orexo

A commercial-stage pharmaceutical company, developing advanced drugs through cutting-edge drug delivery technologies

# Annual and Sustainability Report 2024

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**THE ANNUAL REPORT**

The Annual Report for Orexo AB (publ.), 556500-0600, consists of pages 22–37 and 56–96.

**SUSTAINABILITY REPORT**

Includes Orexo's collected commitment within sustainability.

**CORPORATE GOVERNANCE REPORT**

The report focus on Orexo's governance procedures and compliance, and adherence to best practices for good corporate governance.

**Forward-looking statements**

This report contains 'forward-looking' statements that reflect the company's current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in global economy, market and competitive conditions, changes in product demand, supply and production constraints, currency fluctuations, developments in product litigations, changes in the regulatory environment and other government actions. Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them considering new information or future events.

Glossary and definitions can be found at https://orexo.com/glossary/

BACK TO START

# A commercial-stage pharma company, developing advanced drugs through cutting-edge drug delivery technologies

Orexo is a commercial-stage pharmaceutical company with an international presence. We are passionate about improving people's lives by offering innovative treatment solutions. Today, we develop pharmaceuticals based on proprietary drug delivery technologies, the same vision as when it all started in Uppsala, Sweden, 30 years ago.

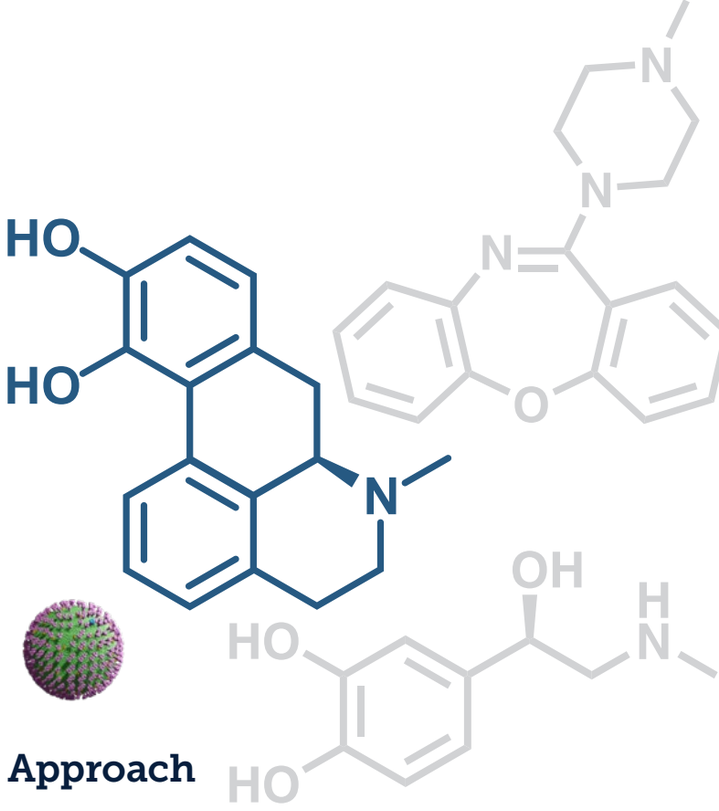
# This is Orexo

## Commitment

We take advantage of every opportunity to use our international presence as a pharmaceutical company to enhance people's lives. Our primary focus is to alleviate the profound human suffering that opioid misuse can cause. We are also exploring other therapeutic areas where our innovative drug delivery technologies can improve pharmaceuticals for patients and healthcare professionals globally.

## Team

Orexo should be an energizing and collaborative place to work at. Here, everyone's valued for who they are as well as the contribution they make. We foster a culture of mutual respect so that individuals and teams can fulfill their potential in an inclusive, dynamic and inspiring environment.




## Approach

We develop improved pharmaceuticals by combining well-known APIs with proprietary drug delivery technologies. Our next-generation drug delivery platform, AmorphOX®, is a powder-based technology enabling outstanding bioavailability and stability of both small and large molecules.

We specialize in the commercialization of treatment solutions for patients with opioid use disorder in the US. For products aimed at other therapeutic areas, we engage in collaborations with partners for both development and commercialization.

Products commercialized in the US by Orexo zubsolv modia

Orexo is committed to the UN Global Compact corporate responsibility initative and its principles in the areas of human rights, labor, environment and anti-corruption. Read more on www.unglobalcompact.org.

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# 30 years
## of expertise in researching and developing pioneering medicines that are approved for use in markets globally

Orexo was founded in 1995 in Uppsala, Sweden, with the vision of developing improved pharmaceuticals targeting large unmet needs among patients and caregivers. Thanks to proprietary drug delivery technologies, the company has successfully developed four products that have achieved global approval.

### 1995
Orexo is founded with a vision to develop improved pharmaceuticals using its first-generation **drug delivery platform – the sublingual**.

### 2000
**Diabact UBT®**, Orexo's diagnostic test for Helicobacter pylori, is approved in its first market and expands globally through partnership agreements.[1]

### 2008
**Abstral®**, Orexo's breakthrough cancer pain medication, is approved in its first market, followed by global commercialization with various partners such as Kyowa Kirin/Grunenthal.

### 2009
**Edluar®**, Orexo's insomnia treatment, is approved and commercialized by e.g. Viatris in multiple markets.



### 2013
**Zubsolv®**, Orexo's drug for opioid use disorder, is approved by the FDA. Orexo establishes a US subsidiary to commercialize Zubsolv.

### 2018
Orexo wins a multiyear patent dispute against Teva/Actavis, securing US patent protection for Zubsolv until 2032.


### 2021
Orexo unveils its next-generation drug delivery platform **AmorphOX®**, a powder-based technology that enhances rapid absorption, bioavailability and stability, in both small and large molcecules (incl. vaccines).

### 2022
**OX640**, a nasal epinephrine product for anaphylaxis, enters its first clinical trial, showing positive results compared to the leading standard treatment – an autoinjector.

### 2023
**OX124**, a high-dose rescue medication for opioid overdoses (incl. naloxone), is filed with the FDA seeking US market approval. In 2024 a CRL[2] is issued by FDA requiring submission of additional data related to commercial manufacturing.

### 2024
Orexo's **AmorphOX** technology is tested successfully with a **biomolecule** from Swedish Orphan Biovitrum (Sobi) as part of a collaboration between the two companies.

An agreement is reached with Abera Bioscience to develop **nasal powder-based vaccines** using the unique AmorphOX platform properties.

1. Diabact was divested as part of the sale of the subsidiary Kibion in 2015.
2. Complete Response Letter.

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CEO comments

# "Resolving issues, and embracing fresh opportunities"

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**As I reflect on 2024, Orexo has made significant strides in overcoming challenges and seizing new opportunities. We achieved EBITDA profitability and resolved key legal and financial uncertainties. Continued stabilization in Zubsolv® demand and the advancement of OX640, along with the ongoing development of the AmorphOX® platform, positions us for a promising 2025. With a dedicated team we are set to embrace new opportunities delivering our mission to address critical patient needs and drive shareholder value.**

### Significantly improved EBITDA

A key objective for 2024 was to achieve EBITDA profitability, which was met with an EBITDA of SEK 49 million (–32), the best result since 2019. This positive outcome was driven by the stabilization of Zubsolv sales in the US, a long-term strategic objective, and ongoing cost optimization. Despite significant legal costs and the completion of the second clinical trial for OX640, we reduced expenses by 19 percent, or SEK 113.5 million, compared to 2023. With OPEX of SEK 469 million, we exceeded the target of keeping OPEX below SEK 530 million (excluding depreciation and amortization costs).

> **Reaching the settlement eliminated the short-term risk to Zubsolv's exclusivity and allowed for a review of our corporate structure.**

Expenses have been reduced across the company, with a significant decrease in those related to digital health. In recent years, the focus has been on securing reimbursement pathways for digital health products. In October 2024, CMS published a reimbursement policy for these products. However, to qualify for reimbursement, additional investments are needed in MODIA®, Deprexis®, and Vorvida®. We believe further investment in Deprexis and Vorvida is unjustifiable and have taken the decision to impair the full value of these assets. For MODIA, closely linked to Zubsolv, we see continued opportunities both as a standalone product and within the MATCore® concept.

### Removing layers of corporate overhangs

As we entered 2024, we faced major legal and financial uncertainties that negatively impacted our ability to execute on our two primary long-term objectives of developing new treatments for opioid dependence and expanding our AmorphOX platform.

Legal outcomes in the appeal court for Zubsolv litigation were unknown and over 90 percent of our revenues were at risk, so we opted for a settlement in late 2024, allowing Sun Pharmaceutical Industries to launch a generic two years before the patent expiration in 2032.

**Key financial figures 2024**

**590 SEK M**
Group net revenues

**49 SEK M**
Group EBITDA

**123 SEK M**
Cash and cash equivalents

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Reaching the settlement eliminated the short-term risk to Zubsolv's exclusivity and allowed for a review of our corporate structure. Following the settlement, a fully owned subsidiary acquired the intellectual properties and manufacturing rights for Zubsolv® in the US from the parent company, based on an external valuation. The transaction value of SEK 1.1 billion contributed to strengthening equity in our parent company.

Unlike patent litigation, the ongoing subpoena investigation has no set process. Despite being confident we have adhered to the law, these cases are often resolved through settlement to avoid prolonged uncertainty. In 2024, we made progress towards settlement, though a new US government from 2025 added some complexity.

At beginning of 2024, we successfully refinanced our corporate bond with strong oversubscription. As part of the process, we established a social financing framework and listed the bond as a social bond, reinforcing our commitment to the UN Global Compact principles.

### Resubmission of OX124 a top priority

According to latest available data from the Center of Disease Control, the number of fatal opioid overdoses indicates a slight decrease, likely driven by improved access to treatment and other interventions. However, the mortality rate remains disturbingly high, with 64,000 opioid-related deaths occurring annually. For OX124, our overdose rescue medication containing a high dose of naloxone, customer interviews confirm we will meet a critical need for higher than 4 mg doses to revive individuals experiencing an overdose caused by synthetic opioids, including illicit fentanyl. In such cases, one dose of 4 mg naloxone is rarely sufficient to revive a person and save their life. Additionally, OX124 is the only drug that doesn't freeze, unlike the market leader, which has storage limitations in sub-zero temperatures. This makes OX124 an attractive alternative in colder regions.

The complete response letter issued by the FDA will unfortunately delay the launch, as the agency has requested additional data from commercial manufacturing. In this process we rely on an external supplier which will have an impact on the timeline. However, a resubmission of OX124 remains a top priority for me and my team.

### New illicit drug threats emerging in the ever-changing opioid epidemic

The public health crisis of widespread opioid use is becoming ever more complex. The numbers of fatal overdoses from cocaine and psychostimulants with abuse potential are increasing.[1] Data also shows new combinations of illicit drugs that lack effective treatment, such as the veterinary drug xylazine, which is combined with fentanyl, and goes by the street name of "tranq". There are also even more potent synthetic opioids, such as nitazene. We are taking an active role to address these emerging illicit drugs by working to identify new drug candidates with the potential to address the many emergency situations their use can cause. We are also actively talking with the US authorities about co-financing the development of new rescue medications to address these complex needs.

### OX640 to advance into final development

During the fourth quarter, we completed an additional clinical trial with OX640, our nasal product to treat anaphylaxis with powder-based epinephrine. The clinical trial in subjects with allergic rhinitis once again confirmed the rapid absorption enabled by AmorphOX®. These results are pleasing as they confirm OX640 is a differentiated product compared to other nasal epinephrine products in development and on the market. Based on the new data, we will proceed in the search for a partner to continue development and global commercialization.

### The AmorphOX platform improves stability in a broad range of small and large molecules

We have also continued our feasibility studies with the AmorphOX technology on other substances in collaboration with partners. All have been successful and strengthened the evidence that AmorphOX significantly improves stability of a broad range of molecules. Even highly temperature-sensitive biomolecules remain active after formulation with AmorphOX. During the year, we worked with several organizations, most notably the international biopharmaceutical company Sobi, where we made progress with a large molecule project. We also initiated a project with the vaccine company Abera to test AmorphOX.

With more and more data generated from molecules tested on the AmorphOX platform, its unique properties are increasingly apparent. When AmorphOX is combined with an established supply chain, the possibilities for new products are vast, offering immense potential for Orexo to develop new products internally or in partnership with other companies.

### A highly committed team is the backbone for our success

Orexo's success depends on attracting and retaining talented colleagues. We foster a safe, healthy, and inclusive workplace that sparks creativity and drives innovation. Our work in offering and developing medications for those most affected by opioid use disorder gives us a strong sense of purpose, as Orexo is one of the few companies on the frontlines helping these patients. In 2024, our employee survey reflected the impact of this important work. I am proud to share that we are once again ranked in the top tier for job satisfaction and commitment, both in Sweden and the US.

> **OX640: The clinical trial in subjects with allergic rhinitis once again confirmed the rapid absorption enabled by AmorphOX.**

### Unlocking values to reach new heights

Our ability to operate and decide our strategic direction has been limited by the impacts of patent litigation, DOJ investigation and, to some extent, financing. Now when we have solved many of these issues, we can maximize the value from our core assets, Zubsolv®, the AmorphOX technology and our pipeline projects.

I am confident 2025 and beyond will come with opportunities for Orexo to improve shareholder value through the development and commercialization of more innovative products addressing serious life-threatening medical conditions.

I want to thank my colleagues at Orexo and our investors for your confidence and commitment as we work together to take Orexo to new heights.

Uppsala, Sweden, March, 2025

Nikolaj Sørensen
President and CEO

1. NCHS Data Brief No. 522, December 2024.

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# Strategy for growth

**Every day, we strive to build a broader and stronger Orexo. By doing so, we can improve many more lives, foster a more dynamic work environment, and generate value for our shareholders. Our efforts to strengthen and expand Orexo are built on three pillars and are driven by the ambition to contribute to a more sustainable world for all.**

## Business strategy

| 1 Growing revenues and profit contributions | 2 Improving access to treatment | 3 Capitalize on the AmorphOX drug delivery technology |
|---|---|---|
| • Maintain Zubsolv® revenues.<br>• FDA approval and launch of OX124.<br>• Milestone payments and royalties from current and future partnered products. | • Expand reimbursement of Zubsolv in the public segment and maintain access in the commercial segment.<br>• Secure reimbursement for OX124 at launch.<br>• Establish collaborations under MATCore® to provide innovative solutions that improve access to the treatment of opioid use disorder. | • Partnering with other pharmaceutical companies to co-develop new products based on AmorphOX®.<br>• Out-license the AmorphOX technology.<br>• Develop new products for Orexo to commercialize primarily within OUD and adjacent diseases/ conditions. |

## Sustainability strategy

| | | | |
|---|---|---|---|
| **Responsible business** based on trust, transparency, integrity and no tolerance for corruption is central to all our activities and a foundation for our sustainability work. | Increase **access to healthcare** among patients with OUD and develop new innovative medications meeting large unmet needs. | To create a healthy working climate, an inclusive and diverse culture **in all teams.** | Reduce impact on **environment and climate change** across all our activities and our products. |

Commitment to UN sustainability goals, with a focus on the following global targets:

# Investment themes

**Orexo is driving growth through its US commercial presence, innovative AmorphOX technology, and expanding pipeline. By leveraging these strengths, we aim to address unmet medical needs and explore new partnerships beyond our core focus on opioid use disorder.**

## 1 Commercial presence in the US with extensive synergies

One of the key strategic priorities for growth is to capitalize on the company's commercial position in the US. Orexo's US subsidiary, Orexo US Inc., has long experience in pricing and reimbursement, sales and marketing, RWE clinical trials, focusing on one of the largest health crises in the US in modern times – opioid use disorder (OUD). Today Orexo is commercializing Zubsolv® for OUD and the digital support program MODIA®. Adding additional products to the US commercial platform offers significant synergistic benefits.

## 2 Strong cash generation from the US Commercial segment

Orexo's lead drug Zubsolv is an important cash generator. In 2024, EBITDA for US Commercial, which is entirely related to Zubsolv sales, amounted to SEK 177 million. Revenue from Zubsolv is an important addition to the operation of the business.

## 3 AmorphOX unlocks a broad range of new opportunities in the development of innovative drugs

Orexo's next-generation drug delivery technology is an innovative powder-based technology that is rapidly dissolving while also being chemically and physically stable, allowing for improved handling and storage of drugs based on an amorphous structure. With the introduction of AmorphOX®, Orexo is meeting the challenges of delivering small molecules, peptides and biologics previously thought to be impossible to formulate for alternative routes of administration.

## 4 AmorphOX paves the way for continued pipeline growth

AmorphOX is a scalable technology as it works with different active substances, dosage forms and routes of administration. AmorphOX is used in the drug candidates OX124 (registration phase), OX125 and OX640 (clinical stage) and will be the backbone in the future development of new innovative drugs targeting large unmet needs.

## 5 Entering partnership for development and commercialization of drugs that goes beyond OUD

Seek collaborations with partners where their molecules can benefit from the unique properties of the AmorphOX technology and/or for the development and commercialization of drugs that goes beyond Orexo's core therapeutic area of OUD.

Discover how partners can benefit from the AmorphOX technology on page 18.

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# Helping to fight the US opioid crisis with a growing offer

**The opioid epidemic in the US is a critical health crisis with significant societal costs. Orexo is taking a proactive approach to combat this crisis by improving access to innovative treatments and driving solutions that support both patients and healthcare providers.**

### A major health crisis continues to sweeps the US

Opioid misuse is a pervasive global issue, with the highest prevalence in the US, where approx. one in five people living with opioid use disorder (OUD) reside.[1] Over the past two decades, a sharp rise in opioid painkiller prescriptions, coupled with the growing prevalence of mental health disorders, has contributed to the crisis. It is estimated that 8.9 million people aged 12 or older in the US are currently misusing opioids.[2] Of these, around 5.7 million are dependent on opioids, and approx. 2.3 million are receiving medication-assisted treatment (MAT).[3]

### Overdose deaths – the stark consequence of the widespread misuse of drugs

Patients with OUD often experience withdrawal symptoms, leading them to seek a constant supply of opioids. Efforts to limit access to prescription opioids have increasingly turned patients to heroin and stronger synthetic opioids like fentanyl. This development has been fuelled further as more individuals use drugs to alleviate symptoms such as anxiety, stress, and depression, which frequently accompany mental health issues.

The consequences of this shift are evident in the sharp rise in fatal overdoses in recent years, with opioids responsible for approx. 70 percent of overdose deaths.[4] Notably, nine out of ten fatal opioid overdoses are linked to the growing prevalence of illicit synthetic opioids, such as fentanyl.[5]

Although recent data show a decline in overdose deaths, likely due to increased access to treatment and other interventions, the mortality rate remains alarmingly high, with 64,000 opioid-related deaths occurring annually.[6]

### A crisis that comes with devastating societal costs

The opioid crisis presents significant and multifaceted challenges for US society. It is contributing to untimely deaths and a diminished quality of life, impacting individuals and communities alike. The economic consequences are also profound. According to the US Joint Economic Committee, the societal cost of the opioid crisis reached USD 1.5 trillion in 2020, a 37 percent increase from 2017, when the previous estimate was made.

**~5.7 m**

People dependent on opioids in the US[3]

**>64,000**

The number of fatal overdoses caused by opioids annually in the US[5]

**USD 1,500 bn**

The societal cost of the US opioid crisis[7]

### MAT is the leading treatment approach

Medication-assisted treatments (MAT), are the most common therapies which are based on buprenorphine, methadone or naltrexone. Buprenorphine is often combined with naloxone, an opioid antagonist, to help prevent misuse through injection. The gold standard for MAT in the US is the combination of buprenorphine and naloxone, which can be taken daily as a sublingual tablet or film. MAT is usually provided alongside behavioral counselling and psychological support. In the US, treatment typically occurs in private practices or specialized medical clinics. The depot formulations, a new treatment regime administered weekly or monthly, are commonly used in larger clinics and hospitals.

Overdoses can be reversed intranasally with naloxone. Low-dose options, developed for reviving people who have got an overdose caused by non-synthetic opioids, are dominating. These options have recently become available as over-the-counter (OTC) products.

### Orexo aiming to tackling the crisis from a broad and holistic angle

Since 2013, Orexo has offered Zubsolv®, a MAT option for OUD. Available in six different dosage strengths, Zubsolv allows healthcare providers to tailor treatment to the individual needs and treatment cycles of patients.

To support patients in developing behavioral skills and receive motivational guidance as part of their treatment, Orexo has developed MODIA®, a digital support program available to patients 24/7.

In response to the rise in fentanyl misuse, a high-dose rescue medication for opioid overdose, OX124, has been developed. OX124 is designed to save lives in the event of overdose from illicit synthetic opioids. This medication has completed all clinical phases and is now in the registration stage.

### Drivers for market growth

In 2024, the US buprenorphine/naloxone market grew 3 percent, a minor slowdown versus last year growth of 4 percent. Expectations are that the market growth will be positively impacted long-term by the new law, the Mainstreaming Addiction Treatment Act. The law, effective 2023, removed the cap on the numbers of patients physicians can treat with MAT and now all physicians with a license to prescribe controlled drug substances can prescribe MAT for OUD.

OTC sales of overdose rescue medications are expected to continue widen the naloxone market. The need for more potent overdose treatments, together with the mandatory co-prescription of rescue medication when managing patients with severe pain, are expected

## OUD product portfolio


MAT treatment.


Digital support program.

High-dose rescue medication for opioid overdose (in registration phase).

## Products that go beyond OUD


Abstral® for the treatment of breakthrough cancer pain to which Grunenthal owns the commercial rights.


Edluar® for the treatment of short-term insomnia to which Viatris owns the commercial rights.

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to accelerate the prescription market during 2025 and beyond. Expectations are that the total naloxone market will grow at a CAGR of 11 percent, from 2023–2032.[8]

### Well-positioned to capitalize on market growth

In the US buprenorphine/naloxone market, where generic alternatives are dominating,[9] Zubsolv® is the only medication actively marketed to healthcare providers in states with a high prevalence of OUD. This positions Orexo to educate healthcare providers about the benefits of Zubsolv and raise awareness about OUD as a disease.

Access to reimbursement is critical in enabling the prescription of medications, and Zubsolv maintains best-in-class market access within the commercial payer segment.[10] 98 percent of patients with private insurance can have Zubsolv reimbursed, while 50 percent of those with public insurance are covered.[11]

For MODIA®, there are opportunities to collaborate with healthcare providers to develop programs supporting OUD patients, both through MODIA individually and under the concept of MATCore®. These initiatives are expected to be funded through grants from abatement funds aimed at combating the opioid crisis.

OX124 is expected to be reimbursed by insurance companies and prescribed by healthcare providers. The rescue medication has the potential to play a crucial role in treating individuals requiring multiple doses of 4 mg (low-dose) naloxone, particularly in overdose cases involving synthetic opioids like fentanyl. Additionally, OX124's powder naloxone formulation, which has reduced sensitivity to temperature fluctuations and does not freeze, could offer a valuable solution in colder climates where naloxone is stored outside.

1. World Drug Report.
2., 3. SAMHSA Key Substance Use and Mental Health Indicators in the United States: Results from the 2023 National Survey on Drug Use and Health.
4., 5., 6. US Center of Disease Control and Prevention, predicted number ending Aug. 2024.
7. US Joint Economic Committee.
8. Custom market insight.
9. Generics of Suboxone® Film and tablets and also of Subutex® tablets.
10. Healthcare financed by private insurance companies.
11. Healthcare financed by the public sector payers, such as Managed Medicaid, FFS Medicaid and Medicare Part D.

OREXO INSIGHTS 2024

## The synthetic opioid fentanyl increasingly poisons young Americans

Last year, the Drug Enforcement Agency seized 74.5 million pills containing fentanyl. This record-breaking number helps to explain why so many young people are experiencing unintended fentanyl poisonings. This article explores the risks and why young people are more susceptible to the dangers of taking, and dying from, illicitly manufactured fentanyl pills.

Read more on www.orexo.com/media

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# AmorphOX

**The next-generation drug delivery technology unlocks a broad range of new opportunities in the development of innovative drugs**

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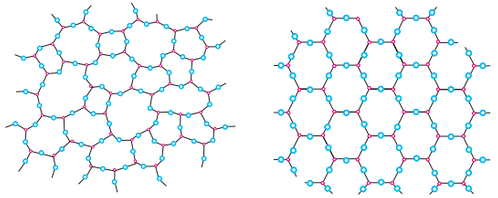
## THE NEED

Amorphous materials are more and more common in drug development and can be of great importance for the properties of the drug product. These materials are non-crystalline and possess no long-range order, providing them with unique and highly attractive properties, such as very rapid dissolution in aqueous solutions.



**Amorphous materials** **Crystalline materials**

Amorphous materials are non-crystalline and unstable, but offer rapid dissolution in drug development.

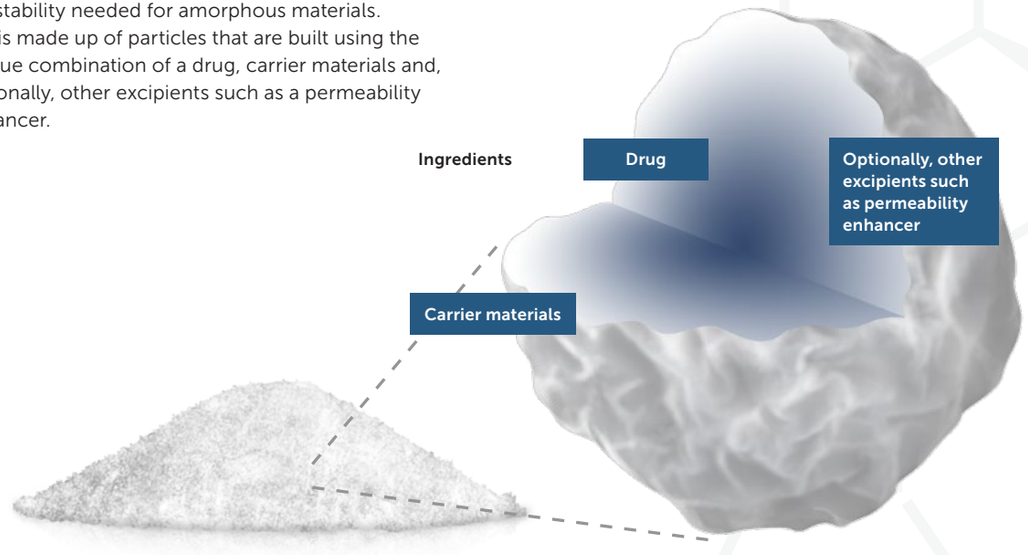
## THE CHALLENGE

Historically, amorphous drug compositions were found to degrade during storage due to chemical and physical instability. Orexo has developed a solution: AmorphOX®.

## THE SOLUTION

AmorphOX is a powder-based technology providing the stability needed for amorphous materials.

It is made up of particles that are built using the unique combination of a drug, carrier materials and, optionally, other excipients such as a permeability enhancer.

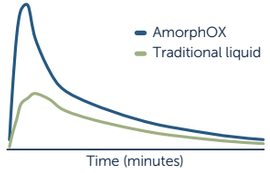


# THE UNIQUE STRENGTHS

## AmorphOX is validated in multiple clinical trials

AmorphOX® has successfully been validated in multiple clinical studies during the development of nasal rescue medications for opioid overdoses, one including naloxone (OX124) and one with nalmefene (OX125). In addition, it has also been clinically proven with epinephrine (OX640), a product for acute treatment of allergic reactions, including anaphylaxis. Data has demonstrated qualities such as rapid absorption, excellent bioavailability and improved handling and storage properties.

**Plasma concentration**
Superior pharmacokinetic (PK) properties with more rapid onset, higher peak and overall exposure.

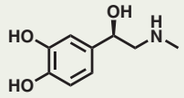



## AmorphOX's unique properties ensure physical and chemical stability

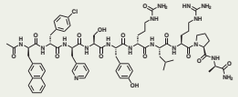
When AmorphOX is tested with various APIs the particles are presented as an amorphous composite of the various ingredients resulting in excellent chemical and physical stability in both low and high temperatures, meanwhile the rapidly dissolving property is maintained.

**Examples Chemical degradation after accelerated stability studies at 40°C/75% RH**

**Small molecules**
Ephinephrine
0.3% after 24 months



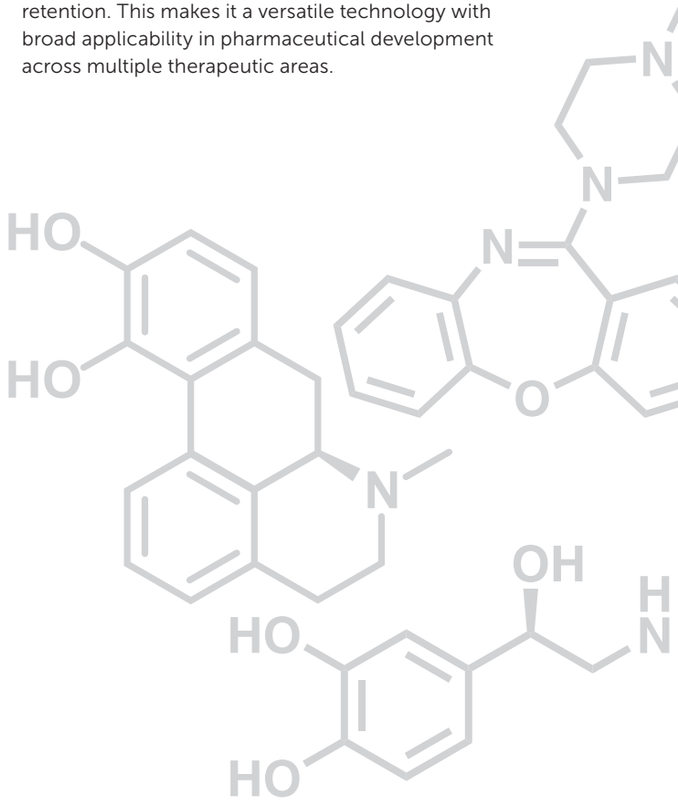

**Peptides**
Cetrorelix
0.6% after 12 months



**Biologics**
Protein (spike protein)
Retained activity
after 3 months (40°C)

## AmorphOX is a versatile platform

AmorphOX works with a broad spectrum of active chemical substances, including small molecules, peptides and biologics, and the properties of the powder can be tailored to meet specific needs such as particle size, dissolution properties, and mucosal retention. This makes it a versatile technology with broad applicability in pharmaceutical development across multiple therapeutic areas.

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PARTNERSHIPS

# Leveraging strategic partnerships to maximize the potential of AmorphOX

A key part of Orexo's strategy to expand the use of AmorphOX® is to enter strategic partnerships with both large pharmaceutical companies and smaller, research-focused businesses. By testing AmorphOX in combination with molecules controlled by these partners, we aim to develop new and improved medicines, while also gathering valuable data to enhance the technology.

### Unlocking significant opportunities for partnerships

Partnerships can create significant opportunities for partner companies:

- New product opportunities by improving existing medicines
- Expanded indications to target additional therapeutic areas
- Improved speed of onset for faster therapeutic action
- Increased patient convenience through more accessible delivery options
- Prolonged intellectual property (IP) protection as part of lifecycle management[1]
- Enhanced stability, which can streamline supply and distribution chains by eliminating the need for cold chains.

By leveraging the strengths of AmorphOX, our partners can unlock the full potential of their molecules, bringing innovative treatments to market faster and more efficiently.

### Streamlining nasal drug delivery

Thanks to the powder-based technology, the drug can be adapted to be absorbed by the body through different routes of administration. For intranasal delivery, which applies for Orexo's rescue medications a supply chain has been developed, ensuring cost-efficiency and reliability. This strengthens the ability to scale up future intranasal product developments, both internally and in collaboration with other pharmaceutical companies.

### Strong patent strategy

The in-house IP department works closely with the R&D team to ensure robust protection throughout the development process securing technologies and pipeline projects are supported by a comprehensive patent strategy. Orexo's strong patent portfolio, including enforceable patents listed in the FDA's 'Orange Book', safeguards the products in key markets.

1. The AmorphOX technology is protected by patents and patent applications until 2039–2044.

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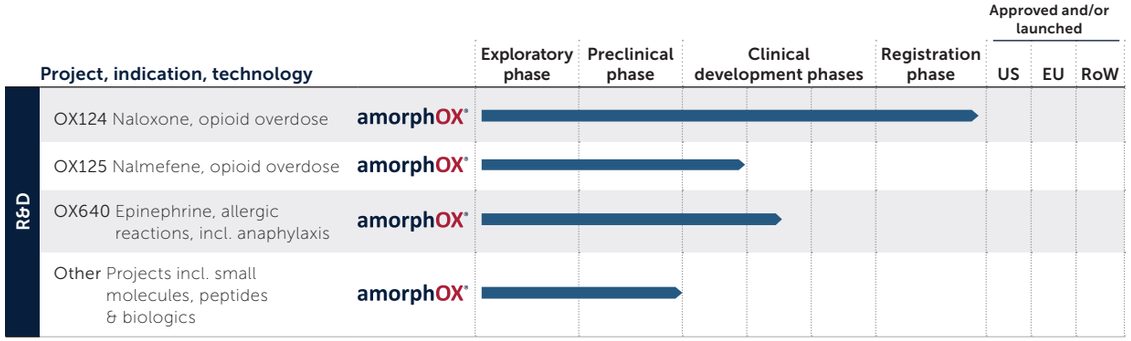
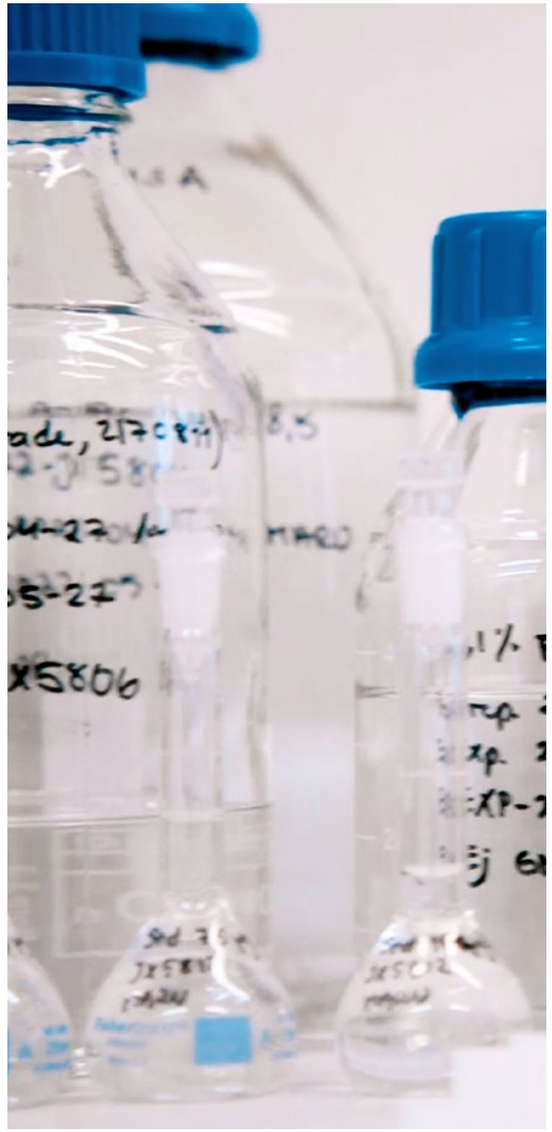
# AmorphOX is accelerating the development of new drugs

**The AmorphOX® technology can be applied to a broad scope of active ingredients, including small and large molecules. It is already being used across multiple research projects, including rescue medications at a clinical stage and those at an early development stage. For projects that goes beyond Orexo's key therapeutic area opioid dependence, the company is seeking partnerships for development and commercialization.**



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# OX124

**Rescue medication for opioid overdose with a high dose powder-based naloxone**

- Intranasal delivery
- Based on the AmorphOX® technology
- In-house development

OX124 is a high-dose nasal powder to be used in life-threatening situations where the overdose on any opioid is suspected, indicated by e.g., unconsciousness or opioid-induced respiratory depression (OIRD). Has reached registration phase.

### Clinical data and IP

Formulations of OX124 have shown more rapid absorption and higher plasma concentrations of naloxone compared to the current market leader. These properties can be critical in avoiding brain damage and saving lives as well as preventing re-intoxification during the revival process. In addition, the AmorphOX technology, which is the backbone in OX124, contributes to improved stability of the active substance and reduces its sensitivity related to temperature changes.

OX124 is protected by patents until 2039.


# OX640

**Rescue medication for allergic reactions with powder-based epinephrine**

- Intranasal delivery
- Based on the AmorphOX technology
- In-house development. Seeking partner for continued development and global commercialization.

OX640 is a best-in-class intranasal epinephrine product that has a rapid onset to counteract suspected anaphylactic reactions in patients. The powder-based formulation is extremely stable at a wide range of very low to high temperatures, allowing patients to take the medication with them wherever they go.

OX640 has the potential to be a highly competitive needle-free epinephrine product with several differentiating properties:

- superior absorption and exposure
- longer shelf life
- less restrictive storage requirements
- improved dose conformity
- preservative free.


