Interim report January – September 2024

Moberg Pharma AB (Publ)

Q1

Q2

Q3

Q4

TERCLARA WINS LAUNCH OF THE YEAR AT KRONANS PHARMACY AND DOZ PHARMACY

"Terclara continues to be the market leader in Sweden and we could not have wished for a better start to the launch. For the U.S., we are lowering our expectations for the primary endpoint in the ongoing phase 3 study as we await the study results and subsequent analysis to understand the implications," says Anna Ljung, CEO Moberg Pharma.

NINE-MONTH PERIOD (JAN-SEP 2024)

- Net income SEK 8.8 million (0)
- EBITDA SEK -15.7 million (-17.4)
- Operating profit (EBIT) SEK -16.7 million (-19.2)
- Total profit SEK -11.8 million (-14.6)
- Diluted earnings per share SEK -0.34 (-1.24)
- Cash and cash equivalents amounted to SEK 309.0 million (101.5)

THIRD QUARTER (JUL-SEP 2024)

- Net income SEK 3.9 million (0)
- EBITDA SEK -3.0 million (-6.6)
- Operating profit (EBIT) SEK -3.3 million (-7.3)
- Total profit SEK -1.3 million (-5.8)
- Diluted earnings per share SEK -0.03 (-0.36)
- Cash and cash equivalents amounted to SEK 309.0 million (101.5)

SIGNIFICANT EVENTS DURING THE THIRD QUARTER

- Terclara continues to be the market leader in Sweden. The company's partner Allderma has won the award for best Swedish launch at both Kronan pharmacy's and Doz pharmacy's supplier meetings.
- Moberg Pharma lowers expectations for primary treatment target in ongoing Phase 3 study based on a subset of data. Topline results are expected before the end of the year.

SIGNIFICANT EVENTS AFTER THE QUARTER

- No significant events

Images from award ceremonies, best Swedish launch at the pharmacy chains Kronan and DOZ

CONFERENCE CALL

CEO Anna Ljung will present the report at a telephone conference today, November 12th, 2024, at 3:30 p.m.
Telephone: SE 010 884 80 16, US +1 646 787 9445 Access code: 725740

CEO COMMENTS

Terclara® continues to be the market leader in Sweden and we could not have wished for a better start to the launch. For the U.S., we are lowering our expectations for the primary endpoint in the ongoing phase 3 study as we await the study results and subsequent analysis to understand the implications. Until then, we continue to build upon the positive momentum in our business from our current launch.

Best launch of the year

Year to date, we achieved a market share of 30% of the value and 25% of the units of pharmacy sales to end consumers, despite marketing to consumers only starting in April.[1] Corresponding figures for the third quarter were 34% of the value and 28% of the units. The product is now also available at more than 90% of Swedish pharmacies and through all pharmacy chains in Sweden. The launch of Terclara® has also led to growth in the category as a whole of 41% in Q3.

The launch has received recognition from the industry, with Terclara being named best launch of the year by the chains Kronans Apotek and Doz Apotek. In addition, our partner Allderma has received an honorable mention as the best health care provider from Apoteket Hjärtat.

At the launch, all but one of the major pharmacy chains included Terclara® in their range. The pharmacy chain that chose not to bring in the product initially has now added Terclara®, after 45% of pharmacies affiliated with the chain ordered the product through an independent wholesaler thanks to demand from patients – another acknowledgement of patients' great interest in the product.

The sales success led us to bring forward the next planned production, which was delivered in August and ensures that the wholesale warehouse for the Swedish market remains well-stocked. Although we manufactured back in July, there are lead times from manufacturing to the product being on the shelf, as well as lead times for advertising campaigns that affected our market share in Q3 compared to Q2. We reduced marketing as to not risk an out-of-stock situation and have seen a healthy recovery in sales at the end of the quarter.

Continued focus on manufacturing and supply

As mentioned earlier, we have secured enough terbinafine (the active ingredient in Terclara®) to meet the needs of the Swedish market until a new terbinafine supplier is in place. With a focus on manufacturing, we participated at CPHI[2] in October, an opportunity for us to meet and thank many of the companies that help us with the challenges that a drug launch entails. We continue according to plan to work on two parallel tracks to ensure a stable long-term supply of terbinafine ahead of the pan-European rollout, with the goal of getting at least one terbinafine manufacturer approved in the near term. We have answered questions from the Swedish Medicincal Products Agency regarding the application and are now awaiting the agency's decision.

Phase 3 results in the U.S. by year-end

As part of the analysis work in preparation for closing our ongoing North American Phase 3 study, we were given blinded data on a subset of patients. The total number of patients who have achieved clinical cure in this subset of patients is lower than our expectations and we therefore assess that the risk of not being able to commercialize the product in the U.S. based on this study has increased. For approval in the U.S., the FDA normally requires 2 studies with superiority. We already have one such study in place. The ongoing study was designed based on a new dosing that could enable registration documentation in the U.S. and both meet demanded regulatory requirements and strengthen the product's marketing claims globally. In the event of a positive outcome, only having to treat weekly after the initial phase is a major competitive advantage for our patients.

