



Creating a footprint in underserved niches

Aktiespararna, November 13, 2017
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Moberg Pharma in brief

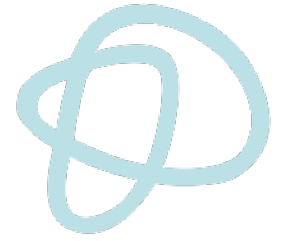
Commercial business

Pipeline assets

Focus next 12 months



Moberg Pharma - a leader in topical niche categories



COMMERCIAL BUSINESS

OTC Sales in the U.S.

- Distribution in all major retailers
- #1 in nail fungus
#1 in liquid bandages
#2 in pain relief sprays

5
BRANDS



Distributor sales

- #1-3 in many markets
- 3 Top-50 partners
Mylan, Menarini, Endo

40+
COUNTRIES

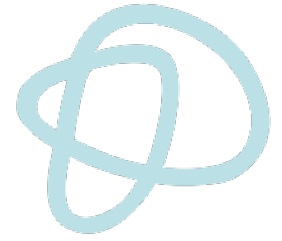


Innovation Engine

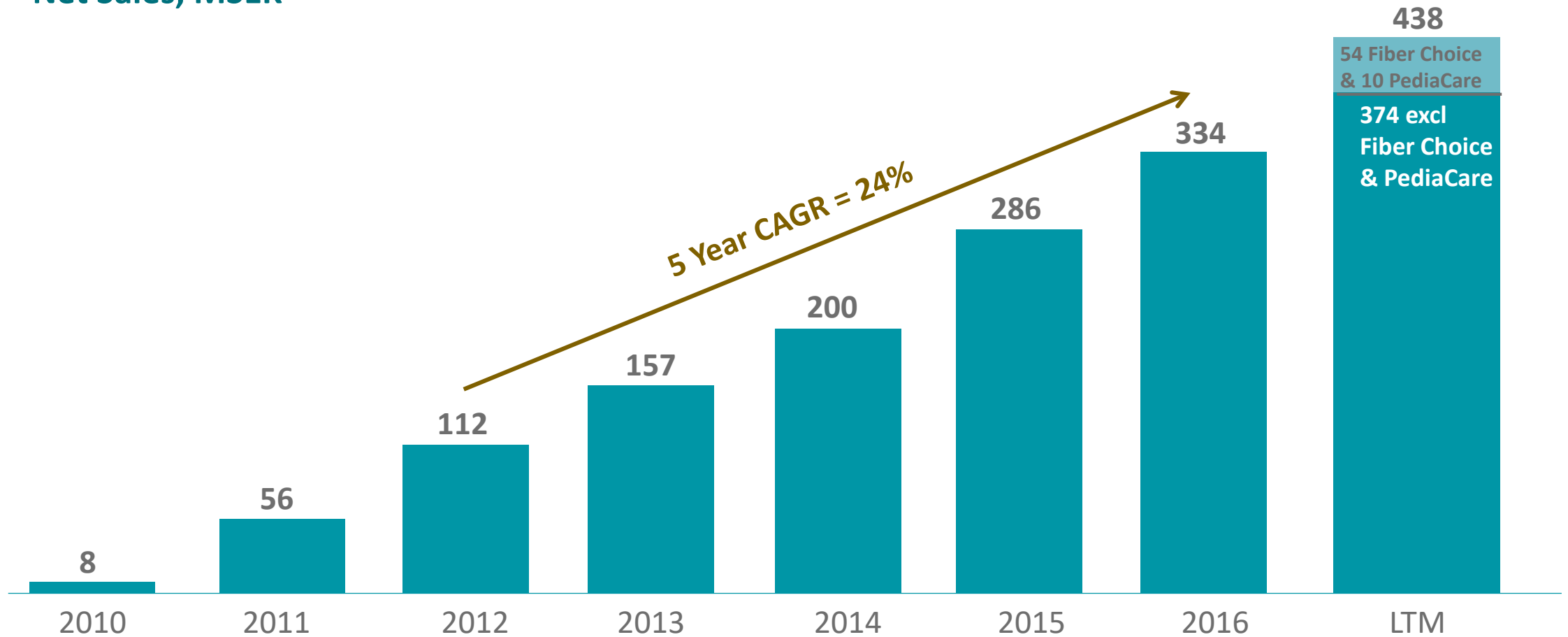
- MOB-015 - \$250-500m
- BUPI - \$50-100m
- Future market leaders in their respective niches