1. The study was a cross-over study in 30 subjects.

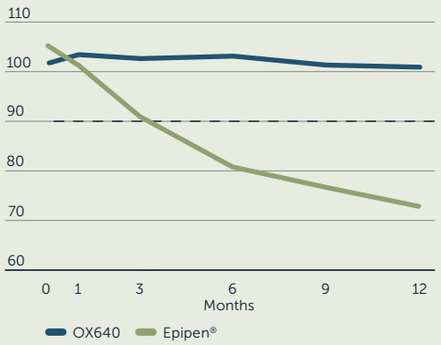
### Clinical data and IP

OX640 has shown positive data from a comparative bioavailability study performed in 40 healthy volunteers assessing four investigational formulations of OX640 compared to a marketed epinephrine auto-injector. All four investigational formulations were extensively absorbed and rapidly achieved clinically relevant plasma levels of epinephrine comparable to the reference product. Furthermore, all four OX640 formulations showed concentration dependent effects on heart rate and blood pressure, a pharmacological response relevant for the treatment of allergic reactions.

A second clinical study with OX640 evaluated both pharmacokinetic and pharmacodynamic effects of OX640 in subjects with and without allergic rhinitis.[1] Data showed OX640 treatments achieved clinically relevant plasma levels of epinephrine more rapidly than the intramuscular reference product. In addition, absorption under allergic rhinitis conditions was significantly faster than under normal conditions, supporting rapid onset of effect also in patients with airway symptoms.

OX640 is protected by patents and patent applications until 2044.

Stability study showing epinephrine content, % (storage at 40°C/75% RH).



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# OX125

**Rescue medication for opioid overdose with powder-based nalmefene**

- Intranasal delivery
- Based on the AmorphOX® technology
- In-house development

OX125 is a clinical-stage powder-based formulation of nalmefene for intranasal administration in life-threatening situations where the overdose on any opioid is suspected. Nalmefene has a prolonged half-life compared to naloxone and may potentially last longer than the majority of highly potent synthetic opioids.

### Clinical data and IP

OX125 has shown positive results from a human pharmacokinetic study. The study was a cross-over, comparative bioavailability study in healthy volunteers to assess nalmefene absorption from three development formulations of OX125, compared to a nalmefene intramuscular injection. Data demonstrated extensive and rapid absorption across all three formulations as well as good tolerability.

OX125 is protected by patents until 2039.

# Early stage projects

- Multiple delivery methods
- Based on the AmorphOX technology
- In-house development or in collaboration with partners

Projects in the exploratory or pre-clinical phase focus on testing different formulations of the active substance and evaluating the stability benefits of the AmorphOX technology. Testing is conducted in-house or in collaboration with other pharmaceutical companies interested in exploring their molecules with AmorphOX.

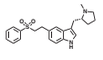
Among projects disclosed are the collaboration with the international pharmaceutical company Sobi where one of their biomolecules has been formulated using the AmorphOX technology. Conducted exploratory feasibility studies have shown excellent results in the ability to retain activity when stored at room temperature and exposed to accelerated conditions for which the original formulation requires storage in the refrigerator. Purity was assessed at 99 percent, even when stored at 50°C over 1 month.

Another disclosed collaboration is with Abera Bioscience, which develops platforms and vaccines based on over 30 years of research in the medical, molecular and microbiological field. The aim of the collaboration is to develop mucosal vaccines based on Abera's innovative and patented vaccine platform and in a first step focusing on Abera's influenza vaccine candidate. By combining Abera's unique expertise in molecular research with Orexo's powder-based drug delivery technology, AmorphOX, there is potential to develop nasal vaccines with improved chemical and physical stability. Stable vaccines may have longer shelf life and are easier to handle as they do not require cold chains to ensure reliability and efficacy.

### Chemical degradation in molecules showed in accelerated stability studies at 40°C/75% RH

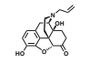
**Small molecules**

Apomorphine
0.2% after 24 months



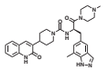
Eletriptan
0.5% after 12 months

Loxapine
0.3% after 24 months



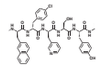
Naloxone
≤0.1% after 24 months

Ephinephrine
0.3% after 24 months



Zavegepant
<0.1% after 9 months

**Peptides**



Cetrorelix
0.6% after 12 months

**Biologics**

Enzyme
Retained activity after 1 month

Protein
(spike protein)
Retained activity after 3 months

Vaccine
(Attenuated virus)
Retained titer levels, resilient to freeze thaw cycles

# Board of Directors' report

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# Organization

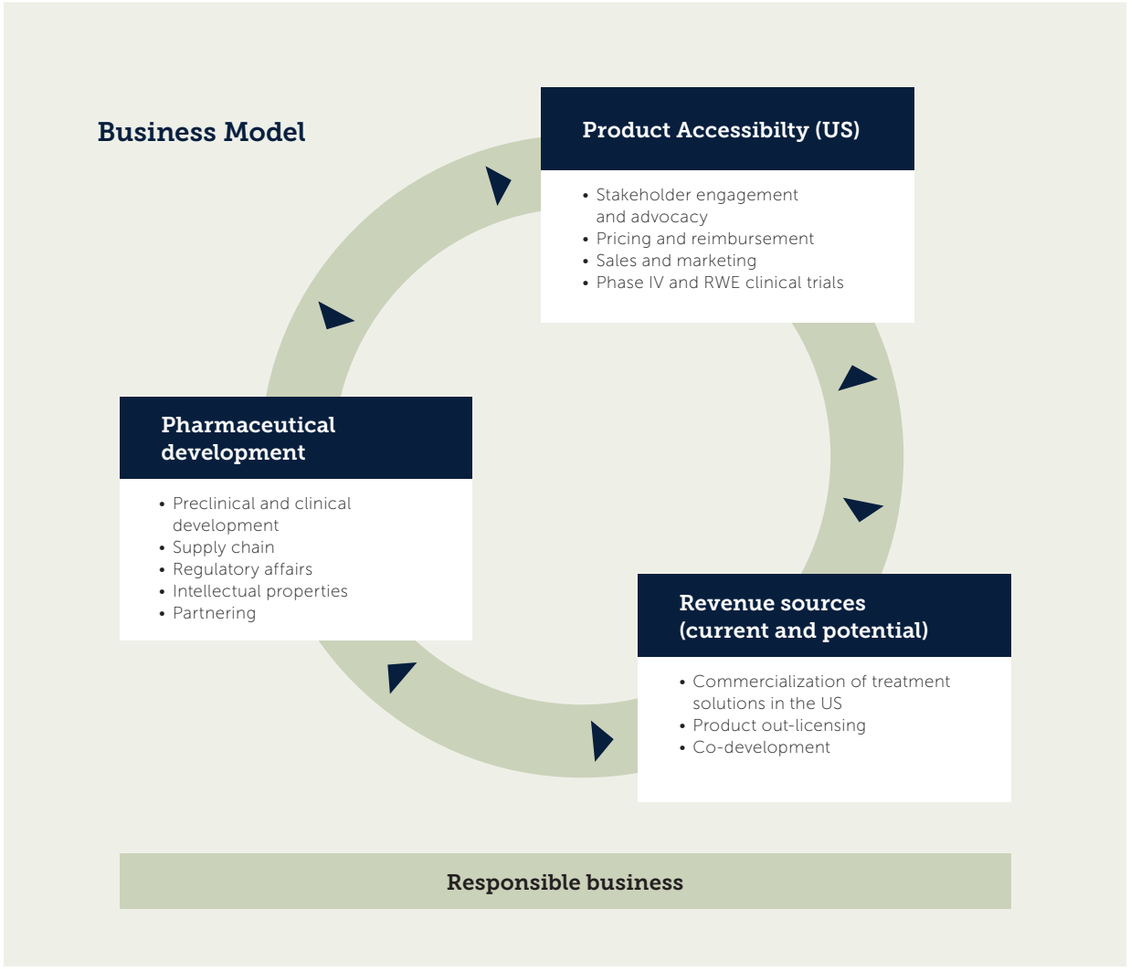
**The Board of Directors and the President of Orexo AB (publ), corporate registration number 556500-0600, hereby submit the Annual Report and consolidated financial statements for the fiscal year January 1–December 31, 2024. Orexo's registered office is in Uppsala, Sweden.**

## The company

Orexo is a Swedish pharmaceutical company with 30 years of experience developing improved pharmaceuticals based on proprietary drug delivery technologies that meet large medical needs. On the US market, Orexo provides innovative treatment solutions for patients suffering from opioid use disorder. Products targeting other therapeutic areas are developed and commercialized worldwide with partners. Total net sales in 2024 amounted to SEK 590 million, and the number of employees to 110. Orexo is listed on Nasdaq Stockholm's main list and is available as ADRs on the OTCQX market in the US.

## Business model

Orexo's business model is integrated and spans from the innovation phase to product access and commercialization. Cross-functional teams bring together specialist competencies to evaluate new development projects funded by revenues from the company's own sales or out-licensing of products and development projects.

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### Revenue sources

Sales are generated predominantly from the lead product Zubsolv® for the treatment of OUD. Other revenues come from out-licensing of Zubsolv or other drugs commercialized by partners, such as Abstral® for breakthrough cancer pain and Edluar® for insomnia. Revenues from the lead product have enabled investments in research and development, including the next-generation drug delivery technology AmorphOX®. Investments in these assets are expected to generate future revenues from sales, including upfront and milestone payments, and royalty.

### Pharmaceutical development

Orexo develops pharmaceuticals meeting large medical needs and that are based on proprietary drug delivery technologies. Cross-functional teams bring together competencies in research and development, medical affairs, and business development to evaluate potential future projects. Orexo's long experience in developing pharmaceuticals that have reached approval in markets globally has brought extensive knowledge throughout the entire development chain. Central to the development process is building a strong patent portfolio that covers all products and development projects.

### Product accessiblity

The presence on the US market provides the opportunity to have regular interactions with authorities, decision-makers, healthcare systems, insurance companies and patient organizations. In addition to pushing for decisions to be made that increase access to treatment, these interactions provide unique knowledge that is used, among other things, in the evaluation of new development projects. The sales force meets daily with private practitioners, clinics and hospitals and are an important distribution channel for reaching out with treatments to those who need them most.

### Responsible business

Orexo's Code of Conduct sets the basis for the sustainability work and underpins all business activities. The sustainability plan focuses on access to healthcare, employees, environment, and climate change. With its outsourced production and supply, Orexo depends on responsible suppliers and expects them to be socially and environmentally accountable based on the Supplier Code of Conduct and well-developed sustainability assessment processes.

## Operational and reporting structure

The operation is presented in two business areas, Commercial Products and Products under Development. From a financial reporting standpoint the segment reporting consists of two segments US Commercial and HQ & Pipeline. US Commercial contains commercialization of Zubsolv and the digital support program MODIA® in the US. The HQ & Pipeline segment consists of the Group head quarter functions including Business Development, R&D, Global Regulatory and Supply Chain.

The HQ & Pipeline segment also includes royalty payments from partners who have acquired the rights to Orexo's products. These include:

- Accord Healthcare for Zubsolv in the EU.
- Grunenthal for Abstral on all markets, excluding the EU and the US.
- Viatris, for Edluar in the EU and the US.

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# The year in brief

## The Business

### Commercial Products

- Orexo and GAIA decided to terminate the partnership agreement, covering the rights for Orexo to commercialize the digital mental health program for depression, Deprexis®, in the US.
- Patent litigation with Sun Pharmaceutical Industries regarding Zubsolv® US was resolved allowing Sun to enter the US market with its generic versions in September 2030.
- Patients access to Zubsolv in the commercial payer segment was unchanged at 98 percent. Corresponding number for the public payer segment was 50 percent (51).

### Products under Development

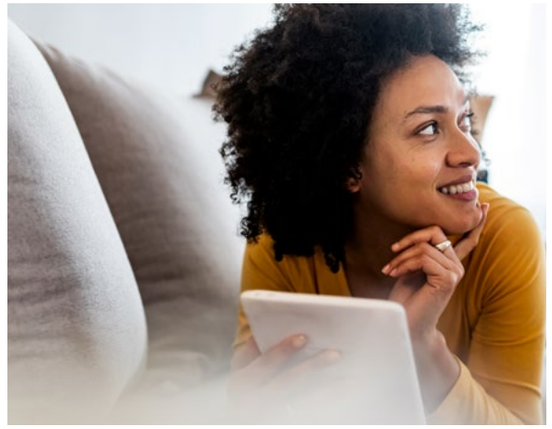
- Orexo and Sobi agreed to advance feasibility studies where the AmorphOX® technology is tested with one of their biomolecules.
- Data from the clinical phase 1 study and stability data for OX640, a nasal epinephrine powder product, were presented at the American Academy of Allergy, Asthma & Immunology Annual Meeting in Washington DC.
- United States Patent and Trademark Office granted the second patent in the US for OX640.
- For OX124, a high-dose naloxone rescue medication for opioid overdose, a complete response letter was received from the FDA, requesting additional technical data on the final commercial product and additional data from a new human factor (HF) study.
- A new HF study for OX124 was successfully conducted.
- OX640 continues to show excellent results in ongoing stability studies. Latest data shows that the dose of epinephrine in OX640 is unchanged after storage for 24 months in high temperature conditions (40°C/75% RH).
- A collaboration was entered with Abera Bioscience to develop nasal powder vaccines based on the AmorphOX technology.

## Sustainability and organization

- A four-year social bond of SEK 500 million was issued to refinance the existing bond. The new bond was classified as a social bond after a social financing framework was established.
- Orexo AB's sustainability work was ranked among the top five percent of all 70,000 businesses worldwide reviewed by EcoVadis.
- In preparation for a potential implementation of the Corporate Sustainability Reporting Directive (CSRD), a double materiality analysis was conducted.
- The annual employee survey continues to show strong result. Eight of ten employees are satisfied with working at Orexo.
- Friedrich von Bohlen und Halbach was elected as board member at the extraordinary general meeting on December 18.

## Events after the end of the period

- Positive topline data showed from an exploratory clinical study of OX640 in participants with allergic rhinitis.
- Future rights to royalties for OX-MPI, a new treatment for endometriosis, were converted to shares in Gesynta Pharma valued at SEK 19 m and recognized in Q4 2024.



### Operational key figures 2024

**98%**

Share of patients with access to Zubsolv in the commercial payer segment.

**50%**

Share of patients with access to Zubsolv in the public payer segment.

**2nd**

US patent granted for OX640 in the US.

**Top 5%**

in EcoVadis sustainability ranking (refers to Orexo AB).

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# Operational development

## Commercial Products

### Continued strong access to the commercial payer segment

In 2024, more than 42,000 visits, digital meetings or calls were made to inform physicians and other healthcare professionals about the benefits of prescribing Zubsolv®, as well as educating about the disease of opioid dependence. In addition, the work continued at both federal and state levels collaborating with policy makers to increase access to treatment in general, as well as reaching out to insurance companies for reimbursement of Orexo's own products.

In July 2024, Zubsolv was added to the Utah Medicaid formulary list, but due to changes in one Medicare payer total access to the public payer segment was unchanged at 50 percent. Zubsolv's best in class market access in the commercial payer segment was also maintained at 98 percent.

### Stabilization in Zubsolv volume

The buprenorphine/naloxone market grew 3 percent in volume, which aligns with last year's market development. Zubsolv volume showed the most stable development since the loss of the exclusive position with the insurance companies United Health Group (UHG) and Humana in 2019, minus 2 percent (–5). From a payer perspective, Zubsolv volume change was minus 1 percent in the public payer segment, outperforming Medicaid/Medicare market devolopment which showed a decrease of 3 percent. Zubsolv in the commercial payer segment decreased 4 percent, mainly driven by UHG and Humana.

Market growth within the commercial payer segment was 19 percent, largely due to a shift of patients from government funded to privately funded care, a result of measures implemented during Covid-19 to access care via Medicaid. These Covid-19 related measures gradually came to an end in 2024, benefiting the commercial payer segment, as patients undergoing treatment paid by Medicaid switched to the commercial segment. Orexo believes the growth in the commercial segment may drive Zubsolv's volume going forward.

In 2024, we experienced more volatility in wholesalers level of inventory, which during the first quarter was reported by more companies in the industry. On an annual basis, the wholesalers reduced their inventories, influencing sales performance versus 2023.

### Resolution of patent litigation for Zubsolv in the US

For Zubsolv in the US, a lengthy patent litigation with Sun Pharmaceutical Industries (Sun) was resolved, allowing Sun to enter the market with its generics in September 2030. The resolution eliminates the risk of Sun prevailing in the appeal court, which could have allowed for the entry of Zubsolv generics as early as in 2025. Orexo still have ten patents listed in the Orange Book protecting Zubsolv on the US market until September 2032.[1]

1. For more details see Litigations.

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### OX124 – overdose market insights

Preparations for the US launch of OX124, a high-dose rescue medication for opioid overdoses, were initiated. A commercial lead with extensive experience from the launch of the market-leading low-dose rescue medication was recruited, and work on the commercialization strategy was accelerated. Despite receiving a complete response letter for OX124 during the summer, which will cause a delay in the launch, the US team continued its preparations, with a focus on further understanding the product's value proposition. Multiple potential customer groups were analysed, with findings suggesting that OX124 is particularly beneficial for patients requiring multiple 4 mg doses for revival. This is often common for individuals who have overdosed on illicitly manufactured fentanyl, which has become increasingly prevalent in the US. Additionally, the AmorphOX® technology ensures OX124 is resistance to freezing temperatures, making it especially valuable in regions with cold winters.

### The rights to Deprexis were returned to GAIA

Effective reimbursement mechanisms and distribution channels are critical to the success of digital mental health programs. This has been a challenge, limiting Orexo's and other companies' ability to introduce this new product category in the US market. During the year, the Centers for Medicare and Medicaid Services (CMS) introduced a new policy that provides reimbursement for digital support programs. However, to add these programs to the insurance companies' treatment lists, they must meet CMS's technical and regulatory requirements. Currently, none of Orexo's digital programs, MODIA®, Deprexis® or Vorvida®,[2] comply with these standards, meaning additional investment is needed by Orexo to secure reimbursement eligibility. These new conditions along with Orexo's strategy to focus on its key area of treating patients in the US with opioid use disorder (OUD), an evaluation of new opportunities for Deprexis was conducted in partnership with GAIA. Both parties agreed that the rights to Deprexis will be retransferred to GAIA, effective December, 2024.

The opportunities for Vorvida will continue to be assessed and a discussion is ongoing with GAIA about the best path forward given the market conditions.[3]

### Out-licensed products marketed in regions outside the US[4]

Orexo's partner, Accord Healthcare, owns the commercial rights to Zubsolv® in the EU. By end of December, 2024, Zubsolv was available for patients in eleven European countries. To increase competitiveness a collaboration was initiated with Accord Healthcare to establish a more streamline supply chain moving manufacturing to a plant in the UK controlled by Accord Healthcare.

The commercialization of Zubsolv across the EU has the potential to span over 29 countries. Orexo will receive double-digit royalties on net sales. Zubsolv is protected by patents in the EU until 2032.

2. MODIA for opioid use disorder, Deprexis for depression and Vorvida for alcohol misuse.
3. The full value of Deprexis and Vorvida was impaired in 2024. For more information see Financial development.
4. Out-licensed products are included in the financial reporting segment HQ & Pipeline.

Other partners include Grunenthal[5] who owns the rights to Abstral® for the treatment of breakthrough cancer pain and Viatris who is commercializing Edluar®.

For Abstral, most of the remaining patents covering the products in the Rest of the World region[6] expired in 2024 as well as some commercialization agreements. Orexo expects to receive continued decrease in royalty from Abstral over the coming years.

Viatris commercializes Edluar on the EU market and has also the rights to the US market. Edluar is protected by patents in the EU until 2025 and in the US until 2031.

## Products under Development

### AmorphOX® platform advances innovation in life-saving medications

Throughout the year, the AmorphOX platform remained a cornerstone in the early stage development of new potential medications. The powder-based technology supports the development of the rescue medications OX124 and OX125, both designed to reverse fatal opioid overdoses, as well as OX640 for allergic reactions, including anaphylaxis. All of these products leverage the platform's advantages, including rapid uptake, high bioavailability, and stability. These properties are highly sought after in the pharmaceutical industry, for example for rescue medications.

### A CRL will cause a delay in FDA approval of OX124

In July, the FDA issued a complete response letter (CRL) for OX124, a high-dose naloxone rescue medication for opioid overdose, following the submission of a new drug application (NDA) in 2023. FDA asked for adjustments in the instructions for use and a validation of these in a new human factor (HF) study, which was successfully completed during the summer. In addition FDA asked for more technical data from the final commercial product and the tests needed were agreed with the FDA in November. However, FDA reserves the right to decide whether the data are sufficient when reviewing the updated NDA.

To generate the new data from commercial manufacturing, Orexo is dependent on external parties. A supplier of a critical component has issues with the manufacturing, and delivery of the component is delayed. This will impact the timeline for manufacturing and testing which will impact the timeline for approval of OX124.

### OX125 – strong synergies with OX124

For OX125, a rescue medication for opioid overdoses including nalmefene, activities were kept at a low level. If the project will accelerate, the remaining time for development will be relatively short given the synergies between OX124 and OX125 are significant in terms of development and product supply.

5. Grunenthal entered a joint venture collaboration with Kyowa Kirin (KK) in November 2022, where Grunenthal owns 51 percent of KK.
6. Markets outside the US and EU.

OREXO INSIGHTS 2024

### Analytical chemist Anneli Wennman's insights on pushing innovation forward

Team member Anneli Wennman shares insights into her role at Orexo and the exciting projects with the potential to shape the future of medicine. From tackling complex challenges in data analysis to work with cutting-edge formulations, and continuous learning shines through. With a focus on advancing projects like OX124 and OX640, and leveraging the unique capabilities of the AmorphOX platform, she is contributing to innovations that could revolutionize the way medicines are developed and delivered.

Read more on www.orexo.com/media

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### Advanced clinical development for OX640

US and EU regulatory authorities approved the first nasal liquid-based drug for treating allergic reactions, including anaphylaxis, signalling a potential shift in the market from auto-injectors to nasal products as the standard of care. Unlike this liquid-based treatment, OX640 is a powder formulation, offering advantages such as improved handling and shelf life. To establish the remaining clinical development route for OX640, the FDA was engaged in constructive discussions. As a first next development step a new study evaluating its performance in patients with allergic rhinitis was successfully conducted. Also, some minor work was performed to prepare for an upscaling of the manufacturing to commercial batches. OX640 will be able to leverage the established OX124 supply chain.

OX640's patent protection was further strengthened with an additional US patent and the product is now protected by patent and patent applications until 2044.

As part of the strategy for further clinical development and global commercialization, Orexo was actively engaging in discussions with potential partners. These discussions has continued into 2025.

### Collaborations to accelerate AmorphOX adoption

The properties of the AmorphOX® technology, in particular its ability to improve the chemical and physical stability of active substances, from small to large molecules, offer significant potential for scalability. A key strategy to drive the adoption of the AmorphOX technology involves testing it in combination with molecules from other companies, including both large pharmaceutical corporations and smaller, research-focused firms. The goal is to develop improved medicines or generate valuable data leveraging the technology's capabilities.

In early 2024, a collaboration was entered with Sobi, a Swedish international biopharmaceutical company, after completing a successful feasibility study to test whether one of Sobi's biomolecules would maintain its activity when formulated with AmorphOX. Throughout the year additional exploratory studies have successfully been conducted confirming that the AmorphOX technology can add unique properties to Sobi's biomolecule. The collaboration has the potential to proceed into a continued development program.

In a strategic move to further scale AmorphOX, a partnership was entered with Abera Bioscience (Abera), a company known for its expertise in molecular and microbiological sciences. The collaboration aims to develop nasal powder-based vaccine candidates, with an initial focus on Abera's influenza vaccine. By combining the AmorphOX and Abera's respective technologies, the objective is to create formulations that significantly improve the stability of active ingredients and enable alternative, more effective methods of administration.

In parallel, extensive internal testing was conducted to evaluate the performance of AmorphOX with various substances, including small molecules, peptides, and biologics. Stability studies consistently demonstrate that AmorphOX preserves the activity of these substances under conditions of extreme temperature variation and moisture exposure.

## OX640 study data presented at the AAAAI Annual Meeting

OX640 was presented, at the American Academy of Allergy, Asthma & Immunology (AAAAI) Annual Meeting. The presentation, titled Bioavailability and Stability of an Epinephrine Nasal Powder Formulation for Treatment of Anaphylaxis, was selected by the AAAAI program committee for the late-breaking oral abstract session.

Dr. Anne K. Ellis, Professor and Chair of Allergy & Immunology at Queen's University, presented data from the clinical phase 1 study and stability data from ongoing studies. Additionally, Orexo's SVP and Head of R&D, Robert Rönn, presented a poster including detailed clinical and stability data.

# Financial development

## Net revenues

Total net revenues amounted to SEK 590.0 million (638.8).

US Commercial revenues amounted to SEK 560.3 million (577.7), the decrease is mainly explained by higher wholesaler destocking.

HQ & Pipeline partner related revenues amounted to SEK 29.7 million (61.1). Abstral® royalties amounted to SEK 8.2 million (31.9), the decrease is mainly explained by expiring royalty agreements in various markets. Edluar® royalties amounted to SEK 12.5 million (10.8). Net revenue for Zubsolv® ex-US amounted to SEK 8.9 million (18.4), the decrease is mainly explained by lower sales of tablets to Orexo's partner Accord Healthcare.

## Costs and net earnings

Cost of goods sold (COGS) amounted to SEK 72.1 million (88.9). US Commercial amounted to SEK 66.3 million (69.2), the decrease is mainly explained by favorable production costs for Zubsolv US partly offset by higher technical infrastructure costs for Digital Mental Health Programs (DMHP). HQ & Pipeline amounted to SEK 5.8 million (19.6), the decrease is due to lower sales of Zubsolv ex-US tablets to Orexo's partner Accord Healthcare.

Impairment in Q4 2024 of intangible assets Deprexis® of SEK 71.1 million (0.0) and Vorvida® of SEK 28.1 million (0.0) totaling SEK 99.2 million has been allocated SEK 14.6 million to Administrative expenses and SEK 84.6 million to Research and development costs.

Selling expenses amounted to SEK 191.3 million (181.5), the increase compared to previous year is mainly explained by higher selling expenses in US Commercial associated with the launch preparations of OX124.

Administrative expenses amounted to SEK 165.3 million (188.0), mainly due to lower legal expenses for IP litigation in HQ & Pipeline. This was partly offset by higher legal costs for DOJ investigation and impairment of DMHP intangible assets Deprexis of SEK 7.9 million (0.0) and Vorvida of SEK 6.7 million (0.0) in US Commercial.

Research and development costs amounted to SEK 340.0 million (303.1), the increase is mainly explained by impairment of DMHP intangible assets Deprexis of SEK 63.2 million (0.0) and Vorvida of SEK 21.4 million (0.0) in HQ & Pipeline and accelerated amortization of activated Zubsolv clinical studies of SEK 8.9 million (0.0) partly offset by lower costs for OX640 and OX124 and absence of Modia study which was finalized in Q3 2023.

Other operating income and expenses amounted to SEK 38.4 million (13.3). This is mainly explained by a positive impact of SEK 19.2 million (0.0) from the value recognition following conversion of rights to future proceeds and royalties from vipoglanstat (OX-MPI), to shares in Gesynta Pharma AB. Exchange-rate gains derived from revaluations of parent company balance sheet items in foreign currency, predominantly in USD, amounted to SEK 5.8 million (–1.4) partly offset by lower received insurance reimbursement contributed positively with SEK 10.6 million (11.8).

Depreciations and amortization amounted to SEK 189.2 million (77.0), the increase is mainly explained by impairment in Q4 2024 of intangible assets Deprexis® of SEK 71.1 million (0.0) and Vorvida® of SEK 28.1 million (0.0) totaling SEK 99.2 million and accelerated amortization of Zubsolv clinical studies of SEK 8.9 million (0.0).

Net financial items amounted to SEK –50.3 million (–30.8). The decrease is explained by higher costs for the corporate bond loan and lower earned interest on bank accounts.

Total tax expenses amounted to SEK –12.4 million (12.0), explained by negative adjustment to deferred tax assets related to temporary differences. Orexo performs regular assessments of its deferred tax asset and makes adjustments according to the recognition requirements of IAS 12.

## Financial Performance

### Condensed consolidated statement of operations

| SEK million | 2024 | 2023 |
|---|---|---|
| Net revenues | 590.0 | 638.8 |
| Cost of goods sold | –72.1 | –88.9 |
| Gross profit | **517.9** | **550.0** |
| Selling expenses | –191.3 | –181.5 |
| Administrative expenses | –165.3 | –188.0 |
| Research and development costs | –340.0 | –303.1 |
| Other operating income and expenses | 38.4 | 13.3 |
| Operating earnings | **–140.3** | **–109.5** |
| Net financial items | –50.3 | –30.8 |
| Earnings after financial items | **–190.6** | **–140.3** |
| Income tax | –12.4 | 12.0 |
| Net earnings for the year | **–203.0** | **–128.3** |

### Revenues

#### Net revenues

| SEK million | 2024 | 2023 |
|---|---|---|
| Zubsolv® US product sales | 560.3 | 577.7 |
| Digital Mental Health Programs (DMHP) product sales | 0.0 | 0.0 |
| **Total US Commercial** | **560.3** | **577.7** |
| Abstral® royalty | 8.2 | 31.9 |
| Edluar® royalty | 12.5 | 10.8 |
| Zubsolv® ex US | 8.9 | 18.4 |
| **Total HQ & Pipeline** | **29.7** | **61.1** |
| **Total** | **590.0** | **638.8** |

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Net earnings for the year amounted to SEK –203.0 million (–128.3).

Gross investments in tangible and intangible fixed assets amounted to SEK 4.6 million (19.2).

### Financial position

As of December 31, 2024, cash and cash equivalents amounted to SEK 123.3 million (171.0) and interest-bearing liabilities to SEK 460.0 million (448.4), i.e. a negative net cash position of SEK –336.8 million (–277.4). The interest-bearing liabilities are associated with the corporate bond loan.

Shareholders' equity on December 31, 2024, was SEK –126.3 million (58.9).

### Parent company

Net revenues for the parent company amounted to SEK 303.8 million (494.0) of which SEK 274.0 million (432.9) was related to sales to Group companies. Earnings before tax amounted to SEK 865.3 million (–70.4), refer to Note 31 for further information. As of December 31, 2024, cash and cash equivalents in the parent company amounted to SEK 61.2 million (145.5).

Parent company shareholders' equity at December 31, 2024, was SEK 1,027.4 million (162.1). The increase over the same period last year is mainly explained by the internal transaction with the sale of assets related to the US Zubsolv business to the wholly owned subsidiary Biolipox AB at a fair market value of SEK 1,138.9 million.

### Financial outlook 2025

- The buprenorphine/naloxone market will grow 2–5 percent, based on current growth trajectory
- Zubsolv net sales in USD in the range of USD 50–55 million.
- Opex excluding depreciation and amortization in the range of SEK 460–500 million.
- Positive EBITDA for the FY 2025.

The financial outlook 2025 is based on a forward looking assumption of a USD/SEK exchange rate of 10.50.

## Financial information in brief

### Statement of operations information

| SEK million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Net revenues | 590.0 | 638.8 | 624.3 | 565.0 | 663.6 |
| Cost of goods sold | –72.1 | –88.9 | –102.6 | –78.9 | –65.6 |
| **Gross Profit** | **517.9** | **550.0** | **521.7** | **486.1** | **598.0** |
| Selling expenses | –191.3 | –181.5 | –199.0 | –280.4 | –286.6 |
| Administrative expenses | –165.3 | –188.0 | –202.3 | –151.5 | –102.8 |
| Research and development costs | –340.0 | –303.1 | –318.0 | –272.3 | –224.9 |
| Other operative income and expenses | 38.4 | 13.3 | 13.7 | 4.0 | –3.6 |
| **Operating earnings** | **–140.3** | **–109.5** | **–183.9** | **–214.1** | **–19.9** |
| Net financial items | –50.3 | –30.8 | 13.5 | –8.4 | –18.4 |
| **Earning after financial items** | **–190.6** | **–140.3** | **–170.4** | **–222.5** | **–38.3** |
| Income tax | –12.4 | 12.0 | –7.2 | –1.0 | –46.1 |
| **Net earning for the year** | **–203.0** | **–128.3** | **–177.6** | **–223.5** | **–84.4** |

### Balance sheet information

| SEK million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Intangible fixed assets | 26.9 | 173.3 | 217.4 | 248.9 | 252.8 |
| Tangible fixed assets | 64.7 | 81.0 | 76.1 | 65.9 | 47.3 |
| Right-of-use assets | 16.4 | 24.5 | 46.0 | 59.2 | 67.8 |
| Deferred tax | 38.9 | 48.1 | 33.1 | 33.4 | 32.7 |
| Other financial assets | 1.6 | 0.8 | 0.9 | 0.8 | 0.7 |
| Inventories | 60.1 | 42.4 | 74.6 | 92.3 | 108.4 |
| Accounts receivable | 198.5 | 197.6 | 246.5 | 214.0 | 165.2 |
| Other current assets | 64.6 | 47.8 | 62.6 | 55.2 | 52.6 |
| Short-term investments | – | – | 219.6 | – | – |
| Cash and bank balance | 123.3 | 171.0 | 132.2 | 504.1 | 505.3 |
| **Total assets** | **594.8** | **786.6** | **1,109.0** | **1,273.7** | **1,232.9** |
| Shareholders' equity | –126.3 | 58.9 | 193.9 | 349.6 | 558.5 |
| Interest-bearing liabilities | 460.0 | 448.4 | 494.8 | 492.3 | 291.0 |
| Non-interest bearing liabilities and provisions | 261.1 | 279.2 | 420.3 | 431.7 | 383.4 |
| **Total shareholders' equity and liabilities** | **594.8** | **786.6** | **1,109.0** | **1,273.7** | **1,232.9** |

## Cash flow information

| SEK million | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Cash flow from operating activities before changes in working capital | –30.6 | –41.2 | –206.9 | –245.5 | –35.2 |
| Cash flow changes in working capital | –2.0 | –53.8 | 50.3 | 16.5 | 52.0 |
| Cash flow from operating activities | –32.7 | –95.0 | –156.6 | –229.0 | 16.8 |
| Acquisition of tangible, intangible and financial assets | –4.6 | –19.2 | –23.9 | –52.9 | –189.7 |
| Sale of tangible assets | –0.7 | – | 0.8 | – | – |
| Acquisition short-term investments | – | 0.1 | –295.6 | – | – |
| Disposal of financial assets | – | 219.9 | 84.0 | – | 0.6 |
| Cash flow after investing activities | – | 105.8 | –391.3 | –281.9 | –172.3 |
| Amortization of lease liability | –22.0 | –21.4 | –21.4 | –14.7 | –17.4 |
| Repayment of loans | –451.3 | –48.7 | – | –224.8 | –66.6 |
| Borrowings | 457.7 | – | – | 490.1 | – |
| Buyback of shares | – | – | – | – | –27.3 |
| Cash flow for the year | –53.5 | 35.7 | –412.8 | –31.2 | –283.7 |
| Cash and cash equivalents at year-end | 123.3 | 171.0 | 132.2 | 504.1 | 505.3 |

## Other key figures

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| EBIT margin, % | –23.8 | –17.1 | –29.5 | –37.9 | –3.0 |
| Return on shareholder equity, % | 602.6 | –101.5 | –65.4 | –49.2 | –13.3 |
| Net debt, SEK million[1] | 336.7 | 277.4 | 143.1 | –11.7 | –280.8 |
| Debt/equity ratio, % | –364.2 | 761.3 | 255.2 | 140.8 | 40.2 |
| Equity/assets ratio, % | –21.2 | 7.5 | 17.5 | 27.4 | 45.3 |
| Number of shares, before dilution | 34,491,050 | 34,413,408 | 34,351,732 | 34,319,649 | 34,398,815 |
| Number of shares, after dilution | 34,491,050 | 34,413,408 | 34,351,732 | 34,319,649 | 34,398,815 |
| Earnings per share, before dilution, SEK | –5.89 | –3.73 | –5.17 | –6.51 | –2.45 |
| Earnings per share, after dilution, SEK | –5.89 | –3.73 | –5.17 | –6.51 | –2.45 |
| Number of employees at the end of the period | 110 | 116 | 126 | 121 | 138 |
| Shareholders' equity, SEK million | –126.3 | 58.9 | 193.9 | 349.6 | 558.5 |
| Capital employed, SEK million | 333.7 | 507.3 | 688.7 | 841.9 | 783.0 |
| Working capital, SEK million | 92.1 | 24.7 | 217.2 | –18.8 | –50.5 |

For alternative key figures see section Reconciliations and definitions of key figures.

1. Net debt calculated exclusive of leases.

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# Litigations

### Subpoena issued by the US authorities

On July 14, 2020, Orexo became aware of an investigation by the US authorities and the investigation is ongoing. Based on communications from the US authorities, the company believes the investigation concerns principally certain historic marketing messaging campaigns and whether they were compliant with law. Other areas of interest to the government are Orexo's selection of healthcare providers to market, as well as Orexo's voucher and copay programs. Orexo's position to the government has been that its investigation concerns have no merit, but Orexo is also seeking to negotiate a settlement of the matter. Orexo as of this date is not aware of any filed civil or criminal case related to the investigation.

### Paragraph IV litigations against Sun Pharmaceutical Industries Ltd

On December 15, 2024, Orexo announced that the company has entered into a settlement agreement with Sun Pharmarceutical Industries (Sun) to resolve the patent litigation regarding Zubsolv® (buprenorphine and naloxone) sublingual tablet (CIII), for the treatment of opioid use disorder in the US.

