



*A different kind of pharma company*



## CONTINUED STRONG GROWTH - MOBERG DERMA BECOMES MOBERG PHARMA

*“Sales rose 129 percent compared with the first quarter of 2012. The sharp increase resulted from the successful acquisition of our North American operation, combined with strong organic growth. The change of name to Moberg Pharma emphasizes our ambition to build a different kind of pharmaceutical company with a broader perspective than only dermatology,”* comments Peter Wolpert, President Moberg Pharma.

### FIRST QUARTER (JAN-MAR 2013)

- Revenue MSEK 38.4 (31.0 including milestone payments of MSEK 14.3)
- EBITDA MSEK -2.2 (8.0), profit of MSEK 0.9 excluding acquisition-related costs
- Operating loss MSEK 3.7 (profit: 7.9), loss of MSEK 0.6 excluding acquisition-related costs
- Net loss after tax amounted to MSEK 2.8 (profit: 38.0).
- Loss per share SEK 0.25 (profit: 4.17)
- Operating cash flow per share negative SEK 0.04 (negative: 1.07)

### SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- In March, the company decided to discontinue the clinical development program for Limtop.

### SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- The Annual General Meeting held on April 23 resolved to change the company's corporate identity to Moberg Pharma AB (publ).
- In May, the distribution agreement with Paladin Labs was extended to also include Kerasal Nail™ in Mexico.

# 129%

Growth in product sales compared with the year-earlier period

# 46%

Growth in product sales of Nalox™/Kerasal Nail™ compared with the year-earlier period

### TELEPHONE CONFERENCE

CEO Peter Wolpert will present the report in a teleconference today at 10:00 a.m. (CET) today, May 21<sup>st</sup>, 2013.  
Telephone: +46 (0)8-506 26 900, and enter the code 409017

## CEO COMMENTARY

Sales rose 129 percent compared with the first quarter of 2012. The sharp increase resulted from the successful acquisition of our North American operation, combined with strong organic growth. We took over a professional and well-aligned organization and are highly satisfied with the organizations having merged in accordance with schedule and budget. The milestones set prior to the acquisition were surpassed. The acquisition entails a radically improved opportunity to influence our revenues – proprietary sales in the US now account for 41 percent of total sales, while distributors in the rest of the world contribute 59 percent.



The tendency to treat nail discoloration increases as the sun-bathing and swimming season approaches and we are continuing to capture market share. In the U.S., we had a market share of 17 percent for the first quarter, compared with 5 percent a year earlier. Two factors made the higher market share in the U.S. possible: excellent distribution and successful marketing. Kerasal Nail™ is sold over the entire continent and is now available at 28,000 points of sale, at the large chains of Walmart, CVS, Walgreens and Rite Aid, as well as large wholesalers and a number of regional chains. Distribution through Duane Reade (New York) and HEB (Texas) was expanded during the quarter. We continue to see significant growth potential for Kerasal Nail™ in the U.S. market, and are further increasing our marketing activities during the spring. Based on the results of previous campaigns, we are convinced that these resources are well invested. Our partners in other parts of the world are also intensifying their marketing over the March to October period, which should impact sales figures. Nalox™ is now being launched in Spain and Turkey and is sold in more than 25 markets. Launch preparations are being made at full intensity in Canada and recently the agreement with Paladin was also expanded to Mexico.

This is the first interim report under our new company name Moberg Pharma. The change of name was a natural step – the company has been broadened with the acquisition of our U.S. operation and already encompasses products outside the area of dermatology. Also, the new company name better corresponds to our strategy of focusing on additional areas outside dermatology. Our focus on pharmaceuticals based on proven compounds remains.

We see favorable opportunities for regeneration in our pipeline, despite deciding to discontinue the development of Limtop in March. The ongoing Phase II study for MOB015 is progressing according to plan. New product variations also facilitate the continued growth of our existing brands; for example, Jointflex ICE was recently launched at Walgreens in the U.S. We are continuing to work intensively on evaluating products for acquisition and licensing. This year, I expect that we will evaluate more than 100 business opportunities that will hopefully lead to at least one new product.

The strong growth means that we are now in a situation where the level of ongoing revenues is enabling profitability. For accounting purposes, earnings for the first quarter were adversely affected by nonrecurring costs related to the inventory revaluation in conjunction with the U.S. acquisition, which has now been completed. We retain our full-year assessment of continued growth with profitability, although some quarters may report figures in the red.

