

CORPORATE GOVERNANCE REPORT

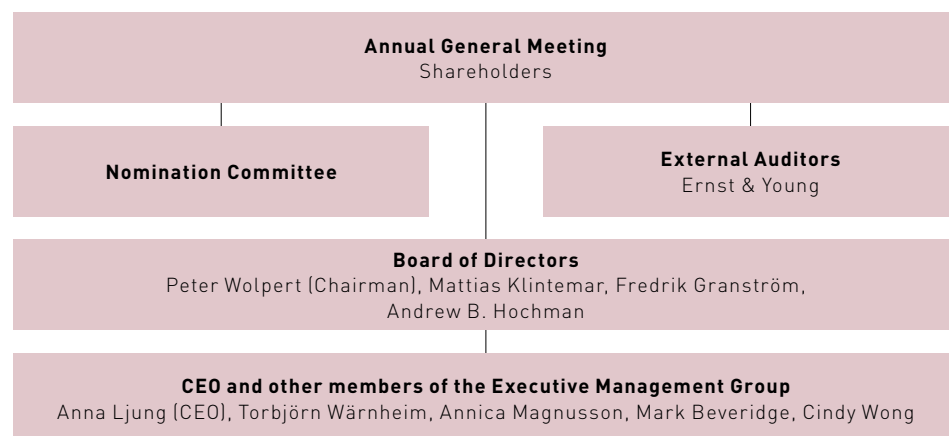
Moberg Pharma AB (publ), corporate registration number 556697-7426, is a Swedish limited liability company headquartered in Stockholm, Sweden.

Prior to its listing on NASDAQ OMX Nordic Exchange Stockholm, the company's corporate governance activities were based on Swedish law and internal rules and regulations. The company was listed on the NASDAQ OMX Nordic Exchange Stockholm on May 26, 2011 and has adhered to NASDAQ OMX Nordic Exchange Stockholm's rules for issuers and applied the Swedish Code of Corporate Governance ("the Code") as of that date. This Corporate Governance Report has been prepared in accordance with the Annual Accounts Act and the Swedish Code of Corporate Governance.

The code applies to all Swedish companies whose shares are listed on a regulated market in Sweden and shall be applied in full from the stock exchange listing. Companies do not have to follow all the rules in the code but have the opportunity to choose alternative solutions that they deem better suited to these circumstances, provided that any discrepancies are reported, the alternative solution is described and the reasons are explained (follow or explain principle) in the corporate governance report. Moberg Pharma follows all rules in the code.

Good corporate governance is an essential component in the work to create value for Moberg Pharma's shareholder. The goal is to create good conditions for an active and responsible ownership role, a well-balanced division of responsibilities between owners, board and company management as well as transparency towards owners, capital market, employees and society in general.

The figure below illustrates Moberg Pharma's corporate governance model and how the central governing bodies work together:



Internal regulatory structures and policies that affect corporate governance

- Articles of Association
- Board of Directors' Rules of Procedure and CEO's Instructions
- Remuneration Principles for Senior Executives
- Risk Management Policy
- Finance Policy
- IT Policy
- Finance manual
- Employee handbook
- Authorization manual
- Information policy
- Code of Conduct

EXTERNAL REGULATORY STRUCTURES THAT AFFECT CORPORATE GOVERNANCE

- Swedish Companies Act
- Accounting standards
- NASDAQ OMX Nordic Exchange Stockholm's issuer regulations
- Code of Corporate Governance

SHAREHOLDERS' MEETINGS

In accordance with the Swedish Companies Act, Moberg Pharma's highest decision-making body is a general meeting. At general meetings, shareholders exercise their right to vote on key issues, such as the adoption of the statement of comprehensive income and financial position, appropriation of the company's earnings, discharge of the Board of Directors and Chief Executive Officer from personal liability, election of Board members and auditors, and remuneration of the Board of Directors and auditors. In addition to the Annual General Meeting, Extraordinary general meetings may also be convened. The Articles of Association state that official notice of an AGM or Extraordinary general meeting must be provided in the form of an advertisement in Post- och Inrikes Tidningar and published on Moberg Pharma's website. Information that the official notice of an AGM or general meeting has taken place is published in Dagens Industri.