The agreement resolves the patent litigation commenced in July, 2020, by Orexo following Sun's filing of an Abbreviated New Drug Application ("ANDA") seeking approval to market generic versions of Zubsolv in the US prior to the expiration of Orexo's patents listed in FDA's Orange Book for Zubsolv.

On July 1, 2023, the US District Court for the District of New Jersey ruled in favor of Orexo. The district court found that Orexo's patents are valid and infringed by Sun. Following the ruling Sun appealed the district court's decision to the US Court of Appeals for the Federal Circuit which was communicated on July 24, 2023.

The settlement agreement allows Sun to enter the US market with its generic versions of Zubsolv in September 2030.

Zubsolv is protected by ten patents listed in the Orange Book for Zubsolv (US Patent Nos. 8,470,361; 8,658,198; 8,940,330; 9,259,421; 9,439,900; 10,874,661; 10,946,010; 11,020,387; 11,020,388 and 11,433,066) with expiration dates ranging from December 2027 to September 2032. The settlement agreement does not implicate its patent protection.

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# Risks and risk management

Orexo's operations are exposed to several risks. The objective of Orexo's risk management is to support the operations and create profitable business opportunities combined with adequate risk control. Through the annual corporate risk management cycle process risks are identified and evaluated by analyzing the probability of a risk occurring and the consequences of such a risk materializing into an event. Mitigation measures are proposed and documented for evaluated risks. Feedback is provided to the Board of Directors on a continuous basis. Tax and financial risks are subject to regular review and any tax, legal or financial risk deemed substantial is reported in the consolidated financial statements. The following is a description of Orexo's risk categories, to them related risks and mitigation of such risks. Most substantial categories are external, operational, sustainability and financial risks.

| Risk category | Risks related to various areas | Mitigation of risks |
|---|---|---|
| **A. External risks** | | |
| **Geopolitical conflicts** | Risks associated with wars, terrorist acts, and tensions between states affecting the normal and peaceful course of international relations. Geopolitical conflicts can disrupt trades and supply chains across countries and regions and ultimately the global economy. | Monitoring geopolitical developments, to assess potential risks in the supply chain and implement contingency plans to minimize disruptions.<br>Strive to reduce dependence on certain regions and individual suppliers.<br>Ensure that suppliers are audited according to the company's code of conduct for Suppliers, for more information view Supply chain risks below.<br>Changes in the global economy may have an impact on e.g. inflation, interest rates and exchange rates. To view how Orexo mitigate these risks view financial risks below. |
| **Political and regulatory changes** | The pharmaceutical market is significantly affected by political decisions that may affect, for example, reimbursement levels for pharmaceutical expenses and limits for the prescription of products. Especially the market for controlled substances is under severe surveillance and controlled by authorities who can change the market conditions with new policies and legislation. | Continuously working to proactively analyse risks related to market dynamics, and develop action plans for various scenarios.<br>Through the presence on the American market Orexo regularly interact with authorities, decisionmakers, integrated health networks, insurance companies and patient organizations with the ultimate goal to increase access to treatment. |
| **B. Operational risks** | | |
| **Commercialization** | Risks related to commercialization are price pressure, reimbursement restrictions by payers (insurance companies) and the launch of competing products or generics. | Continuously working to proactively analyse risks related to market dynamics, including price competition, and develop action plans for various scenarios.<br>Own market access team with strong relations with insurance companies, fully focused on improving market and reimbursement access.<br>US sales force daily visits physicians and other healthcare providers, advocating Orexo's products and educating about the disease area.<br>Policies and standards governing commercial activities.<br>Broaden the portfolio with revenue generating products, through business development activities and R&D. Approaching geographies outside the US by out-licensing of products. |

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| Risk category | Risks related to various areas | Mitigation of risks |
|---|---|---|
| **B. Operational risks cont.** | | |
| **Product development** | Development of new products is a complicated and capital-intensive process taking place over a long time, and which is related to multiple uncertainty factors such as:<br>• unfavourable results in clinical trials<br>• changes in the requirements of the regulatory authorities<br>• failure to gain the authority approval.<br>Above can cause either delays or give rise to shutdown of development projects. | All development projects must address large medical needs and should take advantage of the synergies in Orexo's next-generation drug delivery platform AmorphOX®, which has displayed successful data in multiple clinical studies.<br>In the development process of new drugs Orexo combines known substances with proprietary drug delivery technologies, contributing to lower costs, shorter development time and overall lower risk.<br>The development process is monitored by a cross-functional organization that handles all critical issues during the full development process on the way to agency approval. |
| **Intellectual properties** | To obtain and upheld patents and other intellectual property rights protecting technologies and products is an instrumental part being able to grow and maintain revenue streams and create long-term value for shareholders. | Orexo has an in-house IP department that works in close collaboration with innovators and the development team, as well as with external counsel, to ascertain that all aspects of the innovative development process are covered, laying the foundation for the patent portfolio.<br>The patent strategy involves having the proper protection in place on the relevant markets for any given product. Product specific patents are important assets, whether the company chooses to sell a product via a commercial partner, or bring it to the market by the own commercial team. In the US market, all patents are listed in FDA's Orange Book. |
| **Litigation and other claims** | Involvement in litigations, foremost related to commercialization of products such as marketing and sales, but also quality and safety having a direct impact on patients. Such events can lead to considerable costs for damages or legal fees. | Monitoring and compliance regarding information about products, interactions with healthcare providers, quality and patient safety are embedded in Orexo's processes and culture.<br>Governmental enforcement, regulatory agencies and competition authorities routinely conduct interviews and request information during audits, inquiries and investigations. Orexo shall, always, deal honestly with these officials and remaining courteous and professional is critical.<br>Applicable insurance coverage. |
| **Supply chain** | For the manufacturing, packaging, and distribution of pharmaceuticals, Orexo relies on external partners, whose work has a significant impact on product quality and delivery reliability. | Orexo always strive not to be dependent on a single supplier.<br>Before entering a third-party collaboration, processes and facilities are carefully assessed according to the Supplier Code of Conduct and standards for Good Manufacturing Practice (GMP). Orexo evaluates the fulfilment of these recommendations and requirements continuously.<br>For the handling of highly potent controlled substances there are strict rules and laws regarding manufacturing, storage, handling, freight, import and export. As access to these substances are related to uncertainty and entail long delivery times, Orexo always strive to have a large inventory of controlled substances.<br>Continuously monitoring inventory levels. |
| **IT and Cyber security** | Risks related to IT and Cyber security are for example data breaches, malware attacks, phishing, insider threats, and hardware failures. | Orexo works with high-end security products. Data traffic and patterns are monitored and analysed with subsequent actions. Regular security audits are in place.<br>Internal user security awareness is an ongoing task to highlight potential threats.<br>Among the above and a lot of other routines and procedures, Orexo reduces its exposure to potential IT and Cyber risks. |

| Risk category | Risks related to various areas | Mitigation of risks |
|---|---|---|
| **C. Sustainability risks** | | |
| A summary of Orexo's sustainability risks and how these are mitigated is presented below. For further information regarding sustainability risk-mitigation, see Sustainability report. | | |
| **Responsible manufacturing** | Risks associated with suppliers not being fully aware of potential ethical issues related to the manufacturing process. | Orexo has clarified expectations and minimum requirements in the Supplier Code of Conduct. The code sets expectations and minimum requirements, around legal compliance, human rights, business ethics, safety, health, and environmental impact.<br>Orexo has a process in place for monitoring suppliers and expects all suppliers to comply with Orexo's supplier code of conduct and to have the required sustainability management processes in place. A constantly improved contact with suppliers is required to continue driving this work forward. |
| **Access to products** | For Orexo these are risks foremost related to navigating the US healthcare system that impact the ability to reach all target patient groups, including financially vulnerable individuals. | Through the presence on the American market Orexo regularly interact with authorities, decisionmakers, integrated health networks, insurance companies and patient organizations with the ultimate goal to increase access to treatment.<br>Own market access team with strong relations with insurance companies, fully focused on improving market and reimbursement access.<br>US sales force daily contact physicians and other healthcare providers, advocating Orexo's products and educating about the disease area.<br>Offering various product programs to financially vulnerable patients, including them meeting the US poverty level requirements. |
| **Responsible business** | Operating in the pharmaceutical industry and marketing a controlled substance carry great responsibilities. Unethical business behaviors can result in drugs being over-prescribed, diversion and misuse of products, and unethical marketing. | All employees are trained in the Group's Code of Conduct, which among others ensure high ethical standard throughout the product's life cycle.<br>Training a new sales manager is comprehensive to ensure fulfilment of standards and legislative requirements.<br>Continuously arrange training sessions for medical staff within the treatment area of drug misuse.<br>To enable reporting of unethical behavior Orexo has Whistleblowing systems in place. |
| **Environment and Climate change** | For Orexo these are risks related to material and energy consumption in the supply chain and climate impact from the own business in terms of travel, transport and energy usage. | Orexo have a travel policy in place to reduce business travel and strives to use fleet with low emission. To have an impact on energy usage Orexo are in dialogue with the landlords. In order to have control of the environmental impact from outsourced production Orexo have processes with requirements and control in place (view risk area Responsible manufacturing).<br>Monitor greenhouse gase emissions supported by the Green House Gas Protocol, scope 1,2 and 3. For more information see Sustainability report, page 47. |
| **Employee well-being** | Orexo relies heavily on recruiting and retaining talented employees with a diverse range of skills and capabilities to meet the strategic objectives. If Orexo fails to engage and retain a capable workforce, this poses a risk to the business.<br>Additional operational risks requiring careful management, includes health and safety issues around chemical handling, driving and stress. | At Orexo, employees are given a great deal of responsibility and each person's contribution is important. Attracting and retaining the best people means offering them mutually respectful workplaces where they are valued for their individuality as well as their professional abilities and market conditions of employment.<br>The importance of well-being and health is guided by the Groups Code of Conduct and there are processes in place to reduce operational risks, both organizational measures such as standards and policies, and technical risk reduction such as cars with extra safety features and safety in the laboratories. |

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| Risk category | Risks related to various areas | Mitigation of risks |
|---|---|---|
| **D. Financial risks** | | |
| A summary of Orexo's financial risks and how these are mitigated is presented below. For further information regarding financial risks, see Note 3. | | |
| **Currency risk** | Orexo's international business lead to currency risks such as transaction exposure and translation exposure. A substantial share of Orexo's currency exposure is attributable to transactions in foreign currency, mainly USD. | Orexo continuously monitors the currency situation on the world market. The Group strives to match flows in the same currency as far as possible. The Group has the option of hedging transaction exposure according to the financial policy. |
| **Interest rate and inflation risks** | Fluctuations in interest rates and inflation on the world market can lead to increased costs. | Orexo strives to use financial instruments with short maturity dates, high liquidity and low credit risk. |
| **Credit risk** | Credit risk arise when a counterparty cannot fulfill its payment obligations. For Orexo, this mainly refers to sales to distributors and license agreements. | The distributors' credit risk is assessed on an ongoing basis based on financial position. An extensive evaluation of the counterparty is always undertaken prior to the signing of a license agreement. Follow-up of accounts receivable with regard to overdue customer invoices is performed on an ongoing basis. |
| **Liquidity risk** | Liquidity risk is defined as the risk that Orexo will be unable to fulfill its undertakings to repay or refinance its debts on time or at a reasonable cost. | Cash flow and budget outcome are reviewed monthly. Executive Management continuously monitors forecasts to ensure that the Group has sufficient cash funds to meet the requirements of continuing business operations. |

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# Sustainability

**Orexo is committed to contributing to a sustainable society. The company is making considerable progress towards its ambitions in this area with a clear sustainability strategy that permeates the entire business. The activities addressing social, environmental and governance sustainability matters are detailed in this report. At the core of a sustainable society are health and well-being, and these are also the areas where Orexo makes its biggest impact. In 2024, Orexo's sustainability efforts were successfully evaluated when Morningstar Sustainalytics provided a Second Party Opinion of our Social Financing Framework, allowing us to refinance our corporate bond with a social bond.**

Orexo's business strategy and daily operations are guided by the company's Business Compliance and Ethics Code, Agenda 2030 and the Sustainable Development Goals (SDGs). Orexo has supported the UN Global Compact since 2017 and its 10 principles guides the Code along with other international standards and initiatives, including the conventions of the International Labor Organization and the UN Guiding Principles on Business and Human Rights. Central to Orexo's mission is SDG 3: "Good health and well-being," particularly target 3.5, which focuses on enhancing the prevention and treatment of substance abuse disorders, including issues related to narcotic drugs and harmful alcohol consumption. Additional information can be found in the Responsible Business section and in each focus area.

Orexo's sustainability strategy and its implementation are overseen by the management team and the board of directors, who hold overall responsibility. Cecilia Coupland, Senior Vice President and Head of Operations, leads the efforts on sustainability in collaboration with the Sustainability Committee, which includes representatives from various relevant departments throughout the organization. The committee plays a crucial role in developing the company's strategies and policies, and in ensuring their effective execution.

Orexo's sustainability risks, impacts and opportunities are continuously assessed as part of the company's overall governance processes. A recent risk assessment has been conducted, with key findings summarized on page 36. This assessment underscored the importance of addressing climate-related issues, managing supply chain risks, and retaining skilled employees. Additionally, it emphasized the significance of Orexo's contribution to enhancing global health in relation to its primary business activities.

In recent years, expectations and regulatory demands have risen for example by the Corporate Sustainability Reporting Directive (CSRD) and the taxonomy. Orexo welcomes this growing interest in sustainability from individuals, communities and investors. Indeed, in the preparatory work for CSRD, Orexo, during 2024, conducted a comprehensive analysis of its internal and external situation, and determined that its policies and focus areas for sustainability align with prevailing global standards.

### Sustainability achievements

**100%**
Completion of
Code of Conduct training

**100%**
Supplier for commercial supply have sustainability processes in place

**8 of 10**
Are satisfied working at Orexo

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The interests of Orexo's stakeholders are at the heart of the company's sustainability strategy. Key stakeholder groups include patients, healthcare professionals, payers – such as authorities and insurance companies, particularly regarding access to healthcare – investors focused on ESG criteria, as well as Orexo's employees, essential suppliers, and contract manufacturers. In the stakeholder analysis, conducted during the year, Orexo has collected insights through surveys, interviews and online research including reviews of relevant reports. The company values the diverse perspectives of internal and external stakeholders, which provide valuable insights into Orexo's sustainability priorities.

By identifying and prioritizing key sustainability topics, Orexo can align with stakeholder expectations and prioritize activities that deliver value and good business results. The company continually assesses the relevance of its strategy and key focus areas through stakeholder dialog and by monitoring developments in current sustainability issues. A double materiality analysis took place during 2024 as a step towards fully implementing the Corporate Sustainability Reporting Directive (CSRD). Completion of the analysis is still ongoing, so Orexo's current sustainability strategy is based on the materiality analysis carried out in 2022.

Key areas identified through the analysis include:

- increased access to products
- responsible manufacturing and transport
- ethical business
- climate change
- responsible procurement
- and employee well-being.


### Orexo receives EcoVadis GOLD medal

In 2024, our sustainability work was recognized by EcoVadis, one of the world's most trusted sustainability assessment providers. Orexo AB is ranked in the top 5% of the 70,000 businesses EcoVadis reviews each year. The sustainability assessment evaluates a company's performance in areas related to environmental, social and governance (ESG) criteria.

### Materiality assessment

**Orexo has four interconnected strategic focus areas, each of which is detailed in this report, along with relevant targets, goals, and examples of sustainability in action.**

### Responsible business

Responsible business based on trust, transparency, integrity and no tolerance for corruption is central to all our activities and a foundation for our sustainability work.


### Sustainable employees

To create a healthy working climate, an inclusive and diverse culture in all teams.



### Access to healthcare

Increase access to healthcare among patients with OUD and develop new innovative medications meeting large unmet needs.


### Environment and Climate change

Reduce impact on the environment and climate change across all our activities and our products.


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# Responsible business

Operating within the pharmaceutical sector and marketing controlled substances entrails significant responsibilities and Orexo has no tolerance for non-compliance. Unethical business behaviors can result in over-prescription of medications, misuse of products, and inappropriate marketing tactics. Orexo strives to do the right thing and to be transparent at every level of the value chain. Performance is not only about results, but also how they are achieved.

A significant part of Orexo's operations is conducted in markets that offer good opportunities to responsible business, although the company remains highly attuned to potential risks. Maintaining a responsible business built on trust, transparency, integrity, and an absolute commitment to zero tolerance for corruption is fundamental to Orexo and serves as a cornerstone for all sustainability initiatives.

As Orexo relies on outsourced production, it is essential that suppliers and partners uphold the same ethical standards as the company itself. Responsible business practices are integral to Orexo's sustainability framework, encompassing both its collaborative efforts with external entities and its internal operations.

## Responsible employees

Orexo's Business Compliance and Ethics Code, serves as a comprehensive framework for the company's policies and guidelines. The Code is grounded in corporate values, applicable legislation, and recognized international standards including the ten principles of the UN Global Compact and the Universal Declaration of Human Rights.

**Vision: Responsible business based on trust, transparency, integrity and with no tolerance for corruption is central to all our activities and a foundation for our sustainability work**

| Sustainability topic | Responsible employees | Responsible supply chain and procurement/sourcing | | Transparency and reporting |
|---|---|---|---|---|
| Long-term ambition | Ensure ethical behavior among all employees and board | Material suppliers[1] have ethical standards consistent with Orexo's | Material suppliers[1] have sustainability processes in place | Orexo is known as a transparent company |
| Target 2025 | 100% completion of Code of Conduct training<br><br>100% completion of sustainability program training | 100% of material suppliers[1] have a Code of Conduct or embrace Orexo's Supplier Code of Conduct | 100% of material suppliers[1] have an approved sustainability assessment | Completion of annual sustainability report and UN Global Compact CoP report |
| Results 2024 | 100% completion of Code of Conduct training and ongoing development of sustainability training | 100% of material suppliers[1] have a Code of Conduct or embrace Orexo's Supplier Code of Conduct | 94% of all material suppliers[1] and 100% of commercial suppliers[2] have an approved sustainability assessment | Annual sustainability report and UN Global Compact CoP report are completed |

1. Supplier for commercial supply and other strategic deliveries incl. transport.
2. Supplier in commercial supply or approved for commercial supply.

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It establishes the foundation for Orexo's operations by outlining expectations and requirements in key areas such as human rights, labor laws, environmental stewardship, and anti-corruption measures. Additionally, the Code articulates the ethical standards for research and development, along with essential patient safety protocols.

Adherence to Orexo's Code of Conduct is mandatory for all individuals associated with the company. This includes directors, managers, employees, consultants, and temporary staff within the Orexo group, all of whom are required, on an annual basis, to sign and confirm they understand and adhere to it. In the United States, the US Code of Business Conduct and Ethics incorporates the company's Code of Conduct, with additional provisions to ensure adherence to US regulations.

To support the implementation of Orexo's Code of Conduct, a robust management system, consistent with international standards, has been established. This system includes policies and procedures designed to guide managers and employees in fulfilling their responsibilities in compliance with the Code. It is specifically structured to mitigate legal and regulatory risks associated with research and development, quality control, and commercial pharmaceutical operations in the United States. Policies and procedures are reviewed continuously.

All new hires receive introductory training that encompasses the Code, specific compliance requirements pertinent to their roles, and the Safety, Health, and Environment framework. Orexo regularly updates the sustainability training to keep it relevant and purposeful.

The Code encourages all individuals to identify and report any suspected deviations of business ethics or poor behaviors within Orexo without fear of retaliation. This is done via Orexo's whistleblower systems. In Sweden, this is facilitated by the WhistleB tool, while in the US, it is managed through EthicsPoint. Any suspected serious violations must be reported. Orexo has established processes for conducting investigations and offers tools for anonymous reporting, in writing or by phone. No cases were reported in 2024.

## Marketing and sales

Sales and marketing personnel at Orexo play a crucial role in upholding ethical standards. The company's primary market is the US, where Orexo US Inc. is responsible for product commercialization. All employees in the US undergo training in Comprehensive Compliance Policies, which includes instructor-led and virtual sessions. New sales representatives receive specialized training on promotional policies, as well as federal laws and regulations governing pharmaceutical sales and ethics. This training is supplemented with periodic reminders and opportunities for discussion on relevant scenarios.

On July 14, 2020, Orexo's US subsidiary received subpoenas for the purpose of enabling US authorities to obtain certain information in relation to sales and marketing of Zubsolv® and other buprenorphine products.

All information requested by the authorities has been delivered. Orexo will continue to cooperate with the US authorities to ensure they receive the necessary information and to understand the scope of the investigations.

## Responsible supply chain and purchasing

A sustainable supply chain means that purchasing decisions and relationships must align with the company's principles and values for business ethics, the work environment, human rights, and environmental concerns. The Supplier Code of Conduct outlines the minimum requirements expected of suppliers.

While Orexo's direct suppliers operate in countries with robust legislation, their sub-suppliers may be located globally. In all parts of the supply chain there are risks related to the environment, health, safety and working conditions. Orexo expects all direct suppliers to maintain strong governance, including how they engage with their own suppliers.

Orexo is working to prevent, remedy and improve sustainability practices throughout the supply chain. By establishing clear requirements for direct suppliers and raising awareness of their responsibilities, Orexo aims to promote best practices throughout the supply chain.

Orexo's Responsible Sourcing Program expects that strategically important suppliers, including those providing materials for commercial use, have implemented Orexo's Supplier Code of Conduct and maintain robust sustainability practices.

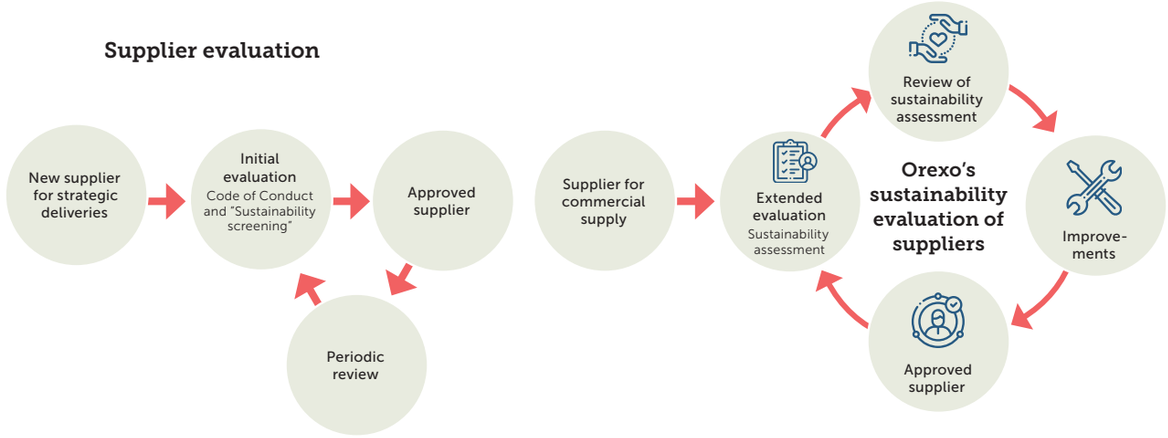
The evaluation process assesses various factors, including risk management, legal compliance, adherence to human rights, business ethics, safety, health, and environmental considerations. It also examines how suppliers manage waste, including water, to minimize the risk of pharmaceuticals entering the environment. This regular evaluation is conducted through questionnaires, supplier interviews, and when necessary, on-site visits.

During 2024, 14 of Orexo's suppliers, including those for transport, were extensively evaluated. The data collected will provide a starting point for interventions planned during 2025 to improve the $CO_2$ monitoring.

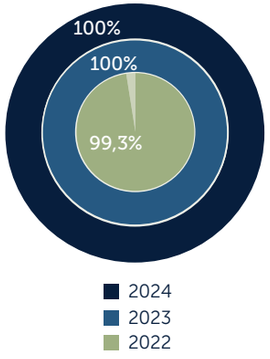
Orexo also set up a project in 2024 to trial the EcoVadis sustainability assessment tool to improve the knowledge of supplier sustainability. This is ongoing.

By continuously working with supplier management all of Orexo's suppliers for commercial supply and other strategic delivery suppliers have either signed the company's Supplier Code of Conduct, or practice in line with their own equivalent ethical code. In addition 94 percent have sustainability processes in place.

## Supplier evaluation



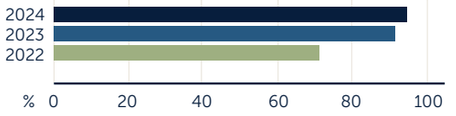

## Implementation Orexo's Code of Conduct (staff)



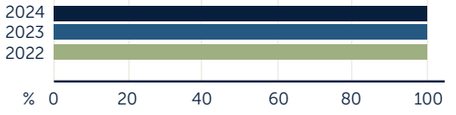

## Suppliers

Evaluation of Code of Conduct and sustainability

Completion of initial supplier sustainability evaluation
(Supplier for commercial supply and other strategic deliveries)




Completion of extended supplier sustainability evaluation
(Supplier for commercial supply)




Extended data can be found in the Sustainability data summary.

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# Access to healthcare

The opioid epidemic continues to be one of the most pressing health challenges in the US, exacerbated by the ongoing impacts of stigma and treatment barriers. In response, Orexo remains dedicated to addressing this crisis, working tirelessly to improve access to essential care and lifesaving medications. Indeed, the work done throughout 2024 is enabling more patients to receive the care they need for better health outcomes, and to save lives.

## Opioid use disorder is a critical, still underserved treatment area

The global pharmaceutical industry plays a pivotal role in shaping human health and well-being, both of which are fundamental to a thriving and equitable society. The need for a healthy life and access to high-quality healthcare is universal, yet it remains a challenge that the industry must continue to address. While much attention has been given to treatment areas such as cancer, cardiovascular diseases and diabetes, opioid use disorder (OUD) has long been underserved and is often overlooked.

Orexo has focused on treating OUD for more than a decade and is committed to ensuring its products are accessible through two key approaches: accessibility and affordability. Accessibility focuses on developing effective treatments, encouraging patient uptake, supporting healthcare provider prescriptions, and eliminating barriers. Affordability ensures that financially vulnerable individuals also have access to life-changing products.

## Combating stigma and educating HCPs

Stigma remains a significant barrier to treatment for those suffering from OUD. Many individuals with OUD are reluctant to seek help due to feelings of guilt, judgment

**Vision: Increase access to healthcare among patients with OUD and develop innovative medications meeting large unmet needs**

| Sustainability topic | Accessibility | Affordability |
|---|---|---|
| Long-term ambition | Contributing to improve quality of life for OUD patients and reduce overdose morbidity through improved access to treatment and treatment support.<br><br>Based on the AmorphOX® platform develop new medications reducing the need for cold storage and thereby improve access to medication in areas where controlled storage facilities are sparse. | More financial vulnerable individuals have access to Orexo's products. |
| Target 2030 | At least one drug based on the AmorphOX platform that meets the need for improved shelf life and does not require cold storage has reached global markets through partnerships. | 100% of Orexo's pharmaceutical products are reimbursed and its market access position in the public commercial payer segment is growing.[1]<br><br>100% of Orexo's pharmaceutical products have patient assistant programs in place. |
| Result 2024 | Continuous work during the year, e.g., 2nd clinical study successfully conducted with OX640, a nasal epinephrine product. | 50% of patients in the public segment can have Zubsolv® reimbursed, a flat development versus 2023. 100% of the pharma products (Zubsolv) are reimbursed and have patient assistant programs in place. |

1. Annual average increase from base year 2023.

and the social disparagement that often accompanies this disease space. Overcoming this stigma requires extensive education efforts, not only for patients but also for healthcare providers and the public at large.

Since establishing operations in the US in 2013, Orexo has been at the forefront of addressing this challenge. With a dedicated sales force of approximately 40 representatives specializing in OUD treatment, Orexo focuses on states with high opioid dependence rates. In 2024, the team conducted over 42,000 visits, calls, and digital meetings with healthcare professionals, educating them about the benefits of Zubsolv® and increasing their awareness about addiction as a disease. Orexo is the only company actively engaging with healthcare providers in the space of oral buprenorphine/naloxone treatment.

### MATCore has the potential to reach the most marginalized

Orexo engaged with key stakeholders throughout 2024, showcasing the company's OUD offering, including Zubsolv and the digital therapy MODIA, both of which are part of the MATCore® program. This innovative concept brings together the elements of Orexo's OUD portfolio, including education and support, to ensure that all patients, even those who are most marginalized, receive the care they need. With MATCore, Orexo expects to receive grants from the opioid abatement funds totaling USD 54 billion that have been appropriately disbursed to all states in the US to address the opioid crisis.

### New opioid overdose rescue medication delayed

During the year, Orexo continued to expand treatment options for patients with OUD, including the development of a high-dose rescue medication for opioid overdose, OX124. It was first registered with the FDA in 2023, but the launch has been delayed due to the issuance of a complete response letter by the agency. The FDA requested technical data related to the device, including for it to be tested in commercial scale manufacturing, as well as completion of a new human factor (HF) study. Orexo successfully completed the HF study in 2024, and work is underway to collect the required updated technical data. Once approved, OX124 has the potential to address the need for a high-dose naloxone drug to revive people from overdoses caused by the misuse of synthetic opioids, such as illicitly manufactured fentanyl.

### Reimbursement key to providing access to care

During recent years, the share of patients under Medicaid insurance plans (public insurance) who can get Zubsolv reimbursed has increased from 30 percent to 50 percent. The improvement in Medicaid reimbursement has resulted in an increasing number of patients without private insurance being treated with Zubsolv®. In 2024, the share of patients who can get Zubsolv reimbursed was unchanged. However, a key objective is to continue expanding access for patients with public insurance.

Among those with private insurance, as much as 98 percent are eligible for reimbursement when treated with Zubsolv, an unchanged number in 2024.

## Social corporate bond

Orexo has long been committed to sustainability, with a clear strategy that is primarily aimed at contributing to the UN's Sustainable Development Goal (SDG) 3: Good Health and Well-being, specifically targeting sub-goal 3.5: Strengthening the prevention and treatment of substance abuse.

In 2024, Orexo issued a corporate bond to refinance existing social projects and fund new ones. To link the bond to sustainability, a Social Financial Framework was established. The framework outlines the company's sustainability strategy and the activities that are contributing to the SDG 3 target. It was independently reviewed by Morningstar Sustainalytics – a leading ESG rating institute. Morningstar Sustainalytics affirmed its credibility, impact, and alignment with ICMA's Social Bond and Loan Principles.

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### Patient support programs cover financially vulnerable patients

Orexo continues to support removal of financial barriers to treatment by offering patient support programs:

1. Income-based Assistance: For individuals below three times the federal poverty level without other medication coverage, this program covers the full cost of Zubsolv® for six months, with possible extensions if eligibility criteria are met.
2. Co-pay Assistance: For uninsured or privately insured patients, this program covers up to USD 225 per prescription.
3. 15-Tablet Voucher Program: Available to all patients, this program provides up to two free 15-tablet vouchers to cover the gap between diagnosis and insurance approval.

To find out more about the development of these programs, see page 47.

### Product development beyond OUD

The overdose rescue medication OX124 is based on the company's next-generation drug-delivery technology, AmorphOX®. The new technology uniquely stabilizes substances that are chemically and physically unstable, preventing degradation during storage. Such drugs often have limited flexibility in terms of administration routes, supply and distribution. AmorphOX has the potential to address these challenges.

During the year, Orexo advanced the development of OX640, a nasal epinephrine rescue medication for anaphylaxis. The treatment was successfully tested in subjects with allergic rhinits, which is a common reaction to anaphylaxis. For decades, the standard treatment has been administration of epinephrine through an auto-injector. A needle-free alternative that is also easier to carry and has a longer shelf life has the potential to revolutionize the market and reach more patients. The aim is to enter partnerships for continuted development and global commercialization.

In 2024, a collaboration was initiated with Abera Bioscience (Abera), which develops platforms and vaccines based on over 30 years of research in the medical, molecular and microbiological fields. The aim of the collaboration is to develop mucosal vaccines based on Abera's innovative and patented vaccine platform, with the first project focusing on Abera's influenza vaccine candidate. By combining Abera's unique expertise in molecular research with Orexo's powder-based drug-delivery technology, AmorphOX, there is potential to develop nasal vaccines with improved stability. Stable vaccines may have a longer shelf life and are easier to handle as they do not require cold chains to ensure reliability and efficacy. Such medication has the potential to offer more cost-efficient drugs and to reach more patients.

GERI-LYNN'S STORY

# Advocating for harm reduction and access to care

**The illicit opioid supply has become increasingly dangerous,** with substances like illicitly manufactured fentanyl, alpha-2 agonists such as xylazine and medetomidine, and various nitazenes complicating treatment for those battling addiction. These evolving challenges make access to effective, stigma-free care more critical than ever.

This year, I remained committed to advocating for individuals struggling with opioid use disorder, poverty, and severe mental health challenges. Volunteering in Philadelphia's Kensington neighborhood with Prevention Point reinforced the urgent need for equitable, harm-reducing support. Everyone deserves high-quality, holistic care – without judgment.

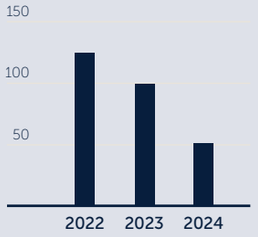
**I also had the opportunity to ride along with Philadelphia's Emergency Medical Service "Alternative Response" (AR-2) team, which provides life-saving care to overdose victims** and offers immediate pathways to treatment. Firsthand experiences like these, from working alongside AR-2 teams to volunteering at Prevention Point, strengthen my dedication to advancing solutions that truly make a difference. Through my work with Orexo, I am proud to help bridge the gap between innovative treatment options and the real-world needs of those affected by addiction.

Shared by Geri-Lynn Utter,
PsyD. Senior Medical Science Liaison, Orexo

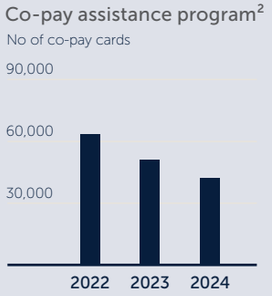

A bag labeled 'Only for you,' containing a deadly mixture of fentanyl and xylazine.

## Zubsolv® patient programs

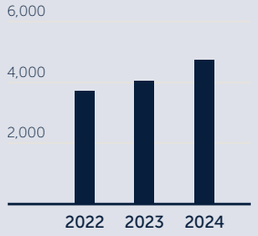
Patient assistant program[1]




Co-pay assistance program[2]




Tablet voucher program




1., 2. The decrease in development is due to lower volume following Zubsolv's exclusive position ceased when generics were added to the formulary lists at the insurance companies Humana and United Health Group in 2019. Also the increase in access to the Medicaid plans during recent years, where patient support programs are not permitted, has also impacted negatively. Extended data can be found in the Sustainability data summary.

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## Sustainable Employees

Orexo's greatest asset is its people. At Orexo, every contribution is highly valued, recognizing that teamwork is essential to the company's success. The company is committed to providing safe and healthy workplaces where every employee feels respected and has equal opportunities. Orexo believes in an open-minded culture that sparks creativity and empowers every employee to reach their full potential

Orexo's success is based on a commitment to the well-being of every employee. To attract and retain top talent, Orexo provides a respectful workplace where individuals are not only appreciated for their professional skills but also for their unique qualities. This comprehensive approach ensures that every team member feels valued and supported, contributing to a positive and productive organizational culture.

The company's Code of Conduct underscores the importance of wellness and health. To mitigate workplace risks, Orexo has established comprehensive policies and procedures. These cover safety, health, recruitment, equal treatment, gender equality, non-discrimination, and conflicts of interest, along with health insurance and other employment benefits.

### Risk management and safety

Annual health and safety targets, and the workplace activities they encompass, are based on risk assessments, safety rounds and any specific issues raised in the organi-

**Vision: To create a healthy working climate, an inclusive and diverse culture in all teams**

| Sustainability topic | Employer of choice | | | Inclusion and diversity | |
|---|---|---|---|---|---|
| Long-term ambition | A safe and healthy environment with no workplace accidents or work-related illnesses | Orexo's employees experience a good work-life balance | Orexo's employees are satisfied and proud of working for Orexo | Gender equality in management positions | Employees perceive Orexo as multicultural and inclusive |
| Target 2030 | No serious accidents<br>No work-related illnesses | Index ≥ 75 for experience a positive work-life balance (employee survey) | Index ≥ 75 for satisfied working at Orexo (employee survey) | 50 % women in management positions | Index ≥ 75% for experience Orexo as multicultural and inclusive (employee survey) |
| Result 2024 | No serious accidents<br>No work-related illnesses | Index >85 (both US and Sweden) experience a positive work-life balance | Index >70 (both US and Sweden) for satisfied working at Orexo | 33 % women in management positions | Work has been done in the area but no data is available |

zation, such as through employee surveys. The most significant risks identified are linked to mental health due to high workloads and the handling of active pharmaceutical ingredients and other hazardous substances. The risks associated with hazardous substances are effectively mitigated through established policies and procedures.

For the US sales force, driving is considered a significant risk and that is addressed in several ways. For example, Orexo only provides vehicles with the most current safety features. Organizationally, policies encourage increased vigilance when driving, such as using hands-free mode. Orexo also monitors infractions, such as speeding tickets and implements safe driver training when needed.

Major incidents or accidents are followed up and investigated in all Orexo operations. Only one minor incident happened during 2024. Orexo is pleased to highlight that the company's preventative measures have resulted in seven years without any major incidents or accidents.