2 PHASE 3
PIPELINE ASSETS

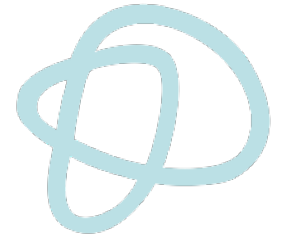
Rapid growth



Net Sales, MSEK

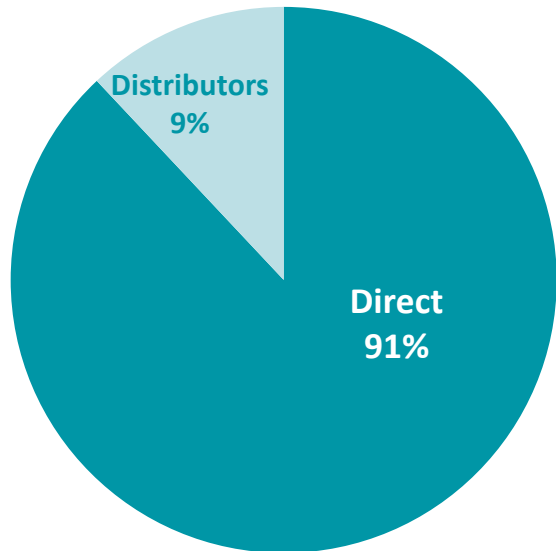


Majority of revenue from direct OTC sales

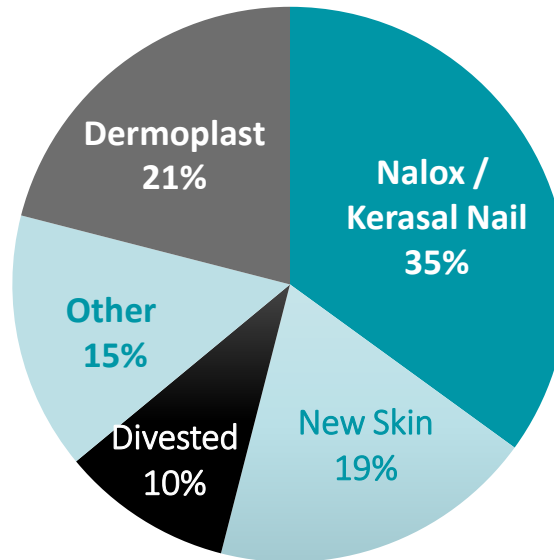


– Share from Direct sales continue to grow after acquisitions

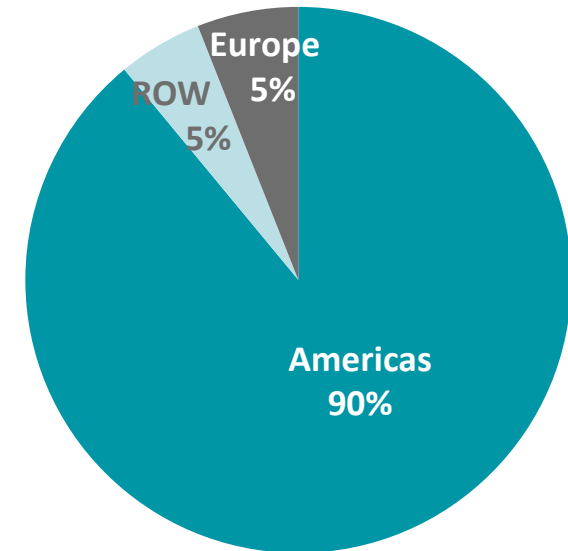
Channel



Product

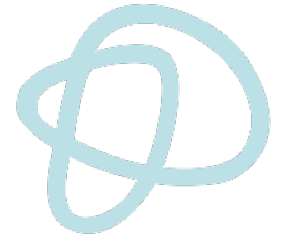


Geographies



Distribution of revenue, January – September 2017

Q3 Highlights - Success for New Skin®



Commercial – continued strong development for our three largest brands in the U.S.

