



Extended fiscal year July 2019 - December 2020

Year-end report 2020

Moberg Pharma AB (Publ)

Q1

Q2

Q3

Q4

Q5

Q6





## FINANCING FOR BOTH MOB-015 AND BUPI

*“The rights issue in December mean that we have the financing in place for both registration activities and further clinical development for MOB-015. Next steps are registration preparations for MOB-015 and the spin-off of BUPI into the company OncoZenge AB with an upcoming IPO now in February,” says Anna Ljung, CEO of Moberg Pharma.*

### PERIOD (JUL 2019-DEC 2020)

- Net revenue SEK 50.5 million (15.6) \*
- EBITDA SEK 19.8 million (-1.7) \*
- Operating profit (EBIT) SEK 16.0 million (-3.0) \*
- Profit after tax SEK 10.2 million (-3.8) \*
- Total profit SEK 8.6 million (499.4)
- Diluted earnings per share SEK 0.54 (-0.21) \*
- Cash and cash equivalents amounted to SEK 29.3 million (919.1)

*Comparative figures for the period refer to January 2019 - June 2019 (Note: 18 months vs. 6 months due to shortened fiscal year)*

### SIXTH QUARTER (OCT-DEC 2020)

- Net revenue SEK 0.0 million (0.0) \*
- EBITDA SEK -5.3 million (-8.1) \*
- Operating profit (EBIT) SEK -6.0 million (-8.8) \*
- Profit after tax SEK -5.7 million (-7.3) \*
- Total profit SEK -6.7 million (-5.1)
- Diluted earnings per share SEK -0.30 (-0.43) \*
- Cash and cash equivalents amounted to SEK 29.3 million (919.1)

*Comparative figures for the sixth quarter refer to April 2019 - June 2019. Note that the rights issue of 150 million SEK was completed in January 2021, after the end of the reporting period.*

*\* All comparative figures refer to continuing operations*

### SIGNIFICANT EVENTS IN THE SIXTH QUARTER (OCT-DEC 2020)

- Moberg Pharma announced its intention to submit a registration application for MOB-015 in Europe in 2021. With a normal processing time of about 1.5 years, approval is expected in early 2023 and launch in Europe by the end of 2023.
- In November, the company's Board of Directors resolved to carry out a fully guaranteed rights issue of approximately SEK 150 million for further financing of MOB-015. The rights issue was approved by the Extraordinary General Meeting in December and was fully subscribed without issue guarantees. The issue provided Moberg Pharma with proceeds of approximately SEK 150 million before transaction costs.
- The BUPI project was placed in the subsidiary OncoZenge AB, which is now distributed to Moberg Pharma's shareholders and, as planned, will be separately listed on Nasdaq First North Growth Market in February 2021. OncoZenge has implemented a directed share issue of SEK 10 million and received binding commitments for a fully guaranteed rights issue of approximately SEK 60 million. The investors, including John Fällström, Linc AB and Moberg Pharma's largest shareholder, Östersjöstiftelsen, subscribed for shares in the directed issue, entered into subscription commitments and guarantee the remainder of the rights issue in OncoZenge.

### SIGNIFICANT EVENTS AFTER THE END OF THE SIXTH QUARTER

- OncoZenge was granted a new European patent for BUPI. The patent provides broad protection for sustained-release lozenges containing bupivacaine, for treatment or alleviation of pain in the oral cavity and is based on a previously granted patent that specifically protects the use of lozenges for treatment of pain due to oral mucositis in cancer patients.
- February 5<sup>th</sup> was the record date for the Lex Asea distribution of OncoZenge shares. For every ten ordinary shares in Moberg Pharma on the record date of the distribution, shareholders are entitled to one share in OncoZenge.

### Conference call – February 9, 2021 at 3:00 p.m. CET

CEO Anna Ljung will present the report at a telephone conference on February 9, 2021 at 3:00 p.m. CET.

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## STATEMENT FROM THE CEO

In December, a rights issue was fully subscribed which meant that no issue guarantees had to be used. The proceeds of SEK 150 million secure the financing for registration activities as well as clinical work for MOB-015. The path forward is clear, with submission of a registration application in Europe in the second half of 2021 as the next step. Concurrently, we are spinning off and separately listing the BUPI project through the subsidiary OncoZenge AB, with secured financing of SEK 70 million and a first day of trading on Nasdaq First North Growth Market on February 12.

Moberg Pharma'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. Since the primary endpoint was met in both the North American and European studies, both studies are expected to be used as a basis for product registration in Europe. Our plan is to submit a registration application in Europe in the second half of 2021, after which we expect the application to be approved within 18 months, indicating that MOB-015 could be launched in Europe by the end of 2023. For the U.S., we intend to discuss the next step in an advice meeting with the FDA after pre-submission meetings have been completed with regulatory authorities in the EU, with the assumption that an additional study may be needed for registration in the U.S.

For the commercialization of MOB-015, Moberg Pharma plans to drive the promotion of MOB-015 in the U.S. – the largest and most important market – to be able to share best practices with our partners. We know this market well after having taken Kerasal Nail® from launch to a leading position with 30% market share in the U.S. We made Kerasal Nail® available in more than 30,000 U.S. stores and achieved broad reach, thanks to effective consumer marketing and excellent partners in logistics and sales. With a prescription product we will focus on the largest segment, podiatrists, who fill approximately 40% of the prescriptions, and will collaborate with partners and distributors to reach dermatologists and general practitioners. Our experience of DTC marketing to U.S. consumers in the nail fungus category is a significant advantage.

Prior to year-end, the BUPI project was placed in the subsidiary OncoZenge AB with a separate listing on Nasdaq First North Growth Market planned in February. The spin-off into a separate company ensures focus and offers an opportunity to develop the product's full potential and create significant value for our shareholders. OncoZenge completed a directed issue in December which secured the working capital requirement for 2021 and bolstered the shareholder base with respected shareholders, such as John Fällström and Linc AB. In addition, a new patent was recently granted which substantially broadens intellectual property rights for BUPI in Europe, where it protects the use of BUPI within all relevant indications for oral pain relief. The next step in the spin-off of OncoZenge is ongoing. Moberg Pharma's shares in OncoZenge are distributed to Moberg Pharma's shareholders according to Lex ASEA rules, where shareholders who owned shares on February 5 receive one share in OncoZenge for every ten ordinary shares they own in Moberg Pharma.

All in all, I am very satisfied that the financing has been secured for both companies and that spin-off of OncoZenge soon will be completed. Both teams are now well-positioned to fully focus on achieving our business goals.

