



Interim Report first quarter 2019

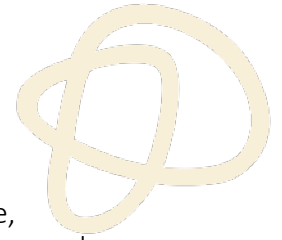
May 14th, 2019 at 3:00 p.m. CET.

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Peter Wolpert, CEO & Founder



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Moberg Pharma 2.0

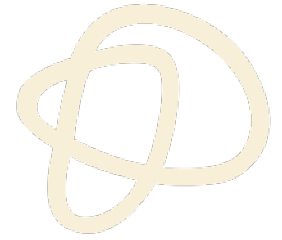
Pipeline progress

Financial performance

Focus forward



Moberg Pharma 2.0



COMMERCIAL BUSINESS

Divestment for
\$155m completed
March 29

3 #1-BRANDS

NAIL FUNGUS LIQUID BANDAGES PAIN RELIEF SPRAYS



Direct sales through all major U.S. retailers
and distributor sales in 30+ markets, with
400+ MSEK in annual sales

PIPELINE ASSETS

2 PRODUCTS **3**
IN PHASE

MOB-015

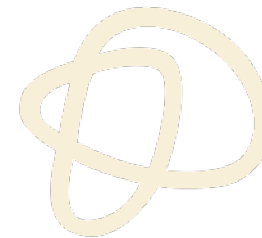
Topical terbinafine
against nail fungus

BUPI

Bupivacaine lozenge
against OM

Potential market leaders with
\$250-500m (MOB-015) and \$100-200m
(BUPI) estimated sales potential

Realizing value for OTC and increased focus on MOB-015



Compelling Divestment of OTC-Business

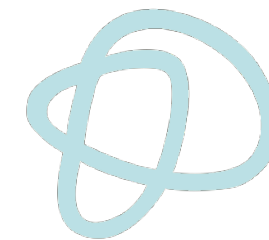
Funding & Focus on Pipeline (MOB-015)

- Cash consideration of SEK 1.4 billion (\$155m)
- Resulting in capital gain of SEK 556 million and the effect on the total profit was SEK 502 million
- Additional SEK 46 million (\$5m) to fund continued development and commercialization of MOB-015
- Redemption of SEK 600 million bonds, completed April 29
- Distribution to shareholders in 2019, estimated to SEK 43-45* per share
- Implied valuation of MOB-015 of approximately SEK 645 million (\$70m), SEK 35.16 per share**
- Retaining upside for MOB-015

* Reflects proceeds to shareholders after transaction expenses and bond redemption

** Subscription price for USD 2.5 million investment

Attractive shareholder value from the OTC transaction



”OTC-dividend”

SEK 43-45*
distribution to shareholders, per share,

Proceeds from OTC-business used to redeem bonds and distribute to shareholders

Implied value of MOB-015

SEK 35.16**
subscription price, per share

Further validation of the value of our key asset MOB-015

Combined transaction value

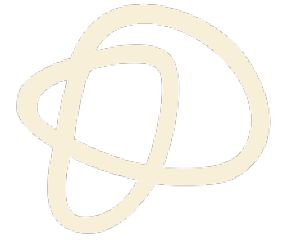
SEK 78-80
total value, per share

Delivering a compelling total value to our shareholders

* Reflects proceeds to shareholders after transaction expenses and bond redemption

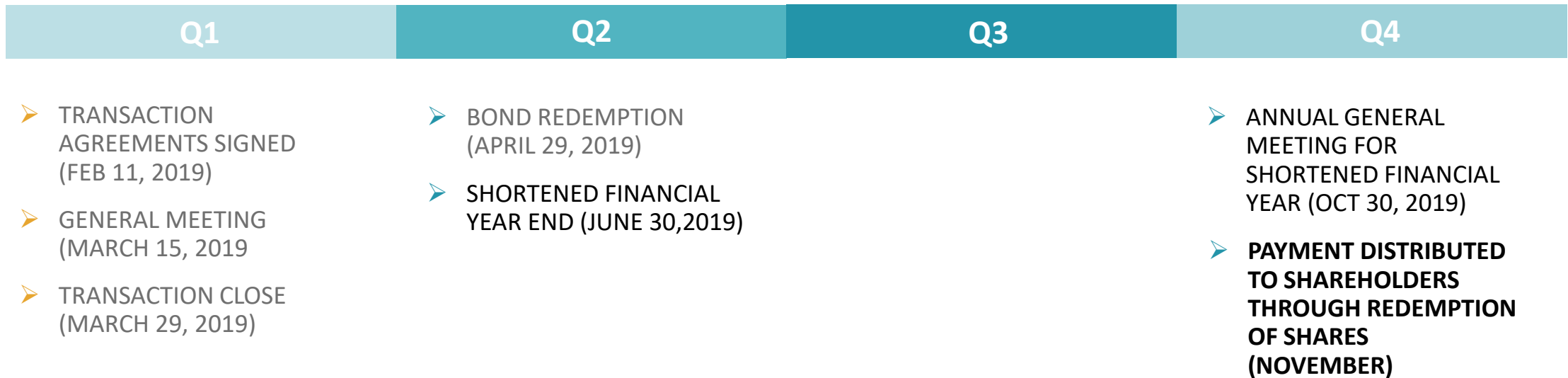
** Subscription price for USD 2.5 million investment, Series B shares with no right to OTC-dividend

