907.7 | 2 020.7 | 2 114.2 |
| | | | | | | | | | | | | |
| SALES GROWTH, Y/Y% | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2024 | 2025Q1 | 2025Q2 | 2025Q3E | 2025Q4E | 2025E | 2026E | 2027E |
| Distribution | 3.8% | 15.5% | 23.4% | 16.1% | 14.8% | 22.1% | 11.1% | 10.9% | 10.6% | 13.3% | 5.5% | 4.3% |
| Wholesale | 4.6% | 3.0% | -0.1% | 5.3% | 3.2% | 8.6% | 17.6% | 16.7% | 16.3% | 14.8% | 7.7% | 6.0% |
| Other | -67.4% | -3.2% | -39.8% | -2.6% | -32.2% | 50.0% | -25.0% | | -50.0% | -16.7% | -30.0% | |
| Total | 4.1% | 13.0% | 18.6% | 14.0% | 12.4% | 19.2% | 12.3% | 11.9% | 11.6% | 13.6% | 5.9% | 4.6% |
| | | | | | | | | | | | | |
| EBIT, EURm | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2024 | 2025Q1 | 2025Q2 | 2025Q3E | 2025Q4E | 2025E | 2026E | 2027E |
| Distribution | 4.1 | 5.4 | 5.1 | 5.8 | 20.4 | 4.6 | 3.1 | 6.3 | 7.1 | 21.1 | 28.7 | 35.4 |
| Wholesale | 2.7 | 2.3 | 1.5 | 2.0 | 8.5 | 1.8 | 1.6 | 2.1 | 2.6 | 8.0 | 13.4 | 16.4 |
| Other | -3.1 | -2.1 | -6.3 | -3.8 | -15.3 | -9.2 | -6.0 | -5.2 | -5.3 | -25.7 | -17.3 | -17.7 |
| Total | 3.7 | 5.6 | 0.3 | 4.0 | 13.6 | -2.8 | -1.4 | 3.2 | 4.4 | 3.4 | 24.8 | 34.1 |
| | | | | | | | | | | | | |
| EBIT margin % | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2024 | 2025Q1 | 2025Q2 | 2025Q3E | 2025Q4E | 2025E | 2026E | 2027E |
| Distribution | 1.4% | 1.5% | 1.5% | 1.6% | 1.5% | 1.3% | 0.8% | 1.6% | 1.8% | 1.4% | 1.8% | 2.1% |
| Wholesale | 3.3% | 2.8% | 2.0% | 2.5% | 2.7% | 2.0% | 1.6% | 2.4% | 2.8% | 2.2% | 3.4% | 4.0% |
| Other | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Total | 1.0% | 1.3% | 0.1% | 0.9% | 0.8% | -0.6% | -0.3% | 0.7% | 0.9% | 0.2% | 1.2% | 1.6% |