Right to attend a general meeting

Shareholders who wish to attend a general meeting must be registered in the shareholder register maintained by Euroclear five working days before the meeting and must also notify the Company that they will attend the meeting no later than the date stated in the notice of the Meeting. In addition to notifying the Company of their attendance, shareholders whose shares are registered in the name of a nominee via a bank or financial institution must, via the nominee, temporarily register their shares in their own name with Euroclear to be entitled to attend the meeting. Shareholders

should notify the nominee about this in good time before the reconciliation date. Shareholders may attend the general meeting in person or via an authorized representative and may be accompanied by up to two advisors. One share entitles the holder to one vote at general meetings, and there are no limits as to how many votes each shareholder can cast at a general meeting. Resolutions at general meetings require a simple majority, except in cases where the Annual Accounts Act requires a higher percentage of shares represented at the meeting as well as votes cast. Shareholders are normally able to register for a general meeting in several ways, details of which are given in the notice of the meeting.

Shareholder initiatives

Shareholders who wish to have a particular issue addressed at a general meeting are required to submit a written request to the Board of Directors. Such requests should normally be received by the Board no later than seven weeks before the general meeting.

Given the composition of the company's owners, it is not considered justified in view of the company's financial status to provide simultaneous interpretation to another language nor to translate in full or in part general meeting material, including the minutes.

Information about past general meetings is available on Moberg Pharma's website. The website also provides information on shareholders' right to have matters considered at the meeting and the deadline before which such requests must reach the company.

The Annual General Meeting for the extended fiscal year July 2019 - December 2020 took place on May 18, 2021. In order to reduce the spread of the virus causing COVID-19, the Annual General Meeting was held through postal voting and thus without the physical presence of shareholders, proxies and/or external parties. The minutes from the Annual General Meeting can be found at www.mobergpharma.se under corporate governance. At the Annual General Meeting, it was resolved to authorize the Board, on one or more occasions until the next Annual General Meeting, to decide on new issues of shares with preferential rights, or that deviate from the shareholders' preferential rights. The total number of shares covered by such new issues may correspond to a total of no more than 20% of the shares in the company at the time of the Annual General Meeting for the extended fiscal year July 2019 - December 2020.

Board of Directors and the work of the Board

The Board of Directors is the company's second highest decision-making body after the general meeting. Under the Companies Act, the Board is responsible for the company's administration and organization, which means that the Board is responsible for adopting goals and strategies, ensuring that procedures and systems for evaluating adopted goals are in place, monitoring Moberg Pharma's financial position and results and evaluating the company's operational management. The Board is responsible for ensuring that the Annual Report and consolidated financial statements and interim reports are prepared in time. It also appoints the Chief Executive Officer. Board members are elected each year at the AGM for the period until the end of the next AGM. According to Moberg Pharma's Articles of Association, the Board should consist of at least three and no more than ten Board members and no more than two alternates. According to the Code, no alternates are to be appointed for AGM-elected Board members.

The Chairman of the Board is elected by the AGM and holds a special responsibility for leading the work of the Board and ensuring that the Board operates in an organized and efficient manner. The Chairman of the Board is not involved in the operational management of the company.

The Board operates in accordance with written rules of procedure that are reviewed and adopted annually at the statutory Board meeting. The rules of procedure regulate Board procedures, functions and the division of responsibilities between the Board members and CEO. In connection with the first Board meeting, the Board also establishes instructions for financial reporting and instructions for the CEO.

The Board normally meets four to six times a year. In addition to these meetings, additional meetings can be arranged to deal with issues that cannot be referred to a regular meeting. In addition to Board meetings, the Chairman of the Board and the CEO have an ongoing dialogue on significant issues for the company. Moberg Pharma conducts an annual evaluation of the Board's work. The 2021 evaluation focused mainly on issues concerning the Board's management and working methods, the quality of the Board's working methods, control systems and underlying documentation, and the Board's composition and competence. The results have been presented to and discussed within the Board and have also been shared with the Nomination Committee. Moberg Pharma's Board currently consists of four members. The company has no committees, but the work is performed by the Board in its entirety, as it is not considered justified with separate audit or remuneration committees in view of the company's operations and the composition of the Board. A presentation of the Board members can be found in the annual report on page 66.

	Attendance (no. of Board meetings 2021)	Directors' fees 2021, tSEK	Elected	Independent in relation to	
				Company	Owners
Peter Wolpert Chairman of the Board	13	818	2019	Yes	Yes
Mattias Klintemar Board member	13	170	2015	Yes	No
Nikolaj Sörensen Board member (elected 2021-05-18)	8	99	2021	Yes	Yes
Fredrik Granström Board member	9	170	2019	Yes	Yes

CEO AND OTHER SENIOR EXECUTIVES

The CEO reports to the Board and is primarily responsible for the company's day-to-day operations. The division of responsibilities between the Board and CEO is set out in the rules of procedure governing the activities of the Board and the instructions for the CEO. The CEO is also responsible for drafting reports and compiling information from management in preparation for Board meetings and for presenting the material at the meetings.

