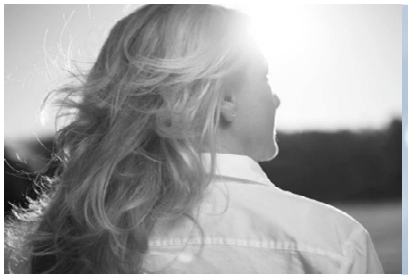
A different kind of pharma company



Moberg Pharma AB (Publ)
Interim Report January - June 2014

STRONG SECOND QUARTER

"After a strong second quarter, we are well on track to deliver on our goal of improving profitability in 2014," comments Peter Wolpert, CEO of Moberg Pharma

FIRST SIX MONTHS (JAN-JUN 2014)

- Revenue MSEK 105.5 (83.4)
- EBITDA MSEK 14.4 (loss: 7.3)
- EBITDA for Commercial Operations[1] MSEK 22.6 (8.4)
- Operating profit (EBIT) MSEK 10.5 (loss: 10.3)
- Net profit after tax MSEK 8.1 (loss: 7.0).
- Earnings per share SEK 0.67 (loss: 0.65)
- Operating cash flow per share SEK 0.28 (neg: 0.09)

SECOND QUARTER (APR-JUN 2014)

- Revenue MSEK 57.7 (44.9)
- EBITDA MSEK 6.9 (loss: 5.1)
- EBITDA for Commercial Operations[1] MSEK 10.9 (3.1)
- Operating profit (EBIT) MSEK 4.8 (loss: 6.6)
- Net profit after tax MSEK 4.1 (loss: 4.3).
- Earnings per share SEK 0.33 (loss: 0.39)
- Operating cash flow per share SEK 0.50 (neg: 0.06)

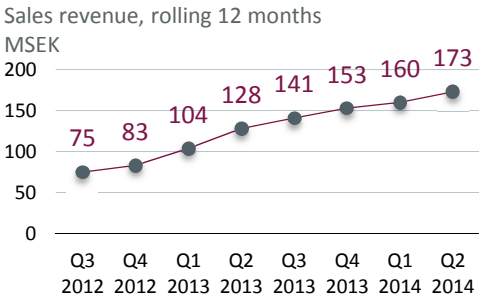
*) Commercial Operations include existing portfolio of marketed products including development of line extensions, but not development projects or business development for new products.

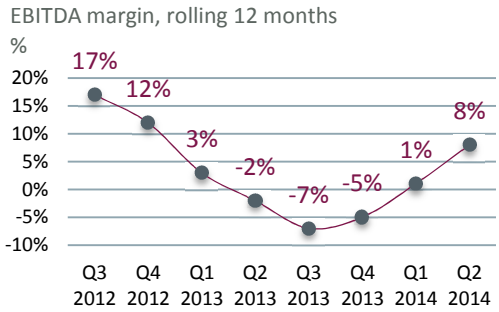
SIGNIFICANT EVENTS DURING THE SECOND QUARTER

- Moberg Pharma acquired the global rights to BUPI, a topical formulation for the treatment of oral pain.
- Moberg Pharma completed a new share issue of 2.1 million shares, generating SEK 60 million in proceeds for the company before transaction costs.

SIGNIFICANT EVENTS AFTER THE QUARTER

- No significant events.





TELEPHONE CONFERENCE

CEO Peter Wolpert will present the report at a teleconference today at 10:30 a.m., August 13, 2014. Telephone: +46 (0)8-50626900, and enter the code 409017

CEO COMMENTARY

After a strong second quarter, we are well on track to deliver on our goal of improving profitability in 2014. Organic growth and contributions from the recent acquisition of U.S. brands resulted in second-quarter sales growth of 28% as well as improved profitability. All brands contributed to the overall growth. The gross margin for the business remained excellent at 78%. Importantly, the previous decline in our European sales was reversed and growth of 10% was achieved. Our EBITDA margin continued to improve to 12% in the second quarter. The EBITDA margin for our commercial operations (adjusted for R&D and business development costs related to future products) was 19 % for the second quarter and 18% for the past 12-month period.

U.S. continues to drive growth

Kerasal Nail™ remains the key growth driver, with 23% sales growth in the second quarter versus last year and a U.S. market share of 23%[1]. The strong growth is a result of the distribution gains achieved over the past 12 months and a positive effect of a new marketing campaign. Kerasal NeuroCream™ has now reached the number two position[2] in the foot pain segment with potential to drive further growth. Following deliveries to Walgreens late in the first quarter, NeuroCream™ has nationwide distribution at approximately 20,000 stores. To increase marketing efficiency, new packaging and/or advertising has been developed for several brands, including the recently acquired Domeboro®, Vanquish® and Fergon® brands, and shipments to stores will begin in the next few months. Tech transfer to a new supplier is progressing with the objective to improve gross margins for these brands in 2015.

Growth in distributor sales and progress in Asian launch preparations

Distributor sales reversed the negative trend and grew by 31% in the second quarter. Key growth drivers were strong performance in Canada and the resumption of growth in EU sales. Consumer advertising in Canada for our Emtrix® brand commenced in April and resulted in much higher sales than anticipated. Emtrix® became the leading brand in Canada in April-May, resulting in a market share year-to-date through May of 25%[3]. The approval of an expanded indication and stronger claims for Nalox in the EU has been only partly implemented to date, and provides prospects for future growth in the EU. Registration activities in China and South East Asia are progressing well and we have already received an order for the first Asian market. Asia has the potential to account for a substantial part of our business in 2015 and onwards.

Advancing our clinical pipeline

The MOB-015 Phase II trial is progressing according to plan. Following the excellent interim data, we expect to report topline data in September. The April acquisition of the BUPI assets (the bupivacaine lozenge) added a high-potential product to our pipeline for an underserved niche market. We have progressed rapidly and submitted an application for a Phase II trial including up to 40 patients to generate a robust data package for the next steps in development and commercialization.

