



Press release

Orexo internalizes contract field force in the US to further strengthen the commercial organization

Uppsala, Sweden – October 1, 2018 - Orexo AB (publ) today announces that the field representatives in the contracted field force have been offered direct employment with Orexo US Inc. starting October 1, 2018. The decision follows on the positive outcome in the patent litigation against Actavis, the continued revenue growth and significant improvement in the profit contribution from Orexo US Inc. during first half of 2018.

To secure flexibility in the field force and the ability to rapidly adapt to changing market dynamics it has since the launch of Zubsolv® in the US in 2013 been an integral part of the strategy for Orexo to employ a contracted field force. To further strengthen our commercial organization and to strengthen long term profitability, we have decided to internalize the remaining part of the contracted field force in the US.

In addition, to further accelerate the growth of Orexo and recognizing the significant synergies possible with a broader commercial platform, a key objective of Orexo is to add additional commercial and late stage products to the portfolio through business development, M&A and investment in R&D. Feedback from potential partners clearly shows the long term commitment and stability of a fully Orexo employed field force, can be a key factor in the negotiations.

With nearly 500 MSEK in cash (Q2 2018), a continued positive cash flow projected and a profitable business based solely on the recurring contributions from Zubsolv¹ Orexo is well positioned, financially and strategically, to increase the investments into the expansion of the business.

“Since the launch of Zubsolv we have worked intensively to create a solid financial foundation for the company. The first milestone was achieved in 2016 with a full year positive EBIT. In Q2 this year we reached the next milestone, as the income from our commercial business in the US for the first time exceeded the expenses related to all other areas of the company. We are now ready for the next step. Internalizing the remaining part of the contracted field force is a strong signal to potential partners of a long term commitment to the US market for treatment of addiction. I am certain it will strengthen our commercial organization and long term financial sustainability.” says Nikolaj Sørensen, President and CEO of Orexo AB.

The decision to internalize the field force will not have any material impact on the overall cost level or Orexo’s guidance for 2018 and will result in 33 additional employees of Orexo. All contracted field representatives receiving an offer of employment, have accepted the offer.

¹ EBITDA Q2, SEK 9.3 million positive excluding royalties from Abstral, Edluar and non-recurring revenues from Zubsolv, but including non-recurring expenses such as legal fees associated with litigations in the US



For further information, please contact:

Orexo AB (publ.)

Nikolaj Sørensen, President and CEO

Phone: +46 (0)18 780 88 00

E-mail: ir@orexo.com

Orexo US Inc.

Robert DeLuca, President

Phone: +46 (0)18 780 88 00

E-mail: ir@orexo.com

About Orexo

Orexo develops improved pharmaceuticals based on innovative drug delivery technologies. The focus is primarily on opioid dependence and pain but the aim is to address therapeutic areas where our competence and technologies can create value. The products are commercialized by Orexo in the US or via selected partners worldwide. The main market today is the American market for buprenorphine/naloxone products, where Orexo sells the product Zubsolv®. Total net sales for 2017 amounted to SEK 643.7 million and the number of employees at year-end was 90. Orexo is listed on the Nasdaq Stockholm Mid Cap (ORX) and is available as ADRs on OTCQX (ORXOY) in the US. The head office, where research and development is also performed, is situated in Uppsala, Sweden.

For more information about Orexo please visit, www.orexo.com. You can also follow Orexo on Twitter, [@orexoabpubl](https://twitter.com/orexoabpubl), LinkedIn and YouTube. For more information about Zubsolv® in the US, see the product and market websites www.zubsolv.com and www.rise-us.com.

The information was submitted for publication, through the agency of the contact persons set out above, at 8 am CET, October 1, 2018