



Press release

## **Orexo receives million 5£ milestone payment for Abstral® in Europe and Zubsolv® continues strong market share growth in the US**

**Uppsala, Sweden – December 17, 2014** – The annual sales of Abstral in Europe has passed million 60€ during 2014, which triggers a milestone payment of million 5£ (approx. million 60 SEK) to Orexo AB ("Orexo") from the commercial partner in Europe ProStrakan Group plc ("ProStrakan").

According to the agreement from June 2012, with ProStrakan for Abstral sales in Europe, Orexo receive a fixed and non-conditional royalty of million 55£, a variable royalty for annual sales exceeding million 42.5€ and milestone payments of up to million 10£. The threshold for the variable royalty was reached during Q3 and Orexo will receive royalty for all sales of Abstral in Europe in Q4. The fixed and non-conditional Abstral royalties will reach million 174 SEK for the full year. These fixed royalties represents an amortization of the final fixed and unconditional payment related to the agreement with ProStrakan. The fixed payment will be fully recognized in the P&L by May 2015 and will have no cash impact, as the payments have all been received.

"I am pleased to follow the continued success of our commercial partner ProStrakan with Abstral in Europe. The continued development of Abstral in Europe is a strong evidence of the patient and physician preference of the attributes of Orexo's sublingual products. The development of Abstral enables Orexo to further invest in the commercialization and development of Zubsolv, accelerating the positive momentum for the product and the overall market for opioid dependence treatment." said Nikolaj Sørensen, CEO and President of Orexo AB.

The demand and market share of Zubsolv continue a positive development. The last four weeks Zubsolv has reached 5.6% of the market (daily dosages) compared to 4.2% the last month of Q3. The growth in Q4 can be equally explained by the exclusive agreement with the Managed Medicaid provider WellCare and growth from increased demand from patient with private health insurance and patients paying out-of-pocket. Exclusive agreements are associated with higher rebates and have a negative short term impact on the gross to net revenue ratio, but have proven to drive growth in the more profitable non-exclusive business segments.

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### **About Orexo AB**

Orexo is a specialty pharma company with commercial operations in the United States and R&D in Sweden developing improved treatments using proprietary drug delivery. The company is commercializing its proprietary product, ZUBSOLV® sublingual tablets, for maintenance treatment of opioid dependence, in the United States. The ZUBSOLV sublingual tablet is a novel formulation of buprenorphine and naloxone using Orexo's extensive knowledge in sublingual technologies. Orexo has a portfolio of two approved and revenue generating products currently marketed under license in the US, EU and Japan. Orexo AB, with its headquarters in Sweden, is listed on Nasdaq Stockholm Exchange (STO: ORX) and its American Depositary Receipts (ADRs) trade on the OTCQX marketplace in the U.S. under the symbol, "ORXOY". The largest shareholders are Novo A/S and HealthCap.

For information about Orexo and Zubsolv, please visit [www.orexo.com](http://www.orexo.com) and [www.zubsolv.com](http://www.zubsolv.com).

### **About Abstral**

Abstral is the leading fast-acting fentanyl product in EU intended for treatment of breakthrough pain in cancer patients. Abstral employs Orexo's proprietary sublingual delivery technology (under the tongue). After the product development Abstral was out-licensed to Kyowa Hakko Kirin Co., Ltd and the European subsidiary ProStrakan Group plc, which still holds the rights in the EU and Japan, whereas Galena Biopharma Inc holds the rights for Abstral in the US.

For information about Abstral, please visit [www.abstral.com](http://www.abstral.com).

*Orexo AB (publ) discloses the information provided herein pursuant to the Financial Instruments Trading Act and/or the Securities Markets Act. The information was submitted for publication at 8:45am CET on December 17, 2014.*