Delivering on goal to improve profitability

Significantly improving profitability in 2014 has been a key priority. We are delivering successfully on this commitment by increasing sales and through targeted cost reductions. Brand equity and increased marketing efficiency enabled a reduction in selling costs while still maintaining growth. R&D costs were reduced by 40%, mainly due to less clinical development activity compared to last year. G&A costs were also reduced.

Strong financial position to drive further growth

With improved profitability and a balance sheet strengthened by the recent share issue, we are in a strong position to drive further growth in sales and earnings – organically as well as through accretive acquisitions.

Peter Wolpert, CEO Moberg Pharma

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[1] Retail sales of nail fungus products excluding private label in Multioutlet Stores over the last 52 weeks ending June 15, 2014 as reported by SymphonyIRI

[2] Retail sales of foot pain relievers in Multioutlet Stores over the last 24 weeks ending June 15, 2014 as reported by SymphonyIRI

[3] CDH units, IMS. Market share of OTC and Rx products for onychomycosis.

ABOUT MOBERG PHARMA

Moberg Pharma AB (publ.) is a rapidly growing Swedish pharmaceutical company. The company develops, acquires and licenses products that are subsequently commercialized via a direct sales organization in the U.S. and through distributors in more than 40 countries. Internal product development is based on Moberg Pharma's unique expertise in using innovative pharmaceutical formulation to develop improved products based on proven compounds. This approach reduces time to market, development costs and risk.

Launched products

	PRODUCT	INDICATION	STATUS
	**Nalox™** [1)] **Kerasal Nail™**	Damaged nails	Direct sales in the U.S. Launched by 10 partners in 25 markets
	**Kerasal®**	Dry and cracked feet Foot pain	Direct sales in the U.S. Launched by 13 partners in 15 markets
	**Jointflex®**	Joint and muscle pain	Direct sales in the U.S. Launched by 14 partners in 20 markets
	**Domeboro®**	Itching and irritated skin	Direct sales in the U.S.
	**Vanquish®**	Headache, menstrual pain, back and muscle pain and cold pain	Direct sales in the U.S.
	**Fergon®**	Iron supplement	Direct sales in the U.S.

Nalox™ / Kerasal Nail™

Clinically proven for the treatment of nail fungus. The product was launched in the Nordic region in autumn 2010 and quickly became market leader. The international launch is under way via a direct sales organization in the U.S. and ten partners that hold rights for more than 60 markets, including the major EU markets, Canada, China, and South East Asia. Nalox™ is a non-prescription product, sold under the names Naloc™ and Emtrix® in certain markets, and Kerasal Nail™ in the U.S[4]. Efficacy and safety have been documented in several clinical trials with more than 600 patients. Nalox™ has a unique and rapid mechanism of action, demonstrating highly competitive results, including the achievement of visible improvement within 2-4 weeks of treatment.

Kerasal®

Kerasal® is a product line for the effective treatment of common and difficult-to-treat foot problems. Podiatrists recommend Kerasal® products for the treatment of cracked heals, calluses and foot pain, and to soften and moisturize dry feet. Kerasal® contains salicylic acid, an effective agent for softening the stratum corneum, and urea (carbamide), which moisturizes the skin and helps to retain moisture in new cell layers. The manufacturing process is patented. Several clinical trials have been published confirming the efficacy of Kerasal® for the treatment of extremely dry and damaged skin on the feet. The non-prescription product is sold at pharmacies and various retailers across the U.S. The series also includes products for resale only by specialists. During autumn 2013, the product line was expanded with Kerasal® NeuroCream, a non-prescription analgesic foot cream.

JointFlex®

JointFlex® is a topical treatment for joint and muscle pain. The products are produced using FUSOME™ technology, which improves the skin's absorption of the analgesic ingredients. The product provides long-term cooling pain relief and contains natural pain-relieving ingredients. JointFlex® has been evaluated in a placebo-controlled clinical trial of knee pain (osteoarthritis), which showed that patients experienced significant and rapid pain relief. The trial also showed that the majority of users of JointFlex® gained long-term pain relief. The non-prescription product is available in the U.S., primarily through the same sales channels as Kerasal®.

Domeboro®

Domeboro® is a topical drug for the treatment of itching and irritated skin, for example, caused by phytotoxins, insect bites or reaction from washing detergent/cosmetics. The product has a drying and astringent effect (contributes to the contraction of blood cells in the skin), which reduces inflammation. The product has been on the market for over 50 years and has nationwide distribution in the U.S. at CVS, Walgreens, Rite Aid and Walmart along with several regional chains. Moberg Pharma acquired Domeboro® from Bayer Healthcare in December 2013.

Vanquish®

Vanquish® is an analgesic for the treatment of headaches, menstrual pains, back and muscle aches and cold pains. Vanquish® contains the active ingredients paracetamol (called acetaminophen in the U.S.), acacetylsalicylic acid and caffeine. The product was launched in 1964 and has nationwide distribution in the U.S. at Walgreens and Walmart, as well as regional distribution at several smaller retail chains. Vanquish® was included in the product portfolio that Moberg Pharma acquired from Bayer Healthcare in December 2013.

Fergon®

Fergon® is an iron supplement that is marketed primarily for women. The product is sold nationally at Rite Aid stores and through wholesalers to independent pharmacies and retailers. Fergon® was included in the product portfolio that Moberg Pharma acquired from Bayer Healthcare in December 2013.

[4]The Nalox™ and Naloc™ brands are owned by the company's partners and Moberg Pharma has no ownership rights in relation to these brands.

Development projects

MOB-015

MOB-015 is a topical treatment for nail fungus with fungicidal, keratolytic and emollient properties. The company's patent-pending formulation technology enables the delivery of high concentrations of a fungicidal substance (terbinafin) in and through nail tissue. As MOB-015 is applied locally, the side effects that can be observed with tablet treatment are avoided. The company estimates the peak sales potential of the product to MUSD 200-300. Data from an earlier Phase II study has provided crucial information for the continued development program and, in December 2012, a new Phase II study of an improved formulation of MOB-015 was initiated to confirm the product concept and provide a basis for a Phase III study and discussions with potential partners. In May 2013, patient enrollment for the study, which is being conducted with the help of leading expertise at Sahlgrenska University Hospital in Gothenburg, Sweden, was completed. Patients are treated for 12 months and monitored for an additional three months with respect to the endpoints that the FDA and EMA normally accept for the indication nail fungus. If the current study provides the expected results, this will mark a major advance in the treatment of nail fungus. Positive interim results were published in December 2013. After six months of treatment with MOB-015, 40% of the patients were mycologically cured (free from fungus). The results from the study are expected during the second half of 2014.

