



PRESS RELEASE
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Moberg Pharma decides on fully guaranteed rights issue of approximately SEK 150 million

The Board of Directors of Moberg Pharma AB (publ) (OMX: MOB) ("Moberg Pharma" or "the Company") has today resolved to carry out a fully guaranteed issue of new ordinary shares and warrants ("Units") with preferential rights for existing shareholders (the "Rights Issue") of approximately SEK 150 million before transaction costs. The Rights Issue requires the approval of an extraordinary general meeting (the "Extraordinary General Meeting"). The proceeds will be used for registration activities and clinical work for MOB-015. When the Rights Issue is completed, the Company intends to terminate the current convertible note agreement. By a separate press release, the Company has today announced its intention to distribute the BUPI project to the shareholders of Moberg Pharma through a Lex Asea distribution with a subsequent listing on Nasdaq First North Growth Market during the Q1 of 2021.

Summary

- The Rights Issue comprises Units and will provide Moberg Pharma with proceeds of approximately SEK 150 million before transaction costs. Each Unit consists of one (1) ordinary share and one (1) warrant free of charge. Two (2) warrants will entitle the holder to subscribe for one (1) ordinary share in the Company. The warrants are intended to be admitted to trading on Nasdaq Stockholm.
- Provided that the Rights Issue is approved by the Extraordinary General Meeting on December 1, 2020, the record date for the Rights Issue will be December 3, 2020 and the subscription period will commence on December 7, 2020 up to and including December 21, 2020.
- The final terms for the Rights Issue, including the subscription price, are expected to be announced not later than on November 27, 2020.
- The notice of the Extraordinary General Meeting will be released separately.
- The net proceeds from the Rights Issue are intended to be used primarily for the following activities:
 - Preparations for a marketing authorization application for MOB-015 in Europe:
 - Clinical work for MOB-015.
 - Other expenses for the Company's operations.
- The Rights Issue is comprised by approximately forty-two (42) percent subscription commitments and of approximately fifty-eight (58) percent issue guarantees. The Rights Issue is consequently fully guaranteed.
- The distribution of the BUPI project is intended to be performed through a Lex Asea distribution of the shares in a subsidiary of the Company (name to be changed to OncoZenge AB). The Lex Asea distribution is planned to be performed after the completion of the Rights Issue, implying that the shares issued as a part of the Rights Issue will be entitled to the distribution of shares in the Lex Asea distribution.

"The financing we have secured gives us the opportunity to fully exploit MOB-015's potential, both through the marketing authorization application in Europe and an additional clinical study for the US market. The demand for an effective drug for nail fungus is high and MOB-015 can achieve a unique market position through its high antifungal effect," says Anna Ljung, CEO of Moberg Pharma.



Background and reason

Moberg Pharma is a Specialty Pharma company focused on developing and commercialising proprietary, acquired and licensed products globally, from clinical development of products based on proven substances to commercialisation. The Company's primary asset is MOB-015, where preparations are underway for registration in Europe based on two large phase 3 studies totaling more than 800 patients. MOB-015 is the next-generation nail fungus treatment targeting both OTC and prescription markets worldwide. The Company's patented formulation technology facilitates the delivery of high concentrations of a proven antifungal substance (terbinafine) into and through the nail, enabling rapid elimination of the fungal infection.

The Company has secured contracts for commercialisation of MOB-015 with aggregate milestone payments of USD 120 million, in addition to compensation for delivered products, with strong partners in the EU, Japan, Canada and South Korea. MOB-015 has the potential to be the market-leading medication globally as the product has a world-leading ability to kill nail fungus (> 70 percent, compared to 30-50 percent for today's topical treatments). The Company believes there is strong demand and an opportunity for rapid acceptance of a new, effective topical product as 100 million nail fungus patients in the EU and North America currently lack good treatment alternatives.

Since the primary endpoint was reached in the North American and European studies, both studies are expected to be used as a basis for product registration in Europe. The Company intends to submit a marketing authorization application in Europe during the second half of 2021. The Company expects, based on the processing time for previous applications, to receive approval within 18 months and that MOB-015 can be launched in Europe by the end of 2023. Moberg Pharma intends to discuss the next step for the US market in an advice meeting with the FDA, as an additional study is expected to be needed for registration in the US.

Use of issue proceeds

The net proceeds from the Rights Issue are intended to be used primarily for the following activities:

- Preparations for the registration application for MOB-015 in Europe – 45 %.
- Clinical work for MOB-015 – 45 %.
- Other expenses for the Company's operations – 10 %.

The Rights Issue

The Board of Directors of Moberg Pharma has today resolved to carry out an issue of new shares and warrants (Units) with preferential rights for existing shareholders of approximately SEK 150 million before transaction costs. The Rights Issue requires the approval of the Extraordinary General Meeting that will be held on December 1, 2020. Shareholders registered in the share register maintained by Euroclear Sweden AB on the record date of December 3, 2020 have the preferential right to subscribe for Units in relation to the number of shares the holder already owns. The application to subscribe for Units without exercising unit rights will also be possible.