Peter Wolpert  
CEO Moberg Pharma

## ABOUT MOBERG PHARMA

Moberg Pharma AB (publ.) is a rapidly growing Swedish pharmaceutical company. The company develops, acquires and licenses products that are subsequently commercialized via a proprietary sales organization in the U.S. and through distributors in more than 35 countries. Internal product development is based on Moberg Pharma's unique expertise in innovative drug delivery technologies that enable the company to improve the properties of proven compounds. This approach reduces time to market, development costs and risk.

### Launched products

	PRODUCT	INDICATION	STATUS
	<b>Nalox™</b> <sup>1)</sup> <b>Kerasal Nail™</b>	Damaged nails	Proprietary sales in the U.S. Launched by 10 partners in 25 markets
	<b>Kerasal®</b>	Dry and cracked feet	Proprietary sales in the U.S. Launched by 13 partners in 15 markets
	<b>Jointflex®</b>	Joint and muscle pain	Proprietary sales in the U.S. Launched by 14 partners in 20 markets

### Nalox™ / Kerasal Nail™

Used to treat nail discoloration and damage caused by nail fungus or psoriasis. The product was launched in the Nordic region in autumn 2010 and quickly became market leader. The international launch is under way via a proprietary sales organization in the U.S. and ten partners that hold rights for 50 markets, including the major EU markets, Turkey and Russia. Nalox™ is patented and based on proven substances. Nalox™ is a prescription-free, over-the-counter product sold under the names Naloc™ and Emtrix® in certain markets and Kerasal® Nail in the U.S.<sup>1</sup> Efficacy and safety have been documented in several clinical trials encompassing more than 600 patients. Nalox™ has a unique and rapid mechanism of action, demonstrating highly competitive results, which brings visible improvements within 2-4 weeks of treatment.

### Kerasal®

Kerasal® is a product line for the effective treatment of common and difficult-to-treat foot problems. Podiatrists recommend Kerasal® products for the treatment of cracked heels, calluses, toenails damaged by fungal infection and psoriasis, foot pain and to soften and moisturize dry feet. Kerasal® contains salicylic acid, an effective agent for softening the stratum corneum, and urea (carbamide), which moisturizes the skin and helps to retain moisture in the new cell layers. The manufacturing process is patented. Several clinical studies have been published confirming the efficacy of Kerasal® for the treatment of extremely dry and damaged skin on the feet. The product is available for purchase in pharmacies, supermarkets and retailers across the U.S. The product line also includes professional products for resale only by specialists.

<sup>1</sup> The Nalox™ and Naloc™ trademarks are owned by the company's partners and Moberg Pharma has no ownership rights to these.

## JointFlex®

JointFlex® is a topical treatment for joint and muscle pain. The products are produced using FUSOME™ technology, which improves the skin's absorption of the analgesic ingredients. Recently, the product line was expanded with JointFlex® ICE, a cooling lotion supplied in a roll-on product. The product provides long-term cooling pain relief and contains natural pain-relieving ingredients. JointFlex® has been evaluated in a placebo-controlled clinical trial of knee pain (osteoarthritis), which showed that patients experienced significant and rapid pain relief. The study also showed that the majority achieved long-term pain reduction. The product is available in the U.S.

## Development projects

### MOB-015

MOB-015 is a new topical treatment for onychomycosis with fungicidal, keratolytic and emollient properties. Moberg Pharma's patent-pending formulation technology enables the delivery of high concentrations of a fungicidal substance (terbinafin) in and through nail tissue. Because MOB-015 is applied locally, the side effects that can be observed with oral treatment are avoided. Data from an earlier Phase II study has provided crucial information for the continued development program and, in December 2012, a new Phase II study of an improved formulation of MOB-015 was initiated.

## BUSINESS DEVELOPMENT

### Development of Limtop discontinued

It was announced in March that the company had decided to discontinue the development of Limtop – a pharmaceutical candidate for the treatment of actinic keratosis. Development was discontinued when the effect of the completed Phase II trial did not achieve the final target. Based on the data from the concluded study, the assessment was made that the project's commercial potential had declined and, accordingly, continued investments could no longer be justified. This does not impact the assessment for 2013 of continued growth with profitability.

## SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

### Change of name to Moberg Pharma (publ)

The Annual General Meeting held in April resolved to change the company's corporate identity to Moberg Pharma (publ), since the operations had been broadened after the acquisition of Alterna LLC (which has been renamed Moberg Pharma North America LLC) and now also includes areas other than dermatology. Dermatology and topical drug delivery technologies remain core areas of the company's operations.