BUPI - Bupivacaine lozenge

An innovative and patent-pending oral lozenge formulation of the proven compound bupivacaine for treatment of oral pain. The initial indication is pain management for patients suffering from oral mucositis during cancer therapy. Promising clinical data from several pilot studies support safety and efficacy – most importantly that the novel lozenge formulation provides significantly longer and better pain relief than currently available non-opioid treatment alternatives for patients with oral mucositis. Moberg Pharma plans to gain additional efficacy data through a Phase II study. Moberg Pharma has identified several additional potential indications for the product, such as Sjögren's Syndrome, Burning Mouth Syndrome, endoscopic procedures, oral intubations and long-term OTC use. The company estimates the peak sales potential of the product to MUSD 50-100 assuming successful commercialization in oral mucositis and at least one additional indication.

BUSINESS DEVELOPMENT DURING 2014

Expanded distribution

Distribution agreement with Menarini for Kerasal Nail™ expanded to South East Asia.

In February, the company announced that Menarini Asia-Pacific, part of the Menarini Group – one of the 40 largest global pharmaceutical companies – had been granted exclusive rights to market and sell Kerasal Nail™ in eight countries in South East Asia. The companies now intend to apply for product approval in the Chinese market.

The expanded distribution agreement is based on an existing partnership between the two companies, which resulted in the successful launch of the product in Italy and a previous distribution agreement for China. Menarini is a leading regional pharmaceutical company in the Asia-Pacific region, with more than 3,500 employees in 13 markets and with a documented successful ability to launch and market brands in the consumer health area. The expansion encompasses eight countries in South East Asia: Singapore, Taiwan, Indonesia, The Philippines, Malaysia, Hong Kong, Thailand and Vietnam. These countries comprise a market of more than 550 million people in one of the fastest growing regions, and represent a significant long-term growth opportunity for Moberg Pharma. Moberg Pharma believes that Menarini Asia-Pacific's in-depth insight into local market conditions makes it an ideal partner to manage the challenges existing in these various markets.

Product and project development

Launch of new patent-pending formulation of Kerasal Nail™ in the U.S.
In March, the company announced the start of deliveries of a new, improved patent-pending formulation of the company's market leading product Kerasal Nail™ to customers in the U.S.

The new product is being delivered under existing agreements and will gradually replace the previous product at all retailers, including major pharmacy chains, such as CVS, Walgreens and Rite-Aid, mass retailers such as Walmart and Target and leading grocery chains such as Safeway and Publix. Kerasal Nail™ is now available at more than 30,000 sales outlets in the U.S.

Kerasal Nail™ is the market-leading product in the OTC fungal nail category with a 20% market share in the U.S. (as per the end of 2013). The new formula provides benefits to consumers by improving user-friendliness, facilitating nail penetration and improving stability. Moberg Pharma has applied for patent protection for the new product with a projected expiry date in 2034.

Acquisition of global rights to innovative topical formulation for the treatment of oral pain
In April 2014, the company announced that it had entered into an agreement with Oracain II Aps to acquire the global rights to a novel and patent-pending oral formulation of the proven substance bupivacaine for the treatment of pain in the oral cavity. The initial indication is for pain management for patients suffering from oral mucositis during cancer therapy. Oracain is entitled to an initial payment after positive Phase II data and a royalty on future sales after gross profit generated from these sales has exceeded Moberg Pharma's accumulated development costs incurred prior to launch.

Strengthened financial position

Private placement of MSEK 60 for continued expansion
In May 2014, the Board of Directors resolved, based on authorization from the 2014 Annual General Meeting, to by-pass the shareholders' preferential rights and issue 2,068,965 new shares to a limited group of Swedish and international institutional qualified investors at a price of SEK 29 per share through a private placement procedure. The private placement generated approximately MSEK 60 before transaction costs, and the proceeds from the private placement will strengthen Moberg Pharma's balance sheet and enable value-creating investments, including acquisitions of additional brands/products as well as preparations for licensing and development of product candidates in clinical phase.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events.

CONSOLIDATED REVENUE AND EARNINGS

Sales

Second quarter (April-June 2014)

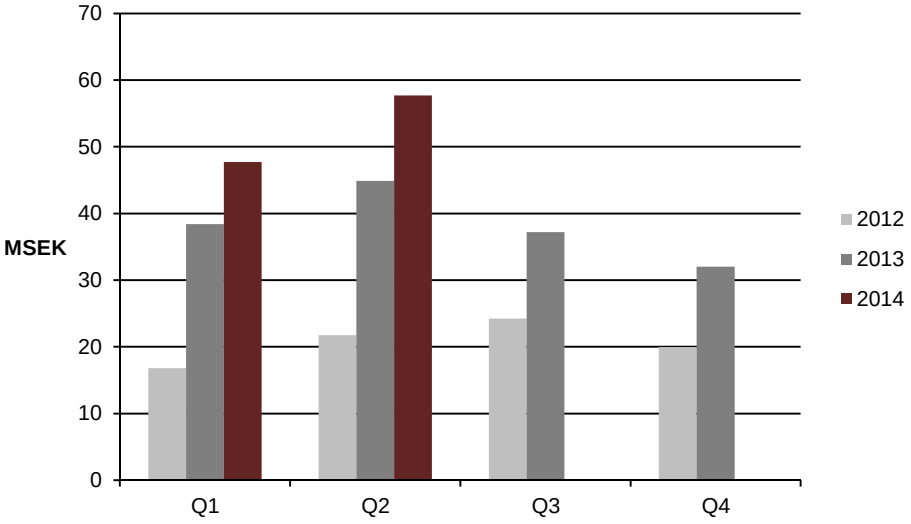
In the second quarter of 2014, revenue amounted to MSEK 57.7 (44.9), up 28% compared with the second quarter of 2013. Of total product sales, revenue for Nalox™/Kerasal Nail™ accounted for MSEK 35.9, while Kerasal® and JointFlex® accounted for MSEK 7.6 and MSEK 7.1, respectively. Other products contributed MSEK 7.1. Other operating income primarily comprised exchange-rate fluctuations.