Anna Ljung, CEO of Moberg Pharma



## ABOUT MOBERG PHARMA

Moberg Pharma develops and commercializes medical products that relieve pain and skin conditions, especially nail fungus. The company is focused as of April 1, 2019 on the development and commercialization of pipeline assets with a combined annual peak sales potential of USD 350–700 million. The OTC business was divested in 2019 in favor of a clinical pipeline consisting of late-stage drug candidates with the potential to significantly exceed the value of the divested portfolio. The divestment enabled shareholders to recognize compelling value for both components of the business. The shareholders received a distribution of SEK 46.50 per share in November 2019 while also retaining the potential of the pipeline assets.

MOB-015 is a next-generation treatment for onychomycosis (nail fungus) and BUPI (BupiZenge) is a novel treatment for oral pain relief in association with inflammation and ulceration of the oral mucous membranes (oral mucositis), a serious complication of cancer treatment. Both drugs have demonstrated strong clinical results which indicate that they have the potential to become market leaders in their respective niches. MOB-015 has recently completed two parallel Phase 3 studies with more than 800 patients. Moberg Pharma has signed license agreements for Europe, Japan, Canada and The Republic of Korea for MOB-015 and estimates the annual sales potential for MOB-015 at USD 250–500 million. This is in addition to BUPI, which through the subsidiary OncoZenge AB (publ) is being distributed to Moberg Pharma's shareholders and is scheduled to be listed separately on Nasdaq First North Growth Market with trading commencing on February 12, 2021.

### MOB-015



#### Nail fungus

- Topical terbinafine
- Target profile: Rapid, visible improvement, superior cure rate and shorter treatment time (vs other topical medications)



**Estimated annual sales potential:**  
USD 250-500 million



#### Phase 3 studies completed

- Studies completed in North America, n=365, and Europe, n=452
- Primary endpoint met, unprecedented antifungal effect shown, and no serious adverse events



#### Patent protection until 2032

- Patent granted in large markets, incl. U.S., Canada, EU, China and Japan
- Patents include new topical formulations of allylamines (including terbinafine), and treatment methods for nail fungus using the new formulations



#### Superior antifungal effect for a topical treatment

- 70 - 84% mycological cure, phase 3-data
- 1000x more terbinafine in the nail vs oral administration
- 40x more terbinafine in the nail bed vs oral administration
- Negligible systemic exposure of terbinafine

### BUPI

#### Pain relief oral mucositis

- Lozenge with bupivacaine
- Target profile: Better and longer pain relief vs existing products

**Estimated annual sales potential:**  
USD 200-400 million globally

#### Preparations for phase 3 ongoing

- A Phase 3 study is expected to commence early in 2022 with the results obtained in 2023
- Advisory meetings held with agencies in Sweden and Germany

#### Patent protection until 2032-2033

- Patent granted in EU, Canada and U.S.
- Patents include lozenges and other formulations with a local anesthetic, including bupivacaine, for pain relief in the mouth or throat

#### Phase 2 data: Significantly better pain relief vs standard of care

- Primary endpoint: 31% less pain in the BUPI group vs Standard care (maximum VAS value in the mouth/throat,  $p = 0,0032$ )
- In mouth: 50% less pain in the BUPI group ( $p = 0,0002$ )



## BUSINESS DEVELOPMENT

### RESULTS FROM THE TWO PHASE 3 STUDIES PROVIDE STRONG SUPPORT FOR MOB-015

In December 2019, the results were presented from the first of two clinical studies in the Phase 3 program for MOB-015, followed by the results of the European study in June 2020. Both studies met the primary endpoint, complete cure at 52 weeks. Mycological cure (eradicating the fungal infection) was achieved in 70 percent of the patients in the North American study and 84 percent of the patients in the European study, which is substantially higher than reported for other topical treatments (30-54 percent). Furthermore, the onset of the antifungal effect is more rapid than for oral terbinafine, with MOB-015 delivering 55–78 percent mycological cure at 6 months (vs 40 percent for oral terbinafine) and 37–46 percent already at 3 months (vs 15 percent for oral terbinafine).

MOB-015 is the first topical treatment with a mycological cure rate at the same level as oral terbinafine, the current gold standard for treatment of onychomycosis, which is administered by tablet over three months. Before the recently completed clinical Phase 3 study with MOB-015, it appeared unrealistic that a topical treatment would achieve a mycological cure rate of 70 percent. Furthermore, the concentration of terbinafine has been shown to be 1000X higher in the nail and 40x higher in the nail bed when treated with MOB-015 compared to oral terbinafine.

Despite the strong mycological cure in most of the patients, and that 75 percent of the patients reported visible nail improvement by the first follow-up visit, complete cure was seen in only a few patients. This part of the outcome is surprising, since a high mycological cure (fungus-free samples) is normally followed by clinical cure (normalization of the nail's appearance) and the composite measure, complete cure. In collaboration with key opinion leaders (KOLs), the company has reviewed in detail the data and individual photos from the studies to verify the results and better understand the reasons for the contradictory outcome.

The conclusion from the analysis is that while the company's technology enables high delivery of terbinafine through the nail plate, its hydrating properties also cause whitening/discoloration in nails. This phenomenon is transient but makes the assessment of clinical cure challenging and contributed to the low complete cure rate observed. Both the KOLs and the company's own experts are in agreement, however, that a higher complete cure rate is likely to be reached through a shorter treatment period followed by a maintenance period. Once-daily treatment for not more than three months, followed by maintenance dosing once weekly until week 48, is expected to maintain high concentrations of terbinafine in the tissue, while reducing the hydrating effects after the initial treatment phase and thus the impact on the clinical cure assessment at 52 weeks. The conclusions are based on available clinical data from the Phase 3 studies as well as previous studies conducted by Moberg Pharma.

The primary endpoint was met in both studies and both can therefore be used as a basis for product registration in Europe. The European study, where MOB-015 was compared to an approved drug for onychomycosis, showed that MOB-015 was just as effective as the approved drug in achieving a complete cure at 52 weeks. For market approval in the U.S., the FDA normally requires two studies that show superiority (statistically superior to the comparable treatment) for the primary endpoint. Consequently, an additional study is likely needed for U.S. registration.

### EU LAUNCH MAY COME AS SOON AS 2023

In October 2020, the company announced that it had decided to request pre-submission meetings with regulatory authorities, with the goal of submitting a registration application in the second half of 2021 in Europe. With an expected processing time of about 1.5 years, this means possible approval in early 2023 and launch in Europe by the end of 2023. After the European meetings, Moberg Pharma also intends to discuss next steps for the U.S. market in an advice meeting with the FDA.