Under the instructions for financial reporting, the CEO is responsible for financial reporting in the company and is thus required to ensure that the Board obtains sufficient information to enable it to continuously evaluate Moberg Pharma's financial position.

The CEO is required to keep the Board informed of Moberg Pharma's development, the company's performance and financial position, liquidity and credit situation, important business events

and other circumstances that cannot be assumed to be irrelevant for the company's shareholders (including material disputes, the termination of agreements that are important to Moberg Pharma and significant circumstances affecting the company's products and projects). The CEO and senior executives are presented in more detail in the annual report on page 65.

REMUNERATION TO DIRECTORS AND SENIOR EXECUTIVES

Remuneration of Directors

Fees and other remuneration to the Board of Directors, including the Chairman, are set by a general meeting. At the AGM on May 18, 2021, it was resolved that the Board's fees (on an annual basis), totaling a maximum of SEK 870,000 excluding social security contributions, would be paid and distributed as follows: SEK 360,000 to the Chairman and SEK 170,000 to each of the other Board members. Furthermore, it was resolved that supplementary remuneration of SEK 30,500 per month would be paid to Peter Wolpert in order to compensate for the additional work that Peter Wolpert will perform in the Company in the capacity of executive Chairman of the Board.

None of the company's Board members are entitled to any benefits after stepping down from the Board.

Remuneration of senior executives

The AGM on May 18, 2021 resolved on the following principles for remuneration to senior executives of Moberg Pharma: "Senior executives" refer to the CEO, Deputy CEO & Senior Vice President R&D, Senior Director Regulatory Affairs, Vice President Finance and Chief Medical Officer. The remuneration principles also apply to Board members to the extent they receive remuneration outside the scope of their Board assignment. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed after adoption of the guidelines by the Annual General Meeting 2021. These guidelines do not apply to any remuneration that is decided on or approved by the general meeting.

Promotion of Moberg Pharma's business strategy, long-term interests and sustainability

Moberg Pharma's business strategy includes in-house sales combined with sales through distributors and partners. The Company's product development is performed through proven substances, which reduces the time to the market, the development cost and the risks compared to traditional drug development.

A condition for the successful implementation of Moberg Pharma's business strategy and long-term interests, including its sustainability, is that Moberg Pharma is able to continue to recruit and retain qualified employees, the basic principle being that the remuneration system for the senior executives and other employees is market-based and competitive. These guidelines enable the Company to offer the senior executives a competitive total remuneration.

Moberg Pharma has ongoing long-term incentive programs in place that have been resolved by the AGM and therefore are excluded from these guidelines. The performance requirements used to determine the outcome of Moberg Pharma's long-term incentive programs have a clear connection to the long-term value creation, including its sustainability. The Board of Directors' proposal for LTIP

2021 presented at AGM 2021 has performance requirements connected to the Company's operations and targets. The programs also require a vesting period of three years. For more information on these programs, see Note 19.

Types of remuneration etc.

Remuneration of senior executives may consist of fixed salary, variable remuneration, pension and other customary benefits. Additionally, the general meeting may, irrespective of these guidelines, resolve on, among other things, share-related or share price-related remuneration.

Fixed salary

Fixed salary shall be market-based and individually differentiated on the basis of the individual's role, performance, results and responsibilities. As a rule, fixed salary is adjusted once a year.

Variable salary

Variable salary shall be proportionate to the responsibilities and powers of the individual in question. Variable remuneration is based on the profit for the Company in relation to the targets established by the Board of Directors. These targets shall be designed so as to contribute to Moberg Pharma's business strategy and long-term interests, including its sustainability. Pensionable salary only consists of base salary. Variable remuneration is generally capped at 25–50% of each executive's annual base salary. The evaluation of whether the predetermined performance targets have been fulfilled shall be made at the end of the measurement period and be based on the determined financial basis for the relevant period. Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment.

Pension and other benefits

The Group Chief Executive Officer has a premium payment equivalent to 25% of base salary. Other employees have a premium payment equivalent to 17-30% of base salary. Other benefits may include medical insurance (Sw. sjukvårdsförsäkring), phone benefits, meal benefits and shall be provided to the extent this is considered to be in line with market conditions.

Termination

In case of termination, the notice period is at least three months if on the initiative of the senior executive and between three and 12 months if the Company takes the initiative. Severance may apply, but total remuneration during termination including severance amounts can never be more than 12 months' salary.

Consulting fees to Board members

In the event that Board members perform work over and above their customary Board assignment, the Board shall, in specific cases, be able to decide on additional remuneration in the form of consulting fees.