The company's priority is to protect the data integrity of the study, both as not to undermine the possibilities of using study results in discussions with regulatory authorities, and as there are patients with ongoing treatment in the study. We will not speculate on possible outcomes or what this means for MOB-015's future potential, but await the study results and subsequent analysis.

[1] Source: IQVIA MIDAS, Pharmacy Sell-Out data, January – September 2024
[2] Convention on Pharmaceutical Ingredients, one of the largest international trade fairs in the pharmaceutical industry

The value of collaborations with key opinion leaders

We engage world-leading experts to be able to analyze and understand data as it becomes available. We already have a well-developed collaboration with the foremost experts in nail fungus. As an example, we participated at the EADV Congress 2024[3] in Amsterdam in September – an opportunity to further deepen our relationships with key opinion leaders. The topline results will be announced in a press release as soon as they are available in December, while subsequent analysis of the outcome will likely require more time and discussions with, among others, key opinion leaders and partners.

Our commercial product is based on previous studies with higher dosing

The ongoing North American study has a reduced dosage compared to the company's commercial product – 8 weeks of daily treatment followed by weekly maintenance treatment; the commercial product has daily dosage throughout the treatment period. Approval in the EU is based on previous studies and in that respect nothing changes. Even for those markets where we have partners outside Europe where we prepare the registration file, the local registration file refers to the European dossier. We have approvals in 13 EU markets and plans are unchanged for a pan-European launch in 2026 based on the successful launch in Sweden this year.

Allderma's approach and good results show why they are an excellent partner in our home market. Allderma is run by the leaders responsible for the launch of our first-generation nail fungus product, Nalox®, in the Nordics. Our close collaboration with Allderma has paid dividends and we now have a recipe for success for future launches.

A message that works

The success of the Swedish launch with Terclara® not only emerging as the market leader, but also expanding the total market, is a clear indication that our marketing message really works. In two large phase 3 studies, 76% of patients become fungus-free, which is world-leading and better than any other topical treatment. This success confirms our strategy and provides a solid foundation to build on as we prepare to expand into new markets.

Anna Ljung, CEO Moberg Pharma

[3] The annual congress of the European Academy of Dermatology and Venereology, EADV, is one of the world's largest events in dermatology

ABOUT MOBERG PHARMA AND MOB-015

Moberg Pharma's goal is to make MOB-015 the world's leading treatment for nail fungus and to build a specialty pharmaceutical company with its own sales in the U.S. and sales through partners in other markets. With MOB-015 as an anchor the company intends to expand the product portfolio with additional products in adjacent areas either developed in-house or acquired.

MOB-015 is a next-generation treatment for onychomycosis (nail fungus), and the high antifungal effect shown in clinical Phase 3 studies with more than 800 patients indicates that the product has the potential to become the future market leader in nail fungus. Moberg Pharma has signed license agreements with partners in Europe, Canada, Israel and the Republic of Korea for MOB-015, and the product is approved in thirteen European countries. The global annual sales potential for MOB-015 is estimated at USD 250–500 million.

MOB-015 (Terclara® in Sweden)

World-leading anti-fungal effect
- 76% mycological cure in Phase 3
- Topical terbinafine for treatment of nail fungus
- Negligible systemic levels of terbinafine

Estimated global sales potential
- USD 250-500 million per annum
- Partners in Europe, Canada, Israel and the Republic of Korea
- Two-step launch plan, beginning in Sweden followed by pan-European launch
- Nail fungus affects 10%, more common among older people

Launch ongoing in Sweden under brand name Terclara®
- National marketing authorization approvals received in 13 European countries, whereof 7 granted OTC status
- Phase 3 studies completed in North America, n=365, and Europe, n=452. Primary endpoints reached without serious side effects
- New Phase 3 study for North America ongoing, n=384, topline results expected Dec 2024

Patent protection until 2032 and additional ongoing patent applications
- Patents granted in major markets, including the U.S., the EU, Canada, Japan and China
- Patents include new topical formulations of allylamines (including terbinafine) and treatment methods for nail fungus using the new formulations

SIGNIFICANT MEDICAL NEED – MORE THAN 100 MILLION PATIENTS IN THE EU AND U.S. HAVE NAIL FUNGUS

Despite that one out of every ten people suffers from nail fungus, there currently aren't any good treatment alternatives available. The most effective treatment is oral terbinafine, which is associated with the risk of liver damage and interaction with other drugs. Dermatologists around the world agree on the great need for better topical treatments without the risk of systemic side effects. In a survey in the U.S., 72% of responding physicians avoid prescribing oral terbinafine due to their patients' concern about side effects, and 62% would prefer a product with MOB-015's intended target profile to current topical treatments. Only 6-15% of responding physicians would continue to prescribe current topical treatments.[4]

[4] Survey of 89 U.S. physicians (dermatologists and podiatrists), LifeSci Physician Survey, April 4, 2017

RESULTS FROM TWO PHASE 3 STUDIES SHOW THAT MOB-015 HAS UNIQUE ANTIFUNGAL EFFECT

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. Mycological cure (eradicating the fungal infection) was achieved in 76% of the patients (70% of the patients in the North American study and 84 % of the patients in the European study), which is substantially higher than reported for other topical treatments (30-54%)[5]. Furthermore, the onset of the antifungal effect is rapid, with MOB-015 delivering 55–78% mycological cure at 6 months and 37–46% already at 3 months.