| INCOME STATEMENT, EURm | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|--|------|------|---------|---------|---------|---------|---------|---------|
| Sales | | | 1 539.1 | 1 493.8 | 1 679.7 | 1 907.7 | 2 020.7 | 2 114.2 |
| <i>Sales growth (%)</i> | | | | -2.9% | 12.4% | 13.6% | 5.9% | 4.6% |
| EBITDA | | | 25.0 | 29.9 | 27.1 | 21.0 | 36.6 | 45.9 |
| <i>EBITDA margin (%)</i> | | | 1.6% | 2.0% | 1.6% | 1.1% | 1.8% | 2.2% |
| Depreciation | | | -15.4 | -13.8 | -13.5 | -17.6 | -11.8 | -11.8 |
| EBITA | | | 9.5 | 16.1 | 13.6 | 3.4 | 24.8 | 34.1 |
| Goodwill amortization / writedown | | | | -21.4 | | | | |
| EBIT | | | 9.5 | -5.3 | 13.6 | 3.4 | 24.8 | 34.1 |
| <i>EBIT margin (%)</i> | | | 0.6% | -0.4% | 0.8% | 0.2% | 1.2% | 1.6% |
| Reported EBIT | | | 9.5 | -5.3 | 13.6 | 9.1 | 24.8 | 34.1 |
| <i>EBIT margin (reported) (%)</i> | | | 0.6% | -0.4% | 0.8% | 0.5% | 1.2% | 1.6% |
| Net financials | | | -2.7 | -12.4 | -32.1 | -12.1 | -2.2 | 2.3 |
| Pre-tax profit | | | 6.9 | -17.6 | -18.5 | -8.7 | 22.6 | 36.4 |
| Taxes | | | -2.1 | -3.1 | -1.5 | -1.0 | -3.9 | -5.8 |
| Minority shares | | | | | | | | |
| Net profit | | | 4.8 | -20.7 | -20.0 | -4.0 | 18.6 | 30.6 |
| Cash NRIs | | | | | | | | |
| Non-cash NRIs | | | | | | 5.8 | | |
| BALANCE SHEET, EURm | | | | | | | | |
| Assets | | | | | | | | |
| Fixed assets | | | 343 | 303 | 266 | 261 | 256 | 253 |
| Goodwill | | | 61 | 35 | 35 | 35 | 35 | 35 |
| Right of use assets | | | 14 | 9 | 12 | 14 | 16 | 19 |
| Inventory | | | 149 | 163 | 176 | 200 | 212 | 222 |
| Receivables | | | 232 | 285 | 272 | 307 | 324 | 339 |
| Liquid funds | | | 161 | 138 | 114 | 129 | 137 | 143 |
| Total assets | | | 961 | 935 | 876 | 947 | 981 | 1 011 |
| Liabilities | | | | | | | | |
| Shareholders' equity | | | 226 | 171 | 133 | 117 | 121 | 134 |
| Minority interest | | | | | | | | |
| Convertibles | | | | | | | | |
| Lease liabilities | | | | | | 14 | 16 | 19 |
| Deferred taxes | | | 5 | 3 | 1 | 1 | 1 | 1 |
| Interest bearing debt | | | 137 | 214 | 170 | 168 | 159 | 141 |
| Non-interest bearing current liabilities | | | 581 | 532 | 557 | 633 | 670 | 701 |
| Other interest-free debt | | | 13 | 14 | 14 | 14 | 14 | 14 |
| Total liabilities | | | 961 | 935 | 876 | 947 | 981 | 1 011 |
| CASH FLOW, EURm | | | | | | | | |
| + EBITDA | | | 25 | 30 | 27 | 21 | 37 | 46 |
| - Net financial items | | | -3 | -12 | -32 | -12 | -2 | 2 |
| - Taxes | | | -4 | -4 | -3 | -1 | -4 | -6 |
| - Increase in Net Working Capital | | | 28 | -13 | 21 | 17 | 8 | 7 |
| +/- Other | | | 32 | 10 | 25 | | | |
| = Cash flow from operations | | | 78 | 10 | 39 | 24 | 39 | 49 |
| - Capex | | | 234 | -2 | -9 | -8 | -10 | -11 |
| - Acquisitions | | | | | | | | |
| + Divestments | | | | | | | | |
| = Free cash flow | | | 312 | 8 | 30 | 16 | 29 | 38 |
| +/- New issues/buybacks | | | 221 | -23 | -5 | | | |
| - Paid dividend | | | 11 | 13 | 13 | 15 | 17 | 19 |
| +/- Other | | | -372 | 3 | -37 | 12 | -7 | -15 |
| Change in cash | | | 161 | -22 | -25 | 15 | 8 | 6 |