- The invigoration of New Skin® has been a great success with 17%* growth in the 9-month period and 36% in the third quarter
- Kerasal Nail® is developing strongly in the US, with 17%* growth in the 9-month period, decline in global sales due to low distributor sales
- Dermoplast® still experiences inventory effects from the takeover, but underlying demand is strong and we see several possibilities to drive future growth
- Divestment of Fiber Choice® for 54 MSEK (6.7 MUSD), with a capital gain of 13 MSEK, releasing resources and strengthening our cash reserves

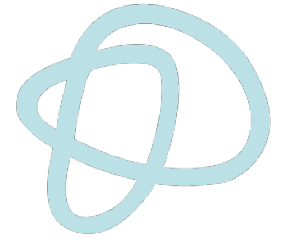
Innovation engine – Extensive action plan to complete recruitment

- MOB-015 – An extensive action program has been initiated to mitigate the delays. We expect to complete the Phase 3 recruitment during 2018, without additional external financing
- BUPI – Phase 3 application has been submitted for BUPI, Canadian patent approved

*Symphony IRI, U.S. MULO during the year up to October 8, 2017



Increased sales and EBITDA following acquisitions



Januari - September 2017

349 MSEK
NET SALES

42%
GROWTH

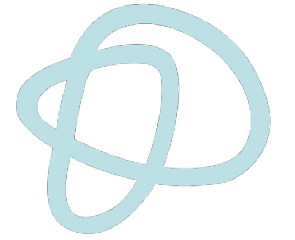
49 MSEK
EBITDA*

25 MSEK
GROWTH*

14%
EBITDA MARGIN*

*) Excluding a capital gain of SEK 13 million from the divestment of Fiber Choice®. The comparative figures exclude a capital gain in Q2 2016 of SEK 41.1 million from the divestment of the Jointflex®, Fergon® and Vanquish® brands

Strong Q3 results – including divested/acquired assets



July - September 2017

108_{MSEK}
NET SALES

4%
GROWTH

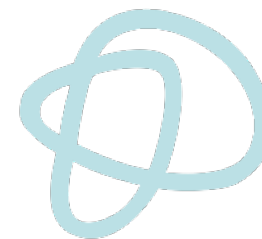
36_{MSEK}
EBITDA

7_{MSEK}
GROWTH

33%
EBITDA MARGIN

Note: Reported numbers, includes capital gains and acquired/divested assets for each period

P&L summary



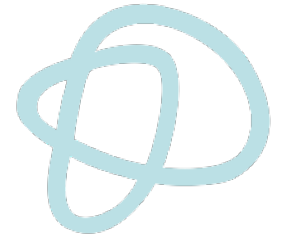
Q317

P&L Summary (MSEK)	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Full-year 2016
Revenue	108	104	349	245	334
Gross profit	77	72	249	172	233
%	71%	69%	71%	70%	70%
SG & A	-52	-40	-183	-135	-177
R&D - existing product portfolio ¹⁾	-1	-1	-4	-4	-5
Other operating income/operating expenses	16	2	14	43	43
EBITDA Commercial Operations	40	33	75	76	94
%	37%	31%	22%	31%	28%
R&D & BD - future products ²⁾	-4	-4	-13	-10	-16
EBITDA	36	29	62	66	78
%	33%	28%	18%	27%	23%
Depreciation/amortization	-9	-6	-29	-11	-16
Operating profit (EBIT)	27	23	33	55	62

- 1) Research and development expenses – existing product portfolio includes R&D expenses for new product variants under existing brands, regulatory work and quality.
- 2) Research and development expenses - future products includes R&D expenses for new product candidates, for example MOB-015.

Due to the rounding component, totals may not tally.