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. Before the completed clinical Phase 3 studies with MOB-015, it appeared unrealistic that a topical treatment would achieve a mycological cure rate of 70%. Furthermore, compared to what has been reported for oral terbinafine, the concentration of terbinafine has been shown to be 1000X higher in the nail, 40x higher in the nail bed and 1000X lower in plasma – ideal characteristics for an effective tropical treatment without systemic exposure.

MARKET APPROVAL IN THE EU

In March 2022, Moberg Pharma submitted the registration application for MOB-015 in Europe through the Decentralized Procedure. In June 2023, the Decentralized Procedure ended with a positive outcome and MOB-015 was recommended for national approval in 13 European countries for the treatment of mild to moderate fungal infections of the nails in adults. All national approvals have now been received with the last country approving the product in May 2024.

The following EU countries are included: Austria (OTC), Belgium (OTC), Czech Republic (Rx), Denmark (Rx), Finland (Rx), France (Rx), Hungary (OTC), Ireland (Rx), Italy (OTC), Netherlands (OTC), Norway (OTC), Spain (Rx) and Sweden (OTC).

TWO-STEP ROLLOUT

The commercialization rollout will be a two-step process. As of February 2024, MOB-015 is available in pharmacies under the brand name Terclara® and all Swedish pharmacy chains now have the product available on the shelf. The aim of the launch in Sweden was to achieve a market-leading position, which has already been accomplished. This early launch in Sweden enables Moberg Pharma to gain valuable insights into consumer behavior, collect patient feedback and provide user data to support a direct Rx to OTC switch in more countries. The launch is taking place in collaboration with the company's partner Allderma, managed by the commercial leaders who were responsible for the successful Nordic launch of Nalox®, Moberg Pharma's first-generation nail fungus product. Step 2 of the launch will be a pan-European rollout once the company has secured sufficient API (active pharmaceutical ingredient). Moberg Pharma is working on two parallel tracks to ensure a stable long-term supply of API ahead of the pan-European rollout in 2026, with the goal of having at least one API manufacturer approved in the near term. Additionally, the ongoing Phase 3 study in North America has the possible potential to strengthen product claims further, including a shorter dosing regimen.

NORTH AMERICAN PHASE 3 STUDY NEARS TOPLINE RESULTS

For market approval in the U.S., the FDA normally requires two studies that demonstrate superiority (statistically superior to the comparator) for the primary endpoint. An additional North American study is ongoing to enable registration in the U.S. market. Moberg Pharma submitted documentation on the new study to the FDA in March 2022, the first patient was enrolled in May 2022 and the enrollment of 384 patients was completed in October 2023. In September 2024, the company announced that it had lowered expectations on the primary endpoint in the ongoing study based on a subset of data. Topline results are expected in December 2024. The randomized, vehicle-controlled, multicenter Phase 3 study is being conducted at 33 study centers in the U.S. and Canada. The patients are being evaluated over 52 weeks and the primary endpoint will be the proportion of subjects achieving complete cure of their target nail. The study design builds on the experience gained from the previous Phase 3 studies and Moberg Pharma is cooperating with the same CRO, same lead investigator and high-performance clinics from the previous North American study. The purpose of the new study is to facilitate market approval in the U.S. as well as strengthen the product's clinical evidence and marketing claims globally.

[5] Source: U.S. prescribing information for each drug

AGREEMENTS WITH STRONG PARTNERS IN PLACE – U.S. RIGHTS RETAINED

In total, five agreements are in place with commercial partners for MOB-015: Cipher Pharmaceuticals for Canada; DongKoo, the market leader in dermatology in the Republic of Korea; Allderma in Scandinavia; Padagis in Israel; 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 is responsible for production and supply. Within the framework of the agreements Moberg Pharma can receive milestone payments of up to a total USD 70 million upon successful development and commercialization, in addition to royalties and compensation for delivered products.

Previously, Moberg Pharma has successfully commercialized products in the U.S. and retained the rights to MOB-015 for the U.S. market. The aim is to repeat the journey taken with Kerasal Nail®, where Moberg Pharma combined direct sales in the U.S. with strategic collaborations in other major territories. The company sees a very interesting opportunity to build its own commercial platform in the U.S. to target podiatrists with MOB-015 as the main product, which will be complemented going forward by additional niche products. Moberg Pharma also intends to collaborate with a U.S. partner that has an established sales force targeting dermatologists. 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. In addition to granted patents, the company also has ongoing patent applications which, if approved, could provide significantly longer patent protection.