## AGREEMENTS WITH COMMERCIAL PARTNERS FOR KEY MARKETS

In total, four agreements are in place with commercial partners for MOB-015: with Cipher Pharmaceuticals for Canada; Taisho in Japan; DongKoo, the market leader in dermatology in the Republic of Korea; and the Consumer Health division of Bayer AG, a world leader in OTC fungus treatments with the brand Canesten, for Europe.

The agreements give these partners exclusive rights to market and sell MOB-015 in each respective market, while Moberg Pharma assumes production and supply responsibility. Within the framework of the agreements Moberg Pharma can receive milestone payments of up to a total USD 120 million upon successful development and commercialization, in addition to royalties and compensation for delivered products. The aim is to repeat the journey that was taken with Kerasal Nail®, where Moberg Pharma combined direct sales in the U.S. with strategic collaborations in a number of major territories. The most important markets for MOB-015 are expected to be the U.S., EU, Japan, Canada and China, all with patent protection until 2032.

## SEK 150 MILLION IN FINANCING FOR MOB-015 VIA FULLY SUBSCRIBED RIGHTS ISSUE

In November, Moberg Pharma's Board of Directors resolved to carry out a fully guaranteed issue of new ordinary shares and warrants with preferential rights for existing shareholders of approximately SEK 150 million before transaction costs. The rights issue was approved by the Extraordinary General Meeting on December 1, 2020. The rights issue was fully subscribed and no issue guarantees had to be used. Moberg Pharma thereby received approximately SEK 150 million before deducting transaction costs. The proceeds will be used for registration activities and clinical work for MOB-015. When the rights issue was completed, the company terminated the convertible note agreement from March 2020.

## SPIN-OFF OF BUPI COMPLETED AND IPO OF THE COMPANY ONCOZENGE IS PLANNED

In November, it was announced that the BUPI project (BupiZenge) had been transferred to the subsidiary OncoZenge AB (publ), which is being distributed to Moberg Pharma's shareholders with plans for a separate listing on Nasdaq First North Growth Market with first day of trading on February 12, 2021.

Since Moberg Pharma divested its OTC business at the start of 2019, the company has focused on the development of MOB-015 for treatment of onychomycosis. To facilitate financing of the further development of BUPI and capture the value in the project, the Board of Directors of Moberg Pharma decided to distribute BUPI to Moberg Pharma's shareholders through the subsidiary OncoZenge.

The next step for BUPI is a clinical Phase 3 study that can serve as the basis for registration in the European market as well as additional markets. A Phase 3 study is expected to commence early in 2022 with results expected in 2023. Oral mucositis is one of the most debilitating side effects of cancer treatment. Around one million patients suffer annually in the U.S. and Europe and there are currently no effective treatments for oral mucositis.

OncoZenge has completed a directed share issue of SEK 10 million and received binding commitments for a fully guaranteed rights issue of approximately SEK 60 million. The investors, including John Fällström, Linc AB and Moberg Pharma's largest shareholder, Östersjöstiftelsen, subscribed for shares in the directed issue and entered into subscription undertakings and guarantee commitments for the remainder of the rights issue in OncoZenge. The subscription price in the rights issue corresponds to a valuation of approximately SEK 60 million, i.e., the same valuation as in the directed issue adjusted for the proceeds of SEK 10 million from the directed issue. The subscription period for the rights issue is expected to commence directly after the first trading day for the OncoZenge shares.

An Extraordinary General Meeting in Moberg Pharma on December 1, 2020 resolved to distribute all of Moberg Pharma's shares in the subsidiary OncoZenge to Moberg Pharma's shareholders according to Lex ASEA. The record date for the right to receive shares in OncoZenge was February 5, 2021. Ten (10) ordinary shares in Moberg Pharma, as of the record date for the distribution, entitle to one (1) share in OncoZenge. If the shareholding is not evenly divisible by ten, fractions of a share will be received. All fractional shares will be combined into whole shares and thereafter sold through the agency of Erik Penser Bank.



The sales proceeds will be paid out in cash via Euroclear, without deduction for brokerage fees. More information can be found at: <https://www.mobergpharma.com/investors/qa-about-distribution-oncozenge>

## ORGANIZATION

Dr. Cindy Wong is since October 1, 2020 the new Chief Medical Officer and a member of the Executive Management at Moberg Pharma. Dr. Wong brings extensive international experience. She has many years of experience in clinical research and development within several medical disciplines, including dermatology. She has held positions as Vice President and Head of Global Clinical Development at Metz Pharmaceuticals GmbH and Chief Medical Officer at Q-Med/Galderma, as well as senior positions at regulatory authorities in both Sweden and Australia.

## FINANCIAL OVERVIEW

### REVENUES AND PROFIT

#### Sixth quarter (October - December 2020)

Moberg Pharma's operations consist of research and development, business development and administrative functions. The majority of the development expenditure incurred is directly attributable to the recently completed clinical Phase 3 studies in the MOB-015 project, which is capitalized. The largest expense items in the quarter therefore consist of business development and administration expenses of SEK 5.4 million (8.2), followed by research and development expenses of SEK 0.6 million (3.5).

The comparative figures in the consolidated income statement show the impact on earnings from the divested OTC operations and the BUPI project, which the Company has decided to distribute to the shareholders through the subsidiary OncoZenge AB as a separate item in the consolidated financials. For the parent company, amounts reported in the income statement have not been separated for continuing operations. A profit and loss account for discontinued operations is presented in Note 2.

#### The year (July 2019 - December 2020)

Net revenue amounted to SEK 50.5 million (15.6) in the period. Revenue relates in its entirety to milestones, the majority of which comes from the initial milestone of USD 5 million received in connection with the agreement with Taisho for MOB-015 in Japan. For the comparative period, revenue relates to a milestone of EUR 1.5 million from the agreement with Bayer AG for MOB-015 in Europe.

### CASH FLOW

#### Sixth quarter (October - December 2020)

Cash flow from operating activities was SEK -13.4 million (-63.9). Cash flow from investing activities was SEK -2.3 million (-13.5) and relates to capitalized expenses for development work. Cash flow from financing activities was SEK 15.0 million (SEK -600.5 in the comparative period related to a bond repayment) and relates to the now terminated convertible notes agreement of SEK 21 million, and the cash impact of leasing. The total change in cash and cash equivalents in the quarter was SEK -0.7 million (-677.8). Cash and cash equivalents amounted to SEK 29.3 million (919.1) at the end of the period.