## Health and Wellbeeing

In addition to general risk assessments, the overall work situation is monitored through annual employee surveys and, in Sweden, additional monthly surveys. The results from these surveys are followed up and evaluated by the management team and form the basis for concrete measures at both group and department level to improve the work environment. Monthly dialogues between managers and employees help identify potential risks at an early stage.

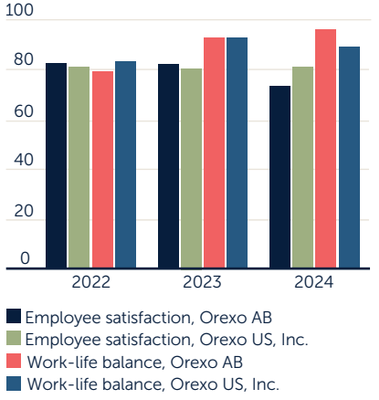
In 2024, Orexo AB continued its partnership with Agerus for the employee survey, which helps Orexo to enable a sustainable performance culture. This year's survey results were great, with engaged employees proud of, and highly recommending, the workplace. In Sweden, the eNPS (Employee Net Promoter Score) scored 67, were a score between 50 and 70 are considered excellent.
In the employee satisfaction score (overall performance culture index) Orexo AB reached 73 percent, a lower result than in previous years but still a high result showing employees benefit from a positive environment that supports them to be at their best, both regarding performance and a good personal feeling. One of the most notable highlights from the survey was the high level of engagement with the task, which received an impressive score of 89%. This exceptional rating underscores the strong connection and commitment employees feel towards their tasks. In 2024, Orexo had no reported cases of discrimination or harassment and most people experienced a good work-life balance.

Orexo US partners with Decision Wise to administer their annual Employee Engagement Survey. In 2024, the survey indicated an overall score of 81%, and extremely high scores on the scales measuring trust, communication among colleagues, accountability and alignment with Orexo's vision and goals. In both Sweden and US, we offer a hybrid working model with the possibility of two days of remote work per week, a flexibility highly appreciated by the employees.

## Leadership development

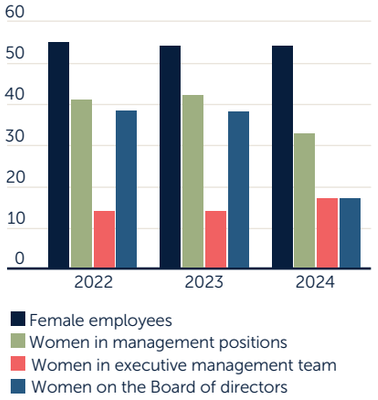
Our partnership with Agerus extended during the year to a comprehensive leadership development program tailored for our Swedish management team. This initiative provided our managers with a valuable opportunity to

### Employee satisfaction & Work life balance (%)




Employee satisfaction at Orexo AB is now measured through the overall performance culture index, the result for 2023 has been adjusted for comparability.

### Inclusion & Diversity management positions (%)




Extended data can be found in the Sustainability data summary.

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deeply reflect on their roles as leaders. Through personalized coaching sessions, they were able to enhance their leadership skills, gain new insights, and develop strategies to effectively guide their teams. We also established a new forum where managers can convene over lunch to share their daily experiences and exchange ideas.

### Wellness

An important way of achieving physical and mental well-being is daily physical exercise. To encourage this, wellness benefits, gym facilities and the option of a benefit bicycle are offered at the office in Sweden. Similarly in the US, employees are offered wellness benefits, one of which is a paid subscription to a program that offers virtual fitness classes in addition to mental health and other employee support resources. Orexo also offers an Employee Assistance Program (EAP) to support individuals with issues impacting mental and emotional well-being.

### Diversity and gender equality

Employees of various ages, genders, backgrounds, and experiences contribute to new thinking and innovative solutions. Diversity and gender equality are crucial for Orexo to achieve the company's goals and ambitions, supported by non-discrimination policies. The long-term sustainability plan includes enhancing hiring processes to promote inclusion and diversity.

In the US, every new hire completes training on implicit bias and equal employment opportunity laws, and this is also given as refresher training annually to all employees. In Sweden, the employee survey ensures that individuals perceive Orexo as a workplace with equal conditions and opportunities. The survey did not raise any concerns in this area. In 2025, the plan is to proceed with education and information to proactively maintain this outcome.

Additionally, an annual equal pay survey is conducted in Sweden, with the 2024 survey finding no unreasonable salary differences. In the US, salaries are regularly evaluated to ensure they remain equitable.

# Environment and climate impact

Climate change poses one of the most significant challenges of our time for ecosystems and humanity, making it an immediate and shared responsibility. Human well-being is closely linked to the ecosystems that support life, including access to clean air, water and natural resources.

Orexo is committed to reducing its environmental impact by using resources carefully and minimizing the carbon footprint of its operations and products. This is guided by our environmental policy, guidelines and specific targets.

The primary environmental impact of Orexo's operations comes from material and energy consumption in the supply chain. As a pharmaceutical company with outsourced manufacturing, Orexo plays an important role in protecting the environment by implementing and following responsible business practices for our outsourced suppliers. Our sourcing strategy includes strict sustainability requirements at all stages. During the year, we have expanded our screening via EcoVadis, which is an independent and recognized actor for sustainability screening.

**Vision: Reduce impact on the environment and climate change across all our activities and our products**

| Sustainability topic | **Reduce climate impact and resource use** | **Reduce our product environmental footprint** |
|---|---|---|
| Long-term ambition | Reducing GHG emissions throughout the supply chain | Reducing the 'environmental footprint' of products (GHG emissions and material use) |
| Target 2030 | Reduce GHG emissions by<br>50% reduction in Scope 1 and 2<br>20% reduction in Scope 1–3 | Defining GHG emission and material use reduction targets. |
| Result 2024 | GHG emission reduction by<br>1.7% reduction in Scope 1 and 2<br>32% reduction in Scope 1–3 (base year 2022) | No targets defined, under development. |

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In addition, the main focus in the environment has been continued work on climate mapping and energy reduction as well as the increased commitment to sustainability in laboratory works and in US operations.

## Climate mapping under the Greenhouse Gas Protocol (GHG)

Orexo started implementing the GHG Protocol in 2022 and presented the results for the first time in the 2023 Sustainability Report. The report includes analyses of Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity and heat) and Scope 3 (indirect emissions from the value chain).

Scope 1 emissions: Orexo's primary Scope 1 emissions come from the sales team driving to essential face-to-face meetings. It is worth notising that the majority of the company's meetings take place digitally, and no Scope 1 emissions are generated from office or laboratory operations.

Scope 2 emissions: Scope 2 carbon emissions are linked to the energy consumption of the leased premises Orexo uses in Sweden and the US. For Orexo AB, all electricity purchased is renewable and Scope 2 emissions come from heating and cooling in the building. Orexo buys climate-compensated heat from the district heating company, but the emissions are still reported in scope 2 in accordance with the GHG protocol. For the US operations, natural gas accounts for 90 percent of energy consumption, and Orexo's energy use is calculated as a percentage of shared office space.

Scope 3 emissions: The identified categories for the Scope 3 mapping include: purchased goods and services, capital goods, fuel and energy related activities, business travel, employee commuting, waste from operations, upstream transportation and distribution, and waste management of products sold. For the calculation of Scope 3 emissions. Orexo used a combination of spend-based and actual data. Spend-based data can introduce uncertainty into the results, but also offers valuable insights for prioritizing actions aimed at reducing climate impacts.

The results for Scope 3 show that Orexo's largest emissions come from business travel, purchased goods and services and upstream transport and distribution. There has been a reduction in carbon emissions from business travel and reduced investments, mainly in OX124 which have led to fewer carbon emissions linked to capital goods in 2024. We have also had a smaller production of Zubsolv® in 2024, which contributes to our Scope 3 emissions reduction.

In 2023, Orexo defined GHG reduction targets, and we are now focusing on an action plan to achieve our targets, which will guide the company's future work.

Using 2022 as a base year, Scope 1 emissions increased by 10 percent by 2024, mainly due to increased emissions from sales team travel due to a replacement of the car fleet in Orexo US. Scope 2, i.e. carbon dioxide from energy use, emissions have decreased by 7 percent compared to 2022 (as previous reporting was incorrect on this item, the figures have been edited for previous years' reporting).

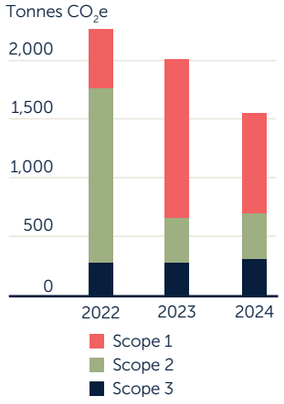
The overall reduction in GHG emissions for Scope 1–3 was 32 percent compared with the basline 2022, with capital goods accounting for the largest reduction, but reduced travel and transportation also contributed. The charts show Orexo's carbon emissions for Scope 1, Scope 2 and Scope 3 for the base year 2022 through to 2024, as well as the distribution by activity in 2024.

## Use of resources

As part of our efforts to reduce energy consumption, Orexo is working with our property owners to analyze current usage and identify further opportunities for improvement. As our energy use is highest in Sweden, this is where we are mainly focused. We use climate-compensated heating and cooling through a 'green' lease and are supportive of taking a joined-up approach to reducing our environmental impact.

During the year, we have been working in the Swedish operations to improve the efficiency of the use of our premises. This has led to the formation of a working group to investigate different premises that can give us a better utilization rate, which in turn can reduce energy con-

### Climate impact




### Climate footprint 2024, split by activity


Heating and cooling was reported as renewable with zero $CO_2$ emissions, which was incorrect, as it is a climate compensated heating and cooling that is purchased. This has been corrected in this year's calculations.

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sumption and costs. In 2024, we have started reducing our office space. We have also identified and initiated some energy efficiency measures, particularly in our laboratory premises, and this work will continue in 2025.

We also made several improvements in the US via landlord renovations of premises, including switching to more energy-efficient appliances and lighting.

This has resulted in 5 percent reduction in Sweden and 15 percent in the US[1] compared to 2023.

Since Orexo started measuring its energy use in 2018, we have successfully reduced energy consumption for heating by 20 percent and electricity consumption by 7 percent for Orexo AB. In the US, Orexo's offices are a small part of a larger office building, and the energy use there is calculated based on their size in relation to the total energy consumption of the building. Since both heating and cooling rely solely on electricity, the total energy use is expressed in terms of electricity consumption. The building also has an ENERGY STAR certification, which is based on a rigorous independent valuation.

During 2024 an audit of our waste management was conducted, including recycling statistics. Orexo has established processes for waste management that include reducing overall waste volumes and increasing recycling where possible. In 2024, the total amount of waste decreased. The increased sorting rate also shows that we are on the right track and that e.g. measures such as having fewer bins in the office have been successful. In the US, there is a contract for sorting at the waste facility rather than on site. In 2024 we reduced waste by removing disposable cups and plates and introducing tableware instead. Further work towards more effective, paperless marketing strategies has also been undertaken.

## Increased focus on sustainability in the lab and in the US

In 2024, Orexo began its journey towards certifying the laboratories to the My Green Lab standard. My Green Lab is a non-profit organization that helps companies develop sustainability programs aimed at reducing energy, waste and water use. The program focuses on continuous improvements that reduce the environmental impact of laboratories by integrating key sustainability issues into daily operations. The My Green Lab certification has been recognized by the UN Race to Zero campaign as a significant measure of progress towards a zero-carbon future and is considered a gold standard for best practice in laboratory sustainability globally.

In 2024, Orexo conducted a first assessment according to the methodology, and we have now started working with a focus group to identify improvements. The plan is to become certified in 2025.

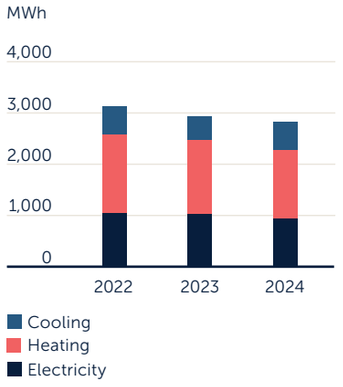
In the US, we have made great strides by growing the sustainability team to include members from more functional areas. Expanding the number of people and departments involved in the sustainability initiative broadens the discussion and gets the entire US headquarters more involved. This has also directly resulted in a number of actions such as the decision and implementation to remove single-use items from the kitchen.

## Reducing the environmental footprint of products

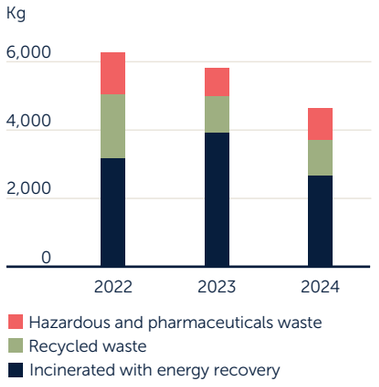
The environmental footprint of a product is largely determined during the design phase. Orexo aims to minimize the environmental impact of products by integrating sustainability into product development. This approach ensures that sustainability is part of decision-making process, so that environmental impacts and improvement opportunities are quantified and balanced against product safety, health and environmental aspects throughout the development phase. In 2024, the dialogue on how to incorporate sustainability early in the project phase started and is still ongoing.

1. Calculated as a proportion of the total energy use of the building.

### Energy




### Waste



# Sustainability data summary

| Responsible business | 2020 | | | 2021 | | | 2022 | | | 2023 | | | 2024 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group |
| **Responsible employees** | | | | | | | | | | | | | | | |
| Completed Code of Conduct (%) | 100 | 100 | 100 | 94 | 100 | 97 | 99 | 100 | 99 | 100 | 100 | 100 | 100 | 100 | 100 |

| | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| | Orexo group | Orexo group | Orexo group | Orexo group |
| **Sustainable supply chain** | | | | |
| Total number of suppliers for commercial supply and other strategic deliveries | 29 | 24 | 32 | 36 |
| Suppliers for commercial supply and other strategic deliveries with completion of initial sustainability evaluation (%) | 41 | 71 | 91 | 94 |
| Number of suppliers for commercial supply | 7 | 7 | 11 | 11 |
| Supplier for commercial supply with completion of extended sustainability evaluation (%) | 86 | 100 | 100 | 100 |

| Sustainable employees | 2020 | | | 2021 | | | 2022 | | | 2023 | | | 2024 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group |
| **Employment** | | | | | | | | | | | | | | | |
| Number of employees | 53 | 85 | 138 | 54 | 67 | 121 | 58 | 69 | 127 | 57 | 58 | 115 | 55 | 55 | 110 |
| employees with permanent contract (%) | 98 | 100 | 99 | 96 | 100 | 98 | 100 | 99 | 99 | 100 | 100 | 100 | 100 | 100 | 100 |
| employees with temporary contract (%) | 2 | 0 | 1 | 4 | 0 | 2 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Staff turnover (%) | 4 | – | – | 11 | – | – | 9 | 37 | 24 | 0 | 31 | 16 | 4 | 29 | 17 |
| Number of employees + consultants | 79 | 89 | 168 | 72 | 73 | 145 | 77 | 74 | 151 | 67 | 63 | 130 | 62 | 62 | 124 |
| consultants (%) | 33 | 4 | 18 | 25 | 8 | 17 | 33 | 7 | 19 | 17 | 7 | 13 | 12 | 10 | 13 |
| **Gender equality** | | | | | | | | | | | | | | | |
| Female employees (%) | 55 | 61 | 59 | 57 | 55 | 56 | 52 | 58 | 55 | 49 | 59 | 54 | 49 | 58 | 54 |
| women in management positions (%) | 30 | 54 | 43 | 44 | 44 | 44 | 42 | 40 | 41 | 50 | 36 | 42 | 40 | 36 | 38 |
| women in executive management team (%) | n/a | n/a | 13 | n/a | n/a | 13 | n/a | n/a | 14 | – | – | 14 | – | – | 17 |
| women in Board of Directors (%) | n/a | n/a | 38 | n/a | n/a | 29 | n/a | n/a | 38 | – | – | 38 | – | – | 17 |
| **Health and safety** | | | | | | | | | | | | | | | |
| Employee satisfaction index (%) | 80 | 85 | n/a | 80 | 79 | n/a | 83 | 81 | n/a | 82[2] | 80 | – | 73 | 81 | – |
| Employee work-life balance (%) | 82 | 85 | n/a | 80 | 84 | n/a | 79 | 83 | n/a | 93 | 93 | – | 96 | 89 | – |
| Employees that will recommend Orexo as an employer (%) | – | – | – | – | – | – | – | – | – | 68[1] | 64 | – | 67[1] | 72 | – |
| Employee absence due to illness (%) | 1.8 | 0.5 | 1.0 | 0.9 | 0.7 | 0.8 | 1.8 | 1.0 | 1.4 | 4.2 | 2.6 | 3.4 | 2.8 | 1.5 | 2.1 |
| Serious accidents | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accidents | 1 | 1 | 2 | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Serious incidents | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Incidents | 2 | 0 | 2 | 4 | 0 | 4 | 2 | 0 | 2 | 0 | 0 | 0 | 1 | 0 | 1 |

1. Employee Net Promoter Score (eNPS) 2. Employee satisfaction at Orexo AB is now measured by an overall Performance Culture Index; the 2023 results have been adjusted for comparability.

## Access to healthcare

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| | Orexo group | Orexo group | Orexo group | Orexo group | Orexo group |
| **Zubsolv® Patient Programs** | | | | | |
| Patient Assistant Program (number of patients) | 243 | 145 | 125 | 99 | 51 |
| Co-pay assistance program (number of co-pay cards) | 108,826 | 81,225 | 63,392 | 50,933 | 42,448 |
| Tablet voucher program (number of tablet vouchers) | 8,957 | 5,325 | 3,727 | 4,034 | 4,715 |

## Environment and climate change

| | 2020 | | | 2021 | | | 2022 | | | 2023 | | | 2024 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group | Orexo AB | Orexo US, Inc. | Orexo group |
| **Energy** | | | | | | | | | | | | | | | |
| Electricity (MWh) | 855.5 | 173.8 | 1,029.3 | 938.4 | 166.1 | 1,104.4 | 863.8 | 159.4 | 1,023.2 | 845.0 | 159.0 | 1,004.0 | 775.0 | 135.0 | 910.0 |
| Heat (MWh) | 1,433.5 | 0.0 | 1,433.5 | 1,672.7 | 0.0 | 1,672.7 | 1,535.7 | 0.0 | 1,535.7 | 1,453.8 | 0.0 | 1,453.8 | 1,343.0 | 0.0 | 1,343.0 |
| Cooling (MWh) | 506.3 | 0.0 | 506.3 | 493.1 | 0.0 | 493.1 | 567.5 | 0.0 | 567.5 | 468.6 | 0.0 | 468.6 | 563.0 | 0.0 | 563.0 |
| Total energy usage (MWh) | 2,795.4 | 173.8 | 2,969.2 | 3,104.2 | 166.1 | 3,270.3 | 2,967.0 | 159.4 | 3,126.4 | 2,767.4 | 159.0 | 2,926.4 | 2,681.0 | 135.0 | 2,816.0 |
| Share renewable electricity (%) | 100.0 | 0.0 | 94.1 | 100.0 | 0.0 | 94.9 | 100.0 | 0.0 | 94.9 | 100.0 | 0.0 | 94.6 | 100,0 | 0.0 | 85.0 |
| **Waste** | | | | | | | | | | | | | | | |
| Incinerated with energy recovery (kg) | 2,400 | – | 2,400 | 2,550 | – | 2,550 | 3,150 | – | 3,150 | 3,900 | – | 3,900 | 2,650 | – | 2,650 |
| Recycled waste (kg) | 1,259 | – | 1.,259 | 1,333 | – | 1,333 | 1,886 | – | 1,886 | 1 | – | 1,094 | 1,013 | – | 1,013 |
| Hazardous and pharma waste (kg) | 2,424 | – | 2,424 | 976 | – | 976 | 1,217 | – | 1,217 | 826 | – | 826 | 952 | – | 952 |
| Total (kg) | 6,083 | – | 6,083 | 4,859 | – | 4,859 | 6,253 | – | 6,253 | 5,820 | – | 5,820 | 4,615 | – | 4,615 |
| Recycled materials vs energy recovery (%) | 34.4 | – | 34.4 | 34.3 | – | 34.3 | 37.5 | – | 37.5 | 0 | – | 28.1 | 38.2 | – | 38,2 |

## Carbon emission

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| | Orexo group | Orexo group | Orexo group |
| Scope 1 $CO_2$ emissions (tonnes $CO_2e$) | 284 | 273 | 312 |
| Scope 2 $CO_2$ emissions (tonnes $CO_2e$) | 405[3] | 379[3] | 366 |
| Scope 3 $CO_2$ emissions (tonnes $CO_2e$) | 1,573[4] | 1,354[4] | 859 |
| Total $CO_2$ emissions (tonnes $CO_2e$) | 2,268 | 2,006 | 1,537 |

Orexo purchases climate compensated heat from the district heating company, but the emissions are still reported in accordance with the GHG protocol.

3. Data has been revised due to previous inaccuracies in the reporting of climate-compensated heat.
4. Data has been updated due to new information and updated emission factors.

## Allocation %

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| | Orexo group | Orexo group | Orexo group |
| 1.1 Owned and leased cars | 14 | 15 | 20 |
| 2. Purchased by energy – Sweden | 16 | 17 | 20 |
| 2.4 Purchased by electricity – USA | 4 | 4 | 4 |
| 3.1.1 Purchased goods and services – Zubsolv | 4 | 6 | 5 |
| 3.1.3 Purchased goods and services – Other | 0 | 0 | 13 |
| 3.2 Capital goods | 26 | 19 | 0 |
| 3.3 Fuel and energy-related activities | 3 | 3 | 4 |
| 3.4 Upstream transport and distribution | 11 | 11 | 11 |
| 3.6 Business travel | 14 | 14 | 13 |
| 3.7 Commuting journeys | 8 | 9 | 8 |
| Total other categories (<1%) | 0 | 1 | 1 |

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# The share

**Orexo's share is listed on Nasdaq Stockholm and available as American Depository Receipts (ADR) on OTCQX Market in the US. At year-end, Orexo had a total of 6,161 (6,623) shareholders and the non-Swedish shareholding was flat ending 2024 at 45 percent (45).**

The Orexo share is listed on Nasdaq Stockholm main market under the ticker code ORX and can be traded on the US market, via an ADR available on OTCQX Market under the ticker code ORXOY. During the year the share price creased by 13 percent (–20 ) and the last price paid in 2024 amounted to SEK 17.50 (15.46). This corresponds to a market capitalization of SEK 607 million (537). The highest closing price of the year was SEK 22.90 quoted on June 12. The lowest quotation was SEK 9.39 on November 20.

## Liquidity

In total, 7 million (12) shares were traded in 2024, which is equivalent to a value of approximately SEK 114 million (196). The daily average trading volume amounted to 27,242 shares (50,582), with a corresponding value of SEK 0.5 million (1). For several days in December, trading in the share peaked, which can be attributed to the company's announcement of a resolution in its patent dispute with Sun Pharmaceuticals regarding Zubsolv® in the US. Additionally, the collaboration with Abera Bioscience to develop a nasal powder-based vaccine also contributed to the increased trading volume.

## Ownership

At year-end, Orexo had 6,161 shareholders (6,623), of which 348 were registered as legal entities and 5,813 as private individuals. Of the share capital, 55 percent (55) is held by Swedish shareholders and 45 percent (45) by non-Swedish shareholders. The largest proportion of shareholders registered outside of Sweden can be found in Denmark, whose holding remains at 34 percent (34).

| Orexo Share | |
|---|---|
| Listing | Nasdaq Stockholm, Sweden |
| Number of Shares | 34,710,639 |
| Market Capitalization, December 31 2024 | SEK 607 million |
| ISIN Code | SE0000736415 |
| Ticker Code | ORX |

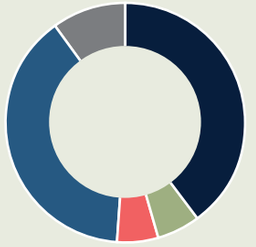
| Orexo ADR | |
|---|---|
| Trading Platform | OTC, US |
| Deposit Bank | Citibank N.A. |
| ISIN Code | US68616W1027 |
| Ticker Code | ORXOY |
| Ratio | 1:1 |

## Analysts who monitor Orexo

Currently two analysts are monitoring the company:

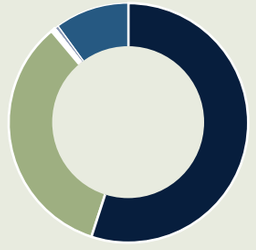
- Klas Palin, Carnegie
- Dr. Samir Devani, RX Securities

### Ownership categories, as of December 31, 2024



- Swedish private individuals 39.99%
- Swedish institutions 5.58%
- Non-Swedish institutions 5.73%
- Other 38.94%
- Anonymous ownership 9.76%

### Ownership distribution per country, as of December 31, 2024



- Sweden 55.13%
- Denmark 33.76%
- Italy 0.35%
- Norway 0.22%
- United Kingdom 0,21%
- Other 0.57%
- Anonymous ownership 9.76%

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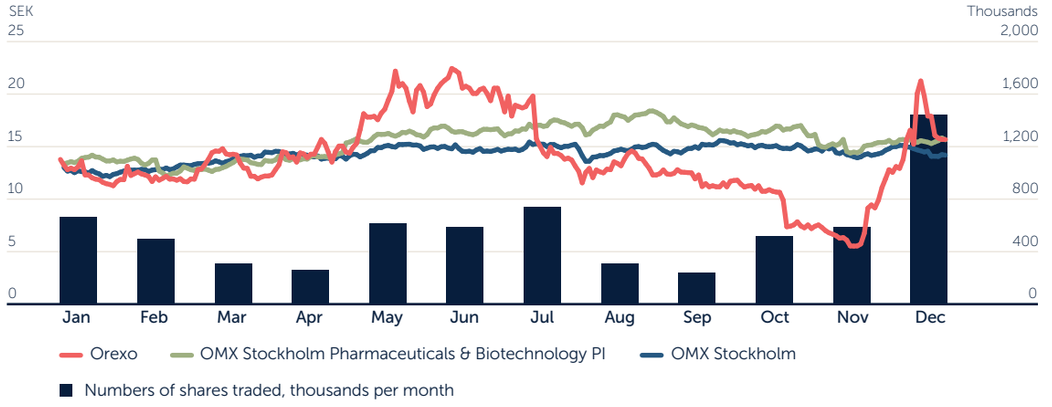
## Shareholders, December 31 2024

| Owners | No. of Common Shares | Share of Capital (%) |
|---|---|---|
| Novo Holdings A/S | 9,643,184 | 27.78 |
| Avanza Pension | 2,293,049 | 6.61 |
| The Danish Labour Market Supplementary Pension, ATP | 1,780,633 | 5.13 |
| Anders Walldov, direct and indirect | 1,600,000 | 4.61 |
| Swedbank Insurance | 936,313 | 2.70 |
| Nordnet Pension Insurance | 584,735 | 1.68 |
| Stefan Hansson | 463,225 | 1.33 |
| Håkan Lejonkula | 412,000 | 1.19 |
| Christer Nyström | 320,500 | 0.92 |
| Nucleus Capital AB | 292,020 | 0.84 |
| Total top 10 | 18,325,659 | 52.80 |
| Others | 16,384,980 | 47.20 |
| **Total** | **34,710,639** | **100.00** |

## Performance in 2024

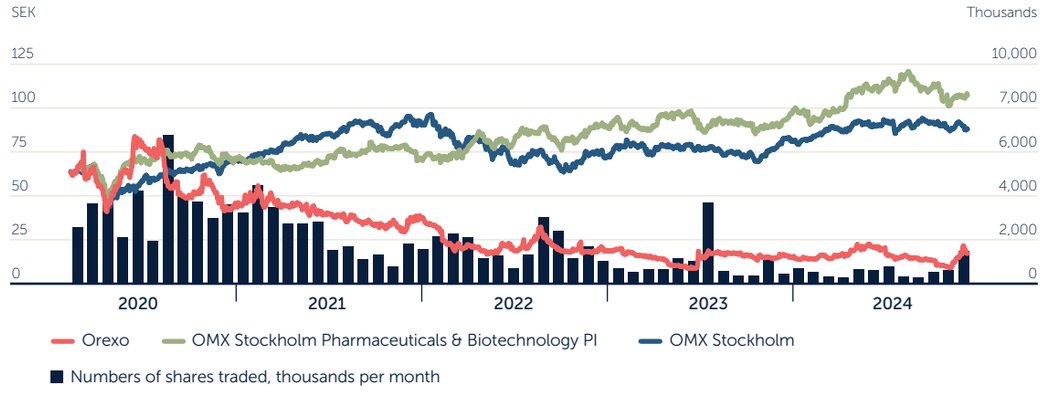



## Owner Structure, December 31 2024

| | No. of Shareholders | No. of Common Shares | Share of Capital % |
|---|---|---|---|
| 1–100 | 2,491 | 94,323 | 0.27 |
| 101–500 | 1,651 | 461,707 | 1.33 |
| 501–1,000 | 688 | 557,999 | 1.61 |
| 1,001–5,000 | 870 | 2,072,094 | 5.97 |
| 5,001–10,00 | 200 | 1,490,601 | 4.29 |
| 10,001–20,000 | 131 | 1,894,153 | 5.46 |
| 20,001– | 130 | 24,750,985 | 71.3 |
| Anonymous holdings | 0 | 3,388,777 | 9.76% |
| **Total** | **6,161** | **34,710,639** | **100.00** |

Sources: Monitor by Modular Finance AB, Euroclear Sweden AB and Nasdaq Stockholm. Shareholder data refers to owners who have their holdings directly registered. Totals may deviate due to rounding.

## Five-year performance

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# Shareholder information

## 2025 Annual General Meeting

The shareholders in Orexo AB are summoned to the Annual General Meeting (AGM), to be held on Thursday May 8, 2025, at 4 pm in Orexo's facilities at Virdings Allé 28 in Uppsala, Sweden.

### Nomination Committee prior to the AGM

Prior to the AGM a Nomination Committee (NC) has been appointed and represents approximately 34 percent of the number of votes in the company as of August 31, 2024. The NC comprises of the following members:

- Henrik Kjaer Hansen, (Chairman, appointed by Novo Holdings A/S)
- Claus Berner Møller, (appointed by The Danish Labour Market Supplementary Pension, ATP)
- Stefan Hansson, (private investor)
- James Noble, (Chairman of the Board of Orexo).

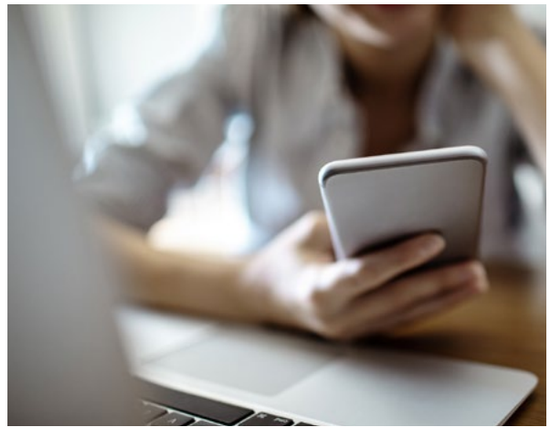
The NC will prepare proposals to the AGM regarding Chairman of the meeting, Chairman of the Board, Board members, Board member fees, any remuneration for committee work, and fees to the auditor, as well as principles for the composition of the NC. The NC's collected proposals and motivated opinion is available on Orexo's website, http://www.orexo.com.

### Registration and voting

The notification to attend and vote on the 2025 AGM is also available on the website, www.orexo.com.

Learn more about the 2025 AGM and Corporate Governance on our website at http://www.orexo.com

**Contact Investor Relations**
Lena Wange +46 (0)18 780 88 00
ir@orexo.com or lena.wange@orexo.com



## Financial Calendar

**Interim Report Q1**
May 6, 2025

**Annual General Meeting**
May 8, 2025

**Interim Report Q2**
July 16, 2025

**Interim Report Q3**
October 23, 2025

**Interim Report Q4**
**incl. Full Year Report**
February 5, 2026

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# Financial reports and notes

## Consolidated statement of operations

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| Net revenues | 5 | 590.0 | 638.8 |
| Cost of goods sold | 7 | –72.1 | –88.9 |
| **Gross profit** | | **517.9** | **550.0** |
| Selling expenses | 7, 9, 10, 32 | –191.3 | –181.5 |
| Administrative expenses | 7, 9, 10, 29, 32 | –165.3 | –188.0 |
| Research and development costs | 7, 9, 10, 32 | –340.0 | –303.1 |
| Other operating income | 8, 11 | 53.8 | 36.0 |
| Other operating expenses | 7, 11 | –15.4 | –22.7 |
| **Operating earnings** | | **–140.3** | **–109.5** |
| Financial income | 12 | 16.6 | 20.2 |
| Financial expense | 12 | –66.9 | –51.0 |
| **Earnings after financial items** | | **–190.6** | **–140.3** |
| Income tax | 13 | –12.4 | 12.0 |
| **Net earnings for the year** | | **–203.0** | **–128.3** |
| Earnings for the year attributable to: | | | |
| Parent company shareholders | | –203.0 | –128.3 |
| Earnings per share during the year attributable to parent company shareholders (expressed in SEK) | | | |
| – before dilution | 14 | –5.89 | –3.73 |
| – after dilution | 14 | –5.89 | –3.73 |

## Consolidated statement of comprehensive income

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| **Net earnings for the year** | | **–203.0** | **–128.3** |
| **Other comprehensive income** | | | |
| Items that may subsequently be reversed to the statement of operations: | | | |
| Translation differences | 17 | 17.9 | –6.8 |
| **Other comprehensive earnings for the year, net after tax** | | **17.9** | **–6.8** |
| **Comprehensive earnings for the year** | | **–185.1** | **–135.1** |
| **Comprehensive earnings attributable to:** | | | |
| Parent company shareholders | | –185.1 | –135.1 |
| Non–controlling interests | | – | – |

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## Consolidated balance sheet

| SEK million | Notes | 2024 Dec 31 | 2023 Dec 31 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| Tangible fixed assets | 9, 15 | 64.7 | 81.0 |
| Intangible assets | 9, 16 | 26.9 | 173.3 |
| Right-of-use assets | 32 | 16.4 | 24.5 |
| Deferred tax assets | 30 | 38.9 | 48.1 |
| Other financial assets | 18 | 1.6 | 0.8 |
| **Total fixed assets** | | **148.4** | **327.7** |
| **Current assets** | | | |
| Inventories | 19 | 60.1 | 42.4 |
| Accounts receivable | 20 | 198.5 | 197.6 |
| Other receivables | 21 | 35.2 | 15.1 |
| Prepayment and accrued income | 22 | 29.4 | 32.7 |
| Cash and cash equivalents | 18, 23 | 123.3 | 171.0 |
| **Total current assets** | | **446.4** | **458.9** |
| **TOTAL ASSETS** | | **594.8** | **786.6** |

| SEK million | Notes | 2024 Dec 31 | 2023 Dec 31 |
|---|---|---|---|
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | | 14.2 | 14.2 |
| Other contributed capital | 24 | 1,815.9 | 1 815.9 |
| Reserves | 17 | 32.8 | 14.9 |
| Profit carried forward including net earnings for the year | | –1,989.2 | –1 786.1 |
| **Total shareholder's equity** | | **–126.3** | **58.9** |
| *Long–term liabilities and provisions* | | | |
| Provisions | 24, 25 | 24.0 | 11.5 |
| Interest bearing liabilities | 18, 26 | 460.0 | 448.4 |
| Lease liabilities, long-term | 32 | 6.0 | 4.5 |
| **Total long–term liabilities** | | **490.0** | **464.5** |
| *Current liabilities* | | | |
| Accounts payable | 18 | 41.5 | 36.5 |
| Provisions | 25 | 112.1 | 133.1 |
| Other liabilities | 27 | 9.1 | 10.5 |
| Accrued expenses | 27 | 58.2 | 62.2 |
| Lease liabilities, current | 32 | 10.0 | 20.9 |
| **Total current liabilities** | | **231.1** | **263.2** |
| **Total liabilities** | | **721.1** | **727.7** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **594.8** | **786.6** |

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## Changes in consolidated shareholders' equity

| Attributable to parent company shareholders[1] SEK million | Notes | Share capital | Other contributed capital[2] | Reserves[3] | Profit carried forward including Net earnings for the year | Total shareholders' equity |
|---|---|---|---|---|---|---|
| **Opening balance at January 1, 2023** | | **14.2** | **1,815.9** | **21.7** | **–1,657.9** | **193.9** |
| **Comprehensive income** | | | | | | |
| Net earnings for the year | | – | – | – | –128.3 | –128.3 |
| **Other comprehensive income** | | | | | | |
| Translation differences | | – | – | –6.8 | – | –6.8 |
| **Total comprehensive income** | | **0.0** | **0.0** | **–6.8** | **–128.3** | **–135.1** |
| **Transactions with shareholders** | | | | | | |
| Share-based payments | 24 | – | – | – | – | 0.0 |
| **Total transactions with shareholders** | | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Closing balance at December 31, 2023** | | **14.2** | **1,815.9** | **14.9** | **–1,786.1** | **58.9** |
| | | | | | | |
| **Opening balance at January 1, 2024** | | **14.2** | **1,815.9** | **14.9** | **–1,786.1** | **58.9** |
| **Comprehensive income** | | | | | | |
| Net earnings for the year | | – | – | – | –203,0 | –203.0 |
| **Other comprehensive income** | | | | | | |
| Translation differences | | – | – | 17.9 | – | 17.9 |
| **Total comprehensive income** | | **0.0** | **0.0** | **17.9** | **–203.0** | **–185.1** |
| **Transactions with shareholders** | | | | | | |
| Share-based payments | 24 | – | – | – | – | 0.0 |
| **Total transactions with shareholders** | | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Closing balance at December 31, 2024** | | **14.2** | **1,815.9** | **32.8** | **–1,989.2** | **–126.3** |

1. There are no non–controlling interests.
2. The following are recognized as "Other contributed capital":
   - The difference between the share's quotient value and the redemption price of exercised warrants.
   - The difference between the share's quotient value and the calculated value of newly issued shares and warrants (option premium).
   - Employee stock options, value of employees' services.
3. See note 17.