### Agreement with Paladin Labs Inc. extended

In May, the distribution agreement with Paladin Labs Inc. was extended to also include Kerasal Nail™ in Mexico.

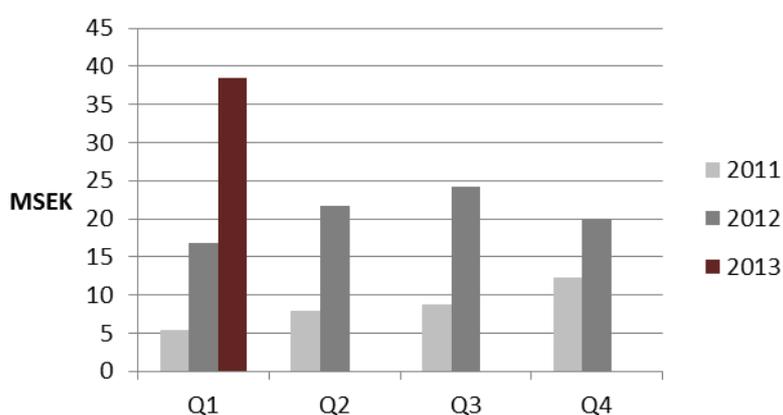
## CONSOLIDATED REVENUE AND EARNINGS

### SALES

In the first quarter of 2013, revenue amounted to MSEK 38.4 (31.0), up 24 percent. Adjusted for milestone payments, revenue increased 129 percent. The majority, MSEK 24.6 (16.8), derived from the strong sales growth for Nalox™/ Kerasal Nail®. Product sales revenues for Kerasal® amounted to MSEK 4.6 and for JointFlex® to MSEK 9.2. Product sales in Europe amounted to MSEK 17.6, in the U.S. to MSEK 16.1 and in the rest of the world MSEK 4.7.

Distribution of operating income (KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Sales of products	38,423	16,779	82,719
Milestone payments	-	14,250	29,750
<b>Revenue</b>	<b>38,423</b>	<b>31,029</b>	<b>112,469</b>
Other operating income	149	238	2,718
<b>Total operating income</b>	<b>38,572</b>	<b>31,267</b>	<b>115,187</b>

### Revenue from product sales per quarter

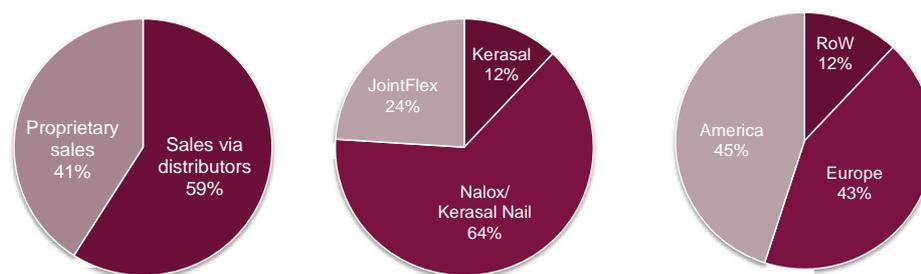


Revenue by channel (KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Proprietary sales	15,699	-	6,623
Sales of products to distributors	22,724	16,779	76,096
Milestone payments	-	14,250	29,750
<b>TOTAL</b>	<b>38,423</b>	<b>31,029</b>	<b>112,469</b>

Revenue by product category (KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Nalox/Kerasal Nail, sales of products	24,564	16,779	78,501
Nalox/Kerasal Nail, milestone payments	-	14,250	29,750
Kerasal	4,642	-	1,466
JointFlex	9,217	-	2,654
Kaprolac	-	-	98
<b>TOTAL</b>	<b>38,423</b>	<b>31,029</b>	<b>112,469</b>

Revenue by geographical market (KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Europe	17,644	27,740	84,102
America	16,123	3,289	20,275
Rest of the world	4,656	-	8,092
<b>TOTAL</b>	<b>38,423</b>	<b>31,029</b>	<b>112,469</b>

#### Distribution of revenue as a percentage, first quarter of 2013



#### Earnings

An operating loss of MSEK 3.7 (profit: 7.9) was reported for the first quarter. The cost of goods sold was MSEK 13.0 (5.6). Operating expenses, excluding cost of goods sold, was MSEK 29.2, compared with MSEK 17.7 in the first quarter of 2012. One of the accounting effects of the acquisition is a revaluation up to fair value of the inventory held by the U.S. firm in an amount of MSEK 4.6, thus reducing earnings by the corresponding amount. Consolidated earnings were charged with MSEK 3.1 during the first quarter of 2013, while MSEK 1.5 was charged to earnings in the fourth quarter 2012.

