



Press release, 7 April 2011

Report from Orexo AB's Annual General Meeting, 7 April 2011

The Annual General Meeting approved the income statement and the balance sheet for the parent company, as well as of the consolidated income statement and the consolidated balance sheet for the financial year 2010.

The meeting resolved to re-elect Håkan Åström, Michael Shalmi, Raymond Hill, Staffan Lindstrand, Bengt Samuelsson, and Kjell Strandberg as members of the Board of Directors and Håkan Åström was re-elected as Chairman of the Board of Directors for the period until the end of the next Annual General Meeting. Monica Caneman and Peter Lindborg have declined re-election.

The meeting discharged the members of the Board and the Managing Director from liability for the financial year 2010.

The meeting resolved that the fees to the Board of Directors should amount to SEK 1,700,000 to be allocated as follows: SEK 500,000 to the Chairman of the Board of Directors, SEK 300,000 to Raymond Hill, SEK 150,000 to each of the other Board members and in total SEK 300,000 to be equally allocated to the members of the Remuneration, Product Development and Audit Committee.

The meeting resolved to adopt a board member share plan including the issuance of warrants and approval of disposal of the warrants issued under the board member share plan. Board shares with an option to acquire shares in Orexo shall be issued free of charge under the board member share plan ("Board Shares"), whereby each Board Share may be exercised to acquire one share in Orexo against payment of an exercise price corresponding to the quota value of the Orexo share (SEK 0.4). Board members participating in Orexo's board member share plan will receive a number of Board Shares, which value at the time of allocation shall correspond to 50 per cent of the board fee remuneration, and will receive the remaining 50 per cent of the board fee in cash. The board member's right to call for exercise occurs as from the second year following the meeting. Board Shares have a duration as from the resolution on allocation until 31 December 2018. In order to secure that the company can meet its obligations to the holders of Board Shares at the time of exercise of the Board Shares, the meeting has resolved to issue not more than 24,000 warrants with the right to subscribe for new shares to the wholly-owned subsidiary Pharmacall AB, corresponding to not more than approximately 0.10 per cent of the shares in Orexo on a fully diluted basis. The reasons for adopting Orexo's board member share plan are to be able to attract, motivate and keep board members, and to strengthen the board members' interest in Orexo and its financial development and to provide the board members with an economic interest in Orexo equivalent to the shareholders'. The total value of the Board Shares, based on a valuation made by the company, is estimated to MSEK 1.1.



The meeting approved the Board of Directors' proposal regarding principles and guidelines for remuneration and other terms of employment for the company's management.

The meeting approved the instructions for the Nomination Committee.

The Board of Directors resolved to withdraw the proposal to amend the terms and conditions of former President and Chief Executive Officer Torbjörn Bjerke's employee stock options entailing that no resolution was made by the meeting on this item.

The meeting resolved to extend the latest time for making an offer to participate in the company's new performance-based, long-term incentive program 2011/2021 (allocation) until 31 December 2012. The purpose of the extension is to give the board sufficient time to allocate and to re-allocate, as applicable, options (Performance Shares) to eligible employees, including new recruitments, in an orderly fashion as envisaged in the original resolution of 16 February 2011.

Complete proposals regarding the meeting's resolutions in accordance with the above together with the presentation from the Chief Executive Officer's speech are kept available at Orexo's homepage, **www.orexo.com**.

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About Orexo

Orexo is a pharmaceutical company focusing on developing treatments for pain and inflammation. Orexo is developing proprietary products based on its proven reformulation technologies, targeted at the Specialty Pharmaceutical market. Orexo intends to commercialise some of these products itself in one or more major markets. Its development activity builds on Orexo's core competences in R&D, which have previously resulted in several successful products, currently out-licensed through worldwide partnership agreements to larger pharmaceutical companies. Today, Orexo has four products on the market of which Abstral is a leading product for the treatment of breakthrough pain in cancer patients in most of Europe and now also in the United States. Orexo also has three significant partnerships with major pharmaceutical companies for research and development programs: discovery stage collaborations with Ortho-McNeil Janssen and Janssen Pharmaceutica in respiratory inflammation and with Boehringer Ingelheim for inflammation and pain, both within the arachidonic acid cascade and a clinical stage development agreement with Novartis for the treatment of gastrointestinal disorders. Orexo's head office is located in Uppsala, Sweden. More information can be found at **www.orexo.com**.

Note:

This is information that Orexo AB (publ.) is required to disclose pursuant to the Swedish Securities Markets Act. The information was provided for public release on April 7, 2011 at 8:15 p.m. CET.