| KEY FIGURES | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|--------------------------------------|------|-------|-------|-------|-------|-------|-------|
| M-cap | | 316 | 198 | 162 | 200 | 200 | 200 |
| Net debt (excl. convertibles) | | -24 | 76 | 57 | 53 | 39 | 17 |
| Enterprise value | | 292 | 274 | 218 | 166 | 152 | 130 |
| Sales | | 1 539 | 1 494 | 1 680 | 1 908 | 2 021 | 2 114 |
| EBITDA | | 25 | 30 | 27 | 21 | 37 | 46 |
| EBIT | | 10 | -5 | 14 | 3 | 25 | 34 |
| Pre-tax | | 7 | -18 | -19 | -9 | 23 | 36 |
| Earnings | | 5 | -21 | -20 | -10 | 19 | 31 |
| Equity book value (excl. minorities) | | 226 | 171 | 133 | 117 | 121 | 134 |

| Valuation multiple | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|---------------------|------|------|-------|------|-------|-------|-------|
| EV/Sales | | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |
| EV/EBITDA | | 11.7 | 9.1 | 8.1 | 7.9 | 4.1 | 2.8 |
| EV/EBITA | | 30.6 | 17.0 | 16.0 | 49.1 | 6.1 | 3.8 |
| EV/EBIT | | 30.6 | -52.0 | 16.0 | 49.1 | 6.1 | 3.8 |
| EV/OCF | | 3.7 | 28.5 | 5.6 | 6.8 | 3.9 | 2.6 |
| EV/FCF | | 0.9 | 22.9 | 5.2 | 5.2 | 4.3 | 3.2 |
| P/FCFR | | 1.0 | 25.0 | 5.4 | 12.4 | 6.9 | 5.2 |
| P/E | | 66.0 | -9.6 | -8.1 | -20.6 | 10.7 | 6.5 |
| P/BV | | 1.4 | 1.2 | 1.2 | 1.7 | 1.7 | 1.5 |
| Target EV/EBITDA | | | | | 13.1 | 7.1 | 5.2 |
| Target EV/EBIT | | | | | 81.5 | 10.5 | 7.0 |
| Target EV/FCFF | | | | | 17.1 | 9.0 | 6.3 |
| Target P/BV | | | | | 1.9 | 1.8 | 1.7 |
| Target P/E, diluted | | | | | -22.9 | 11.9 | 7.3 |

| Per share measures | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|-------------------------------------|------|--------|--------|--------|---------|--------|--------|
| Number of shares (million) | | 181.49 | 181.49 | 181.49 | 185.32 | 185.32 | 185.32 |
| Number of shares (diluted, million) | | 181.49 | 181.49 | 181.49 | 185.32 | 185.32 | 185.32 |
| EPS | | 0.03 | -0.11 | -0.11 | -0.05 | 0.10 | 0.17 |
| Operating cash flow per share | | 0.43 | 0.05 | 0.21 | 0.13 | 0.21 | 0.27 |
| Free cash flow per share | | 1.72 | 0.04 | 0.16 | 0.09 | 0.16 | 0.21 |
| Book value per share | | 1.24 | 0.94 | 0.74 | 0.63 | 0.65 | 0.73 |
| Dividend per share | | 0.06 | 0.07 | 0.07 | 0.08 | 0.09 | 0.10 |
| Dividend payout ratio, % | | 227.4% | -61.3% | -63.5% | -152.8% | 89.4% | 60.6% |
| Dividend yield, % | | 3.5% | 6.4% | 7.9% | 7.4% | 8.3% | 9.3% |
| FCF yield, % | | 98.7% | 4.0% | 18.5% | 8.1% | 14.5% | 19.1% |

| Efficiency measures | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|---------------------|------|------|--------|--------|-------|-------|-------|
| ROE | | | -10.4% | -13.1% | -7.8% | 15.7% | 24.0% |
| ROCE | | 4.2% | -2.7% | -3.3% | -1.1% | 9.3% | 14.0% |