The largest item in operating expenses comprised selling expenses, which amounted to MSEK 14.2 (5.9) for the period. The year-on-year cost increase was due to the company not having any proprietary sales, only sales via distributors, in the first quarter of 2012. Selling expenses include costs for amortization of product rights totaling MSEK 1.5 (0).

The loss after financial items amounted to MSEK 4.3, compared with a profit of MSEK 8.4 for the January to March 2012 period. The decline in earnings was due to profit for the first quarter of 2012 including milestone payments of MSEK 14.3, whereas no milestone payments were included in earnings for the first quarter of 2013. Product sales revenues rose 129 percent, while operating expenses (including cost of goods sold) increased 87 percent. The loss for the period after tax was MSEK 2.8 (profit: 38.0) (net profit after tax for the first quarter of 2012 included a positive nonrecurring item of MSEK 29.6 resulting from capitalization of tax loss carryforwards) and the total comprehensive loss for the period was MSEK 2.2 (income: 38.0).

#### FINANCIAL POSITION

##### Cash flow

Cash flow from operating activities was negative at MSEK 0.4 (positive: 9.7) for the first quarter. Cash and cash equivalents were MSEK 36.3 (64.1) at the end of the period.

## Capital expenditure

Investments in subsidiaries relate to an additional consideration for the acquisition of Moberg Pharma North America and amounted to MSEK 16.7 (0). Investments in tangible fixed assets were MSEK 0.2 (0.2) for the first quarter of 2013. Moberg Pharma also has research and development costs that are expensed directly in the statement of comprehensive income.

## Pledged assets and contingent liabilities

Moberg Pharma has no contingent liabilities. All pledged assets remain unchanged from those reported in the 2012 Annual Report and no significant changes in equity have occurred in the subsidiary Moberg Pharma North America LLC.

## CHANGES IN EQUITY

### Disclosure of ownership

Company's largest shareholders at March 28, 2013:

Shareholders	No. of shares	% of votes and capital
The Baltic Sea Foundation	2,274,179	21.03%
SIX SIS AG	1,816,510	16.80%
JPM Chase NA	825,652	7.64%
Mobederm AB	607,825	5.62%
Wolco Invest AB	600,000	5.55%
Avanza Pension	561,844	5.20%
Third AP Fund	486,000	4.49%
Mohammed Al Amoudi	463,767	4.29%
Handelsbanken Fonder AB RE JPMEL	439,703	4.07%
SEB London-Luxemburg (Sicav fund)	135,900	1.26%
Others	2,601,192	24.05%
<b>Total</b>	<b>10,812,572</b>	<b>100.00%</b>

## Shares

At the end of the year, share capital amounted to SEK 1,081,257.20 (907,902), and the total number of shares outstanding was 10,812,572 (9,079,020) ordinary shares with a nominal value of SEK 0.10.

## Stock options

At March 31, 2013, there were a total of 600,678 warrants outstanding in Moberg Pharma. If all warrants were exercised for shares, the number of shares would increase by 847,847, from 10,812,572 shares to 11,660,419 shares. Group costs for the employee stock option program for the January to March 2013 period were MSEK 0.3. Costs for the corresponding period in 2012 were MSEK 0.2.

The Annual General Meeting of Moberg Pharma resolved on April 23, 2013 to implement a private placement of 77,096 warrants (equivalent to 77,096 shares) to the company's wholly owned subsidiary Moberg Derma Incentives AB and to introduce the employee stock option scheme 2013:1. As part of employee stock option program 2013:1, 60,750 employee stock options were allotted and 16,345 warrants were reserved to cover future social security expenses for the employee stock options. The terms and conditions of the 2013:1 employee stock option program comply with the terms and conditions of the 2012:1 employee stock option program with the following exceptions: The options in the 2013:1 program vest on June 30, 2016, the exercise price is SEK 36.77 per option and the last day for subscription is December 31, 2017. A description of the terms and conditions of the 2012:1 employee stock option program can be found in the company's 2012 Annual Report on page 56.