Seasonality in our commercial business

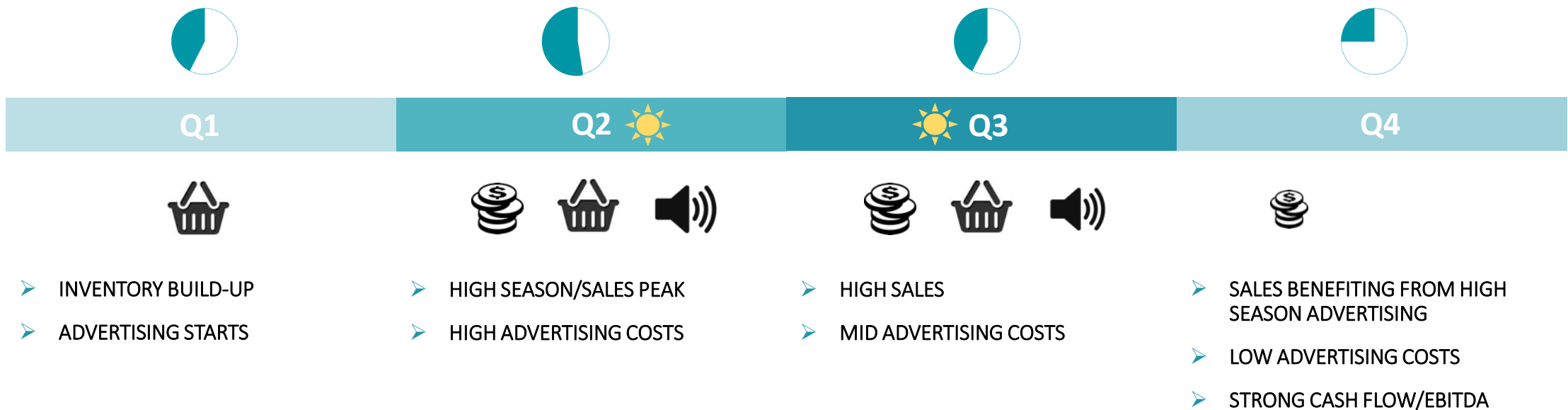


Direct sales

- Many orders each month, advertising increases during high season

Distributor sales

- 2-3 orders/year for each market



Moberg Pharma in brief

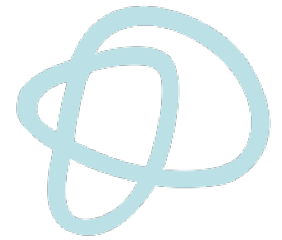
Commercial business

Pipeline assets

Focus next 12 months



Attractive portfolio - Main brands are niche leaders



Transactions in 2016 and 2017

- Acquisition of Dermoplast®, New Skin®, Fiber Choice® and PediaCare® for 88 MUSD
- Divestment of non-core brands Jointflex®, Fergon®, Vanquish® and PediaCare® for 15 MUSD
- Divestment of Fiber Choice® in Q3 2017 for 6.7 MUSD

Scalable infrastructure in the U.S.



– Consumer Healthcare Focus

Contract Manufacturers

colep

American Spraytech

SmartScience LABORATORIES, INC.

KIK CUSTOM PRODUCTS

cpc CONTRACT PHARMACAL CORP

CSR

Sales Force

ACOSTA

ADVANTAGE SOLUTIONS

PANKOW ASSOCIATES

Sales and marketing/Brand Management

Moberg PHARMA

Logistics

Emerson Healthcare

GEODIS
We logistic your growth

Retailers/Wholesalers

CVS/pharmacy

Walgreens

RITE AID

Walmart Save money. Live better.

TARGET

Publix.

meijer

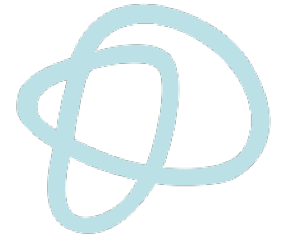
AmerisourceBergen

CardinalHealth

MCKESSON

Note: Largest retailers, contract manufacturers and wholesalers only, not an all inclusive list.