The total number of shares as of December 31, 2024, was 34,710,639 (34,710,639), of which 205,413 (261,044) were owned by the company.
The number of outstanding shares thus amounts to 34,505,226 (34,449,595) as of December 31, 2024.

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## Consolidated cash flow statement

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| Operating earnings | | –140.3 | –109.5 |
| Adjustment for non-cash items | 33 | 163.7 | 99.8 |
| Interest received | | 7.7 | 7.7 |
| Interest paid | | –60.2 | –37.6 |
| Tax paid | | –1.5 | –1.6 |
| **Cash flow from operating activities before changes in working capital** | | **–30.6** | **–41.2** |
| *Changes in working capital* | | | |
| Change in inventories | | 0.3 | 21.7 |
| Change in receivables | | 0.0 | 45.9 |
| Change in current liabilities | | –2.4 | –121.5 |
| **Cash flow from operating activities** | | **–32.6** | **–95.0** |
| **Investing activities** | | | |
| Acquisition of tangible fixed assets | 15 | –3.1 | –18.5 |
| Acquisition of intangible assets | 16 | –1.6 | –0.7 |
| Acquisition of short-term investments | | –0.7 | 0.1 |
| Disposal of short-term investments | | — | 219.9 |
| **Cash flow from investing activities** | | **–5.3** | **200.8** |
| **Financing activities** | | | |
| Amortization of Lease liability | 32 | –22.0 | –21.4 |
| Repayment of loans | | –451.3 | –48.7 |
| Borrowings | 26 | 457.7 | — |
| **Cash flow from financing activities** | | **–15.5** | **–70.1** |
| **Cash flow for the year** | | **–53.5** | **35.7** |
| Cash and cash equivalents at the beginning of he period | | 171.0 | 132.2 |
| Exchange-rate differences in cash and cash equivalents | | 5.8 | 3.1 |
| Change in liquidity | | –47.7 | 38.8 |
| **Cash and cash equivalents at the end of the period** | 23 | **123.3** | **171.0** |

## Parent company statement of operations

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| Net revenues | 5 | 303.8 | 494.0 |
| Cost of goods sold | 7 | –63.2 | –93.7 |
| **Gross profit** | | **240.5** | **400.3** |
| Selling expenses | 7, 9, 10, 32 | –124.9 | –119.4 |
| Administrative expenses | 7, 9, 10, 29, 32 | –58.2 | –94.9 |
| Research and development costs | 7, 9, 10, 32 | –288.8 | –243.7 |
| Other operating income | 8, 11 | 1,156.3 | 37.8 |
| Other operating expenses | 7, 11 | –13.2 | –20.7 |
| **Operating earnings** | | **911.7** | **–40.6** |
| Other interest income and similar income | 12 | 19.0 | 19.5 |
| Other interest expenses and similar expenses | 12 | –65.4 | –49.3 |
| **Net financial items** | | **–46.4** | **–29.8** |
| **Earnings before tax** | | **865.3** | **–70.4** |
| Tax on earnings for the year | 13 | — | — |
| **Net earnings for the year** | | **865.3** | **–70.4** |

## Parent company statement of comprehensive income

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| Net earnings for the year | | 865.3 | –70.4 |
| Other comprehensive income for the period, net after tax | | — | — |
| **Total comprehensive income for the period** | | **865.3** | **–70.4** |

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## Parent company balance sheet

| SEK million | Notes | 2024 Dec 31 | 2023 Dec 31 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| Patents, intellectual property rights, proprietary intangible assets and software | 9, 16 | 24.1 | 147.7 |
| Equipment, machinery, renovation of the property of others | 9, 15 | 64.7 | 81.0 |
| Shares and participations in group companies | 28 | 291.8 | 286.2 |
| **Total fixed assets** | | **380.6** | **515.0** |
| **Current assets** | | | |
| Inventories | 19 | 6.8 | 25.6 |
| Accounts receivable | 20 | 6.8 | 23.8 |
| Other receivables | 21 | 30.3 | 10.6 |
| Receivables from group companies | 31 | 1,049.4 | 71.0 |
| Prepaid expenses and accrued income | 22 | 15.1 | 18.4 |
| Cash and cash equivalents | 23 | 61.2 | 145.5 |
| **Total current assets** | | **1,169.6** | **294.9** |
| **TOTAL ASSETS** | | **1,550.2** | **809.8** |

| SEK million | Notes | 2024 Dec 31 | 2023 Dec 31 |
|---|---|---|---|
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| *Restricted shareholders' equity* | | | |
| Share capital | | 14.2 | 14.2 |
| Statutory reserve | | 290.8 | 290.8 |
| Revaluation fund | | 123.4 | 123.4 |
| **Total restricted shareholders' equity** | | **428.4** | **428.4** |
| *Non-restricted shareholders' equity* | | | |
| Share premium reserve | | 1,187.6 | 1,187.6 |
| Accumulated deficit | | –1,453.9 | –1,383.4 |
| Net earnings for the year | | 865.3 | –70.4 |
| **Total non-restricted shareholders' equity** | | **599.1** | **–266.2** |
| **Total shareholders' equity** | | **1,027.4** | **162.1** |
| *Long-term liabilities* | | | |
| Other provisions | 24, 25 | 22.3 | 10.8 |
| Interest bearing liabilities | 26 | 460.0 | 448.4 |
| **Total long-term liabilities** | | **482.4** | **459.3** |
| *Current liabilities* | | | |
| Accounts payable | | 11.6 | 10.3 |
| Other liabilities | 27 | 7.6 | 8.6 |
| Liabilities to group companies | | 0.0 | 144.7 |
| Accrued expenses and deferred income | 27 | 21.2 | 24.9 |
| **Total current liabilities** | | **40.4** | **188.4** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **1,550.2** | **809.8** |

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## Changes in parent company shareholders' equity

| SEK million | Notes | Share capital | Statutory reserve | Revaluation reserve | Share premium reserve | Accumulated deficit including Net earnings for the year | Total shareholders' equity |
|---|---|---|---|---|---|---|---|
| **Opening shareholders' equity at January 1, 2023** | | **14.2** | **290.8** | **0.0** | **1,187.6** | **–1,383.4** | **109.2** |
| Net earnings for the year | | — | — | — | — | –70.4 | –70.4 |
| Other comprehensive income | | — | — | — | — | — | — |
| **Total comprehensive income** | | **0.0** | **0.0** | **0.0** | **0.0** | **–70.4** | **–70.4** |
| Write-up of holdings in Group companies | | — | — | **123.4** | — | — | 123.4 |
| **Closing shareholders' equity at December 31, 2023** | | **14.2** | **290.8** | **123.4** | **1,187.6** | **–1,453.8** | **162.1** |
| **Opening shareholders' equity at January 1, 2024** | | **14.2** | **290.8** | **123.4** | **1,187.6** | **–1,453.8** | **162.1** |
| Net earnings for the year | | — | — | — | — | 865.3 | 865.3 |
| Other comprehensive income | | — | — | — | — | — | — |
| **Total comprehensive income** | | **0.0** | **0.0** | **0.0** | **0.0** | **865.3** | **865.3** |
| **Closing shareholders' equity at December 31, 2024** | | **14.2** | **290.8** | **123.4** | **1,187.6** | **–588.5** | **1,027.4** |

The total number of shares as of December 31, 2024, was 34,710,639 (34,710,639), of which 205,413 (261,044) were owned by the company.
The number of outstanding shares thus amounts to 34,505,226 (34,449,595) as of December 31, 2024.

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## Parent company cash flow statement

| SEK million | Notes | 2024 | 2023 |
|---|---|---|---|
| **Operating activities** | | | |
| Operating earnings | | 911.7 | –40.6 |
| Adjustment for non-cash items | 33 | –965.5 | 49.1 |
| Interest received | | 8.4 | 7.1 |
| Interest paid | | –58.8 | –35.9 |
| Tax paid | | — | — |
| **Cash flow from operating activities before change in working capital** | | **–104.2** | **–20.4** |
| *Change in working capital* | | | |
| Change in inventories | | 20.4 | 33.0 |
| Change in accounts receivable and other current receivables | | 117.9 | 13.7 |
| Change in current liabilities | | –116.8 | –55.1 |
| **Cash flow from operating activities** | | **–82.7** | **–28.7** |
| **Investing activities** | | | |
| Acquisition of tangible fixed assets | 15 | –3.1 | –18.5 |
| Acquisition of intangible assets | 16 | –1.6 | — |
| Disposal of short-term investments | | — | 178.1 |
| Acquisition value subsidiary | | –5.6 | –1.5 |
| **Cash flow from investing activities** | | **–10.2** | **158.1** |
| **Financing activities** | | | |
| Repayment of loans | | –451.3 | –48.7 |
| Borrowings | 26 | 457.7 | — |
| Group contribution | | 0.2 | –0.1 |
| **Cash flow from financing activities** | | **6.7** | **–48.9** |
| **Cash flow for the year** | | **–86.2** | **80.6** |
| Cash and cash equivalents at beginning of period | | 145.5 | 61.7 |
| Exchange-rate differences in cash and cash equivalents | | 1.9 | 3.2 |
| Change in liquidity | | –84.3 | 83.8 |
| **Cash and cash equivalents at end of period** | 23 | **61.2** | **145.5** |

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# Notes

## NOTE 1 GENERAL INFORMATION

Orexo AB (publ) 556500-0600, the parent company, and its subsidiaries (together the Group) are together an integrated pharma company with commercial operations in the United States and R&D in Sweden. On the US market, Orexo provides innovative treatment solutions for patients suffering from opioid use disorder and adjacent diseases. Products targeting other therapeutic areas are developed and commercialized worldwide with leading partners. The parent company is the limited liability company Orexo AB (publ), with its registered office in Uppsala, Sweden. The address of the company's head office is Virdings allé 22, Uppsala, Sweden.

The parent company's share is listed on Nasdaq Stockholm.

The Board of Directors approved these consolidated financial statements for publication on March 25, 2025.

The statement of operations and balance sheet will be presented to the Annual General Meeting on May 8, 2025, for adoption.

## NOTE 2 SUMMARY OF IMPORTANT ACCOUNTING POLICIES

The most significant accounting policies applied during the preparation of these consolidated financial statements are specified below and in the notes. Unless otherwise stated, these policies have been applied consistently for all years presented. Amounts in SEK million where not otherwise stated. Amounts in brackets refer to the previous year.

### 2.1 Basis for preparation of the financial statements

The consolidated financial statements of Orexo AB (publ) and its subsidiaries have been prepared in accordance with IFRS(R) Accounting Standards as issued by the International Accounting Standards Board (IASB(R)) and adopted by the European Union (EU). This annual report has been prepared in accordance with IAS 1 Presentation of Financial Statements and the Swedish Annual Accounts Act. Furthermore, RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Corporate Reporting Board, has been applied.

### 2.1.1 Amendments to accounting policies and disclosures

(a) New and amended standards applied by the Group

From January 1, 2024, the Orexo Group have applied the amendments to IAS 1 by providing additional disclosures regarding covenants related to the company's corporate bond. This information is provided in Note 26. No other new standards, amendments, or interpretations that came into effect for the financial year ending December 31, 2024, have had any significant impact on the Group's financial statements.

## NOTE 2 CONT. SUMMARY OF IMPORTANT ACCOUNTING POLICIES

(b) New standards and interpretations of existing standards that have not yet been applied by the Group

Starting January 1, 2027, IFRS 18 Presentation and Disclosure in Financial Statements will come into effect. The new standard will replace IAS 1 Presentation of Financial Statements. The purpose of IFRS 18 is to improve how companies present their financial reports, with a particular focus on the income statement and cash flow analysis. The standard also includes requirements for certain disclosures about selected key performance indicators. IFRS 18 has not yet been adopted by the EU.

### 2.2 Translation of foreign currency

The consolidated accounts are prepared in SEK, which is the parent company's functional currency and the Group's reporting currency.

Exchange-rate gains and losses arising when reporting income and expenses, financial position, translation of net investment in foreign operations and borrowing for group companies are reported in other comprehensive income. When recalculating assets and liabilities in subsidiaries, the balance sheet exchange rate is applied. When reporting income and expenses in subsidiaries, the average exchange rate is applied. Applied exchange rates are retrieved via Floatrates.

See further notes 11 and 12.

### 2.3 Basis for preparation of the financial statements for the parent company

Orexo AB, the parent company, has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and the the Swedish Corporate Reporting Board's recommendations RFR 2. The parent company applies the policies presented in the consolidated financial statements, with the exceptions outlined below.

(a) Shares and participations in subsidiaries

Shares and participations in subsidiaries are recognized at cost after adjustments for any write-up and impairment.

When there are indications that shares and participations in subsidiaries have declined in value, an estimate is made of the recoverable amount. If this is lower than the carrying amount, impairment is applied.

(b) Group and shareholders' contributions

Shareholders' contributions granted are recognized as an increase in the value of shares and participations. An assessment is then made as to whether there is a need for impairment of the value of the shares and participations in question.

The Group did not have any Group contributions during the period.

(c) Leasing

All leasing agreements are recognized as operating expenses on a straight-line basis over the lease period.

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# NOTE 3 FINANCIAL RISK MANAGEMENT

The Group's operations are exposed to a number of financial risks. To efficiently manage and mitigate these risks, Orexo has drawn up a series of guidelines and a detailed financial policy. The financial policy is evaluated and determined annually by the Board's Audit Committee. Risk management is handled centrally by the Group's Finance department. The financial risks deemed to have the greatest significance for Orexo, and how they are managed, are described below.

### 3.1. Currency risks

Currency risk involves the risk of changes in value due to changes in exchange rates. Orexo's international operations lead to currency risks in the form of transaction exposure and translation exposure, refer to Note 18. The group strives to match flows in the same currency as far as possible. In addition, it is possible to hedge transaction exposure in accordance with the financial policy. However, no hedging instruments have been used by the group during the year or the previous year.

The group's currency risk is mainly attributable to USD, as a substantial part of revenues and costs are in this currency.

Income and expenses in foreign currency give rise to transaction exposures. Fiscal year 2024 sales in USD amounted for 96 (95) percent of net sales. Total operating expenses in 2024 amounted to 57 (64) percent in USD.

Assets and liabilities in foreign currency give rise to translation exposure. An increase in USD by 1 percentage point results in an negative impact on equity of SEK 1.1 million. The same currency change against the Swedish krona of 1 percentage point and balance sheet exposure at the balance sheet date for USD means a positive change in other income and expenses of approximately SEK 0.3 million.

### 3.2 Interest rate and inflation risk

Interest rate and inflation risk means that changes in the interest rate and inflation level have a negative effect on the result. In order to reduce the impact of interest rate and inflation movements on the result, Orexo mainly uses instruments with short maturities and strives for the maturities of financial liabilities to match the maturities of financial assets as far as possible. According to the financial policy, financial investments must be made in addition to bank balances in financial instruments with high liquidity and low credit risk.

The Group's interest-bearing liabilities amounted to SEK 460.0 million on December 31, 2024 and these are attributable to a corporate bond loan. This loan has a variable interest rate, STIBOR +6.5 percent (STIBOR is calculated as zero at the lowest).

The impact on earnings of a change in interest rates of 0.5 percent would entail an increase/decrease of SEK 2.5 million.

### 3.3 Credit risk

Credit risk partly refers to the risk that the counterparty will not fulfill its undertakings to repay a liability or pay interest on such a liability, as well as the risk associated with balances with credit institutions.

For the Group, there are mainly two categories of payment flows in which credit risks could arise: in the subsidiary Orexo US Inc's sales to distributors and in the payment flows from Orexo's license agreements with other parties. With regard to Orexo US Inc's distributors, credit risks are reviewed on an ongoing basis based on the customer's financial position and other factors. An extensive evaluation of the counterparty is always undertaken prior to the signing of a license agreement.

Accounts receivable are continuously monitored, with checks performed on due customer invoices. Of total accounts receivable at December 31, 2024, the four largest customers accounted for 95 percent. No other single customer accounted for more than 1 percent of total accounts receivable. Note 20 presents the amounts due.

According to the Group's finance policy, the Group's financial transactions must only be carried out with banks or financial instruments with an official rating not below A1/P1 according to credit rating from Moody's.

### 3.4 Liquidity risk

Liquidity risk is defined as the risk that Orexo will be unable to fulfill its undertakings to repay or refinance its debts on time or at a reasonable cost. Liquidity risk is managed by means of sufficient cash and cash equivalents to ensure continuing operations.

Cash flow forecasts are prepared each month. Executive Management continuously monitors forecasts to ensure that the Group has sufficient cash funds to meet the requirements of continuing business operations.

The table below shows the Group's contractual non-discounted cash flows from financial liabilities, distributed on the basis of the period remaining to maturity on the closing date.

| At December 31, 2024 | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years |
|---|---|---|---|
| Accounts payable | 41.5 | – | – |
| Accrued costs | 38.9 | – | – |
| Interest bearing liabilities | 32.5 | 32.5 | 40.4 |
| Leasing | 9.9 | 6.6 | – |

| At December 31, 2023 | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years |
|---|---|---|---|
| Accounts payable | 36.5 | – | – |
| Accrued costs | 34.3 | – | – |
| Interest bearing liabilities | 18.8 | 502.2 | – |
| Leasing | 21.8 | 5.1 | – |

### 3.5 Capital structure

The Group's objective for its capital structure is to safeguard the Group's ability to continue its operations so it can generate a return for the shareholders and benefits for other stakeholders, as well as maintain an optimum capital structure to keep capital costs down.

The Group's capital is assessed on the basis of its equity/assets ratio. The equity/assets ratio at December 31, 2024 and 2023 is presented in the table below:

| | 2024 | 2023 |
|---|---|---|
| Shareholders' equity | –126.3 | 58.9 |
| Total assets | 594.8 | 786.6 |
| **Equity/assets ratio** | **neg.** | **7%** |

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## NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events deemed reasonable under prevailing circumstances.

### 4.1 Critical estimates and assessments for accounting purposes

The Group makes assessments and assumptions about the future. The resulting accounting estimates will, by definition, seldom correspond to the actual results. Estimates and assumptions that entail a significant risk of material adjustment to the recognized amounts of assets and liabilities during the next fiscal year are outlined below.

#### (a) Impairment testing of intangible assets

Amortization of intangible assets related to Digital Mental Health Program (DMHP) MODIA®, begun in April 2022 after the product first sales or commercial availability in the US. Assets consist of milestone payments for licenses and similar rights as well as intangible assets related to enterprise platform. Amortization will be carried out over a period of 10 years. The most significant assumption utilized was projected future revenue growth, as the value of the assets is dependent on the company successfully commercializing the product. The period for which cash flow is projected is longer than five years, due to the early phase of commercialization MODIA® is currently in. No indication of impairment need has been identified during the year.

#### (b) Royalty revenues

Royalties may be impacted by external factors, such as sales limitations or price regulations initiated by authorities in the countries in which sales are conducted. This is out of the control of the company and information of this nature does not normally reach the company until it has occured. When reporting the royalty income, an estimate of the sale of the period is required.

#### (c) Revenues from sale of goods

Revenues from Zubsolv® are recognized when they are delivered to wholesalers. Revenues for Zubsolv® are calculated as gross income invoiced to wholesalers, with a deduction for actual and estimated discounts to public and private insurance providers ("the payers"), provisions for potential returns, costs for patient support programs and fees to wholesalers and distributors. Since not all of the volume invoiced to wholesalers has reached patients at the closing date, several of the deductions from gross income are partly based on estimates.

#### (d) Inventory valuation

In order to ensure safe supply of Zubsolv® in the American market, Orexo has established inventory level of raw materials, semi-finished products and finished products. The valuation of the inventory and the assessment of the risk of potential write-down is based on continually updated market forecasts and assumptions regarding the shelf-life of various chemical compounds. The shelf-life of semi-finished products and finished products is based on documented stability studies.

#### (e) Deferred tax assets

Orexo has significant loss carry-forwards as historically the company has made losses. Carry-forwards losses are activated only to the extent that it is probable that the deductions can be offset against surplus on future taxation. The loss carry-forwards for tax purposes in the Group amounted to SEK 712 million (1,576) at December 31, 2024. No deferred tax assets for tax-loss carry-forwards have been capitalized.

### 4.2 Critical judgments in the application of the company's accounting policies

#### (a) Assessment as to whether a license agreement entails the divestment or a transfer of rights

Certain license agreements entail that global rights are transferred to a business partner. Since Orexo retains the intellectual property rights, which may also be retrieved under certain circumstances, these agreements are not recognized as though the licensing agreement implies a divestment. For Orexo, this means that these assets remain in the balance sheet item "Acquired research and development"

#### (b) Revenue recognition

Executive Management assesses the probability of whether future financial value will accrue to the Group on the basis of a number of factors, such as the customer's payment history and credit worthiness. If the Group deems a receivable to be doubtful, a provision is made until it is possible to determine whether or not the Group will receive payment.

A milestone payment is an item of revenue related to achieved goals specified in the agreement with the partner in question. Such goals may include the start of clinical trials or the granting of product registration approval by an authority. Revenues from intermediate milestone payments are recognized once the goal has been achieved and the Group has fulfilled its undertakings.

#### (c) Research and development

Costs attributable to research are expensed as they arise. Assessments of which costs can be capitalized or not are done continuously. Costs attributable to development projects are recognized as intangible assets in the balance sheet when these costs are expected to generate financial benefits in the future. Other development costs are expensed as they arise. Development costs that are expensed are not recognized as an asset in subsequent periods.

## NOTE 5 REVENUE FROM CONTRACTS WITH CUSTOMERS

The group's revenue consists of the fair value of goods and services sold excluding value added tax, discounts, returns and after elimination of intra-group sales. When calculating revenue that includes estimates of variable compensation, such as price deductions, royalties and licenses, revenue is recognized only to the extent that it is highly probable that a material reversal of accumulated revenue recognized will not occur when the uncertainty associated with the variable compensation ceases.

The Group's sales are mainly based on payment terms on 0–45 days, and no elements of significant financing components exist. The Group reports receivables against counterparties at the time of sale, and at the balance sheet date there were no contractual assets or contractual liabilities. No significant unfulfilled or partially fulfilling performance commitments existed on the balance sheet date.

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| Group | Zubsolv® | Abstral® | Edluar® | vorvida® | deprexis® | MODIA® | Total |
| **Segment** | | | | | | | |
| US Commercial | 560.3 | – | – | – | 0.0 | – | **560.3** |
| HQ & Pipeline | 8.9 | 8.2 | 12.5 | – | – | – | **29.7** |
| **Total revenue from contracts with customers** | **569.2** | **8.2** | **12.5** | **0.0** | **0.0** | **0.0** | **590.0** |
| **Geographical markets** | | | | | | | |
| US | 560.3 | – | 1.4 | – | 0.0 | – | **561.7** |
| EU & UK | 8.9 | 7.5 | 8.1 | – | – | – | **24.5** |
| Rest of the world | – | 0.7 | 3.1 | – | – | – | **3.8** |
| **Total revenue from contracts with customers** | **569.2** | **8.2** | **12.5** | **0.0** | **0.0** | **0.0** | **590.0** |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| Group | Zubsolv® | Abstral® | Edluar® | vorvida® | deprexis® | MODIA® | Total |
| **Segment** | | | | | | | |
| US Commercial | 577.7 | – | – | 0.0 | 0.0 | – | **577.7** |
| HQ & Pipeline | 18.4 | 31.9 | 10.8 | – | – | – | **61.1** |
| **Total revenue from contracts with customers** | **596.1** | **31.9** | **10.8** | **0.0** | **0.0** | **0.0** | **638.8** |
| **Geographical markets** | | | | | | | |
| US | 577.7 | – | 2.2 | 0.0 | 0.0 | – | **579.9** |
| EU & UK | 18.4 | 31.1 | 5.4 | – | – | – | **55.0** |
| Rest of the world | – | 0.8 | 3.1 | – | – | – | **4.0** |
| **Total revenue from contracts with customers** | **596.1** | **31.9** | **10.8** | **0.0** | **0.0** | **0.0** | **638.8** |

Of the Group's total revenue, over 97% (97%) consists of sales to three customers.

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## NOTE 5 CONT. REVENUE FROM CONTRACTS WITH CUSTOMERS

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| Parent company | Zubsolv® | Abstral® | Edluar® | vorvida® | deprexis® | MODIA® | Total |
| **Segment** | | | | | | | |
| US Commercial (intragroup) | 274.0 | – | – | – | 0.0 | – | **274.1** |
| HQ & Pipeline | 8.9 | 8.2 | 12.5 | – | – | – | **29.7** |
| **Total revenue from contracts with customers** | **283.0** | **8.2** | **12.5** | **0.0** | **0.0** | **0.0** | **303.8** |
| **Geographical markets** | | | | | | | |
| US | 274.0 | – | 1.4 | – | 0.0 | – | **275.5** |
| EU & UK | 8.9 | 7.5 | 8.1 | – | – | – | **24.5** |
| Rest of the world | – | 0.7 | 3.1 | – | – | – | **3.8** |
| **Total revenue from contracts with customers** | **283.0** | **8.2** | **12.5** | **0.0** | **0.0** | **0.0** | **303.8** |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| Parent company | Zubsolv® | Abstral® | Edluar® | vorvida® | deprexis® | MODIA® | Total |
| **Segment** | | | | | | | |
| US Commercial (intragroup) | 432.2 | – | – | 0.0 | 0.0 | 0.6 | **432.9** |
| HQ & Pipeline | 18.4 | 31.9 | 10.8 | – | – | – | **61.1** |
| **Total revenue from contracts with customers** | **450.6** | **31.9** | **10.8** | **0.0** | **0.0** | **0.6** | **494.0** |
| **Geographical markets** | | | | | | | |
| US | 432.2 | – | 2.2 | 0.0 | 0.0 | 0.6 | **435.1** |
| EU & UK | 18.4 | 31.1 | 5.4 | – | – | – | **55.0** |
| Rest of the world | – | 0.8 | 3.1 | – | – | – | **4.0** |
| **Total revenue from contracts with customers** | **450.6** | **31.9** | **10.8** | **0.0** | **0.0** | **0.6** | **494.0** |

The Group's revenues consists of and is reported as follows:

### Sales, products

Revenues for the sale of goods are reported in its entirety at the time when the control of the goods is transferred to the counterparty, which is usually when the goods are delivered to the wholesalers who are the Group's customers. The transaction price is usually not known at the time of delivery, as the final price is dependent on the discount that will be paid to the public or private insurers who pay patients' drug costs. Since the final transaction price is not known, the Group estimates a discount deduction based on a statistical model that is based, among other things, on prescription data. The cumulative discount deduction is reported in the item provisions, and amounted to SEK 107.2 million (126.3) at the balance sheet date. Retailers have the right to return unsold goods, and the Group therefore estimates a deduction for expected future returns. The accumulated return deduction is reported under the item provisions, and amounted to SEK 4.9 million (6.7) at the balance sheet date. During the period, the Group reversed provisions for discounts and returns from previous periods to an amount of SEK 15.0 million (13.8). Estimates of discounts and returns are associated with significant uncertainty, see Note 4.

### Royalties

Revenues from royalties are recognized at the time when the commitment to transfer intellectual property rights to the counterparty has been fulfilled, and the sales that form the basis of royalties have occurred. In practice, this means that revenues from royalties for such products where the transfer of the intellectual property rights has already taken place are reported when the sale of the goods that form the basis of royalties takes place. The Group usually does not receive information on actual sales in connection with the financial statements, and therefore estimates earned royalties during the end of the period. The estimate of earned royalties is associated with significant uncertainty, see Note 4.

### Milestones

Revenue from milestone payments is reported at that time when the commitment to transfer intellectual property rights to the counterparty has been fulfilled, and the uncertainty about it that the milestone will be achieved has ceased. No milestone payments have been made during 2024. Orexo's license agreement usually includes one or more of the following types milestone payments:

- One-time compensation when entering into an agreement. Usually refers to the right to register, market and sell Orexos patent protected products within a specified geographical area but can also constitute compensation for technology or knowledge transfer that must take place to the partner.
- Compensation for research collaboration. These are obtained continuously and is reported over the time it relates and the work is performed. Milestones fall out when research goals or sales targets have reached according to definitions in each agreement, for example when granting of patent, termination of clinical trial or approval of registrations. Such remuneration is reported when all the conditions for remuneration according to the agreement is met, and the uncertainty thus has ceased.
- License revenues for Digital mental health programs (DMHP) are recognized over the time during which the license is granted, as the license grant has been determined to be a "right to access" performance obligation. In cases where there is a right to return products, an estimated returns rate is applied which reduces the net revenues.

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## NOTE 6 DISTRIBUTION OF REVENUE AND EBIT PER SEGMENT

US Commcercial segment comprises the distribution and sale of Zubsolv® for treatment of opioid use disorder in the US and comprise the distribution and sale of digital mental health programs in the US. HQ & Pipeline consists of the Group head quarter functions. R&D. Business Development. Global Regulatory and Supply Chain.

| | 2024 | 2023 |
|---|---|---|
| **US Commercial** | | |
| Net revenues | 560.3 | 577.7 |
| Operating earnings (EBIT) | 27.9 | 283.1 |
| Depreciation and amortization | –149.3 | –15.6 |
| | | |
| **HQ & Pipeline** | | |
| Net revenues | 29.7 | 61.1 |
| Operating earnings (EBIT) | –168.3 | –261.8 |
| Depreciation and amortization | –39.9 | –33.3 |
| | | |
| **Group** | | |
| Net revenues | 590.0 | 638.8 |
| Operating earnings (EBIT) | –140.3 | –109.5 |
| Depreciation and amortization | –189.2 | –77.0 |
| Net financial items | –50.3 | –30.8 |
| Earnings before tax | –190.6 | –140.3 |

Revenues from customer in Sweden amounted to SEK 14.0 (11.0) million during 2024.
Fixed assets in Sweden amounted to SEK 9.3 (13.3) million at December 31, 2024.
Intangible assets in Sweden amounted to SEK 24.1 (147.7) million at December 31, 2024.

## NOTE 7 COSTS BY TYPE OF COST

Cost of goods sold consists of the cost of goods for the products that the Group sells. This includes costs for raw materials, direct and indirect cost of goods.

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Raw materials and consumables | 72.1 | 88.9 | 63.2 | 93.7 |
| Other external expense | 284.1 | 372.4 | 239.2 | 328.1 |
| Personnel costs | 223.3 | 223.3 | 88.1 | 82.7 |
| Depreciation/amortization and impairment | 189.2 | 77.0 | 144.6 | 47.2 |
| **Total** | **768.7** | **761.6** | **535.1** | **551.7** |

## NOTE 8 OTHER OPERATING INCOME

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Exchange gains | 20.1 | 19.8 | 20.1 | 19.8 |
| Other income | 33.7 | 16.2 | 1,136.2 | 18.0 |
| **Total** | **53.8** | **36.0** | **1,156.3** | **37.8** |

Other income in the parent company mainly refers to a transfer pricing related regulation. i.e. the profit of the US subsidiary is regulated to a percentage of sales. Excess profit goes to the parent company. Other income in the group consists of a insurance reimbursement.

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## NOTE 9 DEPRECIATION/AMORTIZATION AND IMPAIRMENT

**Depreciation, amortization and impairment are divided up by function as follows:**

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Tangible fixed assets** | | | | |
| Sales | – | – | – | – |
| Administration | 1.8 | 2.2 | 1.8 | 2.2 |
| Research and development | 17.6 | 11.3 | 17.6 | 11.3 |
| **Total tangible fixed assets** | **19.4** | **13.5** | **19.4** | **13.5** |
| **Intangible assets** | | | | |
| Selling | – | – | – | – |
| Administration | 14.7 | 0.3 | 0.1 | 0.3 |
| Research and development | 134.8 | 43.8 | 125.1 | 33.4 |
| **Total intangible assets** | **149.4** | **44.1** | **125.2** | **33.7** |
| **Right-of use assets** | | | | |
| Selling | 3.4 | 2.8 | – | – |
| Administration | 5.3 | 5.4 | – | – |
| Research and development | 11.7 | 11.3 | – | – |
| **Total right-of use assets** | **20.4** | **19.5** | **0.0** | **0.0** |
| **Total depreciation/amortization and impairment** | **189.2** | **77.0** | **144.6** | **47.2** |

## NOTE 10 REMUNERATION TO EMPLOYEES

**Average number of employees**

| Group | 2024 Average number of employees | Of whom women | 2023 Average number of employees | Of whom women |
|---|---|---|---|---|
| Sweden | 56 | 27 | 57 | 28 |
| USA | 57 | 31 | 61 | 35 |
| **Total for Group** | **113** | **58** | **118** | **63** |

| Parent company | 2024 Average number of employees | Of whom women | 2023 Average number of employees | Of whom women |
|---|---|---|---|---|
| Sweden | 56 | 27 | 57 | 28 |
| **Total for parent company** | **56** | **27** | **57** | **28** |

| | Group | | Parent company | |
|---|---|---|---|---|
| Costs and remuneration to all employees and Board, SEK thousands | 2024 | 2023 | 2024 | 2023 |
| **Salaries, remuneration and social security fees** | | | | |
| Salaries and other remuneration to the Board, President and Executive Management | 28,748 | 32,264 | 16,471 | 16,557 |
| Salaries and other remuneration to other employees | 144,682 | 169,847 | 39,116 | 38,049 |
| Pension cost for the Board, President and Executive Management[1] | 2,631 | 2,405 | 2,194 | 1,985 |
| Pension cost for other employees[1] | 11,370 | 11,994 | 6,861 | 7,341 |
| Social security fees for the Board, President and Executive Management[2] | 7,030 | 6,245 | 6,561 | 5,813 |
| Social security fees for other employees[2] | 25,730 | 17,978 | 11,234 | 10,568 |
| Other personnel costs | 29,470 | 21,841 | 7,624 | 4,095 |
| **Total** | **249,659** | **262,574** | **90,060** | **84,407** |

1. Pertains in its entirety to defined-contribution pension plan, which are the only type of pension plan the Group has.These are recognized as selling- administration, or R&D expenses depending on the depart ment to which the employee belongs.
2. Pertains to estimated costs for social security fees for employee stock option program.

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## NOTE 10 CONT. REMUNERATION TO EMPLOYEES

### Costs and remuneration to the Board, President and senior executives 2024, SEK thousands

| SEK thousands | Basic salary/Board fees | Variable remuneration[1] | Other benefits[2] | Pension costs | Share-based payment | Total remuneration |
|---|---|---|---|---|---|---|
| **Board of Directors** | | | | | | |
| James Noble, Chairman | 1,500 | – | – | – | – | 1,500 |
| Friedrich von Bohlen und Halbach, Board member[3] | 53 | – | – | – | – | 53 |
| Fred Wilkinson, Board member | 400 | – | – | – | – | 400 |
| Staffan Lindstrand, Board member | 550 | – | – | – | – | 550 |
| Mary Pat Christie, Board member[4] | 100 | – | – | – | – | 100 |
| Charlotte Hansson, Board member[4] | 100 | – | – | – | – | 100 |
| Christine Rankin, Board member | 600 | – | – | – | – | 600 |
| Michael J Matly, Board member[4] | 100 | – | – | – | – | 100 |
| Robin Evers, Board member[5] | 450 | – | – | – | – | 450 |
| **Subtotal** | **3,403** | **0** | **0** | **0** | **0** | **3,403** |
| **President and senior executives** | | | | | | |
| Nikolaj Sørensen, President and CEO | 3,863 | 1,426 | 71 | 841 | 1,289 | 7,490 |
| Other senior executives (5)[6] | 5,694 | 1,430 | 21 | 1353 | 1,790 | 10,289 |
| **Total** | **12,960** | **2,856** | **92** | **2,194** | **3,079** | **21,182** |

### Costs and remuneration to the Board, President and senior executives 2023, SEK thousands

| SEK thousands | Basic salary/Board fees | Variable remuneration[1] | Other benefits[2] | Pension costs | Share-based payment | Total remuneration |
|---|---|---|---|---|---|---|
| **Board of Directors** | | | | | | |
| James Noble, Chairman | 1,500 | – | – | – | – | 1,500 |
| Henrik Kjaer Hansen, Board member[7] | 0 | – | – | – | – | 0 |
| Fred Wilkinson, Board member | 400 | – | – | – | – | 400 |
| Staffan Lindstrand, Board member | 450 | – | – | – | – | 450 |
| Mary Pat Christie, Board member[4] | 400 | – | – | – | – | 400 |
| Charlotte Hansson, Board member[4] | 600 | – | – | – | – | 600 |
| Christine Rankin, Board member | 550 | – | – | – | – | 550 |
| Michael J Matly, Board member[4] | 400 | – | – | – | – | 400 |
| Robin Evers, Board member[5] | 50 | – | – | – | – | 50 |
| **Subtotal** | **4,350** | **0** | **0** | **0** | **0** | **4,350** |
| **President and senior executives** | | | | | | |
| Nikolaj Sørensen, President and CEO | 3,642 | 1,326 | 119 | 749 | 282 | 6,117 |
| Other senior executives (5)[6] | 16,019 | 5,245 | 1,266 | 1,656 | 794 | 24,981 |
| **Total** | **24,011** | **6,570** | **1,385** | **2,405** | **1,076** | **35,448** |

1. Consists of variable bonuses based on the achievement of the company's goals and is related to a fixed percentage of basic salary.
2. Consists of company car benefit and health insurance.
3. Elected at the Extraordinary General Meeting in December 2024.
4. Board member until AGM in April 2024.
5. Elected at the Extraordinary General Meeting in October 2023.
6. Refers to Robert A. DeLuca, Edward Kim, Fredrik Järrsten, Robert Rönn and Cecilia Coupland.
7. Refrained from board fee.