## PARENT COMPANY

Moberg Pharma AB (Publ), Corp. Reg. No. 556697-7426, is the Parent Company of the Group. Group operations are conducted primarily in the Parent Company (U.S. sales organization in a subsidiary added from 27 November 2012) and comprise research and development, marketing and administrative functions. Parent Company revenue amounted to MSEK 21.5 for the period January to March 2013, compared with MSEK 31.0 in 2012. Operating expenses, excluding the cost of goods sold, amounted to MSEK 18.3 (MSEK 17.7) and loss after financial items to MSEK 2.4 (profit: 8.4). Cash and cash equivalents were MSEK 31.3 (64.0) at the end of the period.

## ORGANIZATION

At March 31, 2012, the Moberg Pharma Group had 28 employees, of whom 66 percent were women. Of these, 20 were employed in the Parent Company, of whom 75 percent were women.

## RISK FACTORS

The development of new drugs up to registration approval and launch is a risky and capital-intensive process. Risk factors considered to be of particular relevance for Moberg Pharma's future development are linked to the results of clinical trials, regulator actions, competitors and pricing, production, partners and distributors, product liability and insurance, patents and trademarks, key personnel, sensitivity to economic fluctuations, future capital requirements and financial risk factors. A description of these risks can be found in the company's 2012 Annual Report on page 33.

Over the next 12 months, the most significant risk factors for the company are deemed to be associated with market development, integration and the results of clinical trials.

## OUTLOOK

Moberg Pharma aims to create value and generate a solid return for shareholders through the profitable growth of the novel topical pharmaceuticals that are delivered to the global market. The ability to commercialize new products, enter into partnerships for its projects and to successfully develop the company's projects to market launch and sales is crucial to Moberg Pharma's future success. The company's financial objective is to attain an operating margin (EBITDA in relation to sales) of 25 percent within two to four years, while displaying continued strong growth.

In 2013, the focus will be on integrating the acquired U.S. operation, identifying further business opportunities and supporting the company's distributors to facilitate successful launches. The performance of the partnerships entered into will have a major impact on Moberg Pharma's income and cash flow. The company's assessment is that sales growth combined with profitability will continue.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Revenue	38,423	31,029	112,469
Cost of goods sold	-13,045	-5,597	-24,877
<b>Gross profit</b>	<b>25,378</b>	<b>25,432</b>	<b>87,592</b>
Selling expenses <sup>1)</sup>	-14,162	-5,886	-21,977
Business development and administrative expenses	-6,131	-3,954	-23,450
Research and development expenses	-8,954	-7,892	-30,782
Other operating income	149	238	2,718
Other operating expenses	-	-	-1,507
<b>Operating profit/loss (EBIT)</b>	<b>-3,720</b>	<b>7,938</b>	<b>12,594</b>
Interest expense and similar items	106	499	1,844
Interest expense and similar items	-693	-2	244
<b>Profit/loss financial poster (EBT)</b>	<b>-4,307</b>	<b>8,435</b>	<b>14,682</b>
Tax on profit for the period	1,556	29,560	21,131
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-2,751</b>	<b>37,995</b>	<b>35,813</b>
<b>Items that may be reclassified into the income statement</b>			
Translation differences on translation of foreign operations	513	-	-2,829
<b>Other comprehensive income/loss</b>	<b>513</b>	<b>-</b>	<b>-2,829</b>
<b>COMPREHENSIVE INCOME/LOSS FOR THE PERIOD</b>	<b>-2,238</b>	<b>37,995</b>	<b>32,984</b>
Profit/loss for the period attributable to Parent Company shareholders	-2,751	37,995	35,813
Profit/loss for the period attributable to minority interests	-	-	-
Comprehensive income/loss attributable to Parent Company shareholders	-2,238	37,995	32,984
Total comprehensive income attributable to minority interests	-	-	-
<b>Earnings/loss per share before dilution</b>	<b>-0.25</b>	<b>4.18</b>	<b>3.85</b>
<b>Earnings per share after dilution<sup>2)</sup></b>	<b>-0.25</b>	<b>4.17</b>	<b>3.68</b>
<sup>1)</sup> Of which amortization of product rights	-1,453	-	-477
<b>EBITDA</b>	<b>-2,207</b>	<b>7,991</b>	<b>13,307</b>
Amortization of product rights	-1,453	-	-477
Other depreciation/amortization	-60	-53	-236
<b>Operating profit/loss (EBIT)</b>	<b>-3,720</b>	<b>7,938</b>	<b>12,594</b>
<b>EBITDA excluding acquisition-related costs</b>	<b>864</b>	<b>7,991</b>	<b>21 388</b>