PROVEN COMMERCIAL MODEL

Moberg Pharma commercialized its first-generation nail fungus product – Kerasal Nail® – and built an OTC business with an annual revenue of SEK 440 million and sales in more than 30,000 sales locations, including the major U.S. chains CVS, Walgreens and Walmart. In 2019, the OTC business was successfully divested for SEK 1.4 billion. The company's aim is now to repeat this journey with MOB-015, a product with much greater potential.

COMPANY EVENTS

The Annual General Meeting on May 14 elected Jonas Ekblom to the Board of Directors. Jonas Ekblom has worked for three decades in research and development of pharmaceuticals and medtech products. Jonas has held board and management positions in public and privately held life science companies in Sweden, Switzerland and the U.S. He has served as CEO of BOWS Pharmaceuticals SA, Pergamum AB and Promore Pharma AB. Today, Jonas is chairman of the board of CombiGene AB and Oblique Therapeutics AB, and is a board director of Emplicure AB and Ziccum AB.

In May, 832,213 class C shares were issued to fulfill the company's commitments under the long-term incentive program LTI 2024 resolved by the Annual General Meeting on May 14, 2024. The shares are intended to secure the commitments under the incentive program and are owned by Moberg Pharma.

On June 24, the company announced that 17,776,856 warrants of series 2023:1 ("TO 2") were exercised for subscription of 17,776,856 ordinary shares for approximately SEK 320 million, corresponding to a subscription rate of approximately 98%. The exercise price for the warrants was set at 70% of the average volume-weighted trading price of the company's ordinary share on Nasdaq Stockholm during the period from May 20, 2024 to May 31, 2024. Thus, the subscription price was set at SEK 18.00 per share. Subscription and top guarantee commitments had been made, free of charge, with certain external professional investors in TO 2, and the Board of Directors resolved on June 24 on a directed issue of 863,333 ordinary shares for approximately SEK 16 million to the top guarantors to fulfil the top guarantee commitments. Through the exercise of TO 2 and the share issue, Moberg Pharma thus received approximately SEK 336 million before issue costs.

FINANCIAL OVERVIEW

REVENUES AND PROFIT

Third quarter (July-September 2024)

Terclara® retains its market leadership as high season draws to a close, together with reduced marketing. Growth in the category is clearly tied to the new market leader, Terclara®. Net revenue for the quarter was SEK 3.9 million (0.0), which includes a milestone payment from Bayer of SEK 1.7 million. The largest expense items in the quarter consist of business development and administration expenses of SEK 4.3 million (5.5), selling expenses of SEK 1.9 million (0.9), followed by research and development expenses of SEK 0.2 million (0.1). The majority of the development expenses is directly attributable to the ongoing Phase 3 study in the U.S. and is capitalized. Profit for the quarter was SEK -1.3 million (-5.8).

Nine-month period (January - September 2024)

Net revenue was SEK 8.8 million (0), of which product sales accounted for SEK 7.1 million and milestone payments for SEK 1.7 million. Operating profit for the nine-month period was SEK -16.7 million (-19.2), where the largest expense item during the nine-month period was business development and administration expenses of SEK 16.0 million (15.3).

CASH FLOW

Third quarter (July-September 2024)

Cash flow from operating activities before changes in working capital was SEK -1.5 million (-5.9) and SEK -6.0 million (-11.5) after changes in working capital. Cash flow from investments was SEK -20.4 million (-33.6) and relates to capitalized expenditure for the ongoing North American Phase 3 study. Cash flow from financing activities was SEK 9.4 million (94.7), of which an inflow of SEK 9.8 million from the portion of the directed issue to the top guarantors linked to TO2, which was paid after the end of the second quarter.

The total change in cash and cash equivalents in the quarter was SEK -17.0 million (49.6). Cash and cash equivalents amounted to SEK 309.0 million (101.5) at the end of the period.

Nine-month period (January - September 2024)

Cash flow from operating activities was SEK -19.6 million (-25.9). Cash flow from investments was SEK -55.0 million (-90.9). Cash flow from financing activities was SEK 323.1 million (92.7), of which an inflow of SEK 324 million from issuance linked to TO2. The total change in cash and cash equivalents in the nine-month period was SEK 248.4 million (-24.0).

INVESTMENTS

Investments in intangible assets relate to capitalized expenses for development work on MOB-015, mainly the ongoing North American Phase 3 study, of SEK 20.4 million (33.6) in the quarter.

R&D expenses (costs and investments) (SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
R&D expenses (in statement of comprehensive income)	**-228**	**-693**	**-1,416**	**-2,620**	**-3,657**
Capitalized R&D investments	-20,411	-33,642	-55,027	-90,901	-124,116
Depreciation/amortization booked to R&D expenses	188	346	574	1,126	1,276
Change in R&D investments (in statement of financial position)	**-20,223**	**-33,296**	**-54,453**	**-89,775**	**-122,840**
Total R&D expenditure	**-20,451**	**-33,989**	**-55,869**	**-92,395**	**-126,497**

LIABILITIES

As at the balance sheet date, the Group has no interest-bearing liabilities (excluding leasing liabilities).