Salary and employment conditions for employees

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employee's total income, the components of the remuneration and the increase and growth rate over time in the remuneration committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Remuneration committee

The Board's remuneration committee, consisting of all Board members including the Chairman of the Board, who also serves as the Chairman of the remuneration committee, addresses and prepares remuneration issues relating to senior executives. The remuneration committee prepares and drafts proposed resolutions relating to remuneration and terms and conditions of employment for the CEO, which are presented to the Board for approval. The Board evaluates the CEO's work on an annual basis. The CEO approves the remuneration and terms and conditions of employment of other senior executives on the basis of the principles for remuneration of senior executives adopted at the AGM.

The remuneration committee's tasks also include preparing the Board of Directors' decision to propose guidelines for remuneration of senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. These guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration as well as the current remuneration structures and compensation levels in Moberg Pharma. The CEO or other senior executives do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from the guidelines

The Board of Directors has the right to temporarily deviate from these guidelines where there is special reason to do so and it is necessary in order to serve Moberg Pharma's long-term interests, including its sustainability, or to ensure Moberg Pharma's financial viability, for example, in connection with additional variable remuneration connected to specific achievements.

2021	Base salary ²¹	Variable remuneration ²²	Other benefits	Pension costs	Share-based remuneration ²³	Other remuneration	Total
CEO, Anna Ljung	1,451	312	-	380	312	-	2,455
Other executives (5 persons)	5,376	948	-	955	731	-	8,010
Total	6,827	1,260	-	1,335	1,043	-	10,465

²¹ Remuneration to Mark Beveridge has been paid in the form of consulting.

²² Variable remuneration is attributable to the financial year 2021 and is paid during 2021 and 2022.

²³ These costs do not involve payment and do not affect the company's cash flow. Estimated costs for social security contributions is not included in the reported values.

Share-based incentive schemes

Moberg Pharma has introduced share-based incentive programs in the form of performance share units. The incentive programs are designed to promote the company's long-term interests by motivating and rewarding senior executives and other employees. The performance share units have been granted free of charge. All permanent employees who have been employed for at least 12 months as of December 31, 2021 are included in the company's incentive schemes. The number of shares and performance share units held by Board members, the CEO and other senior executives is presented in the annual report on pages 65–66.

The company's employee stock option scheme has a vesting period of more than three years.

AUDIT

The auditor must audit the company's annual report and financial statements, as well as the administration of the Company by the Board and the CEO. After the end of each fiscal year, the auditor is required to submit an audit report and consolidated audit report to the AGM.

The audit firm Ernst & Young Aktiebolag has been the company's auditor since 2007. Authorized Public Accountant Andreas Troberg has been the Auditor-in-Charge since fall 2016. The company's auditor is presented in more detail in the annual report on page 66.

Remuneration to auditors

The remuneration paid to the auditor is subject to approval by a general meeting. The AGM on May 21, 2021 resolved to approve remuneration of the auditor on a continuous basis.

In 2021, remuneration of SEK 1.0 million was paid to the auditor, of which audit assignments accounted for SEK 0.4 million, audit work in addition to the assignment for SEK 0.6 million. Audit assignments are defined as the examination of the annual report and accounting records and of the Board of Directors and CEO's administration of the company, other tasks incumbent on the auditor as well as advice and other assistance occasioned by observations made in the course of such examinations or the performance of such other tasks. Audit work in addition to the assignment comprises examinations of interim reports and other opinions in accordance with the Swedish Companies Act.

NOMINATION COMMITTEE

The Nomination Committee submits proposals for the election of the Chairman of the Board and other Board members, as well as proposals concerning remuneration and fees for Board members. The Nomination Committee also submits proposals concerning the election and remuneration of auditors. The Nomination Committee's proposal was presented in a press release on February 1, 2022.

The AGM on May 21, 2021 resolved to entrust the Chairman of the Board to contact the three largest shareholders or groups of owners in terms of voting rights (hereby referring to both directly registered shareholders and nominee registered shareholders), according to Euroclear's shareholder register on September 30, 2021. Each has the opportunity to appoint one representative, who together with the Chairman of the Board will make up the Nomination Committee for the time until a new Nomination Committee is appointed by the next AGM. If any of the three largest shareholders or shareholder groups does not wish to appoint a representative, this entitlement transfers to the fourth largest shareholder or shareholder group and so on until the Nomination Committee consists of four members.

If a member leaves before their work is completed and if the Nomination Committee considers it necessary to replace this member, it will appoint a new member in accordance with the procedure above but based on Euroclear's shareholder register as soon as possible after the member steps down. Any change in the composition of the Nomination Committee must be announced immediately. No fee is paid to members for their work on the committee.