<sup>2)</sup> In periods during which the Group reported a loss, no dilution effect has occurred. This is because dilution is recognized only when a potential conversion to ordinary shares would mean that earnings per share would be lower.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(KSEK)	Mar 31, 2013	Mar 31, 2012	Dec 31, 2012
<b>Assets</b>			
Intangible fixed assets	155,010	254	155,971
Tangible fixed assets	1,350	671	1,336
Financial fixed assets	63	1	4
Deferred tax assets	23,765	29,560	22,196
<b>Total fixed assets</b>	<b>180,188</b>	<b>30,486</b>	<b>179,507</b>
Inventories	7,496	710	9,739
Accounts receivable and other receivables	41,982	37,266	38,093
Cash and bank balances	36,275	64,084	53,423
<b>Total current assets</b>	<b>85,753</b>	<b>102,059</b>	<b>101,255</b>
<b>TOTAL ASSETS</b>	<b>265,941</b>	<b>132,545</b>	<b>280,762</b>
<b>Equity and liabilities</b>			
Equity (attributable to Parent Company shareholders)	176,295	114,979	178,234
Long-term interest-bearing liabilities	24,444	-	27,778
Long-term non-interest-bearing liabilities	14,835	-	14,492
Current interest-bearing liabilities	15,556	113	12,222
Current non-interest-bearing liabilities	34,811	17,454	48,036
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>265,941</b>	<b>132,545</b>	<b>280,762</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<b>(KSEK)</b>	<b>Jan-Mar 2013</b>	<b>Jan-Mar 2012</b>	<b>Full-year 2012</b>
<b>Operating activities</b>			
Operating profit/loss before financial items	-3,720	7,938	12,594
Financial items, received and paid	111	497	1,816
<i>Adjustments for non-cash items, etc.:</i>			
Depreciation/amortization	1,513	53	713
Employee stock option costs	299	197	851
<b>Cash flow before changes in working capital</b>	<b>-1,797</b>	<b>8,685</b>	<b>15,973</b>
<b>Change in working capital</b>			
Increase (-) / Decrease (+) in operating receivables and inventories	2,340	-20,329	-4,035
Increase (-) / Decrease (+) in operating liabilities	-953	1,937	-2,462
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-410</b>	<b>-9,707</b>	<b>9,476</b>
<b>Investing activities</b>			
Net investments in equipment	-87	-223	-630
Net investments in subsidiaries	-16,658	-	-97,067
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-16,745</b>	<b>-223</b>	<b>-97,696</b>
<b>Financing activities</b>			
Borrowings (+) / Loan amortization (-)	-	-38	39,850
Share issues or transaction costs	-	-	27,740
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-38</b>	<b>67,590</b>
<b>Change in cash and cash equivalents</b>	<b>-17,155</b>	<b>-9,968</b>	<b>-20,629</b>
Cash and cash equivalents at the start of the period	53,423	74,052	74,052
Exchange-rate difference for cash and cash equivalents	7	-	-
Cash and cash equivalents at the end of the period	36,275	64,084	53,423

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other capital contributions	Translation reserve	Accumulated deficit	Total equity
<b>(KSEK)</b>					
<b>January 1, 2013 - March 31, 2013</b>					
<b>Opening balance, January 1, 2013</b>	<b>1,081</b>	<b>265,334</b>	<b>-2,829</b>	<b>-85,352</b>	<b>178,234</b>
<i>Comprehensive income/loss</i>					
Loss for the period				-2,751	-2,751
Other comprehensive income - translation differences attributable to translation of foreign operations			513		513
<i>Transactions with shareholders</i>					
Employee stock options		299			299
<b>CLOSING BALANCE, MARCH 31, 2013</b>	<b>1,081</b>	<b>265,633</b>	<b>-2,316</b>	<b>-88,103</b>	<b>176,295</b>
<b>January 1, 2012 - March 31, 2012</b>					
<b>Opening balance, January 1, 2012</b>	<b>908</b>	<b>197,044</b>	<b>0</b>	<b>-121,165</b>	<b>76,787</b>
<i>Comprehensive income</i>					
Profit for the period				37,995	37,995
<i>Transactions with shareholders</i>					
Employee stock options		197			197
<b>CLOSING BALANCE, MARCH 31, 2012</b>	<b>908</b>	<b>197,241</b>		<b>-83,170</b>	<b>114,979</b>
<b>January 1, 2012 - December 31, 2012</b>					
<b>Opening balance, January 1, 2012</b>	<b>908</b>	<b>197,044</b>	<b>0</b>	<b>-121,165</b>	<b>76,787</b>
<i>Comprehensive income</i>					
Profit for the period				35,813	35,813
Other comprehensive income - translation differences attributable to translation of foreign operations			-2,829		-2,829
<i>Transactions with shareholders</i>					
New share issue	173	70,414			70,587
Transaction costs, new share issue		-2,975			-2,975
Employee stock options		851			851
Total transactions with shareholders	173	68,290			68,463
<b>CLOSING BALANCE, DECEMBER 31, 2012</b>	<b>1,081</b>	<b>265,334</b>	<b>-2,829</b>	<b>-85,352</b>	<b>178,234</b>