Six-month period (January-June 2014)

During the January-June 2014 period, revenue amounted to MSEK 105.5 (83.4), up 27%. Adjusted for milestone payments, revenue increased 24%. The majority, MSEK 61.7 (57.2), derived from product sales of Nalox™/ Kerasal Nail™. Product sales revenue amounted to MSEK 16.7 for Kerasal®, MSEK 12.9 for JointFlex® and MSEK 12.3 for other products. Sales amounted to MSEK 22.6 in Europe, MSEK 78.4 in the U.S. and MSEK 4.4 in the rest of the world.

Distribution of operating income (KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Sales of products	57,706	44,935	103,691	83,358	152,576
Milestone payments	-	-	1,762	-	4,813
Revenue	**57,706**	**44,935**	**105,453**	**83,358**	**157,389**
Other operating income	161	877	538	1,026	1,068
Total operating income	**57,867**	**45,812**	**105,991**	**84,384**	**158,457**

Revenue from product sales per quarter

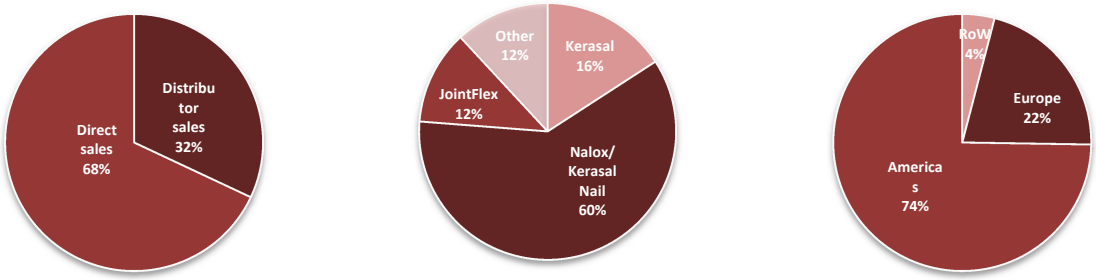


Revenue by channel (KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Direct sales	38,054	29,973	71,974	45,672	94,064
Sales of products to distributors	19,652	14,962	31,717	37,686	58,512
Milestone payments	-	-	1,762	-	4,813
TOTAL	**57,706**	**44,935**	**105,453**	**83,358**	**157,389**

Revenue by product category (KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Nalox/Kerasal Nail™, sales of products	35,875	32,646	61,702	57,210	93,152
Nalox/Kerasal Nail™, milestone payments	-	-	1,762	-	4,813
Kerasal®	7,596	7,320	16,723	11,962	26,263
JointFlex®	7,105	4,969	12,933	14,186	32,726
Other products	7,131	-	12,333	-	435
TOTAL	**57,706**	**44,935**	**105,453**	**83,358**	**157,389**

Revenue by geographical market (KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Europe	13,822	12,203	22,621	29,847	43,494
North and South America	42,829	30,963	78,428	47,086	94,250
Rest of the world	1,055	1,769	4,404	6,425	19,645
TOTAL	**57,706**	**44,935**	**105,453**	**83,358**	**157,389**

Distribution of revenue as a percentage, January - June 2014



Channels | Products | Geography

Earnings

Second quarter (April-June 2014)
Operating profit for the second quarter of 2014 was MSEK 4.8 (loss: 6.6). The cost of goods sold was MSEK 12.9 (8.0), corresponding to a gross margin on product sales of 78 % (82). Operating expenses, excluding cost of goods sold during the quarter, amounted to MSEK 40.1 (44.4), most of which comprised selling expenses of MSEK 27.7 (27.3).

EBITDA for the quarter amounted to 12% (neg: 11). Adjusted for R&D and Business Development expenses for future products, EBITDA for the existing product portfolio amounted to 19% (7).

Six-month period (January-June 2014)
Operating profit for the first six months of 2014 was MSEK 10.5 (loss: 10.3). The cost of goods sold was MSEK 22.7 (21.0). Operating expenses, excluding the cost of goods sold, amounted to MSEK 72.7, compared with MSEK 73.7 in the year-earlier period.

Profit after financial items amounted to MSEK 9.6, compared with the loss of MSEK 11.8 for the January to June 2013 period. The earnings improvement was mainly due to higher sales, improved gross margin[5], lower marketing costs in relation to revenues and reduced R&D expenses for future products. Sales revenue increased 27% during the period, while operating expenses in the first six months of 2014 were the same as in 2013. Profit for the period after tax was MSEK 8.1 (loss: 7.0) and total comprehensive income was MSEK 13.2 (loss: 1.9).

EBITDA for the first six months of 2014 amounted to 14% (neg: 9). Adjusted for R&D and Business Development expenses for future products, EBITDA for the existing product portfolio amounted to 21% (10).

EBITDA summary (KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Revenue	57,706	44,935	105,453	83,358	157,389
Cost of goods sold	-12,918	-7,968	-22,742	-21,013	-39,967
Gross profit	**44,788**	**36,967**	**82,711**	**62,345**	**117,422**
%	78%	82%	78%	75%	75%
Selling expenses	-26,107	-25,827	-45,880	-38,536	-69,813
Administrative expenses	-6,149	-6,167	-10,889	-11,019	-21,022
Research and development expenses - commercial operations[1)]	-1,754	-2,749	-3,904	-5,393	-10,249
Other operating income/operating expenses	161	877	538	1,026	1,068
EBITDA Commercial Operations	**10,939**	**3,101**	**22,577**	**8,423**	**17,406**
%	19%	7%	21%	10%	11%
Research and development expenses - future products[2)]	-2,794	-5,488	-5,217	-11,798	-18,790
Business development expenses	-1,246	-2,677	-2,926	-3,896	-6,566
EBITDA	**6,899**	**-5,064**	**14,434**	**-7,271**	**-7,950**
%	12%	-11%	14%	-9%	-5%
Depreciation/amortization	-2,066	-1,525	-3,904	-3,038	-6,105
Operating profit/loss (EBIT)	**4,833**	**-6,589**	**10,530**	**-10,309**	**-14,055**

1) Research and development expenses – commercial operations 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.