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## NOTE 10 CONT. REMUNERATION TO EMPLOYEES

| Board members and senior executives | 2024 | | 2023 | |
|---|---|---|---|---|
| | Number on the closing date | Of whom women | Number on the closing date | Of whom women |
| **Group (incl. subsidiaries)** | | | | |
| Board members | 6 | 17% | 8 | 37% |
| President and other senior executives | 6 | 17% | 6 | 17% |
| **Parent company** | | | | |
| Board members | 6 | 17% | 8 | 37% |
| President and other senior executives | 4 | 25% | 4 | 25% |

For a further description of share-based remuneration and holdings of shares and stock options, refer to Note 24 and the Corporate Governance report.

### Pension obligations

The Group only has defined contribution pension plans. These are reported as sales, administration or R&D costs, depending on which department the employee belongs to.

### Accounting principles for bonus plans

The Group has a bonus system that includes management and key personnel. The bonus system is based on the fulfillment of the company's goals and is paid out in relation to the annual salary. During the financial year, the estimated earned bonus for the year is calculated and expensed. This is reported as sales, administration or R&D costs, depending on which department the employee belongs to.

### Guidelines for executive remuneration[1]

The executive management of Orexo AB (publ) ("Orexo" or the "company") falls within the provisions of these guidelines. Executive management refers to board members, the CEO and other members of the executive management. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

### The guidelines' promotion of the company's business strategy, long-term interests and sustainability

The company's business strategy is the following.

Orexo has developed from being an R&D stage company to becoming a profitable fully integrated specialty pharmaceutical company with its own commercial business in the US. From a strong operational and financial platform, Orexo is aiming to become a leader in the field of substance use disorder. To achieve this, the commercial business will be broadened through business development, M&A and launch of proprietary pharmaceuticals and digital therapies.

Orexo's objectives and strategies onwards is to broaden the US commercial platform to leverage scale and expand sales, further accelerate Orexo US performance and EBIT construction as well as to launch at least one new product from the pipeline within three years.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Long-term share-related incentive plans have been implemented in the company. Such plans have been resolved by the general meeting and are therefore excluded from these guidelines. The long-term share-related incentive plans for certain senior executives and key employees within the Orexo group and for Group Management Team and US Leadership Team employees, respectively, proposed by the Board of Directors and submitted to the Annual General Meeting for approval are excluded for the same reason. The current plans include certain executives and key employees within the Orexo group. The performance criteria used to assess the outcome of the plans are distinctly linked to the business strategy and thereby to the company's long-term value creation, including its sustainability. These performance criteria currently comprise the share price development, the surpassing of a certain index or the meeting of certain financing and operating objectives, and thereby organic growth and product development. Further, the plans are conditional upon certain holding periods.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

### Types of remuneration, etc.

Orexo shall offer terms of employment that are in line with market rates so that the company can recruit and retain skilled personnel. Remuneration to the executive management shall comprise a fixed salary, variable remuneration, long-term incentive programs, pensions and other customary benefits. Remuneration is based on the individual's commitment and performance in relation to previously established goals, both individual goals and goals for the entire company. Individual performance is continuously evaluated.

Fixed salary is generally reviewed on an annual basis and shall be based on the qualitative performance of the individual. The fixed salary of the executive management shall be in line with market conditions.

The executive management may be offered cash bonuses. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. Variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of variable

1. The guidelines were adopted by the Annual General Meeting on April 21, 2022 and are forward-looking.

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## NOTE 10 CONT. REMUNERATION TO EMPLOYEES

remuneration is based on the percentage of predetermined and measurable criteria which can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promoting the executive's long-term development. To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation of the variable cash remuneration to the CEO and the other executives. For financial objectives, the evaluation shall be based on the latest financial information made public by the company. The variable remuneration shall amount to a maximum of 40 percent of the annual fixed cash salary for the CEO, up to 30 percent of the annual fixed cash salary for other members of the executive management in Sweden and up to 60 percent of the annual fixed cash salary for members of the executive management employed in the US subsidiary. The majority of the variable remuneration shall be based on the sales development and the financial results at group and subsidiary level. The percentage rate in relation to US employees reflects the subsidiary's significance for the group's earnings as well as an American labor market that is requiring an increased share of variable remuneration in order to attract and retain key employees. Furthermore, the Board of Directors shall have the option of allocating further variable non-recurring remuneration to the management when the board deems it to be appropriate. Such allocation of non-recurring remuneration may, after consolidation with other variable remuneration, amount to a maximum of 70 percent of the annual fixed cash salary.

The CEO and the other members of the executive management are covered by defined contribution pension plans, including health insurance (Sw. sjukförsäkring). Variable cash remuneration shall not qualify for pension benefits except to the extent required by mandatory collective agreement provisions applicable to the executive. The pension premiums paid by the company to the CEO may amount up to 20 percent of the annual fixed cash salary and amount to not more than 25 percent of the annual fixed cash salary for other members of the executive management team.

The employment agreement with the CEO may be terminated with six months' notice. Employment agreements with the other members of the executive management may be terminated with a notice of between zero and six months. The CEO is entitled to severance pay equivalent to six months' salary if employment is terminated by the company. The other members of the executive management are entitled to severance pay equivalent to between 3 and 12 months' salary if employment is terminated by the company. Upon notice from the executive, there is no right to severance pay.

In addition, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 12 months following termination of employment.

Executives may be awarded customary other benefits, such as company car and travel between the place of residence and the workplace. Such other benefits may amount to not more than 20 percent of the fixed annual cash salary.

The board is entitled, if it assesses that this is warranted in an individual case, to assign company work to a board member over and above the board assignment, in which case the board member may be granted reasonable remuneration.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines. Executives who are expatriates to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such benefits may not in total exceed 30 percent of the fixed annual cash salary.

**Salary and employment conditions for employees**

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

**The decision-making process to determine, review and implement the guidelines**

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

**Derogation from the guidelines**

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

**Annual General Meeting 2025**

The same guidelines for remuneration will be proposed for the Annual General Meeting 2025.

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## NOTE 11 EXCHANGE-RATE DIFFERENCES

Exchange-rate gains and losses arising from the payment of transactions and in the translation of monetary assets and liabilities in foreign currency at the closing date are recognized in the statement of operations among Other operating income and Other operating expenses.

The statement of operations includes exchange-rate differences on operating receivables and operating liabilities as follows:

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Other operating income | 20.1 | 19.8 | 20.1 | 19.8 |
| Other operating expenses | –14.3 | –20.7 | –13.2 | –20.7 |
| **Total** | **5.8** | **–0.9** | **6.9** | **–0.9** |

For exchange rate effect in net financial items see Note 12.

## NOTE 12 FINANCIAL INCOME AND EXPENSES

Exchange-rate gains and losses arising from the translation are recognized in the statement of operations financial income and expenses. Interest income is recognized over the time to maturity using the effective interest method.

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Financial income** | | | | |
| Interest from Group | – | – | 2.4 | – |
| Other interest income | 7.3 | 6.4 | 7.3 | 5.7 |
| Buy-back bond | 0.4 | 1.4 | 0.4 | 1.4 |
| Exchange rate effect | 8.9 | 12.4 | 8.9 | 12.4 |
| **Total financial income** | **16.6** | **20.2** | **19.0** | **19.5** |
| **Financial expenses** | | | | |
| Interest expense from corporate bonds | –49.6 | –37.0 | –49.6 | –37.0 |
| Interest expense leasing | –1.4 | –1.7 | – | – |
| Borrowing costs, corporate bonds | –9.0 | –2.5 | –9.0 | –2.5 |
| Exchange rate effect | –6.8 | –9.8 | –6.8 | –9.8 |
| **Total financial expenses** | **–66.9** | **–51.0** | **–65.4** | **–49.3** |
| **Net financial items** | **–50.3** | **–30.8** | **–46.4** | **–29.8** |

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## NOTE 13 TAX

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Current tax | –2.6 | –4.2 | – | – |
| Deferred tax | –9.8 | 16.3 | – | – |
| **Total** | **–12.4** | **12.0** | **0.0** | **0.0** |
| **Difference between the Group's tax expense and tax expense based on current tax rate** | | | | |
| Recognized pre-tax earnings | –190.6 | –140.3 | 865.3 | –70.4 |
| Tax under current tax rate (20.6%) | 39.3 | 28.9 | –178.3 | 14.5 |
| Tax effect of foreign tax rates | –0.8 | –2.4 | – | – |
| Tax effect of non-deductible costs | –0.1 | 0.1 | –0.1 | 0.1 |
| Unrecognized carry-forward losses | –50.8 | –14.6 | – | –14.6 |
| Use of previously non-capitalized loss carryforwards | – | – | –178.4 | – |
| **Tax on earnings for the year according to the statement of operations** | **–12.4** | **12.0** | **0.0** | **0.0** |

## NOTE 14 EARNINGS PER SHARE

Earnings per share before dilution are calculated by dividing the earnings attributable to the parent company by a weighted average number of common shares outstanding during the period, as shown in the presentation below.

| Group | 2024 | 2023 |
|---|---|---|
| Earnings used for the calculation of earnings per share before dilution, SEK million | –203.0 | –128.3 |
| Average number of shares before dilution | 34,491,050 | 34,413,408 |
| Earnings per share before dilution (SEK per share) | –5.89 | –3.73 |
| Average number of shares after dilution | 34,491,050 | 34,413,408 |
| Earnings per share after dilution (SEK per share) | –5.89 | –3.73 |
| Options/share rights outstanding (amount) | 5,312,254 | 3,874,619 |

For calculating the earnings per share after dilution, the weighted average number of common shares outstanding is adjusted for the dilution effects of all potential common shares. The potential common shares in the parent company are represented by employee stock options and share rights.

| Group | 2024 | 2023 |
|---|---|---|
| Average number of shares before dilution | 34,491,050 | 34,413,408 |
| Potential shares from options and share rights | 0 | 0 |
| Average number of shares after dilution | 34,491,050 | 34,413,408 |

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## NOTE 15 TANGIBLE FIXED ASSETS

Tangible fixed assets are recognized as cost, less depreciation and impairment, if any. Straight-line depreciation methods are used for all types of tangible fixed assets.

The following depreciation periods are applied:

| | |
|---|---|
| Improvements leasehold | 20 years |
| Machinery and equipment | 5 years |
| Computers | 5 years |

The residual value and useful life of assets are tested on every closing date and adjusted where necessary. Any write-downs are recognized in the income statement as other expenses.

| Group | Equipment and machinery | Computers | Improvement expenses other's property | Total |
|---|---|---|---|---|
| **Fiscal year 2023** | | | | |
| Opening balance | 107.8 | 1.1 | 36.0 | 144.9 |
| Additions | 18.5 | 0.0 | 0.0 | 18.5 |
| Disposals | –0.3 | –0.9 | –1.4 | –2.6 |
| **Outgoing accumulated acquisitions** | **126.0** | **0.2** | **34.6** | **160.7** |
| Ingoing depreciation | –40.1 | –1.1 | –27.6 | –68.8 |
| Depreciation | –11.4 | 0.0 | –2.1 | –13.5 |
| Depreciation disposals | 0.3 | 0.9 | 1.4 | 2.6 |
| **Accumulated depreciation** | **–51.2** | **–0.2** | **–28.3** | **–79.7** |
| **At December 31, 2023** | | | | |
| Acquisition value | 126.0 | 0.2 | 34.6 | 160.7 |
| Accumulated depreciation and impairment | –51.2 | –0.2 | –28.3 | –79.7 |
| **Carrying amount** | **74.7** | **0.0** | **6.3** | **81.0** |
| **Fiscal year 2024** | | | | |
| Opening balance | 126.0 | 0.2 | 34.6 | 160.7 |
| Additions | 3.1 | 0.0 | 0.0 | 3.1 |
| Disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **Outgoing accumulated acquisitions** | **129.0** | **0.2** | **34.6** | **163.8** |
| Ingoing depreciation | –51.2 | –0.2 | –28.3 | –79.7 |
| Depreciation | –17.6 | 0.0 | –1.8 | –19.4 |
| Depreciation disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **Accumulated depreciation** | **–68.9** | **–0.2** | **–30.0** | **–99.1** |
| **At December 31, 2024** | | | | |
| Acquisition value | 129.0 | 0.2 | 34.6 | 163.8 |
| Accumulated depreciation and impairment | –68.9 | –0.2 | –30.0 | –99.1 |
| **Carrying amount** | **60.2** | **0.0** | **4.5** | **64.7** |

| Parent company | Equipment and machinery | Computers | Improvement expenses other's property | Total |
|---|---|---|---|---|
| **Fiscal year 2023** | | | | |
| Opening balance | 107.8 | 1.1 | 36.0 | 144.9 |
| Additions | 18.5 | 0.0 | 0.0 | 18.5 |
| Disposals | –0.3 | –0.9 | –1.4 | –2.6 |
| **Outgoing accumulated acquisitions** | **126.0** | **0.2** | **34.6** | **160.7** |
| Ingoing depreciation | –40.1 | –1.1 | –27.6 | –68.8 |
| Depreciation | –11.4 | 0.0 | –2.1 | –13.5 |
| Depreciation disposals | 0.3 | 0.9 | 1.4 | 2.6 |
| **Accumulated depreciation** | **–51.2** | **–0.2** | **–28.3** | **–79.7** |
| **At December 31, 2023** | | | | |
| Acquisition value | 126.0 | 0.2 | 34.6 | 160.7 |
| Accumulated depreciation and impairment | –51.2 | –0.2 | –28.3 | –79.7 |
| **Carrying amount** | **74.7** | **0.0** | **6.3** | **81.0** |
| **Fiscal year 2024** | | | | |
| Opening balance | 126.0 | 0.2 | 34.6 | 160.7 |
| Additions | 3.1 | 0.0 | 0.0 | 3.1 |
| Disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **Outgoing accumulated acquisitions** | **129.0** | **0.2** | **34.6** | **163.8** |
| Ingoing depreciation | –51.2 | –0.2 | –28.3 | –79.7 |
| Depreciation | –17.6 | 0.0 | –1.8 | –19.4 |
| Depreciation disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| **Accumulated depreciation** | **–68.9** | **–0.2** | **–30.0** | **–99.1** |
| **At December 31, 2024** | | | | |
| Acquisition value | 129.0 | 0.2 | 34.6 | 163.8 |
| Accumulated depreciation and impairment | –68.9 | –0.2 | –30.0 | –99.1 |
| **Carrying amount** | **60.2** | **0.0** | **4.5** | **64.7** |

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## NOTE 16 INTANGIBLE FIXED ASSETS

Intangible fixed assets are recognized as cost, less depreciation and impairment, if any. Straight-line depreciation methods are used for all types of intangible fixed assets. The following depreciation periods are applied:

| | |
|---|---|
| Acquired R&D | 10 years |
| Patents and rights | 5–10 years |
| Proprietary intellectual property rights | 10 years |
| Software (IT-system) | 5 years |

The residual value and useful life of assets are tested on every closing date and adjusted where necessary. Any write-downs are recognized in the income statement under the function to which they relate.

| Group | Acquired R&D | Patents and rights | Proprietary intellectual property right [1] | Software | Total |
|---|---|---|---|---|---|
| **Fiscal year 2023** | | | | | |
| Opening balance | 435.1 | 202.3 | 153.6 | 64.7 | 855.6 |
| Additions | 0.0 | 0.0 | 0.0 | 0.7 | 0.7 |
| Disposals | 0.0 | –0.2 | 0.0 | –1.6 | –1.8 |
| Exchange rate differences | 0.0 | 0.0 | 0.0 | –1.9 | –1.9 |
| **Outgoing accumulated acquisitions** | **435.1** | **202.0** | **153.6** | **61.9** | **852.6** |
| Accumulated amortization and impairment | –435.1 | –61.7 | –113.9 | –27.6 | –638.3 |
| Amortization | 0.0 | –17.8 | –15.6 | –10.1 | –43.5 |
| Amortization disposals | 0.0 | 0.9 | 0.0 | 1.6 | 2.4 |
| **Accumulated amortization and impairment** | **–435.1** | **–78.6** | **–129.5** | **–36.2** | **–679.3** |
| **At December 31, 2023** | | | | | |
| Acquisition value | 435.1 | 202.0 | 153.6 | 61.9 | 852.6 |
| Accumulated amortization and impairment | –435.1 | –78.6 | –129.5 | –36.2 | –679.3 |
| **Carrying amount** | **0.0** | **123.4** | **24.1** | **25.7** | **173.3** |
| **Fiscal year 2024** | | | | | |
| Opening balance | 435.1 | 202.0 | 153.6 | 61.9 | 852.6 |
| Additions | 0.0 | 1.0 | 0.0 | 0.5 | 1.6 |
| Disposals | 0.0 | –43.9 | –153.6 | 0.0 | –197.4 |
| Impairment | 0.0 | –84.6 | 0.0 | –14.6 | –99.1 |
| Exchange rate differences | 0.0 | 0.0 | 0.0 | 4.3 | 4.3 |
| **Outgoing accumulated acquisitions** | **435.1** | **74.6** | **0.0** | **52.2** | **561.9** |
| Accumulated amortization and impairment | –435.1 | –78.6 | –129.5 | –36.2 | –679.3 |
| Amortization | 0.0 | –16.4 | –24.1 | –9.8 | –50.3 |
| Amortization disposals | 0.0 | 43.9 | 153.6 | 0.0 | 197.4 |
| Exchange rate differences | 0.0 | 0.0 | 0.0 | –2.8 | –2.8 |
| **Accumulated amortization and impairment** | **–435.1** | **–51.1** | **0.0** | **–48.9** | **–535.1** |
| **At December 31, 2024** | | | | | |
| Acquisition value | 435.1 | 74.6 | 0.0 | 52.2 | 561.9 |
| Accumulated amortization and impairment | –435.1 | –51.1 | 0.0 | –48.9 | –535.1 |
| **Carrying amount** | **0.0** | **23.5** | **0.0** | **3.4** | **26.9** |

1. The proprietary intangible asset consists of clinical studies and registration expenses for these that are considered to contribute to future economic advantages for the Group. These studies are linked to products that have already been approved and commercialized. Other clinical studies are carried as an expense.

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## NOTE 16 CONT. INTANGIBLE FIXED ASSETS

| Parent company | Acquired R&D | Patents and rights | Proprietary intellectual property right | Software | Total |
|---|---|---|---|---|---|
| **Fiscal year 2023** | | | | | |
| Opening balance | 435.1 | 202.3 | 153.6 | 15.0 | 805.9 |
| Additions | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Disposals | 0.0 | –0.2 | 0.0 | –1.6 | –1.8 |
| **Outgoing accumulated acqusitions** | **435.1** | **202.0** | **153.6** | **13.4** | **804.1** |
| Accumulated amortization and impairment | –435.1 | –61.2 | –113.9 | –14.4 | –624.6 |
| Amortization | 0.0 | –17.8 | –15.6 | –0.4 | –33.7 |
| Amortization disposals | 0.0 | 0.4 | 0.0 | 1.6 | 1.9 |
| **Accumulated amortization and impairment** | **–435.1** | **–78.6** | **–129.5** | **–13.2** | **–656.3** |
| **At December 31, 2023** | | | | | |
| Acquisition value | 435.1 | 202.0 | 153.6 | 13.4 | 804.1 |
| Accumulated amortization and impairment | –435.1 | –78.6 | –129.5 | –13.2 | –656.3 |
| **Carrying amount** | **0.0** | **123.4** | **24.1** | **0.2** | **147.7** |
| **Fiscal year 2024** | | | | | |
| Opening balance | 435.1 | 202.0 | 153.6 | 13.4 | 804.1 |
| Additions | 0.0 | 1.0 | 0.0 | 0.5 | 1.6 |
| Disposals | 0.0 | –43.9 | –153.6 | 0.0 | –197.4 |
| Impairment | 0.0 | –84.6 | 0.0 | 0.0 | –84.6 |
| **Outgoing accumulated acqusitions** | **435.1** | **74.6** | **0.0** | **14.0** | **523.6** |
| Accumulated amortization and impairment | –435.1 | –78.6 | –129.5 | –13.2 | –656.3 |
| Amortization | 0.0 | –16.4 | –24.1 | –0.1 | –40.6 |
| Amortization disposals | 0.0 | 43.9 | 153.6 | 0.0 | 197.4 |
| **Accumulated amortization and impairment** | **–435.1** | **–51.1** | **0.0** | **–13.4** | **–499.5** |
| **At December 31, 2024** | | | | | |
| Acquisition value | 435.1 | 74.6 | 0.0 | 14.0 | 523.6 |
| Accumulated amortization and impairment | –435.1 | –51.1 | 0.0 | –13.4 | –499.5 |
| **Carrying amount** | **0.0** | **23.5** | **0.0** | **0.6** | **24.1** |

**Proprietary intangible asset at December 31, 2024**

The proprietary intangible assets amounting to SEK 0,0 million (24.1) is attributable to expenses for Zubsolv® clinical studies and a registration expense for these studies which give the Group future economic benefits in the form of expanded use of Zubsolv. In Q4 2024 these assets were impacted by an accelerated amortization due to Orexo AB selling its' Zubsolv US business to its' wholly owned subsidiary Biolipox AB.

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## NOTE 16 CONT. INTANGIBLE FIXED ASSETS

**Research and development costs**
Research and development costs during the period amounted to SEK 340.0 million (303.1).

**Impairment testing**
During the year the group has performed quarterly impairment tests of its intangible assets related to Digital Mental Health Programs. During Q4 2024, Center for Medicaid and Medicare published a proposal for reimbursement of digital health products. The policy which will be a guidance for all public and commercial payers defines certain standards for digital health products to meet to be considered for reimbursement. An assessment of these standards concluded that meeting them will require additional investments in technology and clinical evidence across the three digital health products MODIA, Vorvida and Deprexis. Orexo does not find additional investments can be justified in Deprexis and Vorvida due to lack of synergies with the commercial organization and have in agreement with the partner GAIA terminated the Deprexis contract, which has led to an impairment of the total value of Deprexis in our balance sheet of SEK 71.1 million (0.0) which has been allocated SEK 7.9 million to Administrative expenses and SEK 63.2 million to Research and development costs. The opportunities for Vorvida will continue to be assessed and a discussion is ongoing with GAIA about the best path forward given the market conditions. The value of Vorvida on Orexo's balance sheet has relied on future access to reimbursement and with the new policy from CMS a new assessment has been made of the value potential from Vorvida. Without access to reimbursement, Orexo would need to promote Vorvida to new customer segments, that are not currently reached by the company's commercial organization, to generate revenue. Based on the impairment test, a decision was made to impair the full value of the Vorvida of SEK 28.1 million (0.0) which has been allocated SEK 6.7 million to Administrative expenses and SEK 21.4 million to Research and development costs. As of December 31, 2024 the group has intangible assets for Digital Mental Health Program MODIA® of SEK 23.5 million, consisting of milestone payments for licenses and similar rights as well as intangible assets related to enterprise platform. The impairment tests were performed based on discounted cash flows for the years 2025 to 2033 for MODIA®. The most significant assumption utilized was projected future revenue growth, as the value of the assets is dependent on the company successfully commercializing the products and earning positive cash flows. The period for which cash flows were projected was longer than five years, due to the early phase of commercialization the Digital Mental Health Program MODIA® is currently in. A risk-adjusted discount rate (WACC) of 14.0% was applied to the tests. The tests performed did not indicate any impairment. The product is currently earning limited revenue, and the recoverable value is entirely dependent on substantial future sales growth to earn positive cash flows. A reasonably possible change in key assumptions would hence cause the carrying amount to exceed the recoverable amount, as such growth may not materialize or be lower than anticipated. The recoverable amount of assets related to MODIA® exceeds the carrying amount by SEK 185 million, and an increase in WACC, everything else held equal, to 54.0%, would result in the assets having a recoverable amount equal to their carrying amount.

## NOTE 17 RESERVES

| Group | Omräkningsreserv |
|---|---|
| **Opening balance at January 1, 2023** | **21.7** |
| Translation differences | –6.8 |
| **Closing balance at December 31, 2023** | **14.9** |
| **Opening balance at January 1, 2024** | **14.9** |
| Translation differences | 17.9 |
| **Closing balance at December 31, 2024** | **32.8** |

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## NOTE 18 INFORMATION ON FINANCIAL INSTRUMENTS IN THE GROUP

**Classification and categorization of assets and liabilities in the group 2024**

| December 31, 2024 | Financial assets measured at amortized cost | Total financial assets | Non-financial assets | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Tangible fixed assets | – | **0.0** | 64.7 | **64.7** |
| Intangible fixed assets | – | **0.0** | 26.9 | **26.9** |
| Right-of-use asset | – | **0.0** | 16.4 | **16.4** |
| Deferred tax asset | – | **0.0** | 38.9 | **38.9** |
| Inventories | – | **0.0** | 60.1 | **60.1** |
| Financial assets | 1.6 | **1.6** | – | **1.6** |
| Accounts receivable | 198.5 | **198.5** | – | **198.5** |
| Other current receivables | – | **0.0** | 35.2 | **35.2** |
| Prepaid expenses and accrued income | – | **0.0** | 29.4 | **29.4** |
| Short-term investment | – | **0.0** | – | **0.0** |
| Cash and cash equivalents | 123.3 | **123.3** | – | **123.3** |
| **Total assets** | **323.4** | **323.4** | **271.6** | **594.8** |

| December 31, 2024 | Financial liabilities measured at amortized cost | Total financial liabilities | Non-financial liabilities | Total |
|---|---|---|---|---|
| **Shareholders' equity and liabilities** | | | | |
| Shareholders' equity | – | **0.0** | –126.3 | **–126.3** |
| Long-term liabilities, provision | – | **0.0** | 24.0 | **24.0** |
| Leasing, long-term | 6.0 | **6.0** | – | **6.0** |
| Borrowings | 460.0 | **460.0** | – | **460.0** |
| Accounts payable | 41.5 | **41.5** | – | **41.5** |
| Provisions | – | **0.0** | 112.1 | **112.1** |
| Other current liabilities | 2.1 | **2.1** | 7.0 | **9.1** |
| Leasing, short-term | 10.0 | **10.0** | – | **10.0** |
| Prepaid expenses | 19.4 | **19.4** | 38.9 | **58.2** |
| **Total shareholders' equity and liabilities** | **539.0** | **539.0** | **55.7** | **594.8** |

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## NOTE 18 CONT. INFORMATION ON FINANCIAL INSTRUMENTS IN THE GROUP

**Classification and categorization of assets and liabilities in the group 2023**

| December 31, 2023 | Financial assets measured at amortized cost | Total financial assets | Non-financial assets | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Tangible fixed assets | – | **0.0** | 81.0 | **81.0** |
| Intangible fixed assets | – | **0.0** | 173.3 | **173.3** |
| Right-of-use asset | – | **0.0** | 24.5 | **24.5** |
| Deferred tax asset | – | **0.0** | 48.1 | **48.1** |
| Inventories | – | **0.0** | 42.4 | **42.4** |
| Financial assets | 0.8 | **0.8** | – | **0.8** |
| Accounts receivable | 197.6 | **197.6** | – | **197.6** |
| Other current receivables | – | **0.0** | 15.1 | **15.1** |
| Prepaid expenses and accrued income | – | **0.0** | 32.7 | **32.7** |
| Short-term investment | – | **0.0** | – | **0.0** |
| Cash and cash equivalents | 171.0 | **171.0** | – | **171.0** |
| **Total assets** | **369.4** | **369.4** | **417.1** | **786.6** |

| December 31, 2023 | Financial liabilities measured at amortized cost | Total financial liabilities | Non-financial liabilities | Total |
|---|---|---|---|---|
| **Shareholders' equity and liabilities** | | | | |
| Shareholders' equity | – | **0.0** | 58.9 | **58.9** |
| Long-term liabilities, provision | – | **0.0** | 11.5 | **11.5** |
| Leasing, long-term | 4.5 | **4.5** | – | **4.5** |
| Borrowings | 448.4 | **448.4** | – | **448.4** |
| Accounts payable | 36.5 | **36.5** | – | **36.5** |
| Provisions | – | **0.0** | 133.1 | **133.1** |
| Other current liabilities | 2.8 | **2.8** | 7.7 | **10.5** |
| Leasing, short-term | 20.9 | **20.9** | – | **20.9** |
| Prepaid expenses | 27.9 | **27.9** | 34.3 | **62.2** |
| **Total shareholders' equity and liabilities** | **541.0** | **541.0** | **245.5** | **786.6** |

For all items above the carrying amount is an approximation of the fair value, and therefore these items are not divided up into levels in the measurement hierarchy. The reported value of the bond loan amounted to SEK 460.0 million, no active trading has taken place and thus the fair value according to level 2 (discounting of future cash flows) amounted to a substantially equal amount.

Other borrowings have variable interest rates so book values in all material deemed to approximate fair values. Description of Company's borrowings can be found in Note 26.

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## NOTE 19 INVENTORIES

Orexo applies the first in, first out (FIFO) principle. The cost for finished products and work in progress consists of raw materials, direct salaries, other direct costs and attributable indirect manufacturing costs (based on normal manufacturing capacity). Tests for obsolete stock is performed on quarterly basis based on sales forecast and shelf life of material in inventory.

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Raw materials | 15.3 | 12.5 | 0.0 | 12.5 |
| Work in progress | 11.3 | 13.0 | 2.3 | 13.0 |
| Finished products | 33.5 | 16.9 | 4.4 | 0.0 |
| **Total** | **60.1** | **42.4** | **6.8** | **25.6** |

The cost of goods from inventory expensed in the Group amounted to SEK 72.1 million (88.9) and in the parent company to SEK 63.2 million (93.7). Write-downs amounted to SEK 0.1 million (–0.1).

## NOTE 20 ACCOUNTS RECEIVABLE

Accounts receivable are reported at amortized cost. A provision for expected credit losses is recorded based on the Group's forward-looking expected credit losses.

| | Group | | Parent company | |
|---|---|---|---|---|
| A/R, SEK m per currency | 2024 | 2023 | 2024 | 2023 |
| SEK | 0.3 | 0.0 | 0.3 | 0.0 |
| USD | 193.6 | 189.5 | 1.8 | 15.7 |
| EUR | 4.7 | 8.1 | 4.7 | 8.1 |
| **Total** | **198.5** | **197.6** | **6.8** | **23.8** |

The total of the Group's accounts receivables includes provisions for liabilities to customers, which are netted out under the accounts receivables item.

Impairment losses on accounts receivable amounted to SEK 0.0 million (0.0) in the Group. In the Parent company impairment losses amounted to SEK 0.0 million (0.0). The carrying amount corresponds to fair value since all receivables are current and are due within one year. Historically, the Group has had no significant losses, and expected future losses do not amount to significant amounts.

| | Group | |
|---|---|---|
| Credit concentration, A/R distributed among the Group's largest customers | 2024 | 2023 |
| Customer 1 | 110.8 | 102.0 |
| Customer 2 | 56.8 | 56.9 |
| Customer 3 | 34.3 | 32.6 |
| Customer 4 | 12.3 | 15.4 |
| **Total** | **214.2** | **207.0** |

| | Group | | Parent company | |
|---|---|---|---|---|
| Overdue A/R | 2024 | 2023 | 2024 | 2023 |
| Less than 30 days | 0.0 | 2.8 | 0.0 | 2.8 |
| 31 days and older | 0.4 | 6.9 | 0.0 | 6.5 |
| **Total** | **0.4** | **9.7** | **0.0** | **9.3** |

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## NOTE 21 OTHER RECEIVABLES

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| VAT receivable | 2.7 | 3.1 | 2.7 | 3.1 |
| Tax receivable | 7.8 | 7.1 | 2.9 | 2.7 |
| Other | 24.7 | 4.8 | 24.7 | 4.8 |
| **Total** | **35.2** | **15.1** | **30.3** | **10.6** |

## NOTE 22 PREPAID EXPENSES AND ACCRUED INCOME

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Prepaid rents | – | – | 3.4 | 5.0 |
| FDA annual fee | 16.7 | 15.7 | – | – |
| Other prepayments | 12.7 | 17.0 | 11.7 | 13.4 |
| **Total** | **29.4** | **32.7** | **15.1** | **18.4** |

## NOTE 23 CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Cash and bank balances | 123.3 | 171.0 | 61.2 | 145.5 |
| **Total** | **123.3** | **171.0** | **61.2** | **145.5** |

The Group has no unused credit facilities at December 31, 2024.

| | Group | | Parent company | |
|---|---|---|---|---|
| Cash and cash equivalents in SEK million distributed per currency | 2024 | 2023 | 2024 | 2023 |
| SEK | 27.7 | 110.2 | 26.2 | 108.6 |
| USD | 85.7 | 57.0 | 25.2 | 33.0 |
| EUR | 9.8 | 3.8 | 9.8 | 3.8 |
| GBP | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total** | **123.3** | **171.0** | **61.2** | **145.5** |

Orexo has made the assessment there is no need for a reserve for expected credit losses as the group is not exposed to significant credit risk for cash and cash equivalents. This is driven by the fact that cash and cash equivalents are held entirely in bank accounts whom have minimal credit risk.

## NOTE 24 SHARE-BASED PAYMENTS

Orexo has introduced share-based payments in the form of share awards and employee stock options designed to motivate and reward through ownership, thereby promoting the company's long-term interests. Share awards and employee stock options are obtained provided that the holder remains employed in Orexo on this date, see below for detailed descriptions of the performance criterias for the specific programs.

Options and share options whose earnings are dependent on non-market conditions of performance are valued with the Black & Scholes model, alternatively fair value equal to share price.

The share price and the risk-free rate used are the valid ones at the valuation date. The volatility taken into account in the valuation is based on the historical volatility of the stock over a period of 0.5–3 years.

| Cost per fiscal year | Total cost |
|---|---|
| 2024 | 11.8 |
| 2023 | 4.2 |

| Employee stock options/share awards allotted | Number | Exercise price, weighted average |
|---|---|---|
| **At December 31, 2022** | **2,797,675** | **36** |
| Allotted during the period | 1,930,100 | 15 |
| Redeemed during the period | –157,317 | 15 |
| Forfeited during the period | –695,839 | 56 |
| **At December 31, 2023** | **3,874,619** | **22** |
| Allotted during the period | 2,278,640 | 16 |
| Redeemed during the period | –142,104 | – |
| Forfeited during the period | –698,901 | 32 |
| **At December 31, 2024** | **5,312,254** | **17** |

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## NOTE 24 CONT. SHARE-BASED PAYMENTS

| Employee stock options/share awards per year | Number outstanding at December 31, 2024 | Number vested at December 31, 2024 | Exercise price | Volatility, option, weighted average | Value per share | Maturity date |
|---|---|---|---|---|---|---|
| 2021 LTIP Stay on Opt-In 2 Options | 4,260 | 0 | 37,2 | 66% | 0,4 | 2025-03-29 |
| 2021 LTIP Stay on Opt-In 2 PSU | 3,493 | 0 | 0,0 | 66% | 17,5 | 2025-03-29 |
| LTIP 2022 Options | 963,425 | 0 | 20,2 | 70% | 2,0 | 2025-05-12 |
| LTIP 2022 PSU | 358,061 | 0 | 0,0 | 70% | 17,5 | 2025-05-12 |
| 2022 LTIP Stay on Opt-In 1 Options | 5,187 | 0 | 20,2 | 70% | 2,5 | 2025-07-01 |
| 2022 LTIP Stay on Opt-In 1 PSU | 4,666 | 0 | 0,0 | 70% | 17,5 | 2025-07-01 |
| 2022 LTIP Stay on Opt-In 2 Options | 3,150 | 0 | 20,2 | 55% | 3,7 | 2026-05-05 |
| 2022 LTIP Stay on Opt-In 2 PSU | 2,835 | 0 | 0,0 | 55% | 17,5 | 2026-05-05 |
| LTIP 2023 Options | 1,211,778 | 0 | 14,7 | 56% | 6,1 | 2026-06-30 |
| LTIP 2023 PSU | 494,080 | 0 | 0,0 | 56% | 17,5 | 2026-06-30 |
| 2023 LTIP Stay on Opt-In 1 Options | 11,304 | 0 | 14,7 | 53% | 6,4 | 2026-10-26 |
| 2023 LTIP Stay on Opt-In 1 PSU | 10,736 | 0 | 0,0 | 53% | 17,5 | 2026-10-26 |
| 2023 LTIP Stay on Opt-In 2 Options | 2,602 | 0 | 14,7 | 56% | 7,3 | 2027-05-08 |
| 2023 LTIP Stay on Opt-In 2 PSU | 2,471 | 0 | 0,0 | 56% | 17,5 | 2027-05-08 |
| LTIP 2024 Options | 1,553,550 | 0 | 16,4 | 58% | 6,8 | 2027-06-30 |
| LTIP 2024 PSU | 667,410 | 0 | 0,0 | 58% | 17,5 | 2027-06-30 |
| 2024 LTIP Stay on Opt-in 1 Options | 6,623 | 0 | 16,4 | 58% | 7,1 | 2027-08-23 |
| 2024 LTIP Stay on Opt-in 1 PSU | 6,623 | 0 | 0,0 | 58% | 17,5 | 2027-08-23 |
| **Total employee stock options/share awards** | **5,312,254** | | | | | |

| Employee stock options/share awards per year | Number outstanding at December 31, 2023 | Number vested at December 31, 2023 | Exercise price | Volatility, option, weighted average | Value per share | Maturity date |
|---|---|---|---|---|---|---|
| LTIP 2021 Options | 449,230 | 0 | 45.3 | 56% | 2.3 | 2024-06-15 |
| LTIP 2021 PSU | 146,909 | 0 | 0.0 | 56% | 20.9 | 2024-06-15 |
| LTIP 2021 Stay on Opt in 1 Options | 1,308 | 0 | 37.2 | 55% | 0.5 | 2024-08-02 |
| LTIP 2021 Stay on Opt in 1 PSU | 1,072 | 0 | 0.0 | 54% | 16.4 | 2024-08-02 |
| LTIP 2021 Stay on Opt in 2 Options | 4,260 | 0 | 37.2 | 50% | 1.8 | 2025-03-29 |
| LTIP 2021 Stay on Opt in 2 PSU | 3,834 | 0 | 0.0 | 53% | 16.6 | 2025-03-29 |
| LTIP 2022 Options | 1,019,895 | 0 | 20.2 | 50% | 3.0 | 2025-05-12 |
| LTIP 2022 PSU | 379,108 | 0 | 0.0 | 50% | 15.7 | 2025-05-12 |
| LTIP 2022 Stay on Opt in 1 Options | 5,187 | 0 | 20.2 | 52% | 3.2 | 2025-07-01 |
| LTIP 2022 Stay on Opt in 1 PSU | 4,666 | 0 | 0.0 | 52% | 15.6 | 2025-07-01 |
| LTIP 2022 Stay on Opt in 2 Options | 3,150 | 0 | 20.2 | 54% | 4.2 | 2026-05-05 |
| LTIP 2022 Stay on Opt in 2 PSU | 3,150 | 0 | 0.0 | 54% | 15.5 | 2026-05-05 |
| LTIP 2023 Options | 1,280,612 | 0 | 14.7 | 54% | 5.7 | 2026-06-30 |
| LTIP 2023 PSU | 549,630 | 0 | 0.0 | 54% | 15.3 | 2026-06-30 |
| LTIP 2023 Stay on Opt in 1 Options | 11,304 | 0 | 14.7 | 54% | 6.0 | 2026-10-26 |
| LTIP 2023 Stay on Opt in 1 PSU | 11,304 | 0 | 0.0 | 54% | 15.5 | 2026-10-26 |
| **Total employee stock options/share awards** | **3,874,619** | **0** | | | | |

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## NOTE 24 CONT. SHARE-BASED PAYMENTS

As of December 31, 2024, there were a total of 5,312,254 employee stock options and share rights outstanding, of which 3,761,879 were employee stock options and 1,550,375 share rights. Each employee stock option or share right entitles to exchange for one share in Orexo.

During 2024 the company allotted 2,239,279 employee stock options and share rights, of which the CEO and other senior executives were allotted 858,851, corresponding to 38 percent.

The financial and operational targets set by the Board for 2024 reached a score of 94 percent and hence 6 percent of the allocated share awards pertaining to performance target 2 will forfeit. In total 698,901 employee stock options and share rights were forfeited during 2024.

As of December 31, 2024, the liability for LTIP amounted to SEK 24.0 million, see note 25. The CEO's changes and holdings of employee stock options and share rights as of the balance sheet date appear below. None of the Board members hold any employee stock options or share rights.

| Owned by | Number outstanding at January 1, 2024 | Change | Number outstanding at December 31, 2024 |
|---|---|---|---|
| President and CEO Nikolaj Sørensen | 517,429 | 183,976 | 701,405 |

### Performance criteria LTIP Stay-on 2021

LTIP Stay-on 2021 is a program intended for certain GMT and USLT employees within the Orexo group. The program is based on Share Awards and Employee Stock Options and qualification for participation is conditional upon the participant either keeping shares from allocations in Orexo's other on-going long-term incentive programs (Opt-in 1) or investing in new Orexo shares with part of or the entire annual cash bonus of the participant (Opt-in 2). Out of the granted Share Awards and Employee Stock Options, 50% shall constitute Share Awards and 50% shall constitute Employee Stock Options. Every five shares kept in accordance with Opt-in 1 and every five shares acquired in accordance with Opt-in 2, respectively, entitle the participant to one Share Award and one Employee Stock Option. Each Share Award entitles the holder to receive one share in the company, free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after the granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 50% will pertain to Performance Target 1 and up to 50% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of shares that each participant later may receive depends on achievement of the Performance Targets.

#### Performance criterion 1

This target is fulfilled if the holder is employed at the end of the vesting period.

#### Performance criterion 2

This target pertains to the fulfilment of the financial and operational targets for the financial year 2021 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

### Performance criteria LTIP 2022

LTIP 2022 is a program based on share awards and employee stock options. Each Share Award entitles the holder to receive one share in the company free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 33% will pertain to Performance Target 1 and up to 67% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

#### Performance criterion 1 (for Share Awards and Employee Stock Options)

This target is fulfilled if the holder is employed at the end of the vesting period.

#### Performance criterion 2 (for Share Awards)

This target pertains to the fulfilment of the financial and operational targets for the financial year 2022 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

### Performance criteria LTIP Stay-on 2022

LTIP Stay-on 2022 is a program intended for certain GMT and USLT employees within the Orexo group. The program is based on Share Awards and Employee Stock Options and qualification for participation is conditional upon the participant either keeping shares from allocations in Orexo's other on-going long-term incentive programs (Opt-in 1) or investing in new Orexo shares with part of or the entire annual cash bonus of the participant (Opt-in 2). Out of the granted Share Awards and Employee Stock Options, 50% shall constitute Share Awards and 50% shall constitute Employee Stock Options. Every five shares kept in accordance with Opt-in 1 and every five shares acquired in accordance with Opt-in 2, respectively, entitle the participant to one Share Award and one Employee Stock Option. Each Share Award entitles the holder to receive one share in the company, free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the

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## NOTE 24 CONT. SHARE-BASED PAYMENTS

holder to receive one share in the company upon payment of the strike price, three years after the granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 50% will pertain to Performance Target 1 and up to 50% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

Performance criterion 1
This target is fulfilled if the holder is employed at the end of the vesting period.

Performance criterion 2
This target pertains to the fulfilment of the financial and operational targets for the financial year 2022 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

**Performance criteria LTIP 2023**
LTIP 2023 is a program based on share awards and employee stock options. Each Share Award entitles the holder to receive one share in the company free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 33% will pertain to Performance Target 1 and up to 67% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

Performance criterion 1 (for Share Awards and Employee Stock Options)
This target is fulfilled if the holder is employed at the end of the vesting period.

Performance criterion 2 (for Share Awards)
This target pertains to the fulfilment of the financial and operational targets for the financial year 2023 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

**Performance criteria LTIP Stay-on 2023**
LTIP Stay-on 2023 is a program intended for certain GMT and USLT employees within the Orexo group. The program is based on Share Awards and Employee Stock Options and qualification for participation is conditional upon the participant either keeping shares from allocations in Orexo's other on-going long-term incentive programs (Opt-in 1) or investing in new Orexo shares with part of or the entire annual cash bonus of the participant (Opt-in 2). Out of the granted Share Awards and Employee Stock Options, 50% shall constitute Share Awards and 50% shall constitute Employee Stock Options. Every five shares kept in accordance with Opt-in 1 and every five shares acquired in accordance with Opt-in 2, respectively, entitle the participant to one Share Award and one Employee Stock Option. Each Share Award entitles the holder to receive one share in the company, free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after the granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 50% will pertain to Performance Target 1 and up to 50% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

Performance criterion 1
This target is fulfilled if the holder is employed at the end of the vesting period.

Performance criterion 2
This target pertains to the fulfilment of the financial and operational targets for the financial year 2023 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

**Performance criteria LTIP 2024**
LTIP 2024 is a program based on share awards and employee stock options. Each Share Award entitles the holder to receive one share in the company free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after granting of the

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Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 33% will pertain to Performance Target 1 and up to 67% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

**Performance criterion 1 (for Share Awards and Employee Stock Options)**
This target is fulfilled if the holder is employed at the end of the vesting period.

**Performance criterion 2 (for Share Awards)**
This target pertains to the fulfilment of the financial and operational targets for the financial year 2024 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

**Performance criteria LTIP Stay-on 2024**
LTIP Stay-on 2024 is a program intended for certain GMT and USLT employees within the Orexo group. The program is based on Share Awards and Employee Stock Options and qualification for participation is conditional upon the participant either keeping shares from allocations in Orexo's other on-going long-term incentive programs (Opt-in 1) or investing in new Orexo shares with part of or the entire annual cash bonus of the participant (Opt-in 2). Out of the granted Share Awards and Employee Stock Options, 50% shall constitute Share Awards and 50% shall constitute Employee Stock Options. Every five shares kept in accordance with Opt-in 1 and every five shares acquired in accordance with Opt-in 2, respectively, entitle the participant to one Share Award and one Employee Stock Option. Each Share Award entitles the holder to receive one share in the company, free of charge, except for the appropriate taxes, three years after the granting of the Share Award (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Each Employee Stock Option entitles the holder to receive one share in the company upon payment of the strike price, three years after the granting of the Employee Stock Option (the vesting period), provided that the holder, with some exceptions, still is employed by the Orexo group. Of each participant's granted Share Awards, 50% will pertain to Performance Target 1 and up to 50% will pertain to Performance Target 2. Of each Participant's granted Employee Stock Options, 100% will pertain to Performance Target 1, meaning that no Employee Stock Options will vest unless the performance target is met. The allotment of Shares that each participant later may receive depends on achievement of the Performance Targets.

**Performance criterion 1**
This target is fulfilled if the holder is employed at the end of the vesting period.

**Performance criterion 2**
This target pertains to the fulfilment of the financial and operational targets for the financial year 2024 as established by the Board of Directors and relates to Orexo's key KPIs such as revenue, profitability and achieved milestones, etc. Performance achievement of individual targets is weighted into an overall average performance achievement. The outcome will be measured lineally; meaning that from zero to 100% of the Share Awards will vest depending on the overall average rate of performance of the financial and operational targets. All Share Awards will vest and entitle to one share each if 100% of the overall average performance is achieved. When calculating the overall performance achievement, individual targets may account for a maximum of 120% achievement, but the overall average performance is capped at 100%. If performance achievement falls below 80% for an individual target, this individual target accounts for zero in the calculation of the overall average achieved.

## NOTE 25 PROVISIONS

| | Group | | Parent company | |
|---|---|---|---|---|
| **Long-term provisions, personnel** | **2024** | **2023** | **2024** | **2023** |
| **On January 1** | **11.5** | **10.2** | **10.8** | **9.8** |
| Additional provisions | 15.8 | 3.9 | 13.5 | 2.3 |
| Utilized during the year | –3.3 | –2.6 | –2.0 | –1.3 |
| **Per December 31** | **24.0** | **11.5** | **22.3** | **10.8** |

Long-term provisions primarily refer to estimated costs for incentive programs settled in cash, as well as estimated costs for social security fees in respect of employee incentive programs.

| | Group | | Parent company | |
|---|---|---|---|---|
| **Short-term provisions, rebates and chargebacks** | **2024** | **2023** | **2024** | **2023** |
| **On January 1** | **133.1** | **121.5** | **0.0** | **0.0** |
| Additional provisions | 744.0 | 625.7 | – | – |
| Utilized during the year | –773.7 | –628.9 | – | – |
| Reversed unused amounts | –4.3 | 19.2 | – | – |
| Exchange rate difference | 13.1 | –4.5 | – | – |
| **Per December 31** | **112.1** | **133.1** | **0.0** | **0.0** |

Short-term provisions primarily refer to estimated costs for accrued rebates and returns.

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## NOTE 26 BORROWINGS

The interest.bearing liability consists of a bond loan and is recognized at amortized cost. Any difference between the amount received (net after transaction costs) and the repayment amount is recognized in the statement of operations allocated over the borrowing period by applying the effective interest method.

Borrowings are classified as a current liability unless the Group has an unconditional right to defer payment of the liability by at least 12 months.

| | Group | Parent company |
|---|---|---|
| **January 1, 2023** | **499.0** | **499.0** |
| Repurchase bond | –48.8 | –48.8 |
| Interest expenses | 36.9 | 36.9 |
| Interest paid | –35.9 | –35.9 |
| Recognition of loan issuance cost | 2.5 | 2.5 |
| **December 31, 2023** | **453.8** | **453.8** |
| **January 1, 2024** | **453.8** | **453.8** |
| Repurchase bond | –449.0 | –449.0 |
| Issuance of bond | 457.7 | 457.7 |
| Interest expenses | 49.6 | 49.6 |
| Interest paid | –54.9 | –54.9 |
| Recognition of loan issuance cost | 2.9 | 2.9 |
| **December 31, 2024** | **460.2** | **460.2** |

The long-term portion consists of a bond loan amounting to a total of SEK 500.0 million. It matures on March 28, 2028. The loan has a variable interest rate of STIBOR 3 months +6.5 percent (STIBOR is calculated as zero at the lowest) and has a total framework amount of SEK 1,000 million. The loan agreement contains limitations regarding any change in the company's ownership structure, so-called change-of-control, and quarterly reporting of maintenance test and, when applicable, incurrence test. According to the conditions of the maintenance test, the Group is obligated to meet the following financial loan covenants at the end of each quarterly period:

- The Group's cash and cash equivalents amount to at least SEK 75,000,000; and
- The ratio of Net Interest Bearing Debt to EBITDA US Commercial is less than 3.

The Company has met the maintenance test in each reported quarter and does currently not foresee any future circumstances that would complicate the fulfilment of these.

| | Group | Parent company |
|---|---|---|
| **December 31, 2024** | | |
| Interest–bearing liabilities | 460.0 | 460.0 |
| Accrued interest costs | 0.1 | 0.1 |
| | **460.2** | **460.2** |
| **December 31, 2023** | | |
| Interest–bearing liabilities | 448.4 | 448.4 |
| Accrued interest costs | 5.4 | 5.4 |
| | **453.8** | **453.8** |

## NOTE 27 ACCRUED EXPENSES AND OTHER LIABILITIES

| | Group | | Parent company | |
|---|---|---|---|---|
| **Other liabilities** | **2024** | **2023** | **2024** | **2023** |
| Employee withholding tax | 1.8 | 2.0 | 1.8 | 2.0 |
| Social security fees | 1.4 | 1.6 | 1.4 | 1.6 |
| Special salary tax | 2.2 | 2.3 | 2.2 | 2.3 |
| Other current liabilities | 3.7 | 4.7 | 2.1 | 2.8 |
| **Sum Other liabilities** | **9.1** | **10.5** | **7.6** | **8.6** |

| | Group | | Parent company | |
|---|---|---|---|---|
| **Accrued expenses** | **2024** | **2023** | **2024** | **2023** |
| Accrued salaries | 24.3 | 23.7 | 3.4 | 3.6 |
| Accrued vacation pay | 7.4 | 7.2 | 7.4 | 7.2 |
| Accrued social security fees | 3.4 | 3.4 | 3.4 | 3.4 |
| Accrued expenses interest rates | 0.1 | 5.4 | 0.1 | 5.4 |
| Trade allowance | 6.0 | 6.9 | — | — |
| Wholesaler fee reserve | 3.8 | 3.4 | — | — |
| Other accrued expenses | 13.3 | 12.3 | 7.0 | 5.4 |
| **Sum accrued expenses** | **58.2** | **62.2** | **21.2** | **24.9** |
| **Sum other liabilities and accrued expenses** | **67.4** | **72.7** | **28.8** | **33.5** |

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## NOTE 28 SHARES IN SUBSIDIARIES AND JOINT VENTURES

| Direct and indirect holdings Dec 31, 2024 | Corp. Reg. No. | Reg. office | Number of shares | Shareholding | Cost/Contribution | Accumulated write-up | Carrying amount |
|---|---|---|---|---|---|---|---|
| Biolipox AB | 556588-3658 | Stockholm | 12,883,944 | 100% | 106.0 | – | 106.0 |
| Orexo US Inc | 90-0643931 | USA | 100 | 100% | 185.8 | – | 185.8 |
| Orexo Pharmaceuticals Inc | 87-3270695 | USA | 100 | 100% | 0.0 | – | 0.0 |
| **Total** | | | | | | | **291.8** |

All holdings are owned directly, except Orexo Pharmaceuticals Inc, which is owned by Orexo US Inc.
Shareholders Equity amounted to SEK 146,2 million and net revenue amounted to SEK –11,9 thousand in Biolipox AB.[1]
Shareholders Equity amounted to SEK 175,9 million and net revenue amounted to SEK 8,0 million in Orexo US Inc.[1]
Shareholders Equity amounted to SEK 0.0 million and net revenue amounted to SEK 0.0 million in Orexo Pharmaceuticals Inc.[1]

### Change in carrying amount of direct holdings

| 2024 | Opening carrying amount | Acquisition | Contribution | Sales | Write-up | Closing carrying amount |
|---|---|---|---|---|---|---|
| Biolipox AB | 106.0 | – | – | – | – | 106.0 |
| Orexo US Inc | 180.2 | – | 5.6 | – | – | 185.8 |
| Orexo Pharmaceuticals Inc | 0.0 | – | – | – | – | 0.0 |
| **Total** | **286.2** | **0.0** | **5.6** | **0.0** | **0.0** | **291.8** |

| 2023 | Opening carrying amount | Acquisition | Contribution | Sales | Write-up | Closing carrying amount |
|---|---|---|---|---|---|---|
| Biolipox AB | 106.0 | – | – | – | – | 106.0 |
| Orexo US Inc | 55.2 | – | 1.5 | – | 123.4 | 180.2 |
| Orexo Pharmaceuticals Inc | 0.0 | – | – | – | – | 0.0 |
| **Total** | **161.2** | **0.0** | **1.5** | **0.0** | **123.4** | **286.2** |

1. Shareholders Equity and net revenue refers to established numbers as of December 31, 2023.

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## NOTE 29 AUDITORS' FEES

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Audit assignment** | | | | |
| Ernst & Young | 3.7 | 4.5 | 3.7 | 4.5 |
| **Non-auditing assignments** | | | | |
| Ernst & Young | 0.2 | 0.2 | 0.2 | 0.2 |
| **Tax advice** | | | | |
| Ernst & Young | – | – | – | – |
| **Other services** | | | | |
| Ernst & Young | – | – | – | – |
| **Total** | **3.9** | **4.6** | **3.9** | **4.6** |

Audit assignment refers to the auditing of the annual report and accounting records as well as the administration of the Board and the President, other tasks required by the company's auditors, and advisory services and other assistance required as a result of observations arising from such audits or such other tasks. Everything else comes under other assignments.

## NOTE 30 DEFERRED TAX

| | Group | | Parent company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Deferred tax assets** | | | | |
| Temporary differences in current provision | 25.8 | 35.0 | – | – |
| RoU lease assets and similar assets | 3.4 | 5.3 | – | – |
| Other temporary differences | 12.6 | 12.0 | – | – |
| **Deferred tax liabilities** | | | | |
| RoU lease liabilities and similar liabilities | 2.8 | 4.2 | – | – |
| **Total** | **38.9** | **48.1** | **–** | **–** |

The tax-loss carry-forward in the Group amounts to SEK 712 million (1,576) as of December 31, 2024 and refers to the Swedish companies. No deferred tax assets for tax-loss carry-forwards have been capitalized as per December 31, 2024. There is no time limit for when the remaining tax-loss carry-forwards can be utilized.

Temporary differences for short-term provisions are related to non-deductible short-term provisions for sales rebates, returns, distribution and other relevant deductions in Orexo Inc, as well as inter-company gains on inventory. No deferred tax relating to Swedish companies in the Group has been activated during the year.

Deferred tax assets have, in view of the taxable income attributable to the Swedish companies in recent years, been reported only insofar as management estimates that there are factors convincingly suggesting that sufficient taxable surpluses will be generated in the future.

Amendments to IAS 12 clarify that the exception, which means that deferred tax is not recognized on temporary differences arising on initial recognition of an asset or liability, is not applicable to transactions that simultaneously give rise to both an asset and a liability, such as right-of-use assets and lease liabilities The amendments have meant that deferred tax attributable to right-of-use assets and lease liabilities has been recognized gross in the note, while in the balance sheet they are still recognized net. Deferred tax assets attributable to right-of-use assets amount to SEK 3,4 (5.3) million and deferred tax liabilities attributable to lease liabilities amount to SEK 2,8 (4.2) million.

## NOTE 31 CHANGE OF PARENT COMPANY'S OPERATIONS

| | Parent company statement of operations | | Parent company statement of operations excluding the sold business | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net revenues | 303.8 | 494.0 | 29.7 | 61.0 |
| Cost of goods sold | –63.2 | –93.7 | –18.6 | –34.6 |
| **Gross profit** | **240.5** | **400.3** | **11.1** | **26.5** |
| Selling expenses | –124.9 | –119.4 | –44.6 | –102.3 |
| Administrative expenses | –58.2 | –94.9 | –58.2 | –94.9 |
| Research and development costs | –288.8 | –243.7 | –261.8 | –225.1 |
| Other operating income and expenses | 1.143.1 | 17.1 | 28.1 | 3.0 |
| **Operating earnings** | **911.7** | **–40.6** | **–325.4** | **–392.9** |
| Interest income and expenses | –39.9 | –31.3 | –39.9 | –31.3 |
| Other financial income and expenses | –6.5 | 1.5 | –6.5 | 1.5 |
| **Net financial items** | **–46.4** | **–29.8** | **–46.4** | **–29.8** |
| **Earnings before tax** | **865.3** | **–70.4** | **–371.8** | **–422.7** |
| Tax | 0.0 | 0.0 | 0.0 | 0.0 |
| **Earnings for the period** | **865.3** | **–70.4** | **–371.8** | **–422.7** |

At December 31, assets in Orexo AB related to the U.S. Zubsolv business were divested to a wholly owned subsidiary Biolipox AB. The internal transaction was completed at a fair market value of SEK 1,138.9 m assessed by an independent external party.

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## NOTE 32 LEASING

**Carrying amounts of right-of-use assets**

| Group | Offices | Motor vehicles | Other | Total |
|---|---|---|---|---|
| 1 January 2023 | 39.3 | 6.1 | 0.6 | 46.0 |
| Effect change accounting system | –0.6 | –1.7 | 0.1 | –2.1 |
| Disposals | – | –1.9 | –1.0 | –3.0 |
| Additions | 1.2 | – | – | 1.2 |
| Depreciation expense | –16.3 | –1.4 | 0.3 | –17.4 |
| Translation difference | –0.2 | 0.0 | 0.0 | –0.2 |
| **31 December 2023** | **23.4** | **1.1** | **0.0** | **24.5** |
| 1 January 2024 | 23.4 | 1.1 | 0.0 | 24.5 |
| Disposals | –1.3 | –7.3 | –0.6 | –9.1 |
| Additions | – | 12.6 | 0.6 | 13.2 |
| Depreciation expense | –16.7 | 2.9 | 0.4 | –13.5 |
| Translation difference | 0.6 | 0.5 | – | 1.1 |
| **31 December 2024** | **6.0** | **9.9** | **0.4** | **16.4** |

**Carrying amounts of lease liabilities**

| Group | Offices | Motor vehicles | Other | Total |
|---|---|---|---|---|
| 1 January 2023 | 37.8 | 5.8 | 1.3 | 44.9 |
| Effect change accounting system | 3.5 | –1.1 | –0.1 | 2.3 |
| Disposals | – | –0.3 | –1.0 | –1.4 |
| Additions | 1.2 | – | – | 1.2 |
| Interest expense | 1.5 | 0.1 | 0.0 | 1.7 |
| Payments | –19.7 | –3.2 | –0.1 | –23.0 |
| Translation difference | –0.3 | 0.0 | 0.0 | –0.2 |
| **31 December 2023** | **24.1** | **1.3** | **0.0** | **25.4** |
| 1 January 2024 | 24.1 | 1.3 | 0.0 | 25.4 |
| Disposals | –1.3 | –0.4 | – | –1.7 |
| Additions | – | 12.5 | 0.6 | 13.2 |
| Interest expense | 0.7 | 0.7 | 0.0 | 1.4 |
| Payments | –19.2 | –4.1 | –0.2 | –23.5 |
| Translation difference | 0.7 | 0.5 | – | 1.2 |
| **31 December 2024** | **5.1** | **10.5** | **0.5** | **16.0** |

| | Group | |
|---|---|---|
| | 2024 | 2023 |
| Depreciation of right of use assets | –13.5 | –17.4 |
| Interest expense on lease liabilities | –13.2 | –1.2 |
| Expenses for short-term leases | –0.3 | –0.3 |
| Variable lease payments | – | – |
| **Total lease amounts in statement of operations** | **–27.0** | **–18.8** |
| Total cash outflow for leases | 23.5 | 23.0 |

| | Group | | Parent company | |
|---|---|---|---|---|
| **Nominal value of future leasing fees for non-cancellable leasing contracts** | **2024** | **2023** | **2024** | **2023** |
| Within one year | 9.9 | 21.8 | 0.3 | 15.9 |
| After one year but not more than five years | 6.6 | 5.1 | 0.4 | – |
| More than five years | – | – | – | – |
| **Total** | **16.6** | **26.9** | **0.7** | **15.9** |

The Group has no lease extension options which have been determined as virtually certain to be utilized, and hence has not included any such extensions in the calculation of lease liabilities.

The Group has leases for mainly premises, cars and other equipment used in the business.

The term of the lease extends between 3–6 years.

The Group also has certain leases for machines with rental terms of 12 months or less and leases for equipment with low value. The Group applies the exceptions to short-term leasing agreements and leasing of low-value assets for these leases. The costs for these agreements are shown below. Leasing of low value assets in 2024 amounted to SEK 0,3 million.

During the year, the Group received revenue from releasing rights of use of SEK 1,3 million. The Group does not have any profits or losses from sale and leaseback transactions.

The Groups leasing contracts regarding facilities in Sweden is subject to variable leasing fees in the form of indexation, which is not included in the valuation of leasing liabilities until the increase is known. The Group has no other costs relating to variable leasing fees that are not included in the valuation of leasing liabilities.

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## NOTE 33 DISCLOSURES ON THE CASH FLOW STATEMENT

| | Group | | Parent company | |
|---|---|---|---|---|
| Adjustments for items not included in cash flow | 2024 | 2023 | 2024 | 2023 |
| Depreciation and impairment | 189.2 | 77.0 | 144.6 | 47.2 |
| Gain/loss on disposal | — | 0.0 | –1,114.6 | 0.0 |
| Change in provisions | –20.3 | 18.2 | 11.5 | 1.0 |
| Exchange rate income and expense | –5.8 | 1.4 | –6.9 | 0.9 |
| Other non-cash items | 0.5 | 3.1 | — | — |
| **Total** | **163.7** | **99.8** | **–965.5** | **49.1** |

Cash flow from financing activities amounted to SEK –15.5 million (–70.1), which is attributable to amortization of lease liabilities of SEK –22.0 million (–21.4) and repurchase of bonds of SEK 6.5 million (–48.7).

## NOTE 34 RELATED PARTY TRANSACTIONS

| Purchase and sales between Group companies | 2024 | 2023 |
|---|---|---|
| **Forward invoicing of costs** | | |
| Orexo US Inc | –8.9 | –16.4 |
| Biolipox AB | — | — |
| **Sale of goods and services** | | |
| Orexo US Inc | 274.6 | 433.2 |
| Biolipox AB | — | — |
| **Marketing support** | | |
| Orexo US Inc | –124.7 | –96.9 |
| Biolipox AB | — | — |
| **Total** | **140.9** | **319.8** |

The Group has no losses or doubtful credits on receivables from related parties.

Remuneration and other commitments regarding pensions and similar benefits to Board members and the President and CEO, see Note 10. There have been no significant transactions with related parties during the period other than the sale of goods and services and the sale of the asset Zubsolv to the subsidiary Biolipox AB, see note 31. All transactions have taken place at arm's length and within market conditions.

## NOTE 35 SUBSEQUENT EVENTS

Positive topline data showed from an exploratory clinical study of OX640, a nasal powder-based adrenaline product, in participants with allergic rhinitis.

Future rights to royalties for OX-MPI, a new treatment for endometriosis, were converted to shares in Gesynta Pharma valued at SEK 19 m and recognized in Q4 2024.

## NOTE 36 APPROPRIATION OF RESULT

The following funds are at the disposal of the Annual General Meeting:

| SEK | |
|---|---|
| Share premium reserve | 1,187,617,020 |
| Loss carried forward | –1,453,857,912 |
| Profit/loss for the year | 865,289,654 |
| **Total** | 599,048,762 |

The Board proposes that the funds at their disposal SEK 599,048,762 be carried forward.

## NOTE 37 PLEDGED ASSETS AND CONTINGENT LIABILITIES

No collateral or contingent liabilities exists as of December 31, 2024, or as of December 31, 2023.

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# Assurance of the Board of Directors and president

The Board of Directors and President hereby give their assurance that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and present a true and fair view of the Group's financial position and earnings. The Annual Report has been prepared in accordance with generally accepted accounting principles and presents a true and fair view of the parent company's financial position and earnings.

The Board of Directors' Report for the Group and the parent company presents a true and fair review of the Group's and the parent company's operations, financial positions and earnings and describes the significant risks and uncertainties facing the parent company and the companies included in the Group.

Uppsala, Sweden, March 28, 2025

Orexo AB (publ)

James Noble
Chairman of the Board

Fred Wilkinson
Board member

Staffan Lindstrand
Board member

Friedrich von Bohlen und Halbach
Board member

Robin Evers
Board member

Christine Rankin
Board member

Nikolaj Sørensen
President and CEO

Our audit report was submitted on March 28, 2025

Ernst & Young Aktiebolag

Oskar Wall
Authorized Public Accountant

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# Auditor's report

**To the general meeting of the shareholders of Orexo AB**
Corporate identity number 556500-0600

**Report on the annual accounts and consolidated accounts**

Opinions

We have audited the annual accounts and consolidated accounts of Orexo AB except for the statutory sustainability report on pages 38–55 for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 22–96 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the statutory sustainability report on pages 38–55. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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### Revenue from contracts with customers

| Description | How our audit addressed this key audit matter |
|---|---|
| Revenue from contracts with customers for 2024 was MSEK 590 in the consolidated income statement and MSEK 303,8 in the parent company income statement.<br>As is stated in Note 5, revenue from the sale of goods is calculated net of deductions including actual and estimated rebates to payers and provisions for expected future returns. These gross-to-net adjustments are based partly on management's estimates. The extent of deductions of revenue from rebates, returns etc. and the accounting for royalties connected to licensing agreements are affected by estimates and judgments made by management.<br>A description of the judgments on which revenue recognition is based is provided in the section "Important estimations and judgments for accounting purposes" in Note 4. In summary, revenue recognition for the group contains significant elements of judgment, and for this reason revenue recognition has been determined to be a key audit matter. | In our audit we have reviewed the company's processes for revenue recognition, and reviewed significant agreements to assess whether the accounting for these is compliant with relevant standards. We have also performed sample testing of accruals.<br>We have also reviewed the calculation models on which the deductions from gross sales are based, as well as the reasonableness of key assumptions on which the calculations are based, such as the distribution between different payer categories and expected future returns.<br>Finally, we have reviewed disclosures provided in the annual report. |

### Intangible assets

| Description | How our audit addressed this key audit matter |
|---|---|
| Intangible assets are recorded at MSEK 26,9 in the consolidated balance sheet and MSEK 24,1 in the parent company balance sheet as of December 31, 2024.<br>The Company tests, when there is an indication of impairment, but at least annually for intangible assets not yet in use, that carrying amounts do not exceed estimated recoverable amounts for these assets. Recoverable amounts are determined through generally adopted models utilizing discounted cash flows based on management's assessments of future cash flows and other significant assumptions such as discount rate and growth that can have a major impact on the estimated recoverable amount. The impairment test of intangible assets performed by management has therefore been considered to be a key audit matter.<br>A description of the impairment test is provided in Note 16 and in the section "Important estimates and assessments for accounting purposes" in Note 4. | In our audit we have reviewed management's models, assessments and assumptions that are utilized for calculating the recoverable amount of the intangible assets.<br>We have reviewed and compared management's forecasts from prior periods against outcomes, and reviewed the plausibility of the forecasts and assumptions underlying this year's impairment test.<br>With the support of our valuation specialists, we have reviewed the company's models and method for conducting impairment tests. We have conducted our own sensitivity analyses of key assumptions and possible impact factors.<br>Finally, we have reviewed disclosures provided in the annual report. |

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### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–21 and 102–113. The other information also includes the remuneration report we obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

## Report on other legal and regulatory requirements

### Report on the audit of the administration and the proposed appropriations of the company's profit or loss

*Opinions*

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Orexo AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

[A separate list of loans and collateral has been prepared in accordance with the provisions of the Companies Act.]

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*Basis for opinions*
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

*Responsibilities of the Board of Directors and the Managing Director*
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

*Auditor's responsibility*
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

## The auditor's examination of the ESEF report

*Opinion*
In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Orexo AB for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

*Basis for opinion*
We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Orexo AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of the Board of Directors and the Managing Director*
The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

*Auditor's responsibility*
Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

***The auditor's opinion regarding the statutory sustainability report***

The Board of Directors is responsible for the statutory sustainability report on pages 38–55, and that it is prepared in accordance with the Annual Accounts Act.

My (Our) examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Hamngatan 26, 111 47, Stockholm, was appointed auditor of Orexo AB by the general meeting of the shareholders on 26 April 2024 and has been the company's auditor since 15 April 2016.

Uppsala 28 March 2025

Ernst & Young AB

Oskar Wall
Authorized Public Accountant

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# Reconciliations and definitions of key figures

## Group

Key figures and certain other operating infromation per share are reconciled as follows:

| EBITDA SEK million | 2024 | 2023 |
|---|---|---|
| EBIT | –140.3 | –109.5 |
| Depreciation and amortization | 189.2 | 77.0 |
| **EBITDA** | **48.9** | **–32.5** |

| Cash and invested funds SEK million | 2024 | 2023 |
|---|---|---|
| Short-term investments | – | – |
| Cash and cash equivalents | –123.3 | 171.0 |
| **Cash and invested funds** | **–123.3** | **171.0** |

| Return on shareholders' equity SEK million | 2024 | 2023 |
|---|---|---|
| Shareholders' equity beginning balance | 58.9 | 193.9 |
| Shareholders' equity ending balance | –126.3 | 58.9 |
| Average shareholders' equity | –33.7 | 126.4 |
| Net earnings | –203.0 | –128.3 |
| **Return on shareholders' equity %** | **neg.** | **–101.5** |

| Operating expenses SEK million | 2024 | 2023 |
|---|---|---|
| Selling expenses | –191.3 | –181.5 |
| Administrative expenses | –165.3 | –188.0 |
| Research and development costs | –340 | –303.1 |
| Other operating income and expenses | 38.4 | 13.3 |
| **Operating expenses** | **–658.2** | **–659.5** |

| Gross investments SEK million | 2024 | 2023 |
|---|---|---|
| Investments in tangible fixed assets | 3.1 | 18.5 |
| Investments in intangible fixed assets | 1.6 | 0.7 |
| **Operating expenses** | **4.6** | **19.2** |

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Key figures and certain other operating information per share are defined as follows:

| Margins | Definition/calculation | Purpose |
|---|---|---|
| Gross margin | Gross profit divided by net revenues | Gross Margin is used to measure the relative direct profitability from sold products |
| Operating margin (EBIT margin) | Operating earnings as a percentage of net revenues | Operating profit margin is used for measuring the operational profitability |
| **Return** | **Definition/calculation** | **Purpose** |
| Return on equity | Net earnings for the period as a percentage of average shareholders' equity | Return on equity is used to measure profit generation, given the resources attributable to the owners of the parent company |
| **Capital structure** | **Definition/calculation** | **Purpose** |
| Cash and invested funds | Short-term investments plus cash and cash equivalents | Cash and invested funds is used to measure how much cash company has available in short-term from bank balances and invested funds |
| Net Debt | Current and long-term interest-bearing liabilities including pension liabilities, less cash and cash equivalents | The net debt is used as an indication of the ability to pay off all debts if these became due simultaneously on the day of calculation, using only available cash and cash equivalents |
| Debt/equity ratio | Total liabilities divided by shareholders' equity | The debt/equity ratio measures how much debt a company is using to finance its assets relative to the amount of value represented in shareholder's equity. |
| Equity/assets ratio | Shareholders' equity as a percentage of total assets | This ratio is an indicator of the company's leverage used to finance the firm |
| Working capital | Current assets excluding cash and cash equivalents less current liabilities excluding interest bearing liabilities | Working capital is used to measure the company's ability, besides cash and cash equivalents, to meet current operational obligations |
| Capital employed | Interest-bearing liabilities and shareholders' equity | Capital employed measures the amount of capital used and serves as input for the return on capital employed |
| Gross investments | Value of investment before amortization | Gross investments is a measure of the company's investments in tangible and intangible fixed assets |

| Data per share | Definition/calculation | Purpose |
|---|---|---|
| Number of shares after dilution | Shares at the end of the period adjusted for the dilutive effect of potential shares | Is used to calculate earnings per share after dilution |
| Earnings per share, before dilution | Net earnings for the period after tax divided by the average number of shares outstanding before dilution during the period | The earnings per share before dilution measures the amount of net profit that is available for payment to its shareholders per share before dilution |
| Earnings per share, after dilution | Net earnings for the period after tax divided by the average number of shares outstanding after dilution during the period | The earnings per share after dilution measures the amount of net profit that is available for payment to its shareholders per share after dilution |
| **Other definitions** | **Definition/calculation** | **Purpose** |
| Gross Revenues | Grand total of all invoiced sales transactions reported in a period, without any deductions | Reflects the company's invoiced revenues without any deductions |
| Net Revenues | Gross Revenues less deductions for sales rebates, sales allow-ances, distribution, sales returns and other relevant deductions | Reflects the company's invoiced revenues after deductions |
| Gross to net ratio | Net Revenues divided by Gross Revenues | Reflects a relative portion of net revenue as percentage of gross revenue |
| Operating expenses | An expense incurred in daily operating activities. Expense related to financing is not considered part of daily operating activities. | Operating expenses reflect costs for selling, administration, research and development, depreciation and other operating income and operating expenses |
| EBIT | Earnings before net financial items and tax, the same as Operating earnings | This measure enables the profitability to be compared across locations where corporate taxes differ and irrespective the financing structure of the company |
| EBITDA | Earnings before interest, taxes, depreciation and amortization. EBIT plus depreciation | Profit measure which is more closely correlated with cash flow as non-cash items like Depreciation and Amortization are excluded |
| Earnings after financial items | Operating earnings (EBIT) plus financial income less financial expense | Earnings after financial items reflects earnings after, any results from participations in Group and associated companies, results from securities and receivables that fall within the type of fixed assets as well as interest expenses and interest income |

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# Corporate Governance report Orexo AB (publ)

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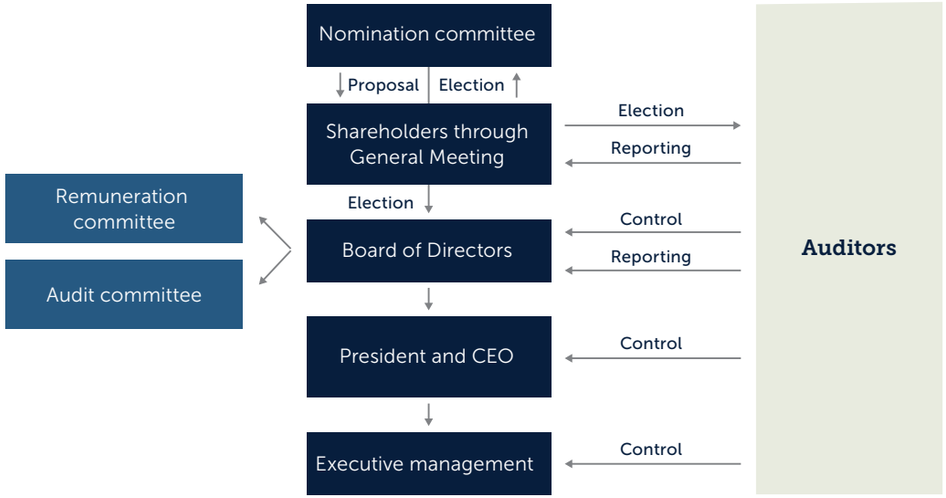
**Orexo's Corporate governance report presents an overview of the Group's corporate governance and management, description of internal control systems and risk management of financial reporting.**




**Examples of external regulations influencing corporate governance**

- Swedish Companies Act
- Regulations governing external reporting, such as the accounting law and the Annual Report law
- Nasdaq Stockholm rules for issuers
- OTCQX rules for companies trading ADRs on OTCQX
- Swedish Code of Corporate Governance (the Code, www.bolagsstyrning.se)

**Examples of internal rules of significance for corporate governance**

- Articles of Association
- Formal work plan for the Board of Directors (including terms of reference for Board Committees)
- Terms of reference for the President
- Guidelines for remuneration of senior executives
- Finance policy
- IR policy
- IT policy
- HR guidelines
- Business Compliance and Ethics code

Orexo is a Swedish public limited liability company, with its registered office in Uppsala, Sweden. The company's shares are listed on Nasdaq (Small Cap) Stockholm under the symbol ORX and with American Depositary Receipts (ADRs) traded on OTCQX under the symbol ORXOY. Corporate Governance in Orexo is established based on applicable laws, rules and recommendations such as the Swedish Code of Corporate Governance ("the Code"), Orexo's articles of association and internal regulations and guidelines. The Code is based on the 'comply or explain' principle, which means that a company applying the Code does not necessarily have to follow every rule on every occasion. Instead, the company has the option to choose alternative solutions that better fit the specific circumstances of the company. This presupposes that any deviations are reported, that the chosen solution is described and that an explanation for the deviation is given.

The aim of corporate governance at Orexo is to create a clear division of roles and responsibilities between shareholders, the Board of Directors and Management. Internal governance, control and risk management concerning financial reporting are fundamental factors in Orexo's business control. The governance, management and control of Orexo are divided between the General Meeting of Shareholders, the Board of Directors and the President.

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## Articles of Association

The Articles of Association are adopted by the General Meeting of Shareholders and outline a number of mandatory tasks of a fundamental nature for the company. Notification of the convening of the General Meetings is issued through an advertisement being placed on Orexo's website and in Post och Inrikes Tidningar (Official Swedish Gazette). Confirmation that a General Meeting has been convened shall be announced in the Svenska Dagbladet newspaper. The Articles of Association state that Orexo shall conduct research and development, and manufacture, market and sell pharmaceuticals and diagnostic preparations. Orexo's Articles of Association also state that the Board of Directors shall have its registered office in Uppsala, Sweden, and shall consist of a minimum of three and a maximum of nine members, with a maximum of three deputies. The Articles of Association contain no special provisions on the appointment or dismissal of Board members. Amendments to the Articles of Association are made in accordance with the provisions of the Swedish Companies Act following a resolution of the General Meeting. The complete Articles of Association are available at www.orexo.com.

## 1 Shareholders

Orexo's share has been listed on Nasdaq Stockholm since 2005. At year-end, the total number of shares amounted to 34,710,639 (34,710,639), distributed among 6,161 shareholders (6,623).

The 10 largest shareholders held 52.8 percent (52.7) of the outstanding shares, management 0.5 percent (0.6) and other shareholders 49.7 percent (46.7). At December 31, 2024, one shareholder held shares representing 10 percent or more of the company – Novo Holdings A/S, 27.78 percent. Non-Swedish shareholders accounted for approximately 45 percent (45) of the total number of shares. Institutions and industrial owners hold the majority of shares. At year-end, 50 percent (60) of the shares were held by legal entities, 40 percent (40) by private individuals and 10 percent (0) by anonymous owners. Since November 13, 2013, the share is available in the US as an ADR on the OTCQX market.

## 2 Nomination Committee

The 2024 Annual General Meeting adopted a resolution that the Company should have a Nomination Committee. The Nomination Committee represents the company's shareholders. It has the task of creating the best possible basis for the General Meeting's resolutions regarding the election of Board members and Board fees and with submitting proposals concerning, for example, the appointment of auditors and auditors' fees. The Nomination Committee comprises representatives of the three largest shareholders in terms of voting rights as per the last banking day in August, 2024, in addition to the Chairman of the Board. The composition of the Nomination Committee was announced on Orexo's website and in a press release on October 4, 2024. The Committee held 1 (2) meetings during the year. Through the Chairman of the Board, the Nomination Committee reviewed the evaluation of the Board's work and received information regarding developments in the company. The principal requirements to be imposed on the Board of Orexo and the importance of independent Board members were discussed.

No special remuneration was paid for participation in the Nomination Committee.

### Nomination Committee for the Annual General Meeting 2024

| Name | Represents |
|---|---|
| Henrik Kjaer Hansen | Novo Holdings A/S, and Chairman of the Nomination Committee |
| Claus Berner Møller | Arbejdsmarkedets Tillaegspension (ATP) |
| Stefan Hansson | Private investor |
| James Noble | Chairman of the Board of Orexo |

Combined, the Nomination Committee represents about 34 percent of the number of shares and votes in the company, based on shareholder data at the time of appointment.

## 3 Annual General Meeting

Orexo's highest decision-making body is the General Meeting, at which every shareholder who is entered in the share register and who has provided notification of their attendance within the stipulated time is entitled to participate and vote for the amount of shares held. Shareholders can also be represented by proxy at General Meetings. One share entitles the holder to one vote at General Meetings, and there are no limits as to how many votes each shareholder can cast at a General Meeting. Resolutions at General Meetings are passed with a simple majority, unless the Companies Act stipulates a higher percentage of the shares and votes represented at the Meeting.

The Annual General Meeting elects members to the Board of Directors and sets Board fees. The other mandatory tasks of the Annual General Meeting include adopting the company's balance sheet and income statement, passing resolutions on the appropriation of earnings from operations, remuneration guidelines for senior executives and decisions concerning discharge from liability for Board members and the President. The Annual General Meeting also elects the company's auditor and sets the auditors' fees. In accordance with the Articles of Association, the Annual General Meeting shall be held in either Uppsala or Stockholm.

Complete information about the 2024 Annual General Meeting is available at www.orexo.com

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## Annual General Meeting 2024

The Annual General Meeting was held on Tuesday, April 26, 2024 in Uppsala. At the Meeting:

- James Noble, Staffan Lindstrand, Fred Wilkinson, Christine Rankin and Robin Evers were re-elected as Board Members.
- James Noble was re-elected as Chairman of the Board.
- Ernst and Young Aktiebolag was re-elected as auditor.
- A resolution was adopted that fees for Board members should amount to SEK 2,650,000, with SEK 900,000 paid to the Chairman of the Board, SEK 300,000 to each of the other Board members, and a total of SEK 400,000 distributed between the members of the Audit Committee, so that the Chairman of the committee receives SEK 200,000 and SEK 200,000 is distributed between the other committee members for their work on the committee, and in total 150,000 to be allocated to the members of the remuneration committee in equal parts between the members of the committee, and that fees to the auditor should be paid against approved accounts.
- Further, the Annual General Meeting resolved on an additional board fee in accordance with the nomination committee's proposal to the board members James Noble, Staffan Lindstrand, Fred Wilkinson, Christine Rankin and Robin Evers of SEK 850,000, subject to (i) the board member's acquisition of shares in Orexo for the entire part (after taxes) of such additional board fee as soon as possible following the Annual General Meeting's resolution and the pay-out of the additional board fee, and (ii) the board member's commitment not to sell the shares during the board member's entire tenure on the Orexo board. The additional board fee is to be allocated as follows: SEK 450,000 to the chairman, corresponding to 50 percent of the ordinary board fee to the chairman, and SEK 100,000 to each of Staffan Lindstrand, Fred Wilkinson, Christine Rankin and Robin Evers, corresponding to 33 percent of the ordinary board fee to such board members. In the event that the board member, before the succeeding Annual General Meeting, is dismissed due to breach of his/ her obligations as a board member or leaves the board at his/her own request, the board member must repay the entire additional board fee (after taxes).
- The Board's motion concerning guidelines for remuneration to the management was approved.
- The motion concerning the appointment of a Nomination Committee for AGM 2025 was approved.
- The balance sheet and income statement for the parent company and the Group for the 2023 fiscal year were adopted.
- It was resolved that there should be no dividend for 2023 and that the results of the company shall be carried forward.
- The Annual General Meeting granted Board members and the President discharge from liability for the 2023 fiscal year.
- A resolution was adopted in accordance with the Board's proposal concerning authorization of the Board to resolve to issue shares.
- A resolution was adopted in accordance with the Board's proposal concerning authorization of the Board to re-purchase and transfer the company's own shares.
- A resolution was adopted in accordance with the Board's proposal concerning to adopt a long-term incentive program for senior executives and key employees within the Orexo group.
- The Board's motions concerning a long-term incentive program for senior executives and key employees and a longterm incentive program for for certain Global Management Team employees and US Leadership Team employees were approved.

## Extraordinary General Meeting 2024

- At the Extraordinary General Meeting in Orexo AB (publ) on December 18, 2024, Friedrich von Bohlen und Halbach was elected as a new Board member. The General Meeting decided that the number of Board members should be six with no deputy members.
- The Extraordinary General Meeting also resolved, in accordance with the nomination committee's proposal, that the remuneration to the members of the Board of Directors and the committees resolved at the Annual General Meeting on 26 April, 2024 shall continue to apply and shall, if applicable, be distributed pro rata to the chairman and the ordinary members of the Board of Directors. Friedrich von Bohlen und Halbach shall receive the additional board fee for acquisition of shares in Orexo, also pro rata to his mandate period. Complete proposals regarding the resolutions by the Extraordinary General Meeting in accordance with the above are available at Orexo's website, www.orexo.com.
- At the Extraordinary General Meeting on December 18, 2024, as many members of the Board of Directors required for a quorum were not present at the meeting, which constitutes a deviation from the Code. The main matter at the Extraordinary General Meeting was the appointment of a new board member in accordance with the Nomination Committee's proposal. Due to the nature of the matter, it was not necessary to have a quorum of the Board of Directors present and representatives from the Board of Directors were available for questions.

## Annual General Meeting 2025

The Annual General Meeting of Orexo AB will be held on Thursday, May 8, 2025. Full information about the Annual General Meeting can be found on the company's website, https://www.orexo.com

Complete information about the 2024 Annual General Meeting is available at www.orexo.com

## 4 Board of Directors

The Board of Directors have a responsibility to the shareholders for the Group's management and organization. They monitor the president's work and continuously follows the business development and the reliability of the internal control within the company. The Board's responsibility is regulated in the Companies Act and the formal work plan that is established annually. The formal work plan establishes the division of the Board's work between the Board in its entirety and the Board's various committees and between the Board and the President. It also sets out the items to be addressed at Board meetings and the manner in which the President provides the Board with information and reports. The Board has appointed Audit and Remuneration Committees from within its ranks.

At year-end, Orexo's Board of Directors consisted of Chairman James Noble and Board members Staffan Lindstrand, Robin Evers, Fred Wilkinson, Christine Rankin and Friedrich von Bohlen und Halbach. For a more detailed description of Board members, please refer to the Board of Directors section later in this report.

### The work of the Board

The Board's formal work plan establishes the items to be addressed at the scheduled Board meetings. Following presentations by the Audit Committee and President, the Board reviews all interim reports prior to publishing. The company's long-term targets and strategy and its budget are evaluated and approved by the Board. At each Board meeting, the President or another senior executive reports on the business situation and the status of relevant projects.

In addition to the statutory Board meeting, at least six scheduled Board meetings must be held. At the Board meeting during which the annual audit is to be considered, the Board meets with the auditors without the participation of the company's management.

It is incumbent upon the Board to ensure that the guidelines for remuneration to senior executives approved by the Annual General Meeting are followed and that the Annual General Meeting proposes guidelines for remuneration to senior executives.

Each year, the Board's work is evaluated by way of discussions and through external assessment. The results of the evaluation are presented to the Board and Orexo's Nomination Committee and form the basis for proposals for Board members. In matters concerning ownership Orexo is represented by the Chairman of the Board.

During the year, the Board held 17 (19) meetings, of which 15 (14) were video conferences or meetings by circulation. The Board mainly addressed and resolved on issues concerning the company's strategic direction, the status of projects, the follow-up of financial performance, financing, investment matters, external reporting, budget planning and follow-up. These issues are addressed by the Board in its entirety.

### Remuneration of the Board

The 2024 Annual General Meeting resolved that Board fees should amount to SEK 2,650,000, of which SEK 900,000 was to be paid to the Chairman of the Board, SEK 300,000 to each of the other Board members, and a total of SEK 400,000 to be divided among the members of the Audit Committee, so that the Chairman of the committee receives SEK 200,000 and the other committee members share SEK 200,000, and in total 150,000 to be allocated to the members of the remuneration committee in equal parts between the members of the committee. Further, the Annual General Meeting resolved on an additional board fee in accordance with the nomination committee's proposal to the board members James Noble, Staffan Lindstrand, Fred Wilkinson, Christine Rankin and Robin Evers of SEK 850,000, subject to (i) the board member's

### Composition of the Board

| Name | Function | Independent | Elected | Present at Board Meetings | Present at Remuneration Committee | Present at Audit Committee |
|---|---|---|---|---|---|---|
| James Noble | Chairman of the Board | ■ | 2020 | 17/17 | 2/2 | 5/5 |
| Staffan Lindstrand | Board Member | ■ | 2002 | 17/17 | 1/2 | 4/5 |
| Fred Wilkinson | Board Member | ■ | 2019 | 17/17 | 1/2 | – |
| Christine Rankin | Board Member | ■ | 2021 | 17/17 | 1/2 | 5/5 |
| Robin Evers | Board Member | ■ | 2023 | 17/17 | 1/2 | – |
| Friedrich von Bohlen und Halbach[1] | Board Member | ■ | 2024 | 1/17 | – | – |
| Mary Pat Christie[2] | Board Member | ■ | 2019 | 4/17 | – | – |
| Charlotte Hansson[2] | Board Member | ■ | 2020 | 4/17 | – | 1/5 |
| Michael Matly[2] | Board Member | ■ | 2021 | 4/17 | – | – |

■ Independent, according to the Nomination Committee, in relation to Orexo, its management and the company's largest shareholders

1. Board member from December 18, 2024
2. Board member until April 26, 2024

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acquisition of shares in Orexo for the entire part (after taxes) of such additional board fee as soon as possible following the Annual General Meeting's resolution and the pay-out of the additional board fee, and (ii) the board member's commitment not to sell the shares during the board member's entire tenure on the Orexo board. The additional board fee is to be allocated as follows: SEK 450,000 to the chairman, corresponding to 50 percent of the ordinary board fee to the chairman, and SEK 100,000 to each of Staffan Lindstrand, Fred Wilkinson, Christine Rankin and Robin Evers, corresponding to 33 percent of the ordinary board fee to such board members. In the event that the board member, before the succeeding Annual General Meeting, is dismissed due to breach of his/her obligations as a board member or leaves the board at his/her own request, the board member must repay the entire additional board fee (after taxes).

### Composition of the Board

According to rule 4.1 of the Code, the objective is for the board to have a composition that is appropriate to the company's operations, stage of development and other circumstances, characterised by diversity and broadness in terms of expertise, experience and background, and that an even gender balance is to be sought.

Board members, their positions and whether or not they are considered to be independent in relation to Orexo, its management and the company's largest shareholders are stated in the table on page 114. Orexo's Board of Directors is deemed to have satisfied the requirements of the Code in respect of independence, as all members elected by the Meeting have been deemed to be independent in relation to Orexo, its management and the company's largest shareholders.

### Evaluation of the Board's and President's work

The work of the Board, similar to that of the President, is evaluated annually in a systematic and structured process. The Nomination Committee is informed of the results of the evaluation.

## 5 President and the Management

The President leads the work of the Management Team and makes decision in consultation with them. At the end of 2024 the Management Team consisted of six persons inclusive the President. The Management Team meets regularly under the leadership of the President. For a more detailed description of the CEO and the Management Team, please refer to the Management section later in this report

## 6 Remuneration Committee

The Remuneration Committee is tasked with addressing matters concerning salaries and other terms of employment, pension benefits and bonus systems, including any allocation of employee stock options and share awards under the terms of approved incentive programs for the President and the senior executives and managers, as well as remuneration issues of principle nature. The Committee shall meet as often as required. The above issues are addressed by the Committee and the Board makes resolutions on the basis of the proposals from the Committee.

The Committee should possess the required knowledge and expertise to deal with issues related to the remuneration of senior executives. The Remuneration Committee comprises James Noble (Chairman), Robin Evers and Fred Wilkinson. During the year, the Remuneration Committee was convened on 2 (3) occasions and managed other issues with written communication.

## 7 Audit Committee

Orexo's Audit Committee is primarily concerned with ensuring compliance with established principles for financial reporting and internal controls. The Audit Committee must also remain informed about the audit of the Annual Report and consolidated accounts, inspect and monitor the impartiality and independence of the auditor, paying particularly close attention to instances where the auditor provides the company with services outside the scope of the audit, and assist in the preparation of proposals to the General Meeting in respect of auditor selection. The Audit Committee presents the final version of Orexo's interim reports and of the Annual Report to the Board for approval and publication. The Audit Committee meets prior to the publication of each interim report, in connection with the auditor's review of the internal control over the financial reporting and when otherwise necessary. The aforementioned issues are addressed by the Committee and the Board makes resolutions on the basis of the proposals produced. Orexo's auditor attends the meetings of the Audit Committee before the publishing of the interim reports and to present the outcome of the review of the internal control. Matters addressed in the Audit Committee is reported to the Board on a regular basis and the minutes are distributed to the Board.

During the year, the Audit Committee was convened on 5 (4) occasions. At least one of the members of the Committee must be independent in relation to the company and Executive Management, and also be independent in relation to the company's largest shareholders and have accounting or auditing expertise. The Committee is currently made up of Christine Rankin (Chairman), James Noble and Staffan Lindstrand.

## Auditors

Orexo's auditors is the auditing firm EY, with Authorised Public Accountant Oskar Wall as auditor in charge. At the Annual General Meeting 2024 EY was re-elected as auditors until the Annual General Meeting 2025. The external auditors discuss the external audit plan and risk management with the Audit Committee. The auditors perform a review of the interim report for the third quarter, and audit the annual accounts and consolidated financial statements. The auditors also express an opinion on whether this Corporate Governance Report has been prepared in accordance with, and whether certain disclosures herein are consistent with, the annual accounts and consolidated financial statements. The auditors report the results of their audit of the annual accounts and consolidated financial statements in the auditor's report and their review of the Corporate Governance Report in a separate opinion on the Corporate Governance Report, in a pres-

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entation to the AGM. In addition, the auditors present detailed findings from their reviews to the Audit Committee three times per year, and to the Board in its entirety once per year.

For information regarding fees for the company's auditors, see Note 29.

## 8 Board of Directors' Report on Internal Control and Risk Management regarding Financial Reporting

The aim of Orexo's risk management systems and processes is to ensure that the shareholders can have the utmost confidence in the financial operation and presented reports, including the information given in this Annual Report and all interim reports. Orexo has established a methodology for developing, implementing, driving and evaluating internal controls and risk management in respect of all parts of the company, including financial reporting.

This methodology conforms to internationally established standards in the industry and comprises a framework with five principal components: control environment, risk assessment, control activities, information and communication, and follow-up and evaluation.

### Control environment

Pursuant to the Swedish Companies Act, the Board of Directors is responsible for the internal control and governance of the company. To maintain and develop a functional control environment, the Board has implemented a process of risk mapping and established a number of basic control documents and procedures that are of importance to financial reporting. These include the formal work plan for the Board of Directors and the terms of reference for the President, which are reviewed and approved annually by the Board.

In addition, the control environment is continuously updated and secured by means of continuous monitoring and regular evaluations of risk profiles within various functions. Responsibility for the daily work of maintaining the control environment is primarily incumbent on the President. He reports regularly to the Board of Directors and the Audit Committee pursuant to established procedures. In addition, the Board also receives regular reports directly from the company's auditor. Company managers have defined authorities, control functions and responsibilities within their respective areas for financial and internal controls.

### Risk assessment

Orexo regularly conducts evaluations of financial risks and other risks that may impact financial reporting. These reviews extend to all parts of the company and are carried out to ensure that there is no significant risk of errors occurring in financial reporting. There are several areas where the control of financial information is particularly important, and Orexo has established a risk map that highlights a number of key potential risks in the financial reporting system.

The company continuously monitors and evaluates these areas and regularly examines other areas in order to create a set of control procedures that will minimize the risks and impact in these areas. In addition, new and existing risks are identified, addressed and regulated through a process of discussion in forums such as the Management Team, The Board of Directors and Audit Committee.

### Control activities

In light of the risks identified on the risk map, and the continuous monitoring of the methods used to manage financial information, Orexo has developed control activities that ensure good internal control of all aspects of financial reporting. A number of policy documents and procedures have been applied throughout the year to manage reporting and accounting. Standard procedures, attestation systems and the risk map are examples of such policy documents.

The finance and controller functions are responsible for ensuring that financial reporting is correct, complete and timely. Orexo strives to continually improve its internal control systems and has, on occasion, engaged external specialists when validating these controls.

### Information and communication

Orexo is a listed company in one of the most regulated markets in the world – healthcare. In addition to the highly exacting requirements that Nasdaq Stockholm and the supervisory authorities impose on the scope and accuracy of information, Orexo has internal control functions for information and communication designed to ensure that correct financial and other corporate information is communicated to employees and other stakeholders.

The Board receives monthly reports concerning financial performance, commercial performance and the status of Orexo's development projects and other relevant information.

The corporate intranet provides detailed information about applicable procedures in all parts of the company and describes the control functions and how they are implemented.

The security of all information that may affect the market value of the company and mechanisms to ensure that such information is communicated in a correct and timely fashion are the cornerstones of the company's undertaking as a listed company. These two factors, and the procedures for managing them, ensure that financial reports are received by all players in the financial market at the same time, and that they provide an accurate presentation of the company's financial position and performance. These procedures are continuously updated to secure compliance with the EU Market Abuse Regulation (MAR).

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### Follow-up

Orexo's management conducts monthly performance follow- up, with an analysis of deviations from the budget and plans. Orexo's controller function also conducts monthly controls,evaluations and follow-ups of financial reporting. Since a large part of the company's product development is done in project form, these are continuously monitored from a financial point of view. Routines and reporting is implemented to secure continuous follow-up on all aspects of the Zubsolv® business, e.g. manufacturing, sales performance, wholesaler orders, sales force performance, inventory levels etc. The Board of Directors and the Audit Committee review the Annual Report and interim reports prior to publication. The Audit Committee discusses special accounting policies, internal control framework, risks and other issues associated with the reports. The company's external auditor also participates in these discussions.

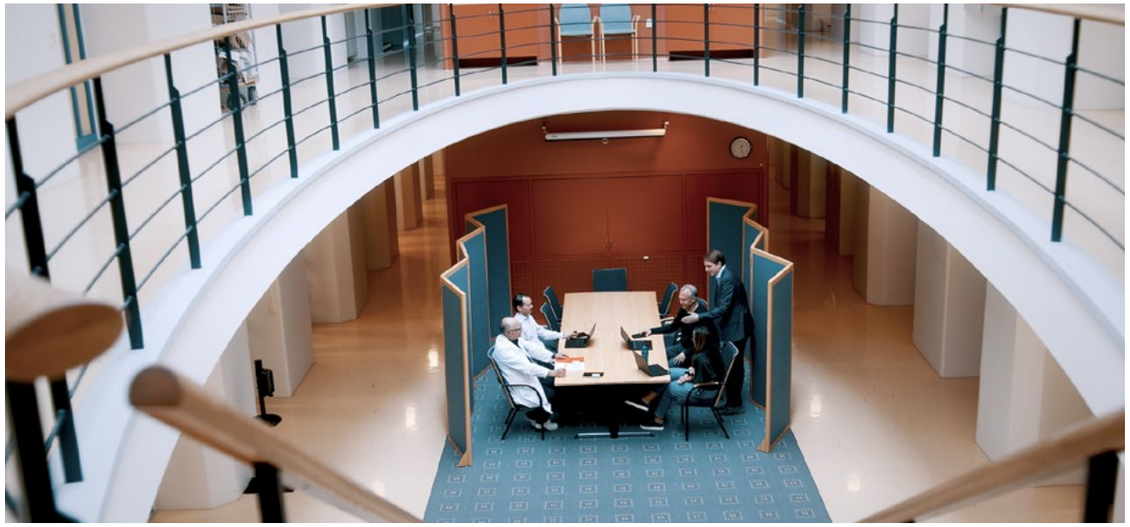
### Internal audit

Orexo has no separate internal audit function. The Board annually evaluates the need for such a function and, considering the size and structure of the company, has found no basis for establishing a separate internal audit function. The Board of Directors monitors the internal control over financial reporting through regular follow-ups by the Audit Committee and the Board.

### Further information about Orexo's Corporate Governance

The following information is available at www.orexo.se (in Swedish) and at www.orexo.com (in English):

- Articles of Association
- Information about the Swedish Code of Corporate Governance
- Information from General Meetings of previous years
- Information from the Nomination Committee
- Information about remuneration principles for senior executives
- Corporate Governance reports from 2009 onwards
- Information for the 2025 Annual General Meeting (convening notice, Nomination Committee proposals, presentation of the work of the Nomination Committee, etc.).



# Board of Directors

## James Noble

Chairman of the Board of Directors since 2020. (b. 1959)

**Education**

M.A. from the University of Oxford.

**Other appointments**

Chairman of the Board of Pneumagen Ltd, Ingenox Therapeutics, and another private UK-based cancer research company. Board member of Lava Therapeutics.

**Previous experience**

Co-founder and CEO of Adaptimmune and Immunocore. Board member and Deputy Chairman of GW Pharmaceuticals until its acquisition by Jazz Pharmaceuticals. Chairman and CEO of Avidex, which was acquired by Medigene. Other previous positions as Board member include companies such as Medigene, PowderJect Pharmaceuticals and CuraGen Corporation.

**Holdings**

Holds 64,516 shares, and bonds of a nominal value of SEK 2,500,000[1].

Independent in relation to Orexo, its management and the company's largest shareholders.

## Friedrich von Bohlen und Halbach

Board member since 2024. (b. 1962)

**Education**

PhD in Neurobiology from Swiss Federal Institute of Technology, Diploma in Biochemistry from University of Zurich.

**Other appointments**

CEO of Molecular Health AG, Chairman of the Board at Apogenix AG, and Board member at Heidelberg Pharma AG.

**Previous experience**

More than 25 years of experience in a number of national and international biotech companies, such as Dievini, Agennix, Sygnis Pharma and Wasag. In these companies Dr. Friedrich von Bohlen acted or held positions such as co-founder and/or CEO or Chairman.

**Holdings**

Does not hold any shares in Orexo.

Independent in relation to Orexo, its management and the company's largest shareholders.

## Robin Evers

Board member since 2023. (f. 1970)

**Education**

Management Studies at University of Reading and a BSc. in Molecular Biology from University of Portmouth.

**Other appointments**

Senior Vice President, Head of Global Regulatory Affairs & Global Safety, Medical Writing and R&D Quality, at Novo Nordisk A/S.

**Previous experience**

Over 25 years of experience in the pharmaceutical industry, with expertise in the development of biologics, vaccines and small molecule drugs. Evers has held senior positions in drug development at Novo Nordisk since 2013, prior to which he was VP Worldwide Safety & Regulatory at Pfizer Inc. and VP and Head of Global Regulatory Affairs for Europe, Middle East & Africa at Wyeth Pharmaceuticals.

**Holdings**

Does not hold any shares in Orexo.

Independent in relation to Orexo and its management, but dependent in relation to the company's largest shareholders.

## Staffan Lindstrand

Board member since 2002. (b. 1962)

**Education**

MSc. in Engineering.

**Other appointments**

Partner of HealthCap since 1997, Board member of HealthCap AB, Doctrin AB, Elsa Science AB, GET.ON Institut für Online Gesundheitstrainings GmbH, and The Swedish Association of Exchange-listed companies.

**Previous experience**

Ten years in investment banking.

**Holdings**

34,144 shares.

Independent in relation to Orexo, its management and the company's largest shareholders.

## Christine Rankin

Board member since 2022. (b. 1964)

**Education**

BSc. in Business Administration and Economics from Stockholm University.

**Other appointments**

Board member of CoinShares International Ltd, Bonesupport AB, 4C Group AB and Starbreeze AB.

**Previous experience**

Board member of Adventure Box Technology AB and Technopolis Plc. SVP Corporate Control at Veoneer Inc, CFO at Cherry AB, interim CFO/Head of Finance at Serneke Group, Head of Corporate Control at Spotify and Partner/Head of the US Capital Markets group in Sweden at PwC.

**Holdings**

Holds 7,927 shares[1].

Independent in relation to Orexo, its management and the company's largest shareholders.

## Fred Wilkinson

Board member since 2019. (b. 1964)

**Education**

MBA., B.Sc. Pharmacy.

**Other appointments**

Board member of Alter Pharma Group.

**Previous experience**

CEO and Board member of Impax Laboratories, Inc., President of the Specialty business at Watson Pharmaceuticals, Inc. (currently Allergan), President of Duramed Pharmaceuticals, Inc., CEO at Columbia Laboratories and multiple senior positions at Sandoz Pharmaceutical Corporation, Inc.

**Holdings**

Holds 14,000 shares[1].

Independent in relation to Orexo, its management and the company's largest shareholders.

All holdings as of December 31, 2024.

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# Management

## Nikolaj Sørensen

President and CEO since 2013, employed since 2011. (b. 1972)

**Education**

BSc. in Economics and Business law, and MSc. in International Business from Copenhagen Business School. Graduate studies in law at University of Glasgow and Finance at Stockholm School of Economics.

**Other appointments**

Member of the Board of Moberg Pharma AB and Gesynta Pharma AB.

**Previous experience**

Senior management positions at Pfizer Inc. focusing on commercialization in Europe and Managing Director at Pfizer AB. Prior to that, management consultant at Boston Consulting Group, leading several projects within M&A, commercial transformation, and turn-arounds. Board positions in the life science industry both corporate and industry associations.

**Holdings**

Holds 179,278 shares and stock options/share awards entitling to 701,405 shares[1].

## Fredrik Järrsten

EVP and Chief Financial Officer since 2022.

**Education**

B.Sc. and M.Sc. in mainly Accounting and Finance, Stockholm School of Economics, and in International Business, University of Michigan – Stephen M. Ross School of Business.

**Other appointments**

–

**Previous experience**

CFO Vivesto AB, CFO and Deputy CEO Karolinska Development AB, CFO Bactiguard AB, Director Business Development at Aleris AB, Investment Manager at Litorina Kapital and positions within Corporate Finance at Lazard and SEB Enskilda.

**Holdings**

Holds 26,190 shares and stock options/share awards entitling to 361,906 shares[1].

## Robert A DeLuca

President of Orexo US Inc. since 2013.

**Education**

R.Ph.

**Other appointments**

Member of the American Society of Addiction Medicine, Academy of Managed Care Pharmacy and the American and New Jersey Pharmacists Associations. Co-chair, SDHB PheoPara Coalition.

**Previous experience**

Extensive experience from leading positions within commercialization at the multinational pharmaceutical companies SanofiAventis, SheringPlough, Berlex, Pharmacia and Archimedes Pharmaceuticals.

**Holdings**

Holds 17,585 shares and stock options/share awards entitling to 363,124 shares[1].

## Edward Kim

Chief Medical Officer since 2022.

**Education**

MBA from the University of Massachusetts, USA, PhD in Medicine from Thomas Jefferson University, USA and AB in biology from Harvard University.

**Other appointments**

–

**Previous experience**

Extensive experience in medical affairs, health economics and outcomes research and clinical development in several senior positions in the pharmaceutical industry. Most recently as VP and Head of Medical Affairs at Biohaven Pharmaceuticals. Prior to that, over a decade of experience in clinical practice, academia, and hospital administration as a board-certified psychiatrist.

**Holdings**

Does not hold any shares in Orexo. Owns stock options/share awards entitling to 143,915 shares[1].

## Robert Rönn

SVP and Head of R&D since 2019, employed since 2007.

**Education**

MSc. in Chemical Engineering and PhD. in Medicinal Chemistry, Uppsala University.

**Other appointments**

–

**Previous experience**

Head of Pharmaceutical Development & IP at Orexo AB since 2016. Prior to that, extensive experience of drug discovery and development, as well as patent prosecution and litigation, from various key positions at Biolipox AB and Orexo AB.

**Holdings**

Holds 20,280 shares and stock options/share awards entitling to 285,764 shares[1].

## Cecilia Coupland

SVP and Head of Operations since 2019, employed since 2006.

**Education**

MSc. in Chemical Engineering, Uppsala University.

**Other appointments**

–

**Previous experience**

Head of Supply Chain & Planning at Orexo since 2014. Prior to that, senior positions in global pharmaceutical manufacturing, and supply chain at Orexo. Key positions in drug development and project management at AstraZeneca.

**Holdings**

Holds 14,390 shares and stock options/share awards entitling to 257,877 shares[1].

All holdings as of December 31, 2024.

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# Auditor's report on the Corporate Governance report

**To the general meeting of the shareholders of Orexo AB,**
Corporate identity number 556500-0600

## Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2024 on pages 104–113 and that it has been prepared in accordance with the Annual Accounts Act.

## The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

## Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 in the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Uppsala, Sweden, March 28, 2025
Ernst & Young AB

Oskar Wall
Authorized Public Accountant

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## ABOUT OREXO

Orexo is a Swedish pharmaceutical company with 30 years of experience developing improved pharmaceuticals based on proprietary drug delivery technologies that meet large medical needs. On the US market, Orexo provides innovative treatment solutions for patients suffering from opioid use disorder. Products targeting other therapeutic areas are developed and commercialized worldwide with leading partners. Total net sales in 2024 amounted to SEK 590 million, and the number of employees to 110. Orexo is listed on Nasdaq Stockholm's main list and is available as an ADR on OTCQX (ORXOY) in the US.

For more information about Orexo please visit www.orexo.com
You can also follow Orexo on X, LinkedIn and YouTube.