## KEY FIGURES FOR THE GROUP

(KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Revenue	38,423	31,029	112,469
EBITDA excluding acquisition-related costs	864	7,991	21,388
EBITDA	-2,207	7,991	13,307
Operating profit/loss (EBIT)	-3,720	7,938	12,594
Profit/loss before tax	-2,238	37,995	35,813
Total assets	265,941	132,545	280,762
Net receivables	-3,725	63,971	13,423
Debt/equity ratio	23%	0%	22%
Equity/assets ratio	66%	87%	63%
Return on equity	-2%	33%	20%
Earnings per share, SEK	-0.25	4.17	3.68
Operating cash flow per share, SEK	-0.04	-1.07	0.97
Equity per share, SEK	16.30	12.66	16.48
Average number of basic shares	10,812,572	9,079,020	9,300,650
Average number of diluted shares	11,230,372	9,166,281	9,742,044
Number of shares at end of period	10,812,572	9,079,020	10,812,572
Share price on the closing date, SEK	34.90	31.00	37.30
Market capitalization on the closing date, MSEK	377	281	403

### Definitions of key figures

Net receivables	Cash and cash equivalents less interest-bearing liabilities
Debt/equity ratio	Interest-bearing liabilities in relation to equity
Equity/assets ratio	Equity at year-end in relation to total assets
Return on equity	Profit/loss for the period divided by equity
Equity per share*	Profit/loss after tax divided by the average number of outstanding shares
Operating cash flow per share	Cash flow from operating activities divided by number of shares outstanding at the end of period
Equity per share	Equity divided by the number of outstanding shares at the end of the period

\* In periods during which the Group reported a loss, no dilution effect has occurred. This is because dilution is recognized only when a potential conversion to ordinary shares would mean that earnings per share would be lower.

## CONDENSED PARENT COMPANY INCOME STATEMENT

(KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
Revenue	21,448	31,029	109,467
Cost of goods sold	-5,180	-5,597	-22,861
<b>Gross profit</b>	<b>16,268</b>	<b>25,432</b>	<b>86,606</b>
Selling expenses	-5,626	-5,886	-19,708
Business development and administrative expenses	-3,714	-3,954	-16,389
Research and development expenses	-8,954	-7,892	-30,782
Other operating income	149	238	2,718
Other operating expenses	-	-	-1,507
<b>Operating profit/loss</b>	<b>-1,877</b>	<b>7,938</b>	<b>20,938</b>
Interest income	128	498	1,850
Interest expenses	-693	-2	244
<b>Profit/loss financial items</b>	<b>-2,442</b>	<b>8,435</b>	<b>23,032</b>
Tax on profit for the period	519	29,560	20,952
<b>PROFIT/LOSS</b>	<b>-1,923</b>	<b>37,995</b>	<b>43,984</b>

## CONDENSED PARENT COMPANY BALANCE SHEET

(KSEK)	Mar 31, 2013	Mar 31, 2012	Dec 31, 2012
<b>Assets</b>			
Intangible fixed assets	239	254	243
Tangible fixed assets	714	671	758
Financial fixed assets	178,107	101	178,107
Deferred tax assets	22,533	29,560	22,014
<b>Total fixed assets</b>	<b>201,593</b>	<b>30,586</b>	<b>201,122</b>
Inventories	-	710	-
Accounts receivable and other receivables	27,147	37,266	31,633
Cash and bank balances	31,329	63,991	50,838
<b>Total current assets</b>	<b>58,476</b>	<b>101,966</b>	<b>82,471</b>
<b>TOTAL ASSETS</b>	<b>260,069</b>	<b>132,552</b>	<b>283,593</b>
<b>Equity and liabilities</b>			
Equity	187,501	114,986	189,212
Long-term interest-bearing liabilities	24,444	-	27,778
Long-term non-interest-bearing liabilities	16,300	-	16,250
Current interest-bearing liabilities	15,556	113	12,222
Current non-interest-bearing liabilities	16,268	17,454	38,131
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>260,069</b>	<b>132,552</b>	<b>283,593</b>