FINANCIAL POSITION

Cash flow

Second quarter (April-June 2014)
Cash flow from operating activities amounted to MSEK 6.2 (negative: 0.6) for the second quarter.

Six-month period (January-June 2014)
Operating cash flow before changes in working capital improved substantially during the period to MSEK 14.2 (neg: 7.9). The company has a season-related increase in working capital through marketing investments and

[5]Cost of goods sold in the first quarter of 2013 included a negative acquisition-related nonrecurring effect of MSEK 3.1.

higher orders for the peak season. Cash flow from operating activities amounted to MSEK 3.4 (neg: 1.0) for the January to June 2014 period. Cash and cash equivalents were MSEK 75.6 (32.5) at the end of the period.

Investments

Investments in intangible fixed assets pertain primarily to the acquisition of rights from Oracain II Aps to BUPI for treatment of oral pain. The initial investment totaled MSEK 2.0, including transaction costs. In addition to the initial compensation, Oracain is entitled to a payment of MDKK 4 after positive Phase II data and a royalty on future sales after gross profit generated from these sales has exceeded Moberg Pharma's accumulated development costs incurred prior to launch.

In addition to the acquisition of BUPI, the company has investments in intangible fixed assets in the form of capitalized expenditure for research and development work totaling MSEK 2.3 (0). Moberg Pharma also had R&D costs of MSEK 9.5 (17.2) that were expensed directly in the statement of comprehensive income, of which MSEK 5.2 (11.8) was related to future products.

Liabilities

Interest-bearing liabilities comprise a loan to Swedbank in the amount of MSEK 23.3, of which MSEK 6.6 (3.3) was amortized during the period.

Pledged assets and contingent liabilities

Moberg Pharma has no contingent liabilities. All pledged assets remain unchanged from those reported in the 2013 Annual Report and there have been no significant changes during the period in relation to equity in the subsidiary Moberg Pharma North America LLC.

CHANGES IN EQUITY

Shares

On May 27, 2014, the Board of Directors resolved, based on authorization from the 2014 Annual General Meeting, to by-pass the shareholders' preferential rights and issue 2,068,965 new shares to a limited group of Swedish and international institutional qualified investors at a price of SEK 29 per share through a private placement procedure. The private placement generated approximately MSEK 60 before transaction costs, and the proceeds from the private placement will strengthen Moberg Pharma's balance sheet and enable value-creating investments, including acquisitions of additional brands/products as well as preparations for licensing and development of product candidates in clinical phase.

As a result of the new share issue, the number of shares in Moberg Pharma increased 2,068,965 shares from 11,893,572 shares to 13,962,537 shares in total and the share capital increased SEK 206,896.50 from SEK 1,189,357.20 to SEK 1,396,253.70 in total. The new share issue entailed a dilution of approximately 15%.

At the end of the period, share capital amounted to SEK 1,396,253.70 (1,081,257.20), and the total number of shares outstanding was 13,962,537 (10,812,572) ordinary shares with a nominal value of SEK 0.10.

Stock options

On May 13, 2014, the Annual General Meeting of Moberg Pharma AB resolved to implement a private placement of 236,351 warrants (equivalent to 236,351 shares) to the company's wholly owned subsidiary Moberg Derma Incentives AB and to introduce the employee stock option scheme 2014:1. In the employee stock option scheme 2014:1, 196,500 stock options were allotted and 39,851 warrants reserved to cover future social security expenses for the employee stock options. The terms and conditions of the employee stock option scheme 2014:1 comply with the terms and conditions of the employee stock option scheme 2013:1, with the following exceptions: employee stock options in the 2014:1 scheme vest on June 30, 2017, the exercise price is SEK 37.64 per option and the last day for subscription is December 31, 2018. For a description of the terms and conditions of the employee stock option scheme 2013:1, refer to the 2013 Annual Report on page 60.

At June 30, 2014, there were a total of 891,130 warrants outstanding. If all warrants were exercised for shares, the number of shares would increase by 1,136,985, from 13,962,537 shares to 15,099,522 shares.

Disclosure of ownership

The Company's largest shareholders at June 30, 2014:

Shareholders	No. of shares	% of votes and capital
The Baltic Sea Foundation	2,248,478	16.1
Six Sis Ag, W8imy	890,645	6.4
JPM Chase NA	825,652	5.9
Bure Equity Ab (Publ)	811,151	5.8
Insurance company, Avanza Pension	773,472	5.5
Grandeur Peak	703,780	5.0
Handelsbanken Fonder AB Re Jpmel	612,777	4.4
Wolco Invest AB[6]	600,000	4.3
Third AP Fund	486,000	3.5
J P Morgan Cleaning Corp, W8	446,410	3.2
Deutsche Bank Ag Ldn-Prime Broker, Age Full Tax	415,029	3.0
Banque Carnegie Luxemburg s.a (funds)	386,494	2.8
Societe Generale	258,621	1.9
State Street Bank & Trust Com,. Boston	222,703	1.6
Ml, Pierce, Fenner & Smith Inc	172,414	1.2
Synskadades Stiftelse	172,201	1.2
Mobederm AB	154,215	1.1
Bny Gcm Client Accounts (E) Ilm	130,257	0.9
Lundmark, Anders	130,000	0.9
Kaufmann, Peter	120,800	0.9
TOTAL, 20 LARGEST SHAREHOLDERS	10,561,099	75.6
Other shareholders	3,401,438	24.4
TOTAL	13,962,537	100

ORGANIZATION

At June 30, 2014, the Moberg Pharma Group had 30 employees, of whom 60% were women. Of these, 21 were employed in the Parent Company, of whom 62% were women.