| Financial ratios | 2021 | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|--|------|--------|-------|-------|-------|-------|-------|
| Inventories as % of sales | | 9.7% | 10.9% | 10.5% | 10.5% | 10.5% | 10.5% |
| Receivables as % of sales | | 15.0% | 19.1% | 16.2% | 16.1% | 16.1% | 16.0% |
| Non-int. bearing liabilities as % of sales | | 37.8% | 35.6% | 33.2% | 33.2% | 33.2% | 33.2% |
| NWC/sales, % | | -13.1% | -5.6% | -6.5% | -6.6% | -6.6% | -6.6% |
| Operative CAPEX/Sales, % | | -15.2% | 0.1% | 0.5% | 0.4% | 0.5% | 0.5% |
| CAPEX/sales (incl. acquisitions), % | | -15.2% | 0.1% | 0.5% | 0.4% | 0.5% | 0.5% |
| FCFF/EBITDA | | 13.0 | 0.4 | 1.5 | 1.5 | 1.0 | 0.9 |
| Net Debt/EBITDA, book-weighted | | -0.9 | 2.5 | 2.1 | 2.5 | 1.1 | 0.4 |
| Debt/equity, market-weighted | | 0.4 | 1.1 | 1.1 | 0.8 | 0.8 | 0.7 |
| Equity ratio, book-weighted | | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 |
| Gearing, % | | -10.5% | 44.3% | 42.5% | 45.5% | 32.3% | 12.9% |

COMPANY DESCRIPTION: Oriola is a pharmaceutical distribution and services company, maintaining a leading position within its operating markets Finland and Sweden. Oriola operates through two segments: Distribution and Wholesale. Oriola also owns 50% of Swedens third-largest pharmacy chain Kronans Apotek. Headquartered in Espoo, Finland, Oriola employs around 800 employees (FTE).

INVESTMENT CASE: Oriola's profitability has been low throughout the 2020's, with the adj. EBIT margin at around 1.0–1.5%. Through focus on higher-margin wholesale business and enhanced efficiency, the company ambitiously targets a 3% EBIT margin in the long term. The underlying market through its defensive nature provides steady, volume driven growth, further supported by trends driving value growth. Valuation upside is considerable, should the company reach its targeted levels of profitability.

| OWNERSHIP STRUCTURE | SHARES | EURm | % |
|---|-------------|---------|--------|
| Mariatorp Oy | 27 132 142 | 29.303 | 14.6 % |
| Wipunen Varainhallinta Oy | 9 185 714 | 9.921 | 5.0 % |
| Varma Mutual Pension Insurance Company | 7 902 214 | 8.534 | 4.3 % |
| Ilmarinen Mutual Pension Insurance Company | 6 153 033 | 6.645 | 3.3 % |
| Fennia Life Insurance Company Ltd | 4 447 342 | 4.803 | 2.4 % |
| Maa- ja Vesitekniiikan Tuki ry. | 4 312 883 | 4.658 | 2.3 % |
| Greenzap Oy | 3 214 285 | 3.471 | 1.7 % |
| The Social Insurance Institution of Finland, KELA | 1 991 481 | 2.151 | 1.1 % |
| Ylppö Jukka Arvo | 1 890 450 | 2.042 | 1.0 % |
| Phoebus | 1 615 571 | 1.745 | 0.9 % |
| Ten largest | 67 845 115 | 73.273 | 36.6 % |
| Residual | 117 478 263 | 126.877 | 63.4 % |
| Total | 185 323 378 | 200.149 | 100% |

EARNINGS CALENDAR

October 30, 2025

Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Katarina Gabrielson
CFO: Mats Danielsson
IR: Tua Stenius-Örnholm

