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MEDIVIR RESOLVES ON A RIGHTS ISSUE OF APPROXIMATELY SEK 170 MILLION AND AN OVER-ALLOTMENT OPTION WITH STRONG SUPPORT FROM EXISTING AND NEW SPECIALIST INVESTORS

The Board of Directors of Medivir AB (publ) ("Medivir" or "the Company") has today resolved to carry out a rights issue of class B shares with preferential rights for existing shareholders (the "Rights Issue") of approximately SEK 170 million before transaction costs, guaranteed to approximately 70 percent with strong support from existing and new specialist investors such as LINC AB ("LINC"), Healthinvest Partners AB ("Healthinvest") and Nyenburgh Holding BV ("Nyenburgh"). The Rights Issue requires the approval of an extraordinary general meeting (the "Extraordinary General Meeting"). In addition, the Board of Directors may, on the basis of an authorization from the annual general meeting held in Medivir on May 5, 2020, resolve on an over-allotment option by way of a directed share issue of approximately SEK 25 million (the "Over-allotment Option"), primarily to accommodate the external interest from Healthinvest. The proceeds will be used for clinical work related to a planned combination study with the Company's drug candidate MIV-818, preparations of phase II/III in the development of MIV-818 and to cover general and administrative costs.

Summary

- The Rights Issue comprises a maximum of 24,276,405 class B shares and will provide Medivir with proceeds of up to SEK 170 million before transaction costs.
- The subscription price has been set to SEK 7.00 per share, which corresponds to a discount of 23 percent compared to the theoretical ex-rights share price ("TERP"), based on the closing price for Medivir's share on December 10, 2020. Commission will not be charged.
- Provided that the Rights Issue is approved by the Extraordinary General Meeting on January 13, 2021, the record date for the Rights Issue will be January 18, 2021 and the subscription period will commence on January 20, 2021 and end on February 1, 2021.
- Existing shareholders, as of the record date, will receive (1) subscription right for every existing share held. One (1) subscription right entitles to the subscription of one (1) new share.
- The Over-allotment Option comprises class B shares and will potentially provide Medivir with up to an additional SEK 25 million, in case the Rights Issue is fully subscribed, and total proceeds of approximately SEK 195 million before transaction costs. The reason for deviating from the existing shareholders' preferential rights is primarily to accommodate the external interest from Healthinvest and thereby strengthen Medivir's institutional investor base. The subscription price will be the same as the subscription price for the Rights Issue.
- The Rights Issue is guaranteed to an amount of approximately SEK 119 million, corresponding to approximately 70 percent, through a combination of subscription and guarantee commitments. A subscription commitment has been undertaken by LINC (controlled by the board member Bengt Julander). In addition, the external specialist investor Healthinvest has committed to subscribe for shares, corresponding to an amount of SEK 25 million, without preferential rights in the Rights Issue and in the potential Over-allotment Option. Guarantee commitments have been undertaken by LINC, the external specialist investor Nyenburgh and other external guarantors.
- The notice to the Extraordinary General Meeting will be announced separately.

- The proceeds from the Rights Issue will be used for clinical work related to a planned combination study with the Company's drug candidate MIV-818, preparations for phase II/III in the development of MIV-818 and to cover general and administrative costs.

Background and rationale

Medivir has during the last two years gone through two phases of reorganization, increasing its focus on oncology and improving efficiency. The new organization with a clear focus on oncology was launched during 2016. At the end of 2018, Medivir decided to focus its operations on the clinical development of the Company's drug candidates, including MIV-818. The first clinical study of MIV-818 was initiated at the end of 2018 and in March 2020, data from the phase Ia study was presented. The results indicated experimental support for the liver-directed effect of MIV-818 and five out of nine patients were assessed to have stable liver disease after the treatment. The phase Ib study commenced later in March 2020, with the primary objective to determine the safety and tolerability profile of MIV-818. Topline data from the first part of the phase Ib study is expected to be presented during the first quarter of 2021.