Updated timeline for distribution of proceeds in 2019

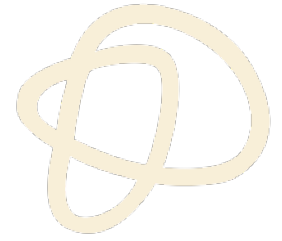


Proceeds to shareholders to be distributed in November 2019

- Final amount of dividend to be announced at the latest when the notice for the annual general meeting for the shortened financial year is announced



Focused on realizing the substantial value of our pipeline



MOB-015 – Better cure rates, fast visible improvement and shorter treatment

- Topical delivering high concentrations of terbinafine through the nail
- Efficacy and safety demonstrated in Phase 2, incl. terbinafine levels in nail and nail bed
- Two Phase 3 studies ongoing in North America and Europe (n = 800)
- Patent protection until 2032 in key markets, incl. US, EU, Japan and China
- License Agreements signed with Bayer AG (Europe) and Cipher (Canada)

250-500 MUSD
ESTIMATED ANNUAL SALES

BUPI - Better and longer pain relief in the oral cavity

- Lead indication is Oral Mucositis after radio- or chemotherapy
- Superior Phase 2 data published
- Phase 3 preparations ongoing, expanding partnering effort
- Patent protection until 2032-2033 granted in USA, EU and Canada

100-200 MUSD
ESTIMATED ANNUAL SALES

Moberg Pharma 2.0

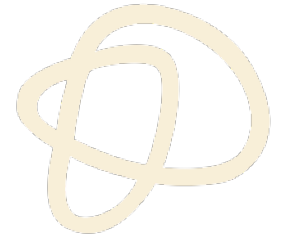
Pipeline progress

Financial performance

Focus forward



Significant events in Q1

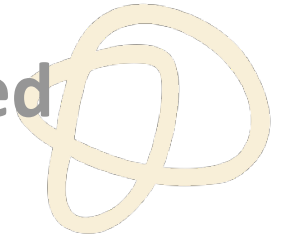


Several key milestones on our path towards creating the next market leader within onychomycosis

- MOB-015 Phase 3 enrollment completed also in Europe. Topline-results expected:
 - Q4 2019 in North America
 - Q2 2020 in Europe
- Second license agreement for MOB-015 signed in February with Bayer for commercialization in Europe. Eligible for milestone payments up to EUR 50 million in addition to supply fees and royalties.
- Patent protection granted for MOB-015 in China, term until 2032.
- A new management team has been proposed for the next phase of the company journey



MOB-015 – Approaching Phase 3-results, screening completed



North America

- The U.S. study comprises 365 patients randomized at 32 clinics in the U.S. and Canada.
- Recruitment was finalized in September 2018.
- Topline results are expected in the fourth quarter of 2019.

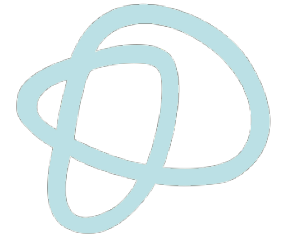
Q4 19
EXPECTED NORTH AMERICAN
TOPLINE RESULTS

Europe

- The number of patients recruited in Europe will exceed 400.
- The screening was finalized end of January and the last patient is expected to be randomized in a few weeks.
- Topline results are expected in the second quarter of 2020.