Kerasal Nail® – new clinical data drives strong growth



Our largest brand develops well

- All time high 29% market share (U.S.)
- Stronger claims thanks to new data, recently published
 - *The early effects of treatment with Kerasal Nail®/Emtrix® (K101-03) on nails affected by onychomycosis and/or nail psoriasis*
 - *Open-label, multicenter clinical trial of 103 patients at eight study sites in Italy in 2016*
 - *The results was published in August in the journal Dermatology and was presented at EADV in Geneva in September 2017*
 - *Data from patients with nail psoriasis, and the study as a whole, support stronger claims, which are useful in all markets*



76%

VISIBLE IMPROVEMENT AFTER
1 WEEK

93%

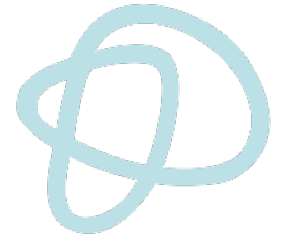
VISIBLE IMPROVEMENT
AFTER 4 WEEKS

94%

VISIBLE IMPROVEMENT OF PSORIASIS
AFTER 8 WEEKS



Transformative acquisitions driving growth



Dermoplast

- #1 pharmacist recommended brand, #2 with 21% market share in retail pain relief market, significant hospital business
- Net sales \$12m, growing high single digit, EBITDA margin 45%
- Acquired for 8.9 EBITDA, integration finalized Q2 2017
- Retail presence was expanded as of Q2, reaching 3,500 Walmart stores and 7,500 CVS stores

New Skin

- #1 liquid bandage in U.S. retail, an antiseptic which kills germs and dries rapidly to form a clear protective cover
- High EBITDA margin
- Portfolio acquired for 8x EBITDA, integration finalized Q4 2016
- Retail presence was expanded as of Q2, reaching 3,900 Walmart stores and more than 1,500 Walgreens stores
- In June, a nationwide television campaign was launched to strengthen brand positioning resulting in **36% growth** during Q3



Moberg Pharma in brief

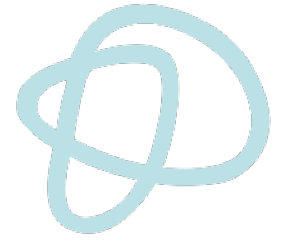
Commercial business

Pipeline assets

Focus next 12 months



Pipeline assets – target leadership in two niches



– building on topical drug delivery know-how

MOB-015



Nail fungus

- Topical terbinafine
- Target profile: Rapid, visible improvement and superior cure rate (among topical medications)



Status: Phase 3 enrollment ongoing

- Recruitment of 750–800 patients for two Phase-3 studies in North America and Europe ongoing
- Target to complete enrollment in North American study in mid-2018 and European study in H2 2018



Patents: Patent protection until 2032

- Patents granted in large markets, incl. USA, EU, and Japan



Estimated annual sales potential: USD 250–500 million

BUPI

Pain relief for oral mucositis

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

Status: Phase-3 application submitted

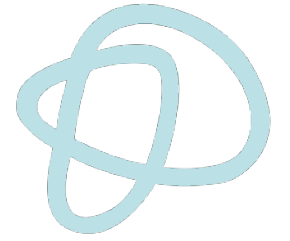
- Application for phase 3 submitted by partner Cadila Pharmaceuticals
- Advisory meetings held Q117 with health agencies in Sweden and Germany

Patents: Patent protection until 2031

- Patents granted in the EU and Canada
- Applications in progress in the USA

Estimated annual sales potential: USD 50–100 million

Targeting market leadership with MOB-015



Building on topical drug delivery know-how

- MOB-015 is based on Emtrix/Kerasal nail, adds terbinafine
- Phase 2 demonstrated efficacy and safety
- Phase 3:
 - Primary end-point: Complete Cure after 52w
 - Manufacturing partner Colep co-invests in MOB-015

Strong demand for MOB-015 among prescribers

- HCP survey included 89 U.S. prescribers, podiatrists and dermatologists
 - **67%** of physicians cited that effective topical agents is the biggest unmet need
 - **72%** try to avoid using oral terbinafine due to patient concerns over liver toxicities
 - **65%** of current prescribers of oral terbinafine would prefer MOB-015 or MOB-015 in combination with oral, vs 24% would prefer oral terbinafine only