The Board of Directors has today resolved on a Rights Issue of class B shares with preferential rights for existing shareholders of maximum SEK 170 million before transaction costs. In addition, the Board of Directors may resolve, on the basis of an authorization from the annual general meeting held in Medivir on May 5, 2020, on an Over-allotment Option by way of a directed share issue of a maximum of SEK 25 million. Assuming that the Rights Issue is fully subscribed and the Over-allotment Option is issued in full, the Company will receive proceeds totaling SEK 195 million before transaction costs.

The proceeds from the Rights Issue and the Over-allotment Option will be used for clinical work related to a planned combination study with the Company's drug candidate MIV-818, preparations for phase II/III in the development of MIV-818 and to cover general and administrative costs.

The Rights Issue

According to the proposed terms, one (1) subscription right will be received for every existing class B share as of the record date on January 18, 2021. One (1) subscription right entitles to subscription of one (1) new class B share. The subscription price per class B share amounts to SEK 7.00, which corresponds to a discount of approximately 23 percent compared to the theoretical ex-rights share price ("TERP"), based on the closing price of Medivir's share on December 10, 2020.

In total, a maximum of 24,276,405 class B shares¹ will be issued through the Rights Issue, corresponding to an amount of approximately SEK 170 million before transaction costs.

The Rights Issue requires approval from the Extraordinary General Meeting that will be held on January 13, 2021. Anyone registered as a shareholder on the record date of January 18, 2021 in the shareholder register held by Euroclear Sweden AB is entitled to a preferential right to subscribe for new shares in relation to the number of shares already held by that shareholder.

The subscription period is expected to commence on January 20, 2021 and end on February 3, 2021, or such later date resolved by the Board of Directors. For additional information, please see the notice to the Extraordinary General Meeting, which will be announced through a separate press release.

In the event that not all shares are subscribed for by virtue of subscription rights, the Board of Directors shall, within the framework of the highest amount of the Rights Issue, decide on the allocation of shares which

¹ Excluding treasury shares. There are in total 24,287,818 outstanding class B shares in Medivir, of which the Company holds 11,413 treasury class B shares, which do not entitle to participation in the Rights Issue.

have not been subscribed for by virtue of subscription rights. In such case, shares shall firstly be allocated to those who also subscribed for shares by virtue of subscription rights (regardless if they were shareholders on the record date or not) and, in case the allocation cannot be made in full, in proportion to the number of subscription rights each have exercised for subscription of shares, secondly allotment shall be made to others whom have subscribed for shares without virtue of subscription rights, and in case allocation cannot be made in full, in proportion to the number of shares specified in each subscription application, thirdly the shares should be allocated to those who have undertaken guarantee commitments, acting as guarantors in the Rights Issue, and in case the allotment cannot be made in full, allocation shall be made in accordance with what has previously been agreed upon with these guarantors.

Over-allotment Option

In addition, the Board of Directors may resolve, on the basis of an authorization from the annual general meeting held in Medivir on May 5, 2020, on an Over-allotment Option by way of a directed share issue of up to SEK 25 million. In case the Over-allotment Option is fully exercised, the total proceeds, including the Rights Issue, will amount to approximately SEK 195 million before transaction costs.

Healthinvest has committed to subscribe for shares without preferential rights in the Rights Issue corresponding to a total amount of SEK 25 million, without remuneration. The Over-allotment Option will be exercised, wholly or in part, in case the Rights Issue is subscribed to such an extent that Healthinvest will not be allocated their full commitment of SEK 25 million in the Rights Issue. Healthinvest's subscription in the Over-allotment Option will thereby be determined by the difference between Healthinvest's total commitment of SEK 25 million and their actual subscription in the Rights Issue, meaning that Healthinvest's total commitment within the Rights Issue and Over-allotment Option will be SEK 25 million. The right to subscribe for new class B shares in the Over-allotment Option, with deviation from the preferential rights of Medivir's shareholders, is firstly reserved to Healthinvest and secondly to other selected institutional investors in Sweden or internationally. The purpose of deviating from the shareholders' preferential rights is to strengthen Medivir's institutional investor base. The subscription price will correspond to the subscription price in the Rights Issue.

