Press release

Orexo signs asset purchase agreement with Gesynta Pharma AB for OX-MPI

Uppsala, Sweden – October 2, 2017 – Orexo AB (publ.) today announced that Orexo has signed an asset purchase agreement with Gesynta Pharma AB – a recently formed research company located in Stockholm, Sweden. Among the founders are highly reputed executives from the biotech industry and experienced researchers at the Karolinska Institute within the field of arachidonic acid pathways and inflammatory diseases. The lead candidate drug in the OX-MPI program, BI1029539, has been identified as a highly selective anti-inflammatory compound targeting microsomal prostaglandin E synthase (mPGES-1).

Under the asset purchase agreement, Gesynta Pharma AB acquires the assets relating to the OX-MPI program and will progress the candidate drug into proof-of-concept clinical trials. Under the terms of the agreement Orexo will receive a tiered double digit share of the future revenues that Gesynta Pharma AB generates from the OX-MPI project.

"With this agreement Orexo now has three projects in development with partners and three internal projects. This broad pipeline is a testimony to the development and innovative skills in the company and represents significant future potential, short term from milestones during development, long term from royalties from launched products and sales in our own commercial organization. The agreement is in line with our strategy of establishing partnerships where we see that skills and technologies can accelerate the development of our pipeline projects. With excellent and very relevant industrial and academic competences, Gesynta Pharma AB has all the prerequisites to realize the full potential of OX-MPI and advance the project into clinical development," says Nikolaj Sørensen, President and CEO of Orexo AB.

"The acquisition of an advanced pre-clinical development asset provides an excellent opportunity to quickly demonstrate clinical proof-of-concept for mPGES-1 modulation in novel indications. The OX-MPI program fits well into our lean strategy to commercialize innovative therapeutics," says Patric Stenberg, CEO of Gesynta Pharma AB.

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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 main market today is the US market for the treatment of opioid dependence where the product Zubsolv® is commercialized by Orexo. Other products are commercialized by license partners, including Zubsolv in markets outside of the US. Total net sales for 2016 amounted to SEK 705.9 million and the number of employees was 102. Orexo is listed on the Nasdaq Stockholm Mid Cap (ORX) index and is available as ADRs on OTCQX (ORXOY) in the US. The head office, where also research and development is performed, is located in Uppsala, Sweden.

For more information about Orexo please visit, **www.orexo.com**. You can also follow Orexo on Twitter, @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**.

About Gesynta Pharma AB
Gesynta Pharma AB is a privately held company located in Stockholm, Sweden. With initial innovation support from Karolinska Institutet Innovations AB, Gesynta Pharma AB leverages expertise in arachidonic acid research to explore proprietary indications for mPGES-1 inhibitors. The strategy of the company is to gain clinical proof of concept within such indications before seeking a partner able to achieve the full commercial potential of multiple therapeutic uses. Maintaining a lean organization, Gesynta Pharma AB is actively managed by its founders and Board members, who contribute extensive experience in the fields of drug development, legal and business, as well as mPGES-1 and medical research.

This information is information that Orexo AB (publ.) is obliged to make public in accordance with the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 8.00 am CET on October 2, 2017.