PARENT COMPANY

Moberg Pharma AB (Publ), Corp. Reg. No. 556697-7426, is the Parent Company of the Group. Group operations are conducted primarily in the Parent Company (in addition to the sales organization in the U.S.) and comprise research and development, sales, marketing and administrative functions. Parent Company revenue amounted to MSEK 55.8 for the period January to June 2014, compared with MSEK 39.1 in 2013. Operating expenses, excluding the cost of goods sold, amounted to MSEK 24.0 (MSEK 37.2) and profit after

[6] Owned by Moberg Pharma's CEO, Peter Wolpert

financial items to MSEK 17.7 (loss: 7.9). Cash and cash equivalents were MSEK 71.2 (24.1) at the end of the period.

RISK FACTORS

Commercialization and development of drugs are capital-intensive activities exposed to significant risks. Risk factors considered to be of particular relevance for Moberg Pharma's future development are linked to competitors and pricing, production, partners' and distributors' performance, the results of clinical trials, regulatory actions, product liability and insurance, 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 2013 Annual Report on page 35.

Over the next 12 months, the most significant risk factors for the company are deemed to be associated with market development, the development of established partnerships, integration of acquisitions and the results of clinical trials.

OUTLOOK

Moberg Pharma aims to create value and generate a solid return for shareholders through profitable expansion from organic sales growth, acquisitions/in-licensing of new products and the commercialization of development projects. The company's financial objectives are to achieve continued healthy growth and an operating margin (EBITDA margin) of at least 25% within three years.

In 2014, the focus will be on sales growth and improved earnings. Significant components are integrating acquisitions, identifying further business opportunities and supporting the company's distributors and retailers.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Revenue	57,706	44,935	105,453	83,358	157,389
Cost of goods sold	-12,918	-7,968	-22,742	-21,013	-39,967
Gross profit	**44,788**	**36,967**	**82,711**	**62,345**	**117,422**
Selling expenses[1)]	-27,717	-27,284	-48,945	-41,446	-75,674
Business development and administrative expenses	-7,516	-8,912	-14,319	-15,043	-27,832
Research and development expenses	-4,883	-8,237	-9,455	-17,191	-29,039
Other operating income	161	877	538	1,026	1,068
Other operating expenses	-	-	-	-	-
Operating profit/loss (EBIT)	**4,833**	**-6,589**	**10,530**	**-10,309**	**-14,055**
Interest income and similar items	909	192	1,042	298	545
Interest expense and similar items	-1,440	-1,144	-2,022	-1,837	-2,665
Profit/loss after financial items (EBT)	**4,302**	**-7,541**	**9,550**	**-11,848**	**-16,175**
Tax on profit for the period	-233	3,285	-1,411	4,841	4,817
PROFIT/LOSS FOR THE PERIOD	**4,069**	**-4,256**	**8,139**	**-7,007**	**-11,358**
Items that will be reclassified					
Translation differences of foreign operations	4,161	4,567	5,052	5,080	-725
Other comprehensive income/loss	4,161	4,567	5,052	5,080	**-725**
COMPREHENSIVE INCOME/LOSS FOR THE PERIOD	**8,230**	**311**	**13,191**	**-1,927**	**-12,083**
Profit/loss for the period attributable to PC shareholders	4,069	-4,256	8,139	-7,007	-11,358
Profit/loss for the period att. to minority interests	-	-	-	-	-
Comprehensive income/loss att. to PC shareholders	8,230	311	13,191	-1,927	-12,083
Total comprehensive income att to minority interests	-	-	-	-	-
Earnings/loss per share before dilution	**0.33**	**-0.39**	**0.67**	**-0.65**	**-1.01**
Earnings/loss per share after dilution[2)]	**0.33**	**-0.39**	**0.67**	**-0.65**	**-1.01**
[1)] Of which amortization of product rights	-1,486	-1,457	-2,941	-2,910	-5,861
EBITDA	**6,899**	**-5,064**	**14,434**	**-7,271**	**-7,950**
Depreciation/amortization of product rights	-1,486	-1,457	-2,941	-2,910	-5,861
Other depreciation/amortization	-580	-68	-963	-128	-244
Operating profit/loss (EBIT)	**4,833**	**-6,589**	**10,530**	**-10,309**	**-14,055**
EBITDA excluding acquisition-related costs	**6,899**	**-5,064**	**14,434**	**-4,200**	**-4,879**

[2)] *In periods during which the Group reported a loss, no dilution effect has occurred. This is because dilution is recognized only when a potential conversion to ordinary shares would mean that earnings per share would be lower.*