CHANGES IN EQUITY

SHAREHOLDER INFORMATION

The company's largest shareholders per September 30, 2024:

Shareholder	Number of shares	% of votes and capital
IBKR Financial Services	5,458,438	11.4%
Östersjöstiftelsen	3,988,280	8.3%
Avanza Pension	2,392,974	5.0%
CBNY-National Financial Services LL	1,306,285	2.7%
SEB Life International Assurance	1,292,042	2.7%
Pershing Securities Limited	1,200,000	2.5%
Moberg Pharma AB (publ)	1,186,522	2.5%
Nordnet Pensionsforsakring AB	1,120,640	2.3%
Kjelsmark Holding ApS	1,000,000	2.1%
SEB AB, Luxembourg branch	825,000	1.7%
Charles Schwab FBO customer Citibank	640,336	1.3%
Swedbank Försäkring	631,784	1.3%
Morgan Stanley & Co	491,229	1.0%
Zachau, Styrbjorn	465,000	1.0%
Clearstream Banking S.A.	442,539	0.9%
Blom, Fredrik	355,000	0.7%
SAXO BANK A/S	328,180	0.7%
Handelsbanken Liv Försäkringsaktiebolag	311,546	0.7%
BNP Paribas SA Paris	307,702	0.6%
Eriksson, Mats	301,331	0.6%
TOTAL, 20 LARGEST SHAREHOLDERS	**24,044,828**	**50.2%**
Other shareholders	23,835,026	49.8%
TOTAL	**47,879,854**	**100.0%**

SHARES

The number of shares and votes increased by 18,609,069 in June 2024 and by 832,213 in July 2024 to a total of 47,879,854. The change was due to the exercise of warrants of series 2023:1 (TO 2), which increased the number of ordinary shares and votes by 17,776,856, and the long-term incentive program LTI 2024 resolved by the Annual General Meeting on May 14, 2024, which increased the number of ordinary shares and votes by 832,213. The directed issue to the investors, which included the top guarantee commitments in connection with TO 2, was registered in July and comprised 863,333 shares.

Share capital at the end of the quarter was SEK 47,879,854, where the total number of registered shares outstanding was 47,879,854 ordinary shares with a quotient value of SEK 1. Moberg Pharma holds 1,186,522 repurchased ordinary shares at the end of the quarter.

SHARE-BASED COMPENSATION PLANS

As at the reporting date, the number of outstanding instruments was 1,688,247 performance share units (which entitle holders to not more than 1,061,127 shares), with a maximum potential dilution of 2.2%. In the second quarter, the performance share rights program 2021:1 became vested for affected employees; 91,665 own shares have been allocated to employees after evaluating performance relative to the company-wide and individual targets set by the Board of Directors.

Performance share units are issued and held in trust, where the actual number of shares that can be transferred varies depending on the individual targets and whether the company meets its business goals over several years. For detailed information on the incentive programs, see the 2023 Annual Report.

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 January to September 2024, operating profit was SEK -16.7 million (-19.2), while profit after financial items was SEK -14.5 million (-17.9). Profit after tax was SEK -11.8 million (-14.6). Cash and cash equivalents amounted to SEK 309.0 million (101.5) at the end of the period.

OTHER INFORMATION

ORGANIZATION

Per June 30, 2024, Moberg Pharma had 9 employees, of whom 78% 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 to be 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 2023 Annual Report on page 32.

OUTLOOK

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

In June 2023, the Decentralized Procedure ended with a positive outcome and MOB-015 recommended for national approval in 13 European countries for the treatment of mild to moderate fungal infections of the nails in adults. National approvals have now been received in all countries, with the last country approving the product in May 2024. Moberg Pharma has signed license agreements with partners in Europe, Canada, Israel and the Republic of Korea and will continue to work closely with partners with local registration processes and commercialization.

Moberg Pharma is also conducting a North American Phase 3 study, where patient enrollment was completed in October 2023 and topline results are expected in December 2024.