#### The year (July 2019 - December 2020)

Cash flow from operating activities was SEK -16 million (-38). Cash flow from investing activities was SEK -66 million (1,400), of which SEK -62 million (-32) relates to investments in intangible assets and SEK -4 million relates to the final adjustment of net working capital from the sale of the OTC business. Cash flow from financing activities was SEK -808 million (-555) mainly due to the payment to the shareholders of SEK 46.50 per share. The total change in cash and cash equivalents in the period was SEK -890 million (808).



## INVESTMENTS

Investments in intangible assets in the quarter relate to capitalized expenses for R&D work of SEK 2.3 million (13.4) for MOB-015.

R&D expenses (costs and investments) (SEK thousand)	Oct-Dec 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
<b>R&amp;D expenses (in statement of comprehensive income)</b>	<b>-593</b>	<b>-3,520</b>	<b>-8,304</b>	<b>-6,555</b>
Capitalized R&D investments	-2,289	-13,401	-62,130	-31,998
Depreciation/amortization booked to R&D expenses	363	485	2,357	852
<b>Change in R&amp;D investments (in statement of financial position)</b>	<b>-1,926</b>	<b>-12,916</b>	<b>-59,773</b>	<b>-31,146</b>
<b>Total R&amp;D expenditure</b>	<b>-2,519</b>	<b>-16,436</b>	<b>-68,077</b>	<b>-37,701</b>

## LIABILITIES

As at reporting date the Group has a liability for the distribution of shares in OncoZenge valued at 45 million SEK. Moberg Pharma has no liabilities in outstanding convertible notes and the agreement with Nice & Green S.A. has been terminated. In connection with the divestment of the OTC portfolio in March 2019, the buyer provided financing via a loan of USD 2.5 million. The loan was repaid on October 31, 2019.

## CHANGES IN EQUITY

### SHARES

Share capital at the end of the period was SEK 2,142,585, where the total number of shares outstanding was 21,425,849 ordinary shares and zero series B shares with a quotient value of SEK 0.10. Moberg Pharma holds 554,746 repurchased ordinary shares at the end of the period.

In July 2019, the number of shares and votes increased as a result of the issuance of 488,905 ordinary shares following the exercise of warrants within the framework of Moberg Pharma's share-based incentive program. The OTC divestment resulted in the vesting of a proportion of outstanding incentive programs pro rata based on the divestment date (March 29, 2019).

A reclassification in November 2019 increased the number of ordinary shares and decreased the number of series B shares, while the total number of shares and votes in the company remained unchanged.

In May 2020, 370,000 class C shares were issued to secure the company's commitments under the long-term incentive program (LTI 2020) resolved by the Extraordinary General Meeting on April 28, 2020. The shares are intended to hedge the commitments under the incentive program and are owned by Moberg Pharma.

In June, September, November and December 2020, the number of shares and votes increased due to the Board's decision to approve Nice & Green S.A.'s request to convert a number of convertible notes: 34,430 ordinary shares in June, 600,435 ordinary shares in September, 561,152 ordinary shares in November and 1,006,323 ordinary shares in December. The share capital for the December conversion was registered in January 2021.

A rights issue was approved by the Extraordinary General Meeting on December 1, 2020. The rights issue was fully subscribed and no issue guarantees had to be used. In January 2021, Moberg Pharma thereby received approximately SEK 150 million before deducting transaction costs. The registration of the rights issue took place in January 2021 as 23,175,576 ordinary shares were registered.

The above events increased the number of shares and votes by 26,236,820, from 18,364,605 to 44,601,425 as of today, February 9. As of balance sheet date, December 31, 2020, the number of registered shares was 20,419,526 (where 24,181,899 shares were subsequently registered by the Swedish Companies Registration Office in January 2021).





## SHAREHOLDER INFORMATION

The company's largest shareholders per December 31, 2020:

Shareholders	Number of shares	% of votes and capital
ÖSTERSJÖSTIFTELSEN <sup>1</sup>	2,274,179	11.14
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION <sup>2</sup>	1,821,858	8.92
BANQUE CANTONALE VAUDOISE, W8IMY <sup>3</sup>	984,779	4.82
U.S. BANK NATIONAL ASSOCIATION, W9	660,843	3.24
MOBERG PHARMA AB (PUBL) <sup>4</sup>	554,746	2.72
LUNDMARK, SVEN ANDERS	363,000	1.78
FUTUR PENSION	262,050	1.28
NORDNET PENSIONS FÖRSÄKRING AB	182,764	0.9
SYNSKADADES STIFTELSE	172,201	0.84
GAR-BO FÖRSÄKRING AB	169,300	0.83
SKANDIA, FÖRSÄKRINGS	168,696	0.83
BNY MELLON NA (FORMER MELLON), W9	162,741	0.8
SWEDBANK FÖRSÄKRING	159,365	0.78
GUNNARSSON, MIKAEL	157,000	0.77
CLASSON, JAN-ÅKE	150,000	0.73
ATTERKVIST, STELLAN	136,000	0.67
CLEARSTREAM BANKING S.A., W8IMY	128,513	0.63
PERSSON, JAN CHRISTER	103,236	0.51
JS ERHVERVS CONSULT APS	101,036	0.49
PERSSON, NILS-ROBERT	100,000	0.49
<b>TOTAL, 20 LARGEST SHAREHOLDERS</b>	<b>8,812,307</b>	<b>43.2</b>
Other shareholders	11,607,219	56.8
<b>TOTAL</b>	<b>20,419,526</b>	<b>100</b>

## SHARE-BASED COMPENSATION PLANS

As of December 31, 2020, the number of outstanding instruments was 85,854 employee stock warrants and 351,404 performance share units<sup>5</sup>. If all employee stock warrants were exercised, the total number of shares would increase by 85,854. Performance share units are issued and held in trust, where the actual number of shares that can be transferred varies depending on the share's performance. The exercise price for the option program is SEK 13.00, and the performance share units are linked to the value of the increase in the share price from the date when the performance share units were allocated.<sup>6</sup> For detailed information on the incentive programs, see the 2019 Annual Report. Detailed information on the incentive program LTI 2020 can be found in the notice of the Extraordinary General Meeting on April 28, 2020, which was then approved as noted in minutes from the meeting.

<sup>1</sup> Östersjöstiftelsen's holding in the table includes 653,607 shares which were lent to Nice & Green S.A. to facilitate the financing agreement.

<sup>2</sup> Includes 435,399 shares owned by the company's Chairman, Peter Wolpert, through an endowment insurance policy.

<sup>3</sup> 1,006,323 shares to Nice & Green S.A. were registered in January 2021 but were reported in December 2020; these shares are not shown in this table.