54%

MYCOLOGICAL CURE

1000_x

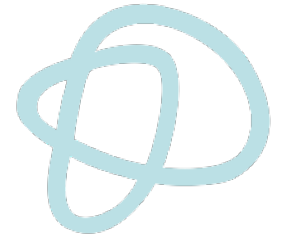
MORE TERBS IN NAIL VS ORAL

40_x

MORE TERB IN NAIL BED VS ORAL

Source: An open, single center pilot study of efficacy and safety of topical MOBO15B in the treatment of distal subungual onychomycosis, Faergemann et al, poster presentation at American Academy of Dermatology, March 2016; 54% of the patients completing the study were mycologically cured. Mycological cure for FAS was 52% and for PPAS 60%

Targeting a superior product profile



Target Product Profile for mild-moderate nails vs Jublia
- Jublia peaked at \$338m sales in 2015 (Launch June 2014)

	Myc. Cure		Complete cure	Visual improvement
	24W	52W	52W	4W
MOB-015 Target	>50%	60-70%	20-30%	>50%
Jublia	-	54%	15-18%	N/A
Penlac & Current OTCs*		Ca 30%	6-8% or less	N/A

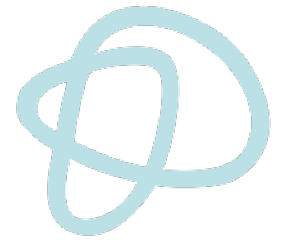
- Superior Cure Rates
 - Rapid Visible Improvement
 - Potential for Shorter Treatment

Note: For MOB-015, the above describes the outcome Management targets in ongoing Phase 3 trials.

Source for Jublia data is Jublia Prescriber Information, Rev 09/2016

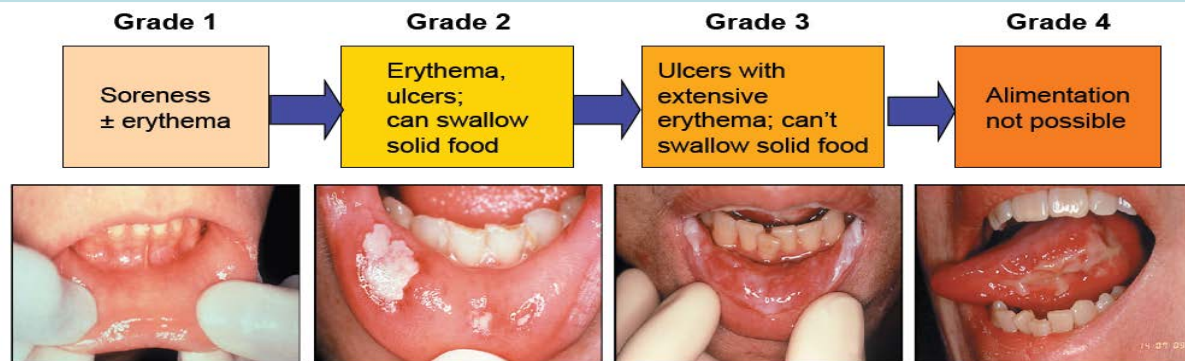
* Refers to publications on ciclopirox and amorolfine. Many other OTC products have not conducted or published 52w trials

BUPI - Providing better pain relief in the oral cavity



Peak Sales potential estimated to \$50-100m – Phase 3 preparations ongoing

- BUPI (bupivacaine lozenge) for oral pain relief (mouth and throat)
 - 1st indication: Oral Mucositis in cancer patients. Large unmet need.
 - Potential for other indications: Burning Mouth, Sjögren's, Endoscopy
- EU and Canada patent with term to 2031, pending in U.S.
- Peak Sales potential estimated to \$50-100m (where of OM \$20-25m)
- Phase 3 preparations ongoing together with partner Cadila Pharmaceuticals



“In Phase 2, BUPI provided 50% better pain relief in the mouth than standard pain treatment”

