

N.B. The English text is an in-house translation.

Proposal to reduce the share capital with cancellation of class C shares and resolve on a bonus issue (item 21)

The board of directors of Orexo AB (publ) (the "Company" or "Orexo") proposes that the annual general meeting resolves to reduce the share capital and resolves on a bonus issue in accordance with item (a) – (b) below. The resolutions are contingent of each other and are therefore proposed to be adopted as one resolution.

(a) Reduction of the share capital by way of cancellation of own shares

The board of directors proposes that the annual general meeting resolves to reduce the Company's share capital with a maximum of SEK 337,188.40 for allocation to unrestricted equity. The reduction shall be made by cancellation of the 842,971 acquired own class C shares that are held by the Company on the day of the notice to the annual general meeting.

(b) Bonus issue without the issuance of new shares

The board of directors proposes that the Company's share capital shall be increased with a maximum of SEK 337,188.40 with the amount being transferred from unrestricted equity (according to the balance sheet to be adopted by the annual general meeting 2020). The bonus issue shall be carried out without the issuance of new shares.

Attached to this proposal are (i) a statement from the board of directors of the Company in accordance with chapter 20 section 13 of the Swedish Companies Act, and (ii) a statement from the auditor of the Company in accordance with chapter 20 section 14 of the Swedish Companies Act.

The Company's CFO Joseph DeFeo is authorized to make such minor adjustments in this resolution that may be necessary in connection with the registration thereof and in relation to Euroclear Sweden AB.

Uppsala in March 2020
The board of directors of Orexo AB (publ)

The board of directors' statement in accordance with chapter 20 section 13 of the Swedish Companies Act

The resolution to reduce the Company's share capital may be carried out without obtaining the Swedish Companies Registration Office permission as the Company simultaneously implements a bonus issue through which the share capital is increased with a maximum of SEK 337,188.40 by transfer from unrestricted equity. The result is that neither the Company's restricted equity nor its share capital decreases. After the reduction of the share capital and bonus issue, the Company's share capital will amount to a maximum of SEK 14,221,443.599290 divided between 34,710,639 shares, based on own shares that are held by the Company on the day of the notice to the annual general meeting.

Uppsala in March 2020
The board of directors of Orexo AB (publ)