Shares and dilution

In connection with the Rights Issue, the number of shares in Medivir will increase with up to 24,276,405 class B shares² and subsequently amount to a maximum of 48,552,810 class B shares² in total. Existing shareholders that do not take part in the Rights Issue will be diluted by approximately 50 percent of the total number of shares and votes in the Company after the Rights Issue. Shareholders that choose to not participate in the Rights Issue have the possibility to be gain economic compensation for the dilution effect by selling their subscription rights.

If the Over-allotment Option is exercised, there will be an additional increase in the total number of shares of up to 3,571,428 new class B shares.

In case the Rights Issue and the Over-allotment Option are both exercised in full, the total number of shares in the Company will increase by 27,847,833 class B shares to 52,124,238 class B shares². The dilution effect

² Excluding treasury shares. There are in total 24,287,818 outstanding class B shares in Medivir, of which the Company holds 11,413 treasury class B shares, which do not entitle to participation in the Rights Issue.

will amount to up to approximately 53 percent based on the number of shares after the Rights Issue and the Over-allotment Option³.

Subscription commitments and guarantees

The Rights Issue comprises approximately 70 percent subscription and guarantee commitments, of which subscription commitments represent approximately 19 percent and guarantee commitments represent approximately 51 percent. Subscription commitments from existing shareholders of approximately SEK 7 million have been undertaken by LINC (controlled by board member Bengt Julander). LINC's shares are formally owned by Nordea Kapitalförvaltning ("Nordea") through an endowment insurance, where LINC is the insurance holder, and LINC's commitments will thereby be fulfilled through Nordea. In addition, Healthinvest has committed to subscribe for shares without virtue of subscription rights in the Rights Issue and a potential Over-allotment Option for a total amount corresponding to SEK 25 million. Guarantee commitments of approximately SEK 87 million have been undertaken by LINC, Nyenburgh as well as other external guarantors.

The guarantee commitments that have been undertaken by Nyenburgh and other external guarantors is subordinated to the guarantee commitment from LINC and the subscription commitments from existing shareholders and Healthinvest. LINC's guarantee commitment will be valid regardless of the outcome in the Rights Issue, while the other guarantors' commitments are fulfilled up to a subscription rate of 70 percent in the Rights Issue.

A guarantee commission of 7 percent of the guaranteed amount in cash consideration will be paid for the guarantee commitments, based on current market conditions. No consideration will be paid for the subscription commitments that have been entered into. These subscription and guarantee commitments are not secured through bank guarantees, restricted funds, pledged assets or similar arrangements. Further information on the parties who have entered into guarantee commitments will be presented in the prospectus that will be released before the first day of the subscription period.

Preliminary timetable

- January 13, 2021: Extraordinary General Meeting to approve the Rights Issue
- January 15, 2021: First day of trading in the Medivir share, excluding the right to receive subscription rights
- January 18, 2021: Record date for the right to subscribe for shares by exercising subscription rights
- January 20 - February 3, 2021: Subscription period
- January 20 - February 1, 2021: Trading in subscription rights
- January 20 - February 16, 2021: Trading in paid subscribed shares ("BTA")
- February 9, 2021: Expected day for publication of the outcome of the Rights Issue

Complete terms and conditions for the Rights Issue and other information about the Company will be provided in the prospectus released before the commencement of the subscription period.

Prospectus

A prospectus and a subscription form will be made available before commencement of the subscription period on Medivir's website www.medivir.com as well as on ABG Sundal Collier's website, www.abgsc.com, under the section "ongoing transactions".

³ Excluding treasury shares. There are in total 24,287,818 outstanding class B shares in Medivir, of which the Company holds 11,413 treasury class B shares, which do not entitle to participation in the Rights Issue.

