



# Nordic-American Life Science Conference 2019

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December 5<sup>th</sup>, 2019

**Peter Wolpert**, Executive Chairman & Founder



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# Moberg Pharma 2.0

Pipeline progress

Financial performance

Focus forward





## COMMERCIAL BUSINESS

Divestment for \$155m  
completed March 29

Redemption of shares paid  
Nov 26, in total 837 MSEK  
(\$88 million), equivalent to  
46.50 SEK per share

## PIPELINE ASSETS

### Two Phase **3** Products

#### MOB-015

Topical terbinafine  
against nail fungus

#### BUPI

Bupivacaine lozenge  
against OM

Potential market leaders with  
\$250-500m (MOB-015) and \$100-  
200m (BUPI) estimated sales  
potential

# Focused on realizing the substantial value of our pipeline

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## MOB-015 – Better cure rates, fast visible improvement and shorter treatment

- Topical delivering high concentrations of terbinafine through the nail
- Efficacy and safety demonstrated in Phase 2, incl. terbinafine levels in nail and nail bed
- Two Phase 3 studies ongoing in North America and Europe (n = 800)
- Patent protection until 2032 in key markets, incl. US, EU, Japan and China
- License Agreements signed for major markets

**250-500** MUSD  
ESTIMATED ANNUAL SALES

## BUPI – Better and longer pain relief in the oral cavity

- Lead indication is Oral Mucositis after radio- or chemotherapy
- Superior Phase 2 data published
- Partnering efforts ongoing
- Patent protection until 2032-2033 granted in USA, EU and Canada

**100-200** MUSD  
ESTIMATED ANNUAL SALES



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# Significant events in July – September 2019

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## Several key milestones on our path towards creating the next market leader within onychomycosis

- MOB-015 Phase 3 program is on schedule. Topline-results expected:
  - December 2019 in North America
  - Q2 2020 in Europe
- License agreement for MOB-015 signed in September with Taisho for commercialization in Japan. Eligible for milestone payments up to USD 50 million in addition to supply fees and royalties.
- Distribution agreement was signed in October with Dongkoo for MOB-015 in the Republic of Korea
- The AGM resolved on October 30 to pay the shareholders SEK 46.50 per share through an automatic redemption procedure



# MOB-015 – Approaching Phase 3-results

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## North America

- The North American study comprises 365 patients randomized at 32 clinics in the U.S. and Canada.
- Recruitment was finalized in September 2018.
- Topline results are expected in December 2019.

**ALL**

PATIENTS HAVE  
COMPLETED THE  
NORTH AMERICAN  
STUDY

## Europe

- The European study comprises 452 patients randomized at 48 clinics in Germany, UK and Poland.
- Recruitment was finalized in March 2019.
- Topline results are expected in the second quarter of 2020.