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(KSEK)	June 30, 2014	June 30, 2013	December 31, 2013
Assets			
Intangible fixed assets	192,070	157,804	181,820
Tangible fixed assets	1,011	1,346	1,180
Financial fixed assets	65	65	63
Deferred tax assets	29,059	27,151	29,327
Total fixed assets	**222,205**	**186,366**	**212,390**
Inventories	9,178	6,391	6,968
Accounts receivable and other receivables	51,655	39,854	25,113
Cash and bank balances	75,596	32,497	27,138
Total current assets	**136,429**	**78,742**	**59,219**
TOTAL ASSETS	**358,634**	**265,108**	**271,609**
Equity and liabilities			
Equity (attributable to Parent Company shareholders)	271,781	176,691	201,494
Long-term interest-bearing liabilities	10,000	24,445	16,667
Long-term non-interest-bearing liabilities	1,920	15,578	1,860
Current interest-bearing liabilities	13,333	12,222	13,333
Current non-interest-bearing liabilities	61,600	36,172	38,255
TOTAL EQUITY AND LIABILITIES	**358,634**	**265,108**	**271,609**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Operating activities					
Operating profit/loss before financial items	4,834	-6,588	10,531	-10,308	-14,056
Financial items, received and paid	-69	-1,193	-534	-1,082	-1,123
Taxes paid	-	-	3	-	16
Adjustments for non-cash items:					
Depreciation/amortization	2,066	1,525	3,904	3,038	6,105
Employee stock option costs	138	167	278	466	808
Cash flow before changes in working capital	**6,969**	**-6,089**	**14,182**	**-7,886**	**-8,250**
Change in working capital					
Increase (-)/Decrease (+) in inventories	-1,356	1,266	-2,210	3,539	2,708
Increase (-)/Decrease (+) in operating receivables	-19,691	3,906	-24,314	3,973	12,597
Increase (+) / Decrease (-) in operating liabilities	3,904	303	15,701	-650	-10,205
CASH FLOW FROM OPERATING ACTIVITIES	**6,213**	**-614**	**3,359**	**-1,024**	**-3,150**
Investing activities					
Net investments in intangible fixed assets	-2,528	-	-4,310	-	-30,299
Net investments in equipment	-	-73	-	-160	-201
Net investments in subsidiaries	-	-	-	-16,658	-16,658
CASH FLOW FROM INVESTING ACTIVITIES	**-2,528**	**-73**	**-4,310**	**-16,818**	**-47,158**
Financing activities					
Borrowings (+) / Loan amortization (-)	-3,334	-3,333	-6,667	-3,333	-10,000
New share issue after transaction costs	55,937	-	55,937	-	34,049
CASH FLOW FROM FINANCING ACTIVITIES	**52,603**	**-3,333**	**49,270**	**-3,333**	**24,049**
Change in cash and cash equivalents	**56,288**	**-4,020**	**48,319**	**-21,175**	**-26,259**
Cash and cash equivalents at the start of the period	19,227	36,275	27,138	53,423	53,423
Exchange-rate difference in cash and cash equivalents	81	242	139	249	-26
Cash and cash equivalents at the end of the period	75,596	32,497	75,596	32,497	27,138

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(KSEK)	Share capital	Other capital contributions	Translation reserve	Accumulated deficit	Total equity
January 1, 2014 - June 30, 2014					
Opening balance, January 1, 2014	**1,189**	**300,569**	**-3,554**	**-96,710**	**201,494**
Comprehensive income					
Results for the period				8,139	8,139
Other comprehensive income - translation differences on translation of foreign operations			5,052		5,052
Transactions with shareholders					
New share issue	207	59,793			60,000
Transaction costs, new share issue		-3,169			-3,169
Employee stock options		265			265
CLOSING BALANCE, JUNE 30, 2014	**1,396**	**357,458**	**1,498**	**-88,571**	**271,781**
January 1, 2013 - June 30, 2013					
Opening balance, January 1, 2013	**1,081**	**265,334**	**-2,829**	**-85,352**	**178,234**
Comprehensive income					
Results for the period				-7,007	-7,007
Other comprehensive income – translation differences attributable to translation of foreign operations			5,080		5,080
Transactions with shareholders					
Employee stock options		383			383
CLOSING BALANCE, JUNE 30, 2013	**1,081**	**265,717**	**2,251**	**-92,358**	**176,691**
January 1, 2013 – December 31, 2013					
Opening balance, January 1, 2013	**1,081**	**265,334**	**-2,829**	**-85,352**	**178,234**
Comprehensive income					
Results for the period				-11,358	-11,358
Other comprehensive income – translation differences attributable to translation of foreign operations			-725		-725
Transactions with shareholders					
New share issue	108	36,149			36,257
Transaction costs, new share issue		-1,722			-1,722
Employee stock options		808			808
CLOSING BALANCE, DECEMBER 31, 2013	**1,189**	**300,569**	**-3,554**	**-96,710**	**201,494**

KEY FIGURES FOR THE GROUP

(KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Revenue	57,706	44,935	105,453	83,358	157,389
Gross margin %	78%	82%	78%	75%	75%
Gross margin on product sales %, excluding acquisition-related costs and items affecting comparability	78%	82%	78%	78%	77%
EBITDA excluding acquisition-related costs	6,899	-5,064	14,434	-4,200	-4,879
EBITDA % excluding acquisition-related costs	12%	neg.	14%	neg.	neg.
EBITDA	6,899	-5,064	14,434	-7,271	-7,950
Operating profit/loss (EBIT)	4,833	-6,589	10,530	-10,309	-14,055
Profit/loss after tax	4,069	-4,256	8,139	-7,007	-11,358
Profit margin %	7%	neg.	8%	neg.	neg.
Total assets	358,634	265,108	358,634	265,108	271,609
Net receivables	52,263	-4,170	52,263	-4,170	-2,862
Debt/equity ratio	9%	21%	9%	21%	15%
Equity/assets ratio	76%	67%	76%	67%	74%
Return on equity	1%	-2%	3%	-4%	-6%
Earnings per share, SEK	0.33	-0.39	0.67	-0.65	-1.01
Operating cash flow per share, SEK	0.50	-0.06	0.28	-0.09	-0.28
Equity per share, SEK	19.47	16.34	19.47	16.34	16.94
Average number of shares before dilution	12,280,082	10,812,572	12,087,895	10,812,572	11,265,704
Average number of shares after dilution	12,420,506	11,287,458	12,228,582	11,259,586	11,735,821
Number of shares at end of period	13,962,537	10,812,572	13,962,537	10,812,572	11,893,572
Share price on the closing date, SEK	29.40	33.00	29.40	33.00	31.60
Market capitalization on the closing date, MSEK	410	357	410	357	376

Definitions of key figures

Net receivables	Cash and cash equivalents less interest-bearing liabilities
Debt/equity ratio	Interest-bearing liabilities in relation to equity
Equity/assets ratio	Equity at year-end in relation to total assets
Return on equity	Profit/loss for the period divided by equity
Equity per share*	Profit/loss after tax divided by the average number of shares outstanding
Operating cash flow per share*	Cash flow from operating activities divided by the average number of shares outstanding
Equity per share	Equity divided by the number of shares outstanding at the end of the period

** In periods during which the Group reported a loss, no dilution effect has occurred. This is because dilution is recognized only when a potential conversion to ordinary shares would mean that earnings per share would be lower.*

