

Medivir completes the divestment of BioPhausia – a transfer of approx. SEK 870m to the shareholders through a share redemption offer will be proposed

Stockholm, Sweden — Medivir AB (Nasdaq Stockholm: MVIR) announces today that the divestment of BioPhausia AB to Karo Pharma AB has been completed. The Board of Directors of Medivir will convene an Extraordinary General Meeting (EGM), and proposes that the EGM resolves to transfer the net proceeds from the sale of BioPhausia (approx. SEK 870 m, corresponding to SEK 32/share) to the company's shareholders through a voluntary share redemption offer open to all shareholders.

"The sale of Medivir's subsidiary company, BioPhausia, has resulted in a very strong cash position. Having reviewed the company's capital requirements, the Board of Directors of Medivir is pleased to confirm that there is room for a substantial transfer of capital to the company's shareholders while still maintaining a healthy liquidity," says Anna Malm Bernsten, Chairman of the Board of Medivir.

The Board of Directors will convene an EGM by the beginning of January 2017 at the latest where it is proposed that a decision to approve the share redemption offer is taken. The full proposal will be presented in conjunction with the issue of the notice convening the EGM. The EGM is preliminarily scheduled to be held in early February at the latest. Should the EGM approve the Board's proposal, the aim is to implement the redemption offer as soon as possible during the following weeks.

"We believe, following the streamlining of the operations over the past year and the acquisition of the new clinical phase projects, that Medivir has achieved an attractive and balanced research portfolio with a focus on oncology and with the potential to generate significant value for our shareholders over the coming years," concludes Anna Malm Bernsten, Chairman of the Board of Medivir.

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This information is information that Medivir AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 13.00 CET on 15 December 2016.

About Medivir

Medivir is a research based pharmaceutical company with a focus on oncology. We have a leading competence within protease inhibitor design and nucleotide/nucleoside science and we are dedicated to develop innovative pharmaceuticals that meet great unmet medical need. Medivir's class B share is listed on the Nasdaq Stockholm Mid Cap List.