Q2 20
EXPECTED EUROPEAN
TOPLINE RESULTS

MOB-015 – License agreement with Bayer for Europe

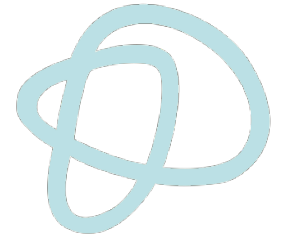


Further validation in the value of our key pipeline asset from the world leader in OTC antifungal treatments

- On February 11th, 2019, an exclusive license agreement was signed with Bayer AG to commercialize in Europe.
- The Consumer Health division of Bayer will commercialize MOB-015 in Europe upon completed Phase 3 studies and registration by Moberg Pharma
- Moberg Pharma will be eligible to receive up to EUR 50 million in milestone payments, including EUR 1.5 million paid at signing.
- The majority of the milestone payments are contingent on sales targets, with the balance contingent on development and regulatory milestones.
- We will also receive supply fees including royalties.

With the addition of this partnership, our commercialization preparations are underway in several territories

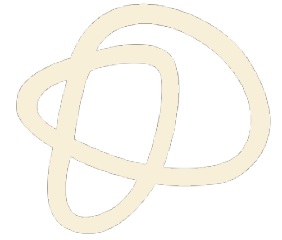
Management changes



New conditions motivate a change in leadership to a new, smaller management team suited to the challenges ahead.

- Approximately half of the previous staff remain with the company, focusing on the development and commercialization of MOB-015, while the rest have transferred to the new owners
- Anna Ljung proposed as new CEO of Moberg Pharma, while Peter Wolpert proposed to role as Executive Chairman of the Board.
 - The new management team is proposed to consist of:
 - Anna Ljung (CEO)
 - Torbjörn Wärnheim (Deputy CEO and Senior Vice President R&D)
 - Sarah Hellerfelt (CFO)
 - Annica Magnusson (Senior Director Regulatory Affairs).
 - In addition, Dr. Amir Tavakkol engaged as Senior Advisor R&D, bringing unique experience in the development and registration of onychomycosis drugs in the U.S. (contributed to development of e.g. Lamisil, Kerydin, Luzu and VT-1161)

MOB-015 – Significant market potential for our key asset



Progress commercialization plans with current and new partners

Cipher Pharmaceuticals, Canada

- Can bring up to 14.6 million, where of USD 0.5 million at time of signing.
- Majority of the milestone payments are contingent on commercial milestones and the remaining part on development and regulatory milestones.
- Royalties and supply fees for delivered products.

Consumer Health division of Bayer Group, Europe

- Eligible to up to EUR 50.0 million in milestone payments, where of EUR 1.5 million at time of signing.
- Majority of the milestone payments are contingent on commercial milestones and the remaining part on development and regulatory milestones.
- Royalties and supply fees for delivered products.

170-300 MUSD
US RX POTENTIAL

50-100 MUSD
OTHER RX MARKETS, E.G.
JAPAN AND CANADA

>200 MUSD
EUROPEAN OTC MARKET FOR
TOPICAL ONYCHOMYCOSIS IN 2017

Moberg Pharma 2.0

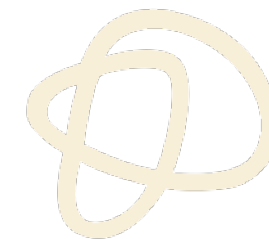
Pipeline progress

Financial performance

Focus forward



P&L – with transaction effects on profitability

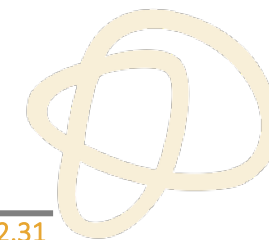


Q1 2019

(SEK thousand)	Jan-Mar 2019	Jan-Mar 2018	Full year 2018
Continuing operations		RESTATED	RESTATED
Net revenue	15,554	-	4,553
Gross profit	15,554	-	4,553
Selling expenses	-566	-490	-2,075
Business development and administrative expenses	-6,823	-6,173	-24,372
Research and development costs	-3,563	-3,342	-12,720
Other operating income/operating expenses	350	-	-333
Operating profit (EBIT)	4,952	-10,005	-34,947
Interest income/interest expenses and similar items	-226	-	-3
Tax on profit for the period	-1,853	2,095	7,106
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	2,873	-7,910	-27,844
Profit after tax for the period from discontinued operations	561,032	9,917	47,682
PROFIT FOR THE PERIOD	563,905	2,007	19,838
Translation differences of foreign operations	8,855	3,593	20,853
Reclassification of translation differences to profit from sale of discontinued operations	-68,249	-	-
Other comprehensive income	-59,934	3,593	20,853
TOTAL PROFIT FOR THE PERIOD	504,511	5,600	40,691
Whereof total profit from continuing operations	2,873	-7,910	-27,844
Whereof total profit from discontinued operations	501,638	13,510	68,535

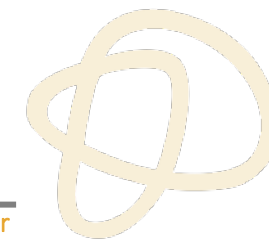
Due to the rounding component, totals may not tally.