The Nomination Committee's composition leading up to the AGM for the fiscal year 2021 was announced on Moberg Pharma's website and through a press release on October 22, 2021 and it consists of four members: Peter Wolpert, Chairman of the Board, Gillis Cullin, appointed by the Baltic Sea Foundation, Anders Lundmark and Martin Öhrn.

INTERNAL CONTROL AND RISK MANAGEMENT OF FINANCIAL REPORTING

The overall purpose of internal controls is to provide reasonable assurance that the company's operational strategies and goals are being monitored and that shareholders' investments are protected. Additionally, internal controls shall provide reasonable assurance that external financial reporting is reliable and prepared in accordance with generally accepted accounting practices, applicable laws and ordinances, and the requirements of listed companies. At Moberg Pharma, internal control over financial reporting is designed, for example, to ensure efficient and reliable management and accounting of purchases and sales, other revenue recognition and the company's financing arrangements.

The internal control environment mainly comprises the following five components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The control environment at Moberg Pharma forms the framework for the direction and culture which the company's Board and management communicate to the organization. Internal management and control in accordance with accepted frameworks are a high priority for management. Moberg Pharma's Board and management define and design decision channels, authorizations and responsibilities, which are clearly defined and communicated within the organization. The company's Board also strives to ensure that governing documents, such as internal instructions and policies, cover identified focus areas, and that they provide the right guidance for the work of the various executives of the company.

Risk assessment

The company's Board conducts continuous and systematic risk assessments to identify risks and take the necessary actions. Risk assessment is also designed to identify risks that significantly impact the internal control of financial reporting.

The commercialization and development of new drugs is a risky and capital-intensive process. Risk factors considered of particular significance for Moberg Pharma's future development are tied to the results of clinical studies, the actions of public authorities, patents and trademarks, key persons, cyclicity, future capital requirements and financial risk factors. A more detailed description of Moberg Pharma's risk exposure and how it is managed can be found in the annual report on page 21.

Control activities

The primary purpose of control activities is to prevent, detect and rectify misstatements in the financial reporting. Processes and activities have been structured to manage and mitigate significant risks related to the financial reporting. These activities include analytical updates and comparisons of profits or items, the reconciliation of accounts and balances, and the approval of business transactions and collaboration agreements, powers of attorney and certification instructions, and accounting and valuation policies.

Information and communication

Moberg Pharma is a listed company in one of the most regulated industries in the world – pharmaceuticals. In addition to the stringent demands that NASDAQ OMX Nordic Stockholm and supervisory authorities impose on the scope and accuracy of information, Moberg Pharma's internal information and communication functions are designed to ensure that correct financial and other corporate information is communicated to employees and other stakeholders.

The company's internal instructions and policies, which are available to all employees, provide information on applicable procedures in all parts of the company and describe the control functions and how they are implemented.

The security of all information that could affect the company's market value and that such information is communicated externally in a correct and timely fashion are cornerstones of the company's undertaking as a listed company. These two factors, and the procedures for managing them, ensure that the financial reporting is received by the financial market's players simultaneously and provides an accurate presentation of the company's financial position and performance.

Monitoring compliance

Compliance with internal policies, principles, manuals and codes as well as the appropriateness and functionality of the established control activities are monitored on a continuous basis. Measures and procedures for the financial reporting are also regularly monitored. Moberg Pharma's management conducts monthly performance follow-ups with analysis of discrepancies from the budget and preceding period. The Board of Directors reviews the annual report and interim reports prior to publication. The Board meets the company's auditor each year to discuss the internal control and the financial reporting.

Assessment of the need for an internal audit

Moberg Pharma has no separate auditing function (internal audit). The Board evaluates the need for such a function annually and, in view of the company's size, with relatively few employees, and the scope of transactions, in which most significant transactions are similar in nature and relatively uncomplicated, has found no reason to establish a formal internal audit function.

Compliance with the Swedish stock exchange rules, etc. during the fiscal year

During fiscal year 2021, Moberg Pharma was not subject to any decisions by NASDAQ OMX Nordic Exchange Stockholm's disciplinary committee or statements by the Swedish Securities Council regarding infringement of NASDAQ OMX Nordic Exchange Stockholm's regulations or accepted market practices.

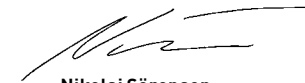
Stockholm April 12, 2022



Peter Wolpert
Chairman of the Board



Fredrik Granström
Board member



Nikolaj Sörensen
Board member



Mattias Klintemar
Board member



Anna Ljung
CEO