The company has initiated the launch in Sweden and as of February 2024, MOB-015 is available at pharmacies under the brand name Terclara®. Sweden is the priority market for Moberg Pharma as the company has limited access to terbinafine in the near term. Work is underway to secure a long-term supply of terbinafine ahead of the planned pan-European rollout.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net revenue	3,855	-	8,784	-	-
Cost of goods sold	-615	-	-2,331	-	-
Gross profit	**3,240**	**-**	**6,453**	**-**	**-**
Selling expenses	-1,865	-912	-6,175	-2,090	-3,257
Business development and administrative expenses	-4,320	-5,509	-15,987	-15,315	-21,603
Research and development expenses	-228	-693	-1,416	-2,620	-3,657
Other operating income	-	-	426	797	1,054
Other operating expenses	-125	-147	-	-	-
Operating profit (EBIT)	**-3,298**	**-7,261**	**-16,699**	**-19,228**	**-27,463**
Interest income and similar items	1,719	371	2,354	1,504	2,303
Interest expenses and similar items	-55	-63	-175	-208	-260
Profit after financial items from continuing operations (EBT)	**-1,634**	**-6,953**	**-14,520**	**-17,932**	**-25,420**
Tax on profit for the period	373	1,187	2,716	3,284	4,327
PROFIT FOR THE PERIOD	**-1,261**	**-5,766**	**-11,804**	**-14,648**	**-21,093**
TOTAL PROFIT FOR THE PERIOD	**-1,261**	**-5,766**	**-11,804**	**-14,648**	**-21,093**
Profit for the period attributable to parent company shareholders	-1,261	-5,766	-11,804	-14,648	-21,093
Total profit attributable to parent company shareholders	-1,261	-5,766	-11,804	-14,648	-21,093
Basic earnings per share	**-0.03**	**-0.36**	**-0.34**	**-1.24**	**-1.33**
Diluted earnings per share [6]	**-0.03**	**-0.36**	**-0.34**	**-1.24**	**-1.33**
EBITDA FROM CONTINUING OPERATIONS	**-2,969**	**-6,648**	**-15,711**	**-17,389**	**-25,364**
Depreciation/amortization	-329	-613	-988	-1,839	-2,099
Operating profit (EBIT)	**-3,298**	**-7,261**	**-16,699**	**-19,228**	**-27,463**

[6] In periods when the Group reports a loss, no dilution effect arises. 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)	2024-09-30	2023-09-30	2023-12-31
Assets			
Intangible non-current assets[7]	587,247	507,910	532,220
Tangible non-current assets	-	-	-
Right-of-use assets	3,954	4,144	4,942
Deferred tax asset	33,122	26,979	28,077
Total non-current assets	**624,323**	**539,033**	**565,239**
Inventories	6,875	-	7,115
Trade receivables and other receivables	5,144	3,642	1,823
Cash and cash equivalents	308,963	101,504	60,555
Total current assets	**320,982**	**105,146**	**69,493**
TOTAL ASSETS	**945,320**	**644,179**	**634,732**
Equity and liabilities			
Equity attributable to parent company's shareholders	928,699	616,757	610,725
Total equity	**928,699**	**616,757**	**610,725**
Non-current leasing liabilities	2,365	2,819	3,467
Non-current non-interest-bearing liabilities	-	65	-
Total non-current liabilities	**2,365**	**2,884**	**3,467**
Current leasing liabilities	1,302	979	1,270
Current non-interest-bearing liabilities	12,954	23,559	19,270
Total current liabilities	**14,256**	**24,538**	**20,540**
TOTAL EQUITY AND LIABILITIES	**945,320**	**644,179**	**634,732**

[7]Refers to capitalized development expenses, see note 2.

CONSOLIDATED STATEMENT OF CASH FLOWS IN BRIEF

(SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Operating activities					
Operating profit before financial items	-3,298	-7,261	-16,699	-19,228	-27,463
Financial items, received and paid	-51	127	3	218	2,006
Taxes paid	-	-	-	-	-
Adjustments:					
Depreciation/amortization and capital gains	329	613	988	1,839	2,099
Employee share-based adjustments to equity [8]	1,427	626	3,287	1,683	2,308
Cash flow before changes in working capital	**-1,542**	**-5,895**	**-12,370**	**-15,488**	**-21,050**
Change in working capital					
Increase (-)/Decrease (+) in inventories	-1,923	-	240	-	-7,115
Increase (-)/Decrease (+) in operating receivables	3,156	-487	-1,196	-354	424
Increase (+)/Decrease (-) in operating liabilities	-5,671	-5,083	-6,316	-10,015	-5,464
OPERATING CASH FLOW	**-6,031**	**-11,465**	**-19,642**	**-25,857**	**-33,205**
Investing activities					
Net investments in intangible assets	-20,411	-33,642	-55,027	-90,901	-124,116
CASH FLOW FROM INVESTING ACTIVITIES	**-20,411**	**-33,642**	**-55,027**	**-90,901**	**-124,116**
Financing activities					
Repayment of leases	-324	-359	-1 070	-2 307	-2,425
Issue of new shares less transaction costs	9,771	95,019	324,147	95,019	94,751
CASH FLOW FROM FINANCING ACTIVITIES	**9,447**	**94,660**	**323,077**	**92,712**	**92,326**
Change in cash and cash equivalents	**-16,995**	**49,553**	**248,408**	**-24,046**	**-64,995**
Cash and cash equivalents at the beginning of period	325,958	51,951	60,555	125,550	125,550
Cash and cash equivalents at the end of period	308,963	101,504	308,963	101,504	60,555

[8] Note that revaluation of estimated costs for social security contributions for employee stock options is recognized in change in operating liabilities.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(SEK thousand)	Share capital	Other capital contributions	Accumulated profit/loss	Total equity
January 1 – September 30, 2024				
Opening balance, January 1, 2024	**27,961**	**921,297**	**-338,533**	**610,725**
Total profit				
Profit for the period			-11,804	-11,804
Transactions with shareholders				
New shares issued	18,732	316,792		335,524
Transaction costs		-9,033		-9,033
Share-based incentive program		3,287		3,287
CLOSING BALANCE, SEPTEMBER 30, 2024	**46,693**	**1,232,343**	**-350,337**	**928,699**