<sup>4</sup> Repurchased own shares held to satisfy performance share units.

<sup>5</sup> The number of performance share units for program 2018:1 is recalculated upon execution to adjust for the payment of SEK 46.50 per share in November 2019.

<sup>6</sup> The redemption price has been recalculated in accordance with the terms of incentive program 2017:1 after payment of SEK 46.50 per share in November 2019.



The following table gives an indication of the maximum levels of dilution at different levels of share price:

Instruments granted based on strike price				
Share price	10	20	30	40
Number of new shares due to diluting warrants	0	85,854	85,854	85,854
Number of shares allocated by performance share units	123,419	158,590	373,409	367,908
<b>Theoretical dilution</b>	<b>0.6%</b>	<b>1.1%</b>	<b>2.1%</b>	<b>2.1%</b>
Company's market capitalization, SEK million	213	427	634	846
Gain for instrument holders <sup>7</sup> , SEK million	1.2	3.8	12.7	17.0
<b>Actual dilution<sup>8</sup></b>	<b>0.6%</b>	<b>0.9%</b>	<b>2.0%</b>	<b>2.0%</b>

## PARENT COMPANY

Moberg Pharma AB (publ), corp. reg. no. 556697-7426, is the parent company of the Group. The operations of the Group are primarily conducted in the parent company and consist of research and development, business development and administrative functions.

For the period July 2019 to December 2020, the parent company's net revenue totaled SEK 50.5 million (42.8). Operating profit amounted to SEK 16.0 million (-31.6), while profit after financial items was SEK 13.5 million (572.5). Cash and cash equivalents amounted to SEK 19.3 million at the end of the period.

## OTHER INFORMATION

### ORGANIZATION

Per December 31, 2020, Moberg Pharma had 11 employees, of whom 91% were women. All were employees of the parent company.

### RISK FACTORS

Commercialization and development of pharmaceuticals are capital-intensive activities exposed to significant risks. Risk factors considered of particular significance for Moberg Pharma's future development are linked to the results of clinical trials, regulatory actions, 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 2019 Annual Report on page 19.

In addition to the above risks, the recent outbreak of the novel coronavirus which has given rise to COVID-19 should be mentioned. The pandemic could have a negative impact on the company by causing delays and interruptions in operations, clinical studies and project development, labor shortages, and travel and freight disruptions. Moberg Pharma may incur expenses or suffer from delays related to such events beyond its control, which could have a negative impact on the company's operations and results. To date, Moberg Pharma's operations have not been materially affected by COVID-19.

### OUTLOOK

Moberg Pharma's goal is to create value and provide attractive shareholder returns through the successful commercialization of its pipeline assets.

In the near term, the focus is on registration preparations for MOB-015 with the goal of submitting a registration application in the second half of 2021 in Europe. With an expected processing time of about 1.5 years, this means possible approval in early 2023 and launch in Europe by the end of 2023. Moberg Pharma also intends, after pre-submission meetings have been completed with regulatory authorities in the EU, to discuss the next step for the U.S. market in an advice meeting with the FDA. In parallel with the registration preparations, commercialization preparations are underway to maximize value and create future growth.

<sup>7</sup> Total pretax gain for warrant holders

<sup>8</sup> Calculated from the gain made by instrument holders through market capitalization at the given share price



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK thousand)	Oct-Dec 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
		RESTATED		RESTATED
<b>Continuing operations</b>				
Net revenue	-	-	50,488	15,554
Cost of goods sold	-	-	-	-
<b>Gross profit</b>	-	-	<b>50,488</b>	<b>15,554</b>
Selling expenses	-4	-222	-472	-783
Business development and administrative expenses	-5,405	-8,201	-32,672	-14,744
Research and development costs	-593	-3,520	-8,304	-6,555
Other operating income	33	3,164	6,968	3,514
Other operating expenses	0	0	0	0
<b>Operating profit (EBIT)</b>	<b>-5,969</b>	<b>-8,779</b>	<b>16,008</b>	<b>-3,014</b>
Interest income and similar items	-	92	23	121
Interest expenses and similar items	-1,045	-711	-2,598	-966
<b>Profit after financial items from continuing operations (EBT)</b>	<b>-7,014</b>	<b>-9,398</b>	<b>13,433</b>	<b>-3,859</b>
Tax on profit for the period	1,289	2,109	-3,219	88
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>-5,725</b>	<b>-7,289</b>	<b>10,214</b>	<b>-3,771</b>
<b>Discontinued operations</b>				
Profit after tax for the period from discontinued operations (see Note 2)	-995	2,200	-1,575	562,587
<b>PROFIT FOR THE PERIOD</b>	<b>-6,720</b>	<b>-5,089</b>	<b>8,639</b>	<b>558,816</b>
<b>Items that will be reclassified to profit</b>				
Translation differences of foreign operations	-	-	-	8,855
Reclassification of translation differences to profit from sale of discontinued operations	-	-	-	-68,249
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-59,394</b>
<b>TOTAL PROFIT FOR THE PERIOD</b>	<b>-6,720</b>	<b>-5,089</b>	<b>8,639</b>	<b>499,422</b>
Whereof total profit from continuing operations	-5,725	-7,289	10,214	-3,771
Whereof total profit from discontinued operations (see Note 2)	-995	2,200	-1,575	503,193
Profit for the period attributable to parent company shareholders	-6,561	-5,089	8,798	558,816
Profit attributable to non-controlling interests	-159	-	-159	-
Total profit attributable to parent company shareholders	-6,561	-5,089	8,798	499,422
Total profit attributable to non-controlling interests	-159	-	-159	-
<b>Basic earnings per share</b>	<b>-0.34</b>	<b>-0.28</b>	<b>0.47</b>	<b>28.28</b>
<b>Diluted earnings per share <sup>9</sup></b>	<b>-0.34</b>	<b>-0.28</b>	<b>0.46</b>	<b>28.02</b>
<b>Basic earnings from continuing operations per share</b>	<b>-0.30</b>	<b>-0.43</b>	<b>0.54</b>	<b>-0.21</b>
<b>Diluted earnings from continuing operations per share <sup>9</sup></b>	<b>-0.30</b>	<b>-0.43</b>	<b>0.54</b>	<b>-0.21</b>
<b>EBITDA FROM CONTINUING OPERATIONS</b>	<b>-5,345</b>	<b>-8,144</b>	<b>19,790</b>	<b>-1,745</b>
Depreciation/amortization	-624	-635	-3,782	-1,269
<b>Operating profit (EBIT)</b>	<b>-5,969</b>	<b>-8,779</b>	<b>16,008</b>	<b>-3,014</b>

<sup>9</sup> In periods when the Group reports a loss, no dilution effect arises. The reason for this is that a dilution effect is only recognized when a potential conversion to ordinary shares would result in lower earnings per share.