Strong Balance Sheet – bond redemption on April 29



(SEK thousand)	2019.03.31	2018.03.31	2018.12.31
Assets			
Intangible assets	242,253	991,944	1,034,218
Property, plant and equipment	97	635	382
Right-of-use assets	11,111	-	-
Deferred tax asset	8,927	8,880	5,064
Total non-current assets	262,388	1,001,459	1,039,664
Inventories	-	27,061	24,976
Trade receivables and other receivables	5,521	88,315	76,189
Cash and cash equivalents	1,596,943	102,481	110,785
Total current assets	1,602,464	217,857	211,950
TOTAL ASSETS	1,864,852	1,219,316	1,251,614
Equity and liabilities			
Equity (attributable to parent company's shareholders)	1,099,676	558,745	594,018
Non-current interest-bearing liabilities	23,205	592,454	594,451
Non-current leasing liabilities	8,949	-	-
Non-current non-interest-bearing liabilities	65	-	65
Deferred tax liability	-	5,937	6,916
Total non-current liabilities	32,219	598,391	601,432
Current interest-bearing liabilities	623,629	-	-
Current leasing liabilities	2,265	-	-
Current non-interest-bearing liabilities	107,063	62,180	56,164
Total current liabilities	732,957	62,180	56,164
TOTAL EQUITY AND LIABILITIES	1,864,852	1,219,316	1,251,614

Cash Flow



(SEK thousand)	Jan-Mar 2019	Jan-Mar 2018	Full year 2018
Operating activities		RESTATED	RESTATED
Operating profit before financial items from continuing operations	4,952	-10,005	-34,947
Operating profit before financial items from discontinued operations	594,260	22,525	99,766
Operating profit before financial items	599,182	12,520	64,819
Financial items, received and paid	-9,427	-9,102	-36,410
Taxes paid	-15	-	-736
Depreciation/amortization and capital gains	9,883	9,406	31,861
Capital gains	-619,874	-	-
Employee share-based adjustments to equity and revaluation assets/liabilities	1,147	718	-3,114
Cash flow before changes in working capital	-19,073	13,542	56,420
Change in working capital	44,577	2,043	17,462
OPERATING CASH FLOW	25,504	11,499	73,891
Investing activities			
Net investments in intangible assets	-18,995	-29,304	-83,641
Net investments in subsidiaries	1,432,866	-	-
CASH FLOW FROM INVESTING ACTIVITIES	1,413,871	-29,304	-83,641
Financing activities			
Issue of loans	23,205	-	-
New share issue in progress	23,206	-	-
Issue of new shares less transaction costs	-	-	-666
CASH FLOW FROM FINANCING ACTIVITIES	46,411	-	-666
Change in cash and cash equivalents	1,485,786	-17,805	-10,416
Cash and cash equivalents at beginning of period	110,785	119,437	119,437
Exchange rate differences in cash and cash equivalent	372	849	1,764
Cash and cash equivalents at the end of period	1,596,943	102,481	110,785

Moberg Pharma 2.0

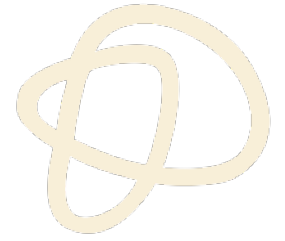
Pipeline progress

Financial performance

Focus forward



Focus on delivering pipeline value



We are focused on realizing the substantial value of our pipeline

- We look forward to continuing to create value for the shareholders of Moberg Pharma with a more focused business strategy and secured funding for MOB-015 at an attractive implied value.
- The upcoming year will be pivotal for the company, with Phase 3 data for MOB-015 in North America expected in the fourth quarter and progressing commercialization plans with current and future partners.

AGM

- The proposed organizational changes are expected to be effective from May 16, 2019, contingent on the approval of the incoming Board of Directors elected at the Annual General Meeting on May 15, 2019.
- The nomination Committee proposes a board consisting of Mattias Klintemar, Andrew B. Hochman, Fredrik Granström (new) and Peter Wolpert (new) until the next AGM, to be held in Q4 2019 due to the abbreviated financial year, Jan 1 - June 30, 2019. Peter Wolpert proposed as Executive Chairman of the Board.



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