**70%**

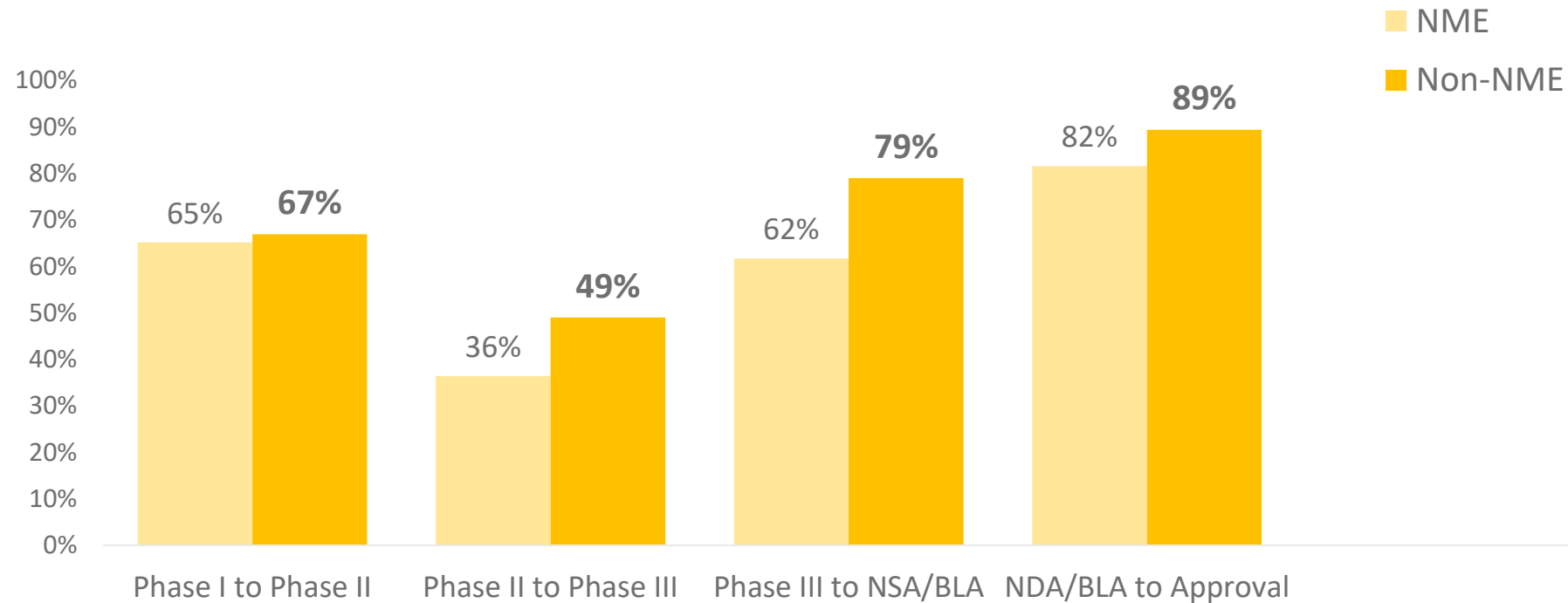
OF PATIENTS HAVE  
NOW COMPLETED THE  
EUROPEAN STUDY



# Phase 3 – higher probability of success for proven molecules (Non-NME) than for new molecules (NME)






## Probability of Success Non-NME vs. NME



Source: Clinical development success rates for investigational drugs, Hay et al, Nature Biotechnology, January 2014

# Need for better efficacy/safety profile than current treatments



	Current treatments	Mycological cure rate	Complete cure rate
	Ciclopirox (Penlac)	30%	5.5-8.5%
	Efinaconazole (Jublia)	51-53%	15-18%
	Tavaborole (Kerydin)	30-35%	7-9%
	Terbinafine (Lamisil)	70%	38%
	Itraconazole (Sporonox)	54%	14%

Source: U.S. prescribing information for each drug

# MOB-015 – Major partnerships entered 2019

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## February: Consumer Health division of Bayer Group, Europe

- The world leader in OTC antifungal treatments with the brand Canesten.
- Eligible to up to EUR 50.0 million in milestone payments, where of EUR 1.5 million at time of signing.
- Royalties and supply fees for delivered products.

## September: Taisho, Japan

- Eligible to up to USD 50.0 million in milestone payments, where of USD 5 million at time of signing.
- Majority of the milestone payments are contingent on commercial milestones and the remaining part on development and regulatory milestones.
- Royalties and supply fees for delivered products.

## October: DongKoo, the Republic of Korea

- The market leader in dermatology in Korea, excellent coverage of dermatology clinics.
- The distribution agreement gives DongKoo exclusive rights to market and sell MOB-015 in the Republic of Korea. Moberg Pharma assumes production and supply responsibility.