## CONDENSED PARENT COMPANY CASH-FLOW STATEMENT

(KSEK)	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
<b>Operating activities</b>			
Operating profit/loss before financial items	-1,877	7,398	20,938
Financial items, received and paid	123	497	1,822
<i>Adjustments for non-cash items, etc.:</i>			
Depreciation/amortization	60	53	233
Employee stock option costs	212	197	822
<b>Cash flow before changes in working capital</b>	<b>-1,482</b>	<b>8,685</b>	<b>23,815</b>
Change in working capital			
Increase (-) / Decrease (+) in operating receivables and inventories	4,489	-20,329	-13,988
Increase (-) / Decrease (+) in operating liabilities	-5,845	1,937	5,768
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-2,838</b>	<b>-9,707</b>	<b>15,499</b>
<b>Investing activities</b>			
Net investments in equipment	-13	-223	-479
Net investments in subsidiaries	-16,658	-	-105,731
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-16,671</b>	<b>-223</b>	<b>-106,210</b>
<b>Financing activities</b>			
Borrowings (+) / Loan amortization (-)	-	-38	39,850
New share issue (after transaction costs)	-	-	27,740
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-38</b>	<b>67,590</b>
<b>Change in cash and cash equivalents</b>	<b>-19,509</b>	<b>-9,968</b>	<b>-23,121</b>
Cash and cash equivalents at the start of the period	50,838	73,959	73,959
Cash and cash equivalents at the end of the period	31,329	63,991	50,838

## ACCOUNTING AND VALUATION POLICIES

This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements have, in common with the Year-end Report for 2012, been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Accounts Act. The Parent Company accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for legal entities.

"IFRS" in this document refers to the application of both IASs and IFRSs as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting principles and calculation methods as described in the 2012 Annual Report. A number of new or revised standards, interpretations and improvements have been adopted by the EU and are to be applied from January 1, 2013. These changes have not had any effect on the Group.

Amounts are expressed in SEK rounded to the nearest thousand unless otherwise stated. Due to the rounding component, totals may not tally. MSEK is an abbreviation of million Swedish Kronor. KSEK is an abbreviation of thousand Swedish Kronor. Amounts and figures in parentheses are comparative figures from the preceding year.

## SEGMENT REPORTING

Since Moberg Pharma's operations comprise only one area of operation, the development and commercialization of medical products, the consolidated statement of comprehensive income and statement of financial position as a whole comprise one operating segment.

## RELATED-PARTY TRANSACTIONS

The acquisition of Moberg Pharma North America includes additional purchase considerations that are triggered if revenue for the acquired company reaches a certain amount. If the established targets are achieved, an additional consideration of a maximum of MUSD 2.5 per period, a total of a maximum of MUSD 5, is to be paid to the sellers of Moberg Pharma North America. The targets for the first additional consideration were achieved and MUSD 2.5 was paid in the first quarter of 2013.

No other significant changes have occurred in relations and transactions with related parties.

## FUTURE REPORTING DATES

Interim report for January – June 2013

August 6, 2013

Interim report for January – September 2013

November 5, 2013

## FOR MORE INFORMATION, PLEASE CONTACT

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For more information about Moberg Pharma's operations, please visit the company's website at [www.mobergpharma.se](http://www.mobergpharma.se)

## BOARD DECLARATION

This Year-end Report is unaudited.

The undersigned certify that the Interim Report provides a fair overview of the operations, financial position and results of the Parent Company and Group, as well as a fair description of significant risks and uncertainties faced by the Parent Company and Group companies.

Bromma, May 20<sup>th</sup>, 2013

Mats Pettersson  
*Chairman*

Peter Wolpert  
*CEO and Board member*

Torbjörn Koivisto  
*Board member*

Wenche Rolfsen  
*Vice Chair*

Geert Cauwenbergh  
*Board member*

George Aitken-Davies  
*Board member*

Peter Rothschild  
*Board member*

Gustaf Lindewald  
*Board member*