CONDENSED PARENT COMPANY INCOME STATEMENT

(KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Revenue	33,269	17,651	55,750	39,099	82,296
Cost of goods sold	-8,367	-4,099	-14,310	-9,279	-19,063
Gross profit	**24,902**	**13,552**	**41,440**	**29,820**	**63,233**
Selling expenses	-2,677	-4,399	-5,076	-10,025	-14,363
Business development and administrative expenses	-5,075	-6,302	-9,479	-10,016	-17,407
Research and development expenses	-4,883	-8,237	-9,455	-17,191	-29,039
Other operating income	161	877	538	1,026	1,068
Other operating expenses	-	-	-	-	-
Operating profit/loss	**12,428**	**-4,509**	**17,968**	**-6,386**	**3,492**
Interest income	796	215	1,209	343	832
Interest expense	-942	-1,146	-1,520	-1,839	-2,673
Profit/loss after financial items	**12,282**	**-5,440**	**17,657**	**-7,882**	**1,651**
Tax on profit for the period	-2,655	1,234	-3,908	1,753	-685
PROFIT/LOSS	**9,627**	**-4,206**	**13,749**	**-6,129**	**966**

CONDENSED PARENT COMPANY BALANCE SHEET

(KSEK)	June 30, 2014	June 30, 2013	Dec 31, 2013
Assets			
Intangible fixed assets	40,854	236	32,509
Tangible fixed assets	541	729	653
Financial fixed assets	178,107	178,107	178,107
Deferred tax assets	18,772	23,767	21,787
Total fixed assets	**238,274**	**202,839**	**233,056**
Accounts receivable and other receivables	25,891	22,403	11,582
Receivables to Group companies	25,790	3,514	19,024
Cash and bank balances	71,208	24,051	22,244
Total current assets	**122,889**	**49,968**	**52,850**
TOTAL ASSETS	**361,163**	**252,807**	**285,906**
Equity and liabilities			
Shareholders' equity	295,796	183,287	225,156
Long-term interest-bearing liabilities	10,000	24,444	16,667
Long-term non-interest-bearing liabilities	-	16,750	-
Current interest-bearing liabilities	13,333	12,222	13,333
Current non-interest-bearing liabilities	42,034	16,104	30,750
TOTAL EQUITY AND LIABILITIES	**361,163**	**252,807**	**285,906**

CONDENSED PARENT COMPANY CASH-FLOW STATEMENT

(KSEK)	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Full-year 2013
Operating activities					
Operating profit/loss before financial items	12,428	-4,509	17,968	-6,386	3,492
Financial items, received and paid	-69	-1,195	-534	-1,072	-836
Taxes paid	-	-	-	-	28
Adjustments for non-cash items:					
Depreciation/amortization	578	62	957	122	244
Employee stock option costs	19	-8	60	204	443
Cash flow before changes in working capital	**12,956**	**-5,650**	**18,451**	**-7,132**	**3,371**
Change in working capital					
Increase (-)/Decrease (+) in operating receivables and inventories	-6,028	1,409	-19,955	5,898	626
Increase (+) / Decrease (-) in operating liabilities	4,638	369	5,508	-5,476	-9,558
CASH FLOW FROM OPERATING ACTIVITIES	**11,566**	**-3,872**	**4,004**	**-6,710**	**-5,561**
Investing activities					
Net investments in intangible fixed assets	-2,528	-	-4,310	-	-30,299
Net investments in equipment	-	-73	-	-86	-125
Net investments in subsidiaries	-	-	-	-16,658	-16,658
CASH FLOW FROM INVESTING ACTIVITIES	**-2,528**	**-73**	**-4,310**	**-16,744**	**-47,082**
Financing activities					
Borrowings (+) / Loan amortization (-)	-3,334	-3,333	-6,667	-3,333	-10,000
New share issue after transaction costs	55,937	-	55,937	-	34,049
CASH FLOW FROM FINANCING ACTIVITIES	**52,603**	**-3,333**	**49,270**	**-3,333**	**24,049**
Change in cash and cash equivalents	**61,641**	**-7,278**	**48,964**	**-26,787**	**-28,594**
Cash and cash equivalents at the start of the period	9,567	31,329	22,244	50,838	50,838
Cash and cash equivalents at the end of the period	71,208	24,051	71,208	24,051	22,244

ACCOUNTING AND VALUATION POLICIES

This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements have, in common with the annual accounts for 2013, been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Accounts Act. The Parent Company accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

"IFRS" in this document refers to the application of both IASs and IFRSs as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting principles and calculation methods as described in the 2013 Annual Report. A number of new or revised standards, interpretations and improvements have been adopted by the EU and are to be applied from January 1, 2014. These changes have not had any significant effect on the Group.

Amounts are expressed in SEK rounded to the nearest thousand unless otherwise stated. Due to the rounding component, totals may not tally. MSEK is an abbreviation of millions of Swedish Kronor. Amounts and figures in parentheses are comparative figures from the preceding year.

SEGMENT REPORTING

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

RELATED-PARTY TRANSACTIONS

The acquisition of Moberg Pharma North America includes additional purchase considerations that are triggered if revenue for the acquired company reaches a certain amount. If the established targets are achieved, an additional consideration of a maximum of MUSD 2.5 per period, a total of a maximum of MUSD 5, is to be paid to the sellers of Moberg Pharma North America. The targets for the first additional consideration were achieved and MUSD 2.5 was paid in the first quarter of 2013.

No other significant changes have occurred in relations and transactions with related parties.

FINANCIAL INSTRUMENTS

As on December 31, 2013, the fair value of financial instruments approximates to their carrying amount.

FUTURE REPORTING DATES

Interim report for January – September 2014 November 14, 2014

FOR MORE INFORMATION, PLEASE CONTACT

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For more information about Moberg Pharma's operations, please visit the company's website at www.mobergpharma.com

BOARD DECLARATION

This interim report is unaudited.

The undersigned certify that the Interim Report provides a 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.

Bromma, August 13th, 2014

Mats Pettersson *Chairman*	Wenche Rolfsen *Vice Chairman*	Torbjörn Koivisto *Board member*
Thomas Thomsen *Board member*	Geert Cauwenbergh *Board member*	George Aitken-Davies *Board member*
Peter Wolpert *CEO*		