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Focus next 12 months



Continuing the positive momentum in 2017



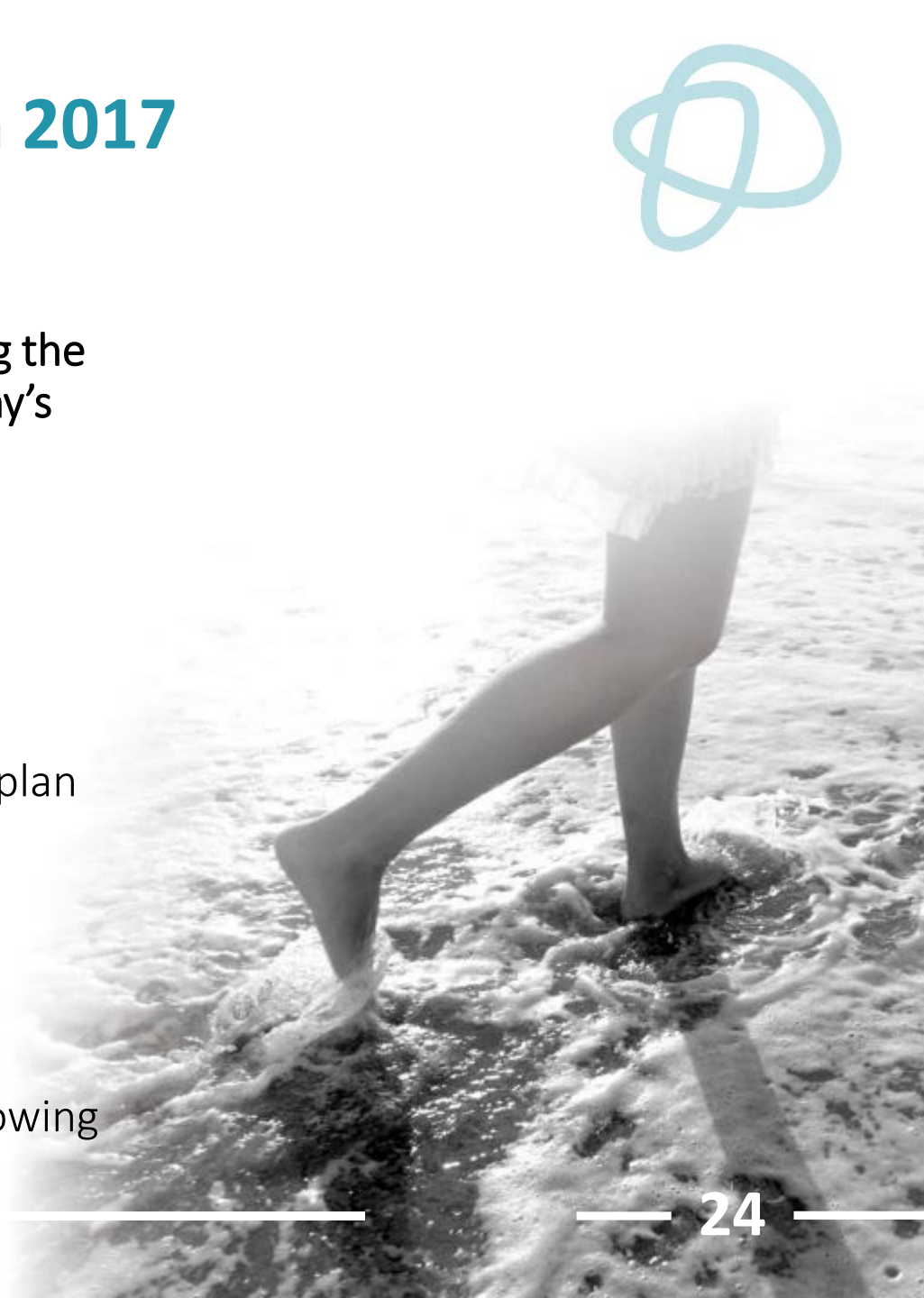
During 2017, focus is on integrating acquired brands, supporting the company's distributors and retailers, and advancing the company's Phase 3 development programs to enable future growth.

Commercial

- Continuing to focus our product portfolio, driving growth for our largest brands
- Brand positioning work for Dermoplast® in line with growth plan

Pipeline assets

- MOB-015 - Continuing recruitment to Phase 3 studies and preparing commercialization
- BUPI - Initiating practical preparations for Phase 3 study following submission of application



Why invest in Moberg Pharma



– Strategy for Shareholder value

Commercial niche strategy enables a growing and profitable base business

Pipeline with large potential and at reasonable risk
- Proven molecules limit TTM, cost and risk

Acquisition strategy with substantial value potential
- 7 transactions since 2012

Strong Team and track record