



PRESS RELEASE

Moberg Pharma is contemplating a potential bond issue and updates financial targets

STOCKHOLM, January 21st, 2016. Moberg Pharma AB (OMX: MOB) announces that the company intends to issue a bond and has engaged Carnegie Investment Bank and Swedbank as financial advisors. The issue proceeds are intended to be used for general corporate purposes, including accretive add-on acquisitions.

Moberg Pharma's strategy is to generate returns to shareholders by profitable growth of strategic brands, value creating acquisitions and commercialization of pipeline assets. Moberg Pharma's long-term financial goal is to achieve an EBITDA margin of at least 25 percent.

To enable future growth, Moberg Pharma intends to make significant investments during 2016, focusing on strengthening brand platforms for the company's strategic brands in the U.S., increased international distribution, acquiring additional brands and initiating Phase III studies for MOB-015. As a consequence of decided investments and initiatives, the EBITDA margin in 2016 will be lower than the previously communicated margin of at least 25 percent. The long-term financial goal of achieving an EBITDA margin of at least 25 percent remains.

Moberg Pharma's North American subsidiary markets and sells several strategic brands through its access to all major retailers and the company's products are available at more than 30,000 points-of-sale in the U.S. In 2016, Moberg Pharma plans to invest in these brands through strengthened positioning and new marketing campaigns based on comprehensive market research.

In the last few years, Moberg Pharma has completed four acquisitions, primarily in the U.S., with a total acquisition volume of approximately \$35 million. The company continuously evaluates potential acquisitions and intends to increase its acquisition activities going forward focusing on brands and products for which existing infrastructure and sales channels can be utilized.

In addition to its commercial operations, Moberg Pharma sees significant potential for value creation by developing MOB-015 through Phase III. MOB-015 peak sales potential is estimated to \$250–500 million annually in the rapidly growing market for nail fungus drugs.

"Moberg Pharma has in five years grown from zero to close to SEK 300 million in revenue and created a profitable business. We are in a position to strengthen the company and create considerable value for our shareholders. Short-term, we make significant investments while maintaining our long-term financial goal of achieving an EBITDA margin of at least 25 percent", says Peter Wolpert, CEO Moberg Pharma.

As a part of this development, Moberg Pharma evaluates the possibility to utilize its strong balance sheet and diversify its financing by turning to the Nordic corporate bond market as a potential financing source. The issue proceeds from a potential bond issue will be used for general corporate purposes, including accretive add-on acquisitions.

Carnegie Investment Bank and Swedbank have been engaged as financial advisors and Gernandt & Danielsson as legal advisor to evaluate the Company's potential issuance of a corporate bond on the Nordic corporate bond market.

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About this information

Moberg Pharma discloses this information pursuant to the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 8:00 am (CET) on January 21, 2016.



About Moberg Pharma AB (publ)

Moberg Pharma AB (publ) is a rapidly growing Swedish pharmaceutical company with OTC sales operations in the U.S. and a distributor network in more than 40 countries. The company's portfolio includes the OTC brands Kerasal[®], Kerasal Nail[®], Balmex[®], Domeboro[®], Jointflex[®], Vanquish[®], and Fergon[®]. Kerasal Nail[®] (Emtrix[®] or Nalox[™] in certain markets) is a leading OTC treatment of nail disorders in the U.S., Canada and several EU markets and is currently being launched in Southeast Asia. The company is growing organically as well as through acquisitions. Internal development programs focuses on innovative drug delivery of proven compounds and include two phase II assets, MOB-015 (onychomycosis) and BUPI (oral mucositis). Moberg Pharma has offices in Stockholm and New Jersey and the company's shares are listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm (OMX: MOB). For further information, please visit: www.mobergpharma.com.