Orionintie 5, FI-02200 Espoo
Tel: +358 10 429 99

DEFINITIONS

| | |
|--|---|
| P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$ | EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$ |
| P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$ | DPS Dividend for the financial period per share |
| Market cap Price per share * Number of shares | OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments |
| EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value | FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + divestments |
| EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$ | FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$ |
| EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$ | Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$ |
| EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$ | Net working capital Current assets – current liabilities |
| Net debt Interest bearing debt – financial assets | Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$ |
| Total assets Balance sheet total | Gearing $\frac{\text{Net debt}}{\text{Equity}}$ |
| Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$ | Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$ |
| Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$ | Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$ |
| ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$ | CAGR, % Cumulative annual growth rate = Average growth rate per year |
| ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$ | |

Important Disclosures

Evli Research Partners Plc ("ERP") uses 12-month target prices. Target prices are defined by utilizing analytical techniques based on financial theory including (but not limited to) discounted cash flow analysis and comparative valuation. The selection of valuation methods depends on different circumstances. Target prices may be altered on the basis of new information coming to light in the underlying company or changes in interest rates, changes in foreign exchange rates, other securities prices or market indices or outlook for the aforementioned factors or other factors that may change the conditions of financial markets. The valuation assumptions used are sensitive to changes and can significantly affect fair values. A change of a single percentage point in any used assumption could affect fair values by more than +/-20%. Recommendations and changes by analysts are available at [Analysts' recommendations and ratings revisions](#).

Investment recommendations are defined as follows:

Target price compared to share price

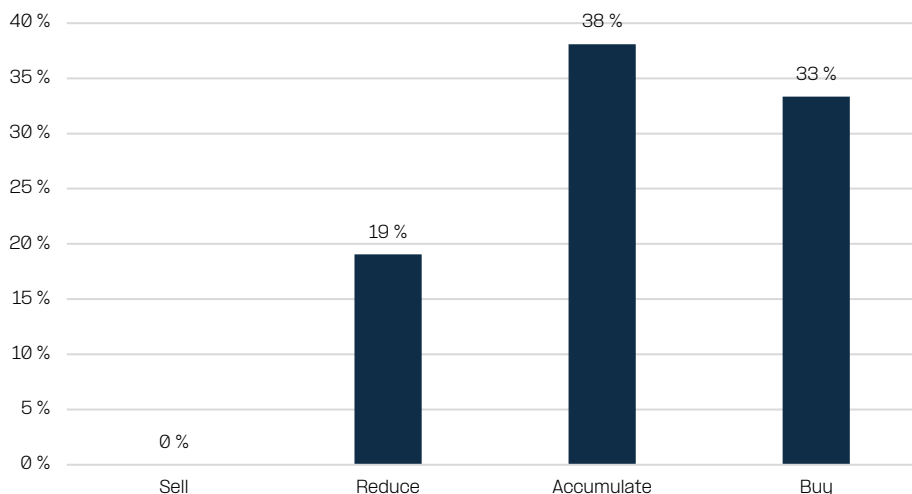
< -10 %
 -10 - 0 %
 0 - (+10) %
 > 10 %

Recommendation

SELL
 REDUCE
 ACCUMULATE
 BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



The graph above shows the distribution of ERP's recommendations of companies under coverage on the 16th of May, 2025. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Jerker Salokivi

This research report has been prepared by Evli Research Partners Plc ("ERP" or "Evli Research"). ERP is a subsidiary of Evli Plc. Production of the investment recommendation has been concluded on 21.7.2025, 9:10. This report has been published on 21.7.2025, 9:30.

None of the analysts contributing to this report, persons under their guardianship or corporations under their control have a position in the shares of the company or related securities.

The date and time for any price of financial instruments mentioned in the recommendation refer to the previous trading day's closing price(s) unless otherwise stated in the report.

Each analyst responsible for the content of this report assures that the expressed views accurately reflect the personal views of each analyst on the covered companies and securities. Each analyst assures that (s)he has not been, nor are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

Companies in the Evli Group, affiliates or staff of companies in the Evli Group, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report.

According to ERP's best knowledge, the issuer(s) of the securities does/(do) not hold in excess of 5% of the total issued share capital of the issuer(s).