Financial calendar

In connection with the proposed Rights Issue, the Company has decided to move the publication of its interim report for the fourth quarter 2020 to February 26, 2021.

Advisors

ABG Sundal Collier is the financial advisor and Vinge is the legal advisor in connection with the transaction.

For additional information, please contact:

Yilmaz Mahshid, CEO

Telephone: +46 8 5468 3100

E-mail: yilmaz.mahshid@medivir.com

Magnus Christensen, CFO

Telephone: +46 8 5468 3100

E-mail: magnus.christensen@medivir.com

This information is information that Medivir AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication December 11, 2020 at 08:15 CET through the agency of the contact persons set out above.

Medivir in brief

Medivir develops innovative drugs with a focus on cancer where the unmet medical needs are high. The drug candidates are directed toward indication areas where available therapies are limited or missing and there are great opportunities to offer significant improvements to patients. Collaborations and partnerships are important parts of Medivir's business model, and the drug development is conducted either by Medivir or in partnership. Medivir's share (ticker: MVIR) is listed on Nasdaq Stockholm's Small Cap list. www.medivir.com.

Important information

Publication, release, or distribution of this press release may in certain jurisdictions be subject to legal restrictions and persons in the jurisdictions where the press release has been made public or distributed should be informed of and follow such legal restrictions. The recipient of this press release is responsible for using this press release and the information herein in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer or solicitation to buy or subscribe for any securities in Medivir in any jurisdiction, either from Medivir or from anyone else.

This press release is not a prospectus according to the definition in Regulation (EU) 2017/2019 ("the Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus will be prepared by the Company and published on the Company's website after the prospectus has been reviewed and approved by the Swedish Financial Supervisory Authority.

This press release does not constitute an offer or solicitation to buy or subscribe for securities in the United States. The securities mentioned herein may not be sold in the United States without registration, or without an exemption from registration, under the U.S. Securities Act from 1933 ("Securities Act"), and may not be offered or sold within the United States without being registered, covered by an exemption from, or part of a transaction that is not subject to the registration requirements according to the Securities Act. There is no intention to register any securities mentioned herein in the United States or to issue a public offering of such securities in the United States. The information in this press release may not be released, published, copied, reproduced or distributed, directly or indirectly, wholly or in part, in or to Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or any other jurisdiction where the release, publication or distribution of this information would violate current rules or where such an action

is subject to legal restrictions or would require additional registration or other measures beyond those that follow from Swedish law. Actions in contravention of this instruction may constitute a violation of applicable securities legislation.

Forward- looking statements

This press release contains forward-looking statements related to the Company's intentions, estimates or expectations with regard to the Company's future results, financial position, liquidity, development, outlook, estimated growth, strategies and opportunities as well as the markets in which the Company is active. Forward-looking statements are statements that do not refer to historical facts and can be identified by the use of terms such as "believes," "expects," "anticipates," "intends," "estimates," "will," "may," "implies," "should," "could" and, in each case, their negative, or comparable terminology. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there is no guarantee that they will occur or that they are correct. Since these assumptions are based on assumptions or estimates and involve risks and uncertainties, actual results or outcomes, for many different reasons, may differ materially from those what is stated in the forward-looking statements. Due to such risks, uncertainties, eventualities and other significant factors, actual events may differ materially from the expectations that expressly or implicitly are contained in this press release through the forward-looking statements. The Company does not guarantee that the assumptions which serve as a basis for the forward-looking statements in this press release are correct, and each reader of the press release should not rely on the forward-looking statements in this press release. The information, opinions and forward-looking statements that expressly or implicitly are stated herein are provided only as of the date of this press release and may change. Neither the Company nor any other party will review, update, confirm or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise with respect to the contents of this press release, beyond what is required by law or Nasdaq Stockholm's rules for issuers.

Potential investors should not put undue trust in the forward-looking statements herein, and potential investors are strongly recommended to read the sections in the prospectus that includes a more detailed description of the factors that can affