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Press release

Orexo reaches non-binding agreement in principle to settle investigation by US Department of Justice

Uppsala, Sweden – August 31st 2026 – Orexo AB (publ) (STO: ORX) (OTCQX: ORXOY) today announced that the company has reached a non-binding agreement in principle on the main elements of a settlement with the US Department of Justice (DOJ). Orexo is in the last stages of concluding the final settlement agreement, which would close a DOJ investigation that has been ongoing since 2020. There can be no assurance that a final settlement will be entered into on the terms in this press release.

Under the agreement in principle, the company would agree to pay USD 4 million in installments over several years. The company would also agree to a capped contingent payment based on five percent of net sales conditioned on certain sales related threshold being met in 2030-2031, at a level where Orexo's commercial products are successful in the market. The final details of the settlement agreement will be disclosed in the event that a final settlement agreement is entered into with the DOJ.

The company's settlement would take the form of a Non-Prosecution Agreement (NPA) and a separate civil settlement. There would be no admission of wrongdoing by Orexo or any of its current or former employees. Once finalized, the NPA and civil settlement would resolve the DOJ investigation with respect to the matters covered by the agreements and there would be no more exposure for Orexo as a result of the investigation.

Orexo also understands that two former Orexo US employees have reached agreements in principle with the DOJ to resolve civil claims. The company intends to seek insurance coverage for the full settlement amount for the former employees.

"The investigation by the Department of Justice has been on-going for more than 6 years. I am pleased that we are close to concluding the investigation. The decision to pursue a settlement is not an admission of any wrongdoing, but is based on the significant costs of a continued process and the need to focus on the continued development of Orexo and its important research." Nikolaj Sørensen, President and CEO of Orexo AB.

As a result of the progress with the US Department of Justice, Orexo is expected to recognise a provision for the expected liability of USD 4 million. Further information on the financial effects will be disclosed separately when a final settlement agreement is entered into with the DOJ.

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About Orexo

Orexo is a Swedish pharmaceutical company dedicated to advance treatments for severe diseases and life-saving rescue medications to meet future healthcare needs. At the core of our innovation is AmorphOX®, a proprietary drug delivery technology that improves bioavailability and stability for both large and small molecules, enabling new approaches to administration, manufacturing, and distribution. With over 30 years of experience and multiple drugs approved globally, Orexo is advancing a diversified pipeline of programs in clinical and preclinical development. The company collaborates with partners in research, development, and commercialization. Headquartered in Uppsala, Sweden, Orexo is listed on Nasdaq Stockholm's main market and trades as ADRs on the OTCQX market in the United States.

For more information please visit www.orexo.com. You can also follow Orexo on X, LinkedIn, and YouTube.