Neither ERP nor any company within the Evli Group have managed or co-managed a public offering of the company's securities during the last 12 months prior to, received compensation for investment banking services from the company during the last 12 months prior to the publication of the research report.

ERP has signed an agreement with the issuer of the financial instruments mentioned in the recommendation, which includes production of research reports. This assignment has a limited economic and financial impact on ERP and/or Evli. Under the assignment ERP performs services including, but not limited to, arranging investor meetings or —events, investor relations communication advisory and production of research material.

ERP or another company within the Evli Group does not have an agreement with the company to perform market making or liquidity providing

For the prevention and avoidance of conflicts of interests with respect to this report, there is an information barrier (Chinese wall) between Investment Research and Corporate Finance units concerning unpublished investment banking services to the company. The remuneration of the analyst(s) is not tied directly or indirectly to investment banking transactions or other services performed by Evli Plc or any company within Evli Group.

This report has not been disclosed to the company prior to its dissemination.

This report is provided and intended for informational purposes only and may not be used or considered under any circumstances as an offer to sell or buy any securities or as advice to trade any securities.

This report is based on sources ERP considers to be correct and reliable. The sources include information providers FactSet and Bloomberg, stock-exchange releases from the companies and other company news, and publicly available online sources. However, ERP does not guarantee the materialization, correctness, accuracy or completeness of the information, opinions, estimates or forecasts expressed or implied in the report. In addition, circumstantial changes may have an influence on opinions and estimates presented in this report. The opinions and estimates presented are valid at the moment of their publication and they can be changed without a separate announcement. Neither ERP nor any company within the Evli Group are responsible for amending, correcting or updating any information, opinions or estimates contained in this report. Neither ERP nor any company within the Evli Group will compensate any direct or consequential loss caused by or derived from the use of the information represented in this publication.

All information published in this report is for the original recipient's private and internal use only. ERP reserves all rights to the report. No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, or stored in any retrieval system of any nature, without the written permission of ERP.

This report or its copy may not be published or distributed in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa. The publication or distribution of this report in certain other jurisdictions may also be restricted by law. Persons into whose possession this report comes are required to inform themselves about and to observe any such restrictions.

Evli Plc is not registered as a broker-dealer with the U. S. Securities and Exchange Commission ("SEC"), and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the research report. Evli Bank is not a member of the Financial Industry Regulatory Authority ("FINRA"). It and its securities analysts are not subject to FINRA's rules on Communications with the Public and Research Analysts and Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. This research report is only being offered in U.S. by Auerbach Grayson & Company, LLC (Auerbach Grayson) to Major U.S. Institutional Investors and is not available to, and should not be used by, any U.S. person or entity that is not a Major U.S. Institutional Investor. Auerbach Grayson is a broker-dealer registered with the U.S. Securities and Exchange Commission and is a member of the FINRA. U.S. entities seeking more information about any of the issuers or securities discussed in this report should contact Auerbach Grayson. The securities of non-U.S. issuers may not be registered with or subject to SEC reporting and other requirements.

ERP is not a supervised entity but its parent company Evli Plc is supervised by the Finnish Financial Supervision Authority.

Contact information**SALES, TRADING AND RESEARCH****Equity Sales & Trading**

| | |
|-------------------------|------------------|
| Joachim Dannberg (head) | +358 9 4766 9123 |
| Aleksi Jalava | +358 9 4766 9123 |
| Pasi Väisänen | +358 9 4766 9123 |

Evli Investment Solutions

| | |
|----------------|------------------|
| Johannes Asuja | +358 9 4766 9205 |
|----------------|------------------|

Equity Research

| | |
|------------------------|------------------|
| Jerker Salokivi (head) | +358 9 4766 9149 |
| Joonas Ilvonen | +358 44 430 9071 |
| Atte Jortikka | +358 40 054 3725 |
| Atte Pitkälä | +358 44 047 6597 |

EVLI

EVLI PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000