

PRESS RELEASE
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OncoZenge secures approximately SEK 70 million in financing ahead of spin-off and separate listing

Moberg Pharma's subsidiary OncoZenge has received binding undertakings regarding a directed issue of shares of SEK 10 million and a fully secured rights issue of shares of approximately SEK 60 million. The investors, which include John Fällström, Linc AB and Moberg Pharma's largest shareholder, Östersjöstiftelsen, are subscribing for shares in the directed issue and have committed to subscribe for their parts and guarantee the remainder of the rights issue in OncoZenge.

On November 6th, 2020, Moberg Pharma announced its intention to distribute OncoZenge ("OncoZenge" or "the Company") through a Lex ASEA distribution before listing the Company on Nasdaq First North Growth Market, and to evaluate opportunities to finance OncoZenge's operations. OncoZenge is developing the BUPI project under the brand name BupiZenge[®] for treatment of pain due to oral mucositis, a serious side effect of cancer treatment. BupiZenge[®] has demonstrated promising results in a Phase 2 study, and the next step is a Phase 3 study which could serve as the basis for registration in Europe.

The capital requirement to finance the Phase 3 study, expected to begin in early 2022, and the Company's continuing operations is approximately SEK 60 million. To secure working capital ahead of OncoZenge's listing, an initial directed issue of SEK 10 million will be completed after the previously announced extraordinary general meeting in Moberg Pharma on December 1, 2020 which also will resolve on, amongst other things, a Lex ASEA distribution. The next steps, planned in the first quarter of 2021, are a separate listing on Nasdaq First North Growth Market and a fully guaranteed rights issue where Moberg Pharma's shareholders (as shareholders of OncoZenge following the completed Lex ASEA distribution) are offered to participate.

Directed Issue

To secure its initial capital requirements, OncoZenge has received binding commitments for a directed issue of approximately SEK 10 million ("Directed Issue"). The largest investors in the Directed Issue are John Fällström, Linc AB and Östersjöstiftelsen. Based on the subscription price in the Directed Issue, the value of OncoZenge before the Directed Issue is approximately SEK 50 million, resulting in a dilution of approximately 16.7 percent from the Directed Issue. The Directed Issue is contingent on approval by the extraordinary general meeting in Moberg Pharma on December 1, 2020 for the distribution of OncoZenge according to Lex ASEA. Linc AB has expressed interest for representation on the Board of Directors of OncoZenge, which is supported by the Company's principal shareholders.

Spin-off through Lex ASEA distribution and separate listing on Nasdaq First North

The Board of Directors of Moberg Pharma has called an extraordinary general meeting on December 1, 2020 and propose that its shares in OncoZenge will be distributed to Moberg Pharma's shareholders according to Lex ASEA. The Company's assessment is that the distribution qualifies as a Lex ASEA distribution and will not be subject to taxation for the shareholders. The Company has requested an advance ruling from the Swedish Tax Agency for further clarification, which will be published on Moberg Pharma's website when available. The record date to receive shares in OncoZenge is expected to fall in January/February 2021.

Provided that the extraordinary general meeting approve the distribution of OncoZenge, the Company intends to apply for a separate listing on Nasdaq First North Growth Market with the first day of trading expected in the first quarter of 2021.

Rights Issue

The Directed Issue of approximately SEK 10 million is expected to finance planned activities in OncoZenge until the start of 2022, when the clinical Phase 3 study is planned to commence. To finance the clinical study and other activities, OncoZenge intends to carry out a fully guaranteed rights issue ("the Rights Issue"), which is expected to provide the Company with proceeds of around SEK 60 million before costs. The subscription price in the Rights Issue will correspond to a valuation of around SEK 60 million, i.e., the same valuation as in the Directed Issue adjusted for the issue proceeds of SEK 10 million from the Directed Issue. The subscription period for the Rights Issue is expected to begin directly after

the first day of trading of the shares in OncoZenge. Further details on terms and conditions and the timetable will be announced in January 2021.

The Directed Issue is expected to be registered before the record date for the Rights Issue. As a result, investors in the Directed Issue will be able to subscribe for their parts in the Rights Issue. All investors in the Directed Issue have committed to subscribe for their parts in the Rights Issue. Moreover, Östersjöstiftelsen, which through its ownership in Moberg Pharma and participation in the Directed Issue will own around 10 percent of the shares in OncoZenge, has committed to subscribe for its parts of the Rights Issue. Through the Lex ASEA distribution, shareholders in Moberg Pharma will receive shares in OncoZenge and thereby qualify to participate in the Rights Issue. In total, the Rights Issue is secured by subscription commitments amounting to approximately 26 percent, while the remaining approximate 74 percent is comprised of guarantee commitments by the investors in the Directed Issue. The guarantee compensation corresponds to eight percent of the guaranteed amount (i.e., on the portion exceeding each investor's pro rata share).

"The great interest from well-reputed investors is very positive and enables BupiZenge® to further progress its clinical program and OncoZenge to become a listed company in the near future. I look forward to leading the continued development focusing on our upcoming Phase 3 study in an indication area with significant need for better treatment alternatives. The goal is to offer patients much better pain relief and to create value for our shareholders," says Pirkko Tamsen, CEO of OncoZenge.

"The separate listing on Nasdaq First North and subsequent Rights Issue provide an opportunity to develop the potential in BupiZenge® and also provide shareholders of Moberg Pharma an opportunity to invest and participate in the value creation in OncoZenge," says Anna Ljung, CEO of Moberg Pharma.

Advisor

Erik Penser Bank is serving as financial advisor and Gerndt & Danielsson Advokatbyrå is serving as legal advisor to Moberg Pharma and OncoZenge in connection with the distribution, financing and listing of OncoZenge.

For additional information, please contact:

Pirkko Tamsen, CEO OncoZenge, telephone: +46 760 09 84 99, e-mail: pirkko.tamsen@oncozenge.se

Anna Ljung, CEO Moberg Pharma, telephone: +46 707 66 60 30, e-mail: anna.ljung@mobergpharma.se

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 3.00 p.m. CET on November 16, 2020.

About Moberg Pharma, www.mobergpharma.com

Moberg Pharma AB (publ) is a Swedish pharmaceutical company focused on commercializing proprietary innovations based on drug delivery of proven compounds. The company's main asset, MOB-015, is a novel topical treatment for onychomycosis, with recently completed phase 3 trials in more than 800 patients. The pipeline also includes the late-stage asset BUPI for pain relief in oral mucositis, intended to be spun off in the separate company OncoZenge. Clinical data generated for both assets indicate that they have the potential to become market leaders in their respective niches. Moberg Pharma is headquartered in Stockholm and the company's shares are listed on the Small Cap list of the Nasdaq Stockholm (OMX: MOB).

About OncoZenge, www.oncozenge.se

OncoZenge AB (publ) is a Swedish pharmaceutical company founded in 2020 through a spin-off from Moberg Pharma AB. The company collaborates with leading clinicians from Hvidovre Hospital in Denmark. OncoZenge develops better products for supportive care of cancer patients. Preparations are underway for Phase 3 of BupiZenge®, after leading Phase 2 data for pain relief in patients with oral mucositis.