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN BRIEF

(SEK thousand)	2020-12-31	2019-06-30
<b>Assets</b>		
Intangible assets	295,733	255,654
<i>Capitalized Development</i> <sup>10</sup>	295,733	248,804
<i>Patents</i>	-	6,850
Property, plant and equipment	1	80
Right-of-use assets	7,102	10,493
Deferred tax asset	10,930	11,617
<b>Total non-current assets</b>	<b>313,766</b>	<b>277,844</b>
Trade receivables and other receivables	2,135	12,994
Subscribed for equity	111,735	-
Assets held for distribution	32,782	-
Cash and cash equivalents	19,286	919,134
<b>Total current assets</b>	<b>165,938</b>	<b>932,128</b>
<b>TOTAL ASSETS</b>	<b>479,704</b>	<b>1,209,972</b>
<b>Equity and liabilities</b>		
Equity attributable to parent company's shareholders	387,870	1,121,030
Non-controlling interests	7,707	-
<b>Total equity</b>	<b>395,577</b>	<b>1,121,030</b>
Non-current interest-bearing liabilities	-	23,642
Non-current leasing liabilities	4,753	8,331
Non-current non-interest-bearing liabilities	65	65
<b>Total non-current liabilities</b>	<b>4,818</b>	<b>32,038</b>
Current interest-bearing liabilities	-	-
Current leasing liabilities	2,642	2,366
Current non-interest-bearing liabilities	28,742	54,538
Liabilities related to assets held for distribution	2,800	-
Dividend payable	45,125	-
<b>Total current liabilities</b>	<b>79,309</b>	<b>56,905</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>479,704</b>	<b>1,209,972</b>

<sup>10</sup> For further details, see note 3



## CONSOLIDATED STATEMENT OF CASH FLOWS IN BRIEF

(SEK thousand)	Oct-Dec 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
		RESTATED		RESTATED
<b>Operating activities</b>				
Operating profit before financial items from continuing operations	-5,969	-8,778	16,008	-3,013
Operating profit before financial items from discontinued operations	-1,253	4,718	-1,983	598,165
<b>Operating profit before financial items</b>	<b>-7,222</b>	<b>-4,060</b>	<b>14,025</b>	<b>595,152</b>
Financial items, received and paid	-1,075	-32,862	-3,027	-42,288
Taxes paid	-	-	-	-15
<i>Adjustments:</i>				
Depreciation/amortization and capital gains	624	635	3,782	10,518
Capital gains	-	-5,031	-	-624,905
Employee share-based adjustments to equity <sup>11</sup>	188	528	1,420	1,675
<b>Cash flow before changes in working capital</b>	<b>-7,485</b>	<b>-40,790</b>	<b>-16,200</b>	<b>-59,863</b>
<b>Change in working capital</b>				
Increase (-)/Decrease (+) in inventories	-	-284	-	-3,481
Increase (-)/Decrease (+) in operating receivables	-10,560	-22,230	-4,180	19,050
Increase (+)/Decrease (-) in operating liabilities	4,611	-570	-27,638	6,441
<b>OPERATING CASH FLOW</b>	<b>-13,434</b>	<b>-63,874</b>	<b>-15,618</b>	<b>-37,853</b>
<b>Investing activities</b>				
Net investments in intangible assets	-2,289	-13,401	-62,130	-32,396
Net investments in subsidiaries	-	-50	-3,760	1,432,816
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-2,289</b>	<b>-13,451</b>	<b>-65,890</b>	<b>1,400,420</b>
<b>Financing activities</b>				
Issue of loans	-5,805	-	-	23,205
Repayment of loans	-	-600,000	-23,642	-600,000
Repayment of leases	-625	-514	-3,614	-1,031
Payment in the form of redemption procedure	-	-	-837,401	-
Issue of new shares less transaction costs	21,432	30	56,316	23,236
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>15,002</b>	<b>-600,484</b>	<b>-808,341</b>	<b>-554,590</b>
<b>Change in cash and cash equivalents</b>	<b>-721</b>	<b>-677,809</b>	<b>-889,849</b>	<b>807,977</b>
Cash and cash equivalents at beginning of period	30,006	1,596,943	919,134	110,785
Exchange rate differences in cash and cash equivalents	-	-	-	372
Cash and cash equivalents at the end of period <sup>12</sup>	29,285	919,134	29,285	919,134

<sup>11</sup> Note that revaluation of estimated costs for social security contributions for employee stock options is reported in change in operating liabilities.

<sup>12</sup> Of which 9 999 thousand SEK relates to cash held by OncoZenge AB which forms part of assets held for distribution



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other capital contributions	Accumulated profit/loss	Non-controlling interest	Total equity
(SEK thousand)					
<b>July 1, 2019 – December 31, 2020</b>					
<b>Opening balance, July 1, 2019</b>	<b>1,818</b>	<b>555,639</b>	<b>563,573</b>	<b>-</b>	<b>1,121,030</b>
<i>Total profit</i>					
Profit for the period			8,798	-159	8,639
<i>Transactions with shareholders</i>					
New shares issued	306	43,815		10,050	54,171
Ongoing share issue		111,735			111,735
Transaction costs		-16,670		2,184	18,854
Payment in the form of redemption procedure	-934		-836,468		-837,402
Payment in the form of subsidiary			-45,125		-45,125
Bonus issue	934	-934			-
Repurchase own shares	-37				-37
Employee stock options		1,420			1,420
<b>CLOSING BALANCE, DECEMBER 31, 2020</b>	<b>2,087</b>	<b>695,005</b>	<b>-309,222</b>	<b>7,707</b>	<b>395,577</b>

	Share capital	Other capital contributions	Translation reserve	Accumulated profit/loss	Total equity
<b>January 1 – June 30, 2019</b>					
<b>Opening balance, January 1, 2019</b>	<b>1,744</b>	<b>528,122</b>	<b>59,394</b>	<b>4,758</b>	<b>594,018</b>
<i>Total profit</i>					
Profit for the period				558,815	558,815
Other comprehensive income – translation differences on translation of foreign operations			-59,394		-59,394
<i>Transactions with shareholders</i>					
New share issue	66	23,169			23,235
Employee stock options	8	4,348			4,356
<b>CLOSING BALANCE, JUNE 30, 2019</b>	<b>1,818</b>	<b>555,639</b>	<b>-</b>	<b>563,573</b>	<b>1,121,030</b>