The final terms of the Rights Issue, including the subscription price, increase of the share capital and the number of shares and warrants issued, are expected to be announced not later than November 27, 2020. The subscription period is expected to commence on December 7, 2020 up to and including December 21, 2020, or such later date resolved by the Board of Directors. For additional information, please see the notice to the Extraordinary General Meeting, which will be announced through a separate press release.

Preliminary timetable

November 27, 2020	Final terms for the Rights Issue are announced.
December 1, 2020	Extraordinary General Meeting to approve the Rights Issue.
December 2, 2020	First day of trading in the Moberg Pharma share, excluding the right to subscribe for Units by exercising unit rights.
December 3, 2020	Record date for the right to subscribe for Units by exercising unit rights.
December 7 – 21, 2020	Subscription period.
December 7 – 17, 2020	Trading in unit rights.



Complete terms and conditions as well as instructions for the Rights Issue as well as other information on the Company will be provided in the prospectus released before the commencement of the subscription period.

Subscription commitments and issue guarantees

The Rights Issue is comprised of approximately forty-two (42) percent subscription commitments and of approximately fifty-eight (58) percent issue guarantees. The Rights Issue is consequently fully guaranteed. Subscription commitments have been undertaken by, among others, the board members Peter Wolpert, Mattias Klintemar and Fredrik Granström, and the management consisting of Anna Ljung, Mark Beveridge and Torbjörn Wårnheim as well as by the Company's major shareholder Östersjöstiftelsen. Subscription commitments have been undertaken by external subscription committers, like Nyenburgh Investment Partners and Fårö Capital AB. Issue guarantees have been guaranteed by external guarantors.

A guarantee commission will be paid for the issue guarantees, based on current market conditions, of nine (9) percent of the guaranteed amount in cash consideration. No consideration is to be paid for the subscription commitments that have been entered into. These subscription commitments and issue guarantees are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements. Further information on the parties who have entered into guarantee commitments will be presented in the prospectus that will be released before the commencement of the subscription period.

Convertible note agreement

When the Rights Issue is completed, the Company intends to terminate the current convertible note agreement, which can be terminated at no cost for the Company. A final tranche of SEK 3 million in October is expected to be received in mid-November.

Lock up undertakings

Prior to the execution of the Rights Issue, the Board of Directors and management of the Company have entered into lock up undertakings, which, among other things and with customary exceptions, mean that they have undertaken not to sell shares in the Company for a period of 180 days commencing after the first day of trading in the ordinary shares and warrants that are issued in the Rights Issue.

Prospectus

A prospectus and notification form will be made available before the commencement of the subscription period on Moberg Pharma's website, www.mobergpharma.se.

Advisor

Vator Securities is the financial advisor and Gernandt & Danielsson Advokatbyrå is the legal advisor to Moberg Pharma in connection with the Rights Issue.

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About this information

This information is information that Moberg Pharma AB (publ) 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 8.00 a.m. CET on November 6, 2020.

About Moberg Pharma, www.mobergpharma.se

Moberg Pharma AB (publ) is a Swedish pharmaceutical company focused on commercialising proprietary innovations based on proven compounds. The Company's main asset, MOB-015, is a novel topical treatment for nail fungus, with recently completed phase 3 trials totaling more than 800 patients. Moberg Pharma is headquartered in Stockholm and the Company's shares are listed on the Small Cap list of Nasdaq Stockholm (OMX: MOB).



IMPORTANT INFORMATION

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This press release is not a prospectus according to the definition in Regulation (EU) 2017/1129 (**"the Prospectus Regulation"**) and has not been approved by any regulatory authority in any jurisdiction. A prospectus will be prepared by the Company and published on the Company's website after the prospectus has been reviewed and approved by the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*).

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Forward-looking statements

This press release contains forward-looking statements related to the Company's intentions, estimates or expectations with regard to the Company's future results, financial position, liquidity, development, outlook, estimated growth, strategies and opportunities as well as the markets in which the Company is active. Forward-looking statements are statements that do not refer to historical facts and can be identified by the use of terms such as "believes," "expects," "anticipates," "intends," "estimates," "will," "may," "implies," "should," "could" and, in each case, their negative, or comparable terminology. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there is no guarantee that they will occur or that they are correct. Since these assumptions are based on assumptions or estimates and involve risks and uncertainties, actual results or outcomes, for many different reasons, may differ materially from those what is stated in the forward-looking statements. Due to such risks, uncertainties, eventualities and other significant factors, actual events may differ materially from the expectations that expressly or implicitly are contained in this press release through the forward-looking statements. The Company does not guarantee that the assumptions which serve as a basis for the forward-looking statements in this press release are correct, and each reader of the press release should not rely on the forward-looking statements in this press release. The information, opinions and forward-looking statements that expressly or implicitly are stated herein are provided only as of the date of this press release and may change. Neither the Company nor any other party will review, update, confirm or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise with respect to the contents of this press release, beyond what is required by law or Nasdaq Stockholm's rules for issuers.