**>200** MUSD

EUROPEAN OTC MARKET FOR  
TOPICAL ONYCHOMYCOSIS IN 2017

**290** MUSD

JAPANESE MARKET FOR BRANDED  
DRUGS FOR ONYCHOMYCOSIS IN 2018

**40** MUSD

KOREAN MARKET FOR TOPICAL  
DRUGS FOR ONYCHOMYCOSIS

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# P&L:

## MUSD 5 received in upfront for MOB-015 license in Japan



(SEK thousand)	Jul-Sep 2019	Jan-Mar 2019	Jan-Jun 2019
<b>Continuing operations</b>			
Net revenue	47,819	15,554	15,554
<b>Gross profit</b>	<b>47,819</b>	<b>15,554</b>	<b>15,554</b>
Selling expenses	-162	-566	-788
Business development and administrative expenses	-6,528	-6,823	-15,334
Research and development costs	-2,636	-3,563	-7,165
Other operating income/operating expenses	3,264	350	3,514
<b>Operating profit (EBIT)</b>	<b>41,757</b>	<b>4,952</b>	<b>-4,219</b>
Interest income/interest expenses and similar items	-515	-226	-845
Tax on profit for the period	-8,579	-1,853	336
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>32,663</b>	<b>2,873</b>	<b>-4,728</b>
Profit after tax for the period from discontinued operations	-	561,032	563,544
<b>PROFIT FOR THE PERIOD</b>	<b>32,663</b>	<b>563,905</b>	<b>558,816</b>
Translation differences of foreign operations	-	-	8,855
Reclassification of translation differences to profit from sale of discontinued operations	-	-68,249	-68,249
<b>Other comprehensive income</b>	<b>-</b>	<b>-59,394</b>	<b>-59,394</b>
<b>TOTAL PROFIT FOR THE PERIOD</b>	<b>32,663</b>	<b>504,511</b>	<b>499,422</b>
Whereof total profit from continuing operations	32,663	2,873	-4,728
Whereof total profit from discontinued operations	-	501,638	504,150

Due to the rounding component, totals may not tally.



# Balance Sheet: Funds used for share redemption and completing Phase 3 trials



(SEK thousand)	2019.09.30	2019.03.31	2019.06.30
<b>Assets</b>			
Intangible assets	273,835	242,253	255,654
Property, plant and equipment	62	97	80
Right-of-use assets	9,876	11,111	10,493
Deferred tax asset	3,038	8,927	11,617
<b>Total non-current assets</b>	<b>286,811</b>	<b>262,388</b>	<b>277,844</b>
Trade receivables and other receivables	52,485	5,521	12,994
Cash and cash equivalents	893,213	1,596,943	919,134
<b>Total current assets</b>	<b>945,698</b>	<b>1,602,464</b>	<b>932,128</b>
<b>TOTAL ASSETS</b>	<b>1,232,509</b>	<b>1,864,852</b>	<b>1,209,972</b>
<b>Equity and liabilities</b>			
Equity (attributable to parent company's shareholders)	1,177,033	1,099,676	1,121,029
Non-current interest-bearing liabilities	-	23,205	23,642
Non-current leasing liabilities	7,709	8,949	8,331
Non-current non-interest-bearing liabilities	65	65	65
<b>Total non-current liabilities</b>	<b>7,774</b>	<b>32,219</b>	<b>32,038</b>
Current interest-bearing liabilities	25,475	623,629	-
Current leasing liabilities	2,469	2,265	2,366
Current non-interest-bearing liabilities	19,758	107,063	54,539
<b>Total current liabilities</b>	<b>47,702</b>	<b>732,957</b>	<b>56,905</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,232,509</b>	<b>1,864,852</b>	<b>1,209,972</b>

Sufficient funds to complete ongoing clinical trials:

- 946 MSEK in current assets Sep 30
  - Cash 893 MSEK
  - Milestone from Taisho of 48 MSEK paid after the end of the quarter
- 837 MSEK distributed to shareholders Nov 26

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# Focus on delivering pipeline value

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## Aiming to create the next market leader in onychomycosis

Continuing to create value for the shareholders of Moberg Pharma with a business strategy centered around MOB-015

- MOB-015 Topline-results expected:
  - December 2019 in North America
  - Q2 2020 in Europe
- License agreements signed with TDV \$120 million plus supply fees and royalties.
  - Bayer AG in Europe
  - Taisho in Japan
  - Cipher in Canada
  - DongKoo in Korea
- Opportunity to commercialize and drive growth through co-promotion in the U.S. and strong partners in other territories





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