(SEK thousand)	Share capital	Other capital contributions	Accumulated profit/loss	Total equity
January 1 – September 30, 2023				
Opening balance, January 1, 2023	**9,827**	**841,197**	**-317,440**	**533,584**
Total profit				
Profit for the period			-14,648	-14,648
Transactions with shareholders				
New shares issued	18,134	82,319		100,453
Transaction costs		-4,315		-4,315
Share-based incentive program		1,683		1,583
CLOSING BALANCE, SEPTEMBER 30, 2023	**27,961**	**920,884**	**-332,088**	**616,757**

(SEK thousand)	Share capital	Other capital contributions	Accumulated profit/loss	Total equity
January 1 – December 31, 2023				
Opening balance, January 1, 2023	**9,827**	**841,197**	**-317,440**	**533,584**
Total profit				
Profit for the period			-21,093	-21,093
Transactions with shareholders				
New shares issued	18,134	82,319		100,453
Transaction costs		-4,527		-4,527
Share-based incentive program		2,308		2,308
CLOSING BALANCE, DECEMBER 31, 2023	**27,961**	**921,297**	**-338,533**	**610,725**

KEY RATIOS FOR THE GROUP

(SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net revenue	3,855	-	8,784	-	-
Gross margin %	84%	-	73%	-	-
EBITDA	-2,969	-6,648	-15,711	-17,389	-25,364
Operating profit (EBIT)	-3,298	-7,261	-16,699	-19,228	-27,463
Profit after tax	-1,261	-5,766	-11,804	-14,648	-21,093
Cash and cash equivalents	308,963	101,504	308,963	101,504	60,555
Balance sheet total	945,320	644,179	945,320	644,179	634,732
Equity/assets ratio	98%	96%	98%	96%	96%
Return on equity	0%	-1%	-1%	-2%	-3%
Diluted earnings per share, SEK	-0.03	-0.36	-0.34	-0.48	-0.59
Equity per share, SEK	19.89	22.06	19.89	22.06	21.84
Basic average number of shares	46,693,322	15,871,799	34,899,198	11,841,906	15,871,799
Diluted average number of shares	47,754,449	34,550,449	35,960,325	30,520,556	35,520,899
Number of shares at the end of the period	46,693,322	27,961,478	46,693,322	27,961,478	27,961,478
Share price on balance sheet date, SEK	10.01	6.30	10.01	6.30	15.20

DEFINITIONS OF KEY RATIOS

Moberg Pharma presents certain financial performance measures in the interim report that are not defined in accordance with IFRS. In Moberg Pharma's opinion, these performance measures provide valuable additional information to investors and company management as they enable an evaluation of the company's performance. These financial performance measures 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 substitute for the performance measures defined in accordance with IFRS.

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

** Defined in accordance with IFRS*

PARENT COMPANY INCOME STATEMENT SUMMARY

(SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net revenue	3,855	-	8,784	-	-
Cost of goods sold	-615	-	-2,331	-	-
Gross profit	**3,240**	**-**	**6,453**	**-**	**-**
Selling expenses	-1,865	-912	-6,175	-2,090	-3,257
Business development and administrative expenses	-4,320	-5,509	-15,987	-15,315	-21,603
Research and development expenses	-228	-693	-1,416	-2,620	-3,657
Other operating income	-	-	426	797	1,054
Other operating expenses	-125	-147	-	-	-
Operating profit	**-3,298**	**-7,261**	**-16,699**	**-19,228**	**-27,463**
Interest income	1,719	371	2,354	1,504	2,303
Interest expenses	-55	-63	-175	-208	-260
Profit after financial items	**-1,634**	**-6,953**	**-14,520**	**-17,932**	**-25,420**
Tax on profit for the period	373	1,187	2,716	3,284	4,327
PROFIT	**-1,261**	**-5,766**	**-11,804**	**-14,648**	**-21,093**

PARENT COMPANY BALANCE SHEET SUMMARY

(SEK thousand)	2024-09-30	2023-09-30	2023-12-31
Assets			
Intangible non-current assets	587,247	507,910	532,220
Tangible non-current assets	-	-	-
Right-of-use assets	3,954	4,144	4,942
Non-current financial assets	100	100	100
Deferred tax asset	33,122	26,979	28,077
Total non-current assets	**624,423**	**539,133**	**565,339**
Inventories	6,875	-	7,115
Trade receivables and other receivables	5,144	3,642	1,823
Cash and cash equivalents	308,963	101,504	60,555
Total current assets	**320,982**	**105,146**	**69,493**
TOTAL ASSETS	**945,420**	**644,279**	**634,832**
Equity and liabilities			
Equity	928,700	616,758	610,726
Non-current leasing liabilities	2,365	2,819	3,467
Non-current non-interest-bearing liabilities	-	65	-
Total non-current liabilities	**2,365**	**2,884**	**3,467**
Liabilities to Group companies	99	99	99
Current leasing liabilities	1,302	979	1,270
Current non-interest-bearing liabilities	12,954	23,559	19,270
Total current liabilities	**14,355**	**24,637**	**20,639**
TOTAL EQUITY AND LIABILITIES	**945,420**	**644,279**	**634,832**

PARENT COMPANY CASH FLOW STATEMENT SUMMARY

(SEK thousand)	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Operating activities					
Operating profit before financial items	-3,298	-7,261	-16,699	-19,228	-27,463
Financial items, received and paid	-51	127	3	218	2,006
Adjustments:					
Depreciation/amortization and capital gains	329	613	988	1,839	2,099
Expenses for share-based incentive program	1,427	626	3,287	1,683	2,308
Cash flow before changes in working capital	**-1,542**	**-5,895**	**-12,421**	**-15,488**	**-21,050**
Change in working capital					
Increase (-)/Decrease (+) in inventories	-1,923	-	240	-	-7,115
Increase (-)/Decrease (+) in operating receivables	3,156	-487	-1,145	-354	424
Increase (+)/Decrease (-) in operating liabilities	-5,671	-4,798	-6,316	-10,015	-5,464
OPERATING CASH FLOW	**-6,031**	**-11,180**	**-19,642**	**-25,857**	**-33,205**
Investing activities					
Net investments in intangible assets	-20,411	-33,642	-55,027	-90,901	-124,116
CASH FLOW FROM INVESTING ACTIVITIES	**-20,411**	**-33,642**	**-55,027**	**-90,901**	**-124,116**
Financing activities					
Repayment of leases	-324	-644	-1,070	-2,307	-2,425
Issue of new shares less transaction costs	9,771	95,019	324,147	95,019	94,751
CASH FLOW FROM FINANCING ACTIVITIES	**9,447**	**94,375**	**323,077**	**92,712**	**92,326**
Change in cash and cash equivalents	**-16,995**	**49,553**	**248,408**	**-24,046**	**-64,995**
Cash and cash equivalents at the beginning of the period	325,958	51,951	60,555	125,550	125,550
Cash and cash equivalents at the end of the period	308,963	101,504	308,963	101,504	60,555

NOTE 1 ACCOUNTING POLICIES AND MEASUREMENT PRINCIPLES

The interim report was prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements were, like the annual accounts for 2023, 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.

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. Amounts and figures in parentheses refer to comparable figures for the corresponding period in 2023.

MOB-015 continues to develop with the North American Phase 3 study, whose purpose is to facilitate market approval in the U.S. as well as strengthen the product's clinical evidence and marketing claims globally, and work is also underway to secure a long-term supply of terbinafine to enable the pan-European rollout. The development of MOB-015 is not complete, because of which amortization of development expenses has not begun.

NOTE 2 SPECIFICATION OF MAJOR INTANGIBLE NON-CURRENT ASSETS

(SEK thousand)	2024-09-30	2023-09-30	2023-12-31
Capitalized expenditure for MOB-015	587,247	507,910	532,220
TOTAL CAPITALIZED EXPENDITURE FOR DEVELOPMENT WORK	**587,247**	**507,910**	**532,220**

NOTE 3 SEGMENT REPORTING

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

NOTE 4 RELATED PARTY TRANSACTIONS

No material changes have occurred in the nature and scope of transactions with related parties compared to disclosures 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.

Year-end report 2024	February 11, 2025
Interim report for January–March 2025	May 13, 2025
Interim report for January–June 2025	August 12, 2025
Interim report for January–September 2025	November 11, 2025

The Annual General Meeting of Moberg Pharma will be held on May 22, 2025. The last date for shareholders to request to have a matter considered at the Annual General Meeting is April 3, 2025. The Annual Report will be available no later than April 18, 2025 on the company's website at www.mobergpharma.se

FOR FURTHER INFORMATION, PLEASE CONTACT

Anna Ljung, CEO, tel. 08-522 307 01, anna.ljung@mobergpharma.se
Mark Beveridge, VP Finance, tel. 076 - 805 82 88, mark.beveridge@mobergpharma.se

For more information on Moberg Pharma's business, please see the company's website, www.mobergpharma.com.

The interim report has been reviewed by the Company's auditors.

DECLARATION

The undersigned hereby declare that the interim 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.

Stockholm, November 12th, 2024

Kerstin Valinder Strinnholm *Chairman*	Jonas Ekblom *Board member*	Nikolaj Sörensen *Board member*
Håkan Wallin *Board member*	Anna Ljung *CEO*	

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

REVIEW REPORT

Moberg Pharma AB (publ), corporate identity number 556697-7426

INTRODUCTION

We have reviewed the condensed interim report for Moberg Pharma AB as at 30 September 2024 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 12, 2024

Ernst & Young AB

Jens Bertling
Authorized Public Accountant