



PRESS RELEASE

## Moberg Pharma and Cipher Pharmaceuticals sign exclusive license agreement for MOB-015 in Canada

STOCKHOLM, September 18<sup>th</sup>, 2018, Moberg Pharma AB (OMX: MOB) has signed an exclusive license agreement with Cipher Pharmaceuticals ("Cipher") for MOB-015 in Canada. Cipher will commercialize MOB-015 in Canada upon completed phase 3 studies and registration. Under the agreement, Moberg Pharma is eligible to receive USD 14.6 million in one-time payments and milestones, as well as royalties on net sales in Canada.

Moberg Pharma announces a license agreement granting Cipher exclusive Canadian rights to MOB-015, a new topical treatment of onychomycosis based on Moberg's patented proprietary formulation of terbinafine. Moberg Pharma will supply the product and Cipher will be responsible for marketing, distribution and sales in Canada, upon completed clinical studies and registration of the product.

The attractive Canadian market for onychomycosis prescription drugs amounted to CDN 58 million in 2017, 72% of which were topical drugs, growing steady at 18.3% in 2017 and at a CAGR of 25.4% for the period 2014-2017.

*"The license agreement with Cipher Pharmaceuticals is a key step in preparing the global launch of MOB-015 and it confirms the significant market potential for our product. Cipher has excellent capabilities to make MOB-015 a success in Canada. We look forward to this exciting partnership and continue to progress commercialization plans in other key markets as we approach Phase 3 results",* says Peter Wolpert, Moberg Pharma's CEO.

*"We are excited at the prospect of bringing an innovative topical product to market that would provide a new safe and effective treatment option for the many Canadians who suffer from onychomycosis. The addition of MOB-015 represents our sixth transaction of the year and demonstrates the continued execution of our growth strategy as we build a pipeline of diversified and differentiated near term products for the Canadian market",* says Robert Tessarolo, President and CEO of Cipher.

Under the terms of the licensing agreement, Moberg Pharma will receive development and regulatory milestones totaling USD 4.6 million, whereof USD 0.5 million is an up-front fee at the time of signing. Pending commercial targets, Moberg Pharma is entitled to further milestone payments of USD 10 million as well as royalties and supply fees for products delivered, enabling an industry standard gross margin for Cipher.

### For additional information, please contact:

Peter Wolpert, CEO, phone: Sweden: +46 707 35 7135, US: +1 908 432 2203, e-mail: [peter.wolpert@mobergpharma.se](mailto:peter.wolpert@mobergpharma.se)  
Eleonora Stern-Nejman, Investor relations, phone: +46 701 76 22 42, e-mail: [sternnejman@gmail.com](mailto:sternnejman@gmail.com)

### About this information

This information is information that Moberg Pharma AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8.30 a.m. CET on September 18<sup>th</sup>, 2018.

### About MOB-015 and Onychomycosis

Approximately 10% of the general population suffer from onychomycosis and a majority of those afflicted go untreated. The global market opportunity is significant with more than hundred million patients worldwide and a clear demand for better products. Moberg Pharma estimates the peak sales potential for MOB-015 to be in the range of USD 250-500 million.

MOB-015 is an internally developed topical formulation of terbinafine based on Moberg Pharma's experience from its leading OTC product Kerasal Nail<sup>®</sup>/Emtrix<sup>®</sup>. Oral terbinafine is currently the gold standard for treating onychomycosis but associated with safety issues, including drug interactions and liver damage. For many years, developing a topical terbinafine treatment without the safety issues of oral terbinafine has been highly desirable, but unsuccessful due to insufficient delivery of the active substance through the nail.



In a previous phase 2 study, MOB-015 demonstrated delivery of high microgram levels of terbinafine into the nail and through the nail plate into the nail bed. Mycological cure of 54% and significant clear nail growth was observed in patients who completed the phase 2 study. The results are remarkable, particularly when taking into account the severity of the nails included in the study – on average approximately 60% of the nail plate was affected by the infection. Plasma levels of terbinafine with MOB-015 were substantially lower than after oral administration, reducing the risk of liver toxicities observed with oral terbinafine.

MOB-015 is currently being evaluated over 52 weeks in two randomized, multicenter, controlled Phase 3 studies. The primary endpoint in both studies is the proportion of patients achieving complete cure of their target nail. In total, approximately 750-800 patients are expected to be enrolled in the two studies in North America and Europe.

**About Moberg Pharma, [www.mobergpharma.com](http://www.mobergpharma.com)**

Moberg Pharma AB (publ) is a rapidly growing Swedish pharmaceutical company with OTC sales operations in the U.S. and a distributor network in more than 40 countries. The company's portfolio includes the OTC brands Kerasal<sup>®</sup>, Kerasal Nail<sup>®</sup>, New Skin<sup>®</sup>, Dermoplast<sup>®</sup> and Domeboro<sup>®</sup>. Kerasal Nail<sup>®</sup> (Emtrix<sup>®</sup>, Zanmira<sup>®</sup> or Nalox<sup>™</sup> in certain markets) is a leading OTC treatment of nail disorders in the U.S., Canada as well as in several markets in EU and Southeast Asia. The company is growing organically as well as through acquisitions. Internal development programs focus on innovative drug delivery of proven compounds and include two assets in late-stage clinical development, MOB-015 (onychomycosis) and BUPI (pain management in oral mucositis). Moberg Pharma has offices in Stockholm and New Jersey and the company's shares are listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm (OMX: MOB).

**About Cipher Pharmaceuticals Inc.**

Cipher (TSX:CPH) is a specialty pharmaceutical company with a robust and diversified portfolio of commercial and early to late-stage products. Cipher acquires products that fulfill unmet medical needs, manages the required clinical development and regulatory approval process, and markets those products either directly in Canada or indirectly through partners in Canada, the U.S., and South America. Cipher is focused on a three-pronged growth strategy – including acquisitions, in-licensing, and selective investments in drug development – to assemble a broad portfolio of prescription products that serve unmet medical needs. For more information, visit [www.cipherpharma.com](http://www.cipherpharma.com).