## KEY RATIOS FOR THE GROUP

	Oct-Dec 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
(SEK thousand)				
Net revenue *	-	-	50,488	15,554
EBITDA *	-5,345	-8,144	19,790	-2,950
Operating profit (EBIT) *	-5,969	-8,779	16,008	-3,014
Total profit	-6,720	-5,089	8,639	558,816
Cash and cash equivalents	19,286	919,134	19,286	919,134
Balance sheet total	479,704	1,209,972	479,704	1,209,972
Equity/assets ratio	81%	93%	81%	93%
Return on equity	-2%	0%	2%	50%
Diluted earnings per share, SEK	-0.35	-0.28	0.46	31.35
Equity per share, SEK	19.53	61.66	19.53	61.66
Basic average number of shares	19,303,629	17,883,932	18,810,496	17,662,347
Diluted average number of shares	19,437,986	18,080,898	18,922,135	17,825,800
Number of shares at the end of the period excluding repurchased own shares	19,864,781	18,179,859	19,864,781	18,179,859
Share price on balance sheet date, SEK	7.21	65.90	7.21	65.90
Market capitalization balance date, SEK million	143	1,198	143	1,198

\*continuing operations

## DEFINITIONS OF KEY RATIOS

Moberg Pharma presents certain financial performance measurements in the year-end report that are not defined in accordance with IFRS. In Moberg Pharma's opinion, these performance measurements provide valuable additional information to investors and company management as they enable an evaluation of the company's performance. These financial performance measurements are not always comparable with those used by other companies since not all companies calculate them in the same manner. Accordingly, these financial measurements are not to be regarded as a replacement for the performance measurements defined in accordance with IFRS.

<b>EBITDA</b>	Operating profit before depreciation/amortization and impairment of intangible assets and property, plant, and equipment
<b>Equity/assets ratio</b>	Equity at the end of the period in relation to balance sheet total
<b>Return on equity</b>	Profit for the period divided by closing equity
<b>Earnings per share*</b>	Profit after tax divided by the diluted average number of shares
<b>Equity per share</b>	Equity divided by the number of shares outstanding at the end of the period

\* Defined in accordance with IFRS



## PARENT COMPANY INCOME STATEMENT SUMMARY

	Jul-Sep 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
<b>(SEK thousand)</b>				
Net revenue	-	-	50,488	42,848
Cost of goods sold	-	26	-	-2,477
<b>Gross profit</b>	<b>-</b>	<b>26</b>	<b>50,488</b>	<b>40,371</b>
Selling expenses	-4	-222	-472	-11,450
Business development and administrative expenses	-6,308	-8,511	-34,136	-56,908
Research and development costs	-725	-3,601	-8,605	-7,860
Other operating income	616	3,217	7,551	4,208
Other operating expenses	-	-	-	-
<b>Operating profit</b>	<b>-6,421</b>	<b>-9,091</b>	<b>14,826</b>	<b>-31,639</b>
Capital gain from divested subsidiary and similar income	-	5,122	23	646,606
Interest expenses	-1,045	-3,812	-2,598	-42,445
<b>Profit after financial items</b>	<b>-7,466</b>	<b>-7,781</b>	<b>12,251</b>	<b>572,522</b>
Tax on profit for the period	1,382	2,691	-2,976	6,553
<b>PROFIT</b>	<b>-6,084</b>	<b>-5,090</b>	<b>9,275</b>	<b>579,075</b>



## PARENT COMPANY BALANCE SHEET SUMMARY

(SEK thousand)	2020-12-30	2019-06-30
<b>Assets</b>		
Subscribed for equity not yet paid	38,211	-
Intangible assets	295,733	255,654
Property, plant and equipment	1	80
Right-of-use assets	7,102	10,493
Non-current financial assets	22,151	150
Deferred tax asset	10,930	11,617
<b>Total non-current assets</b>	<b>335,917</b>	<b>277,994</b>
Trade receivables and other receivables	8,931	12,994
Subscribed equity	111,735	
Cash and cash equivalents	19,286	919,084
<b>Total current assets</b>	<b>139,952</b>	<b>932,078</b>
<b>TOTAL ASSETS</b>	<b>514,080</b>	<b>1,210,072</b>
<b>Equity and liabilities</b>		
Equity	449,632	1,121,030
Non-current interest-bearing liabilities	-	23,642
Non-current leasing liabilities	4,753	8,331
Non-current non-interest-bearing liabilities	65	65
<b>Total non-current liabilities</b>	<b>4,818</b>	<b>32,038</b>
Current interest-bearing liabilities	-	-
Liabilities to Group companies	99	99
Current leasing liabilities	2,642	2,366
Current non-interest-bearing liabilities	34,837	54,539
Dividend payable at book value	22,052	-
<b>Total current liabilities</b>	<b>59,630</b>	<b>57,004</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>514,080</b>	<b>1,210,072</b>



## PARENT COMPANY CASH FLOW STATEMENT SUMMARY

(SEK thousand)	Jul-Sep 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
<b>Operating activities</b>				
Operating profit before financial items	-6,421	-9,091	14,826	-31,639
Financial items, received and paid	-1,075	-32,861	-3,027	-42,288
<i>Adjustments:</i>				
Depreciation/amortization and capital gains	624	635	3,782	9,092
Employee share-based adjustments to equity	188	528	1,420	1,362
<b>Cash flow before changes in working capital</b>	<b>-6,684</b>	<b>-40,789</b>	<b>17,001</b>	<b>-63,473</b>
<b>Change in working capital</b>				
Increase (-)/Decrease (+) in inventories	-	-285	-	443
Increase (-)/Decrease (+) in operating receivables	-5,047	-63,438	1,333	5,309
Increase (+)/Decrease (-) in operating liabilities	-1,702	41,155	-33,951	36,696
<b>OPERATING CASH FLOW</b>	<b>-13,433</b>	<b>-63,357</b>	<b>-15,617</b>	<b>-21,025</b>
<b>Investing activities</b>				
Net investments in intangible assets	-2,289	-13,401	-62,130	-32,065
Net investments in subsidiaries	550	-50	-3,710	1,432,766
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-1,739</b>	<b>-13,451</b>	<b>-65,840</b>	<b>1,400,701</b>
<b>Financing activities</b>				
Issue of loans	-5,805	-	-	23,205
Repayment of loans	-	-600,000	-23,642	-600,000
Repayment of leases	-625	-1,031	-3,614	-1,031
Payment in the form of redemption procedure	-	-	-837,401	-
Issue of new shares less transaction costs	11,432	30	46,316	23,236
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>5,002</b>	<b>-601,001</b>	<b>-818,341</b>	<b>-554,590</b>
<b>Change in cash and cash equivalents</b>	<b>-10,170</b>	<b>-677,809</b>	<b>-889,798</b>	<b>825,086</b>
Cash and cash equivalents at the beginning of the period	29,456	1,596,893	919,084	93,998
Cash and cash equivalents at the end of the period	19,286	919,084	19,286	919,084



## NOTE 1 ACCOUNTING POLICIES AND MEASUREMENT PRINCIPLES

The year-end report was prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements were, like the annual accounts for 2019, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The parent company financial statements were prepared in accordance with Swedish Annual Accounts Act and Recommendation RFR 2 of the Swedish Financial Reporting Board, Financial Statements for Legal Entities.

For convertible notes, the debt is initially calculated by discounting the note's future cash flows (principal and interest) to the note's fair value. Interest is charged to the income statement, which is calculated on the basis of the implicit interest rate on the loan's fair value, during the period in which the loan is expected to expire. When a loan is converted to shares, the loan is revalued with reference to the share price and the number of shares on issue.

The obligation to pay a dividend is reported when the dividend has been approved by the Annual/Extra General Meeting. Regarding the dividend of shares in OncoZenge AB, the Group reports the liability at fair value of the assets to be distributed. In the parent company, the liability is reported at the book value of the shares in the subsidiary.

Amounts are presented in Swedish kronor and rounded to the nearest thousand unless otherwise stated. Rounding to the nearest thousand may mean that certain amounts do not match when added up.

## NOTE 2 DISCONTINUED OPERATIONS

On February 12, 2019, the company announced that it had entered into an agreement to divest its subsidiaries MPJ OTC AB and Moberg Pharma North America LLC. According to the terms of the agreement, the parent company's OTC business was transferred to the subsidiary MPJ OTC AB prior to the transaction. The divested business comprises the company's entire commercial operations and the transaction is thus reported as discontinued operations. The transaction was completed on March 29, 2019 for a total cash consideration of SEK 1,432.8 million, which resulted in a net gain of SEK 561 million after transaction costs. The effect from the divestment on total profit was SEK 501 million.

The Extraordinary General Meeting on December 1, 2020 resolved, in accordance with the Board of Directors' proposal, to distribute the Company's shares in the subsidiary OncoZenge to the Company's shareholders. The operations under the BUPI project are reported as part of discontinued operations.



## INCOME STATEMENT DISCONTINUED OPERATIONS

(SEK thousand)	Oct-Dec 2020	Apr-Jun 2019	Jul 2019 - Dec 2020	Jan-Jun 2019
Net revenue	-	-	-	91,919
Cost of goods sold	-	26	-	-22,293
<b>Gross profit</b>	-	<b>26</b>	-	<b>69,626</b>
Selling expenses	-	-	-	-51,267
Business development and administration expenses	-1,121	-310	-1,682	-3,845
Research and development expenses	-132	-82	-301	-1,768
Other operating items	-	54	-	741
<b>Operating profit</b>	<b>-1,253</b>	<b>-312</b>	<b>-1,983</b>	<b>13,487</b>
Finance costs	-	-3,100	-	-17,478
Tax benefit/(expense)	258	581	408	5,899
<b>Post-tax profit/(loss) of discontinued operations</b>	<b>-995</b>	<b>-2,831</b>	<b>-1,575</b>	<b>1,908</b>
Capital gain on sale of discontinued operations	-	5,031	-	624,905
Transaction costs on sale of discontinued operations	-	-	-	-40,226
Financial charges from sale of discontinued operations	-	-	-	-24,000
<b>Post-tax gain on sale of discontinued operations</b>	<b>-</b>	<b>5,031</b>	<b>-</b>	<b>560,679</b>
<b>Profit after tax for the period from discontinued operations</b>	<b>-995</b>	<b>2,200</b>	<b>-1,575</b>	<b>562,587</b>
<b>Items that will be reclassified to profit</b>				
Translation differences of foreign operations	-	-	-	8,855
Reclassification of translation differences to profit from sale of discontinued operations	-	-	-	-68,249
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-59,394</b>
<b>TOTAL PROFIT FOR THE PERIOD</b>	<b>-995</b>	<b>2,200</b>	<b>-1,575</b>	<b>503,193</b>
Total profit attributable to OTC operations	-	2,512	-	504,150
Total profit attributable to BUPI operations	-995	-312	-1,575	-957

## NOTE 3 SPECIFICATION OF MAJOR INTANGIBLE NON-CURRENT ASSETS

(SEK thousand)	2020-12-31	2019-06-30
Capitalized expenditure for MOB-015	295,733	234,417
Capitalized expenditure for BUPI <sup>13</sup>	-	14,387
<b>TOTAL CAPITALIZED EXPENDITURE FOR DEVELOPMENT WORK</b>	<b>295,733</b>	<b>248,804</b>

## NOTE 4 SEGMENT REPORTING

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

<sup>13</sup> The BUPI project was reclassified to non-current assets held for distribution as of December 31, 2020





## NOTE 5 RELATED PARTY TRANSACTIONS

On 1 December the Extra General Meeting authorized the sale of in total 1,5% of shares of OncoZenge AB to Anna Ljung, Mark Beveridge and Peter Wolpert. On December 8, Moberg Pharma AB and OncoZenge AB entered into a business transfer agreement for the BUPI project. No other material changes have occurred in relationships and transactions with related parties compared with information in the Annual Report.

## INFORMATION AND FINANCIAL CALENDAR

This information is such that Moberg Pharma AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation and the Securities Market Act.

Annual Report for year ending 31 December 2020	April 20, 2021
Interim report for January–March 2021	May 11, 2021
Interim report for January–June 2021	August 10, 2021
Interim report for January–September 2021	November 9, 2021

The Annual General Meeting for Moberg Pharma will be held on May 18, 2021 at 4 p.m. CET at the company's premises. The last date for shareholders to request to have a matter brought before the Annual General Meeting is March 30, 2021.

## FOR FURTHER INFORMATION, PLEASE CONTACT

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For more information on Moberg Pharma's business, please see the company's website, [www.mobergpharma.com](http://www.mobergpharma.com).

The year-end report has not been reviewed by the Company's auditors.

## DECLARATION

The undersigned hereby declare that the year-end report provides a true and 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, February 9, 2021

Peter Wolpert  
*Chairman of the Board*

Fredrik Granström  
*Board member*

Andrew B. Hochman  
*Board member*

Mattias Klintemar  
*Board member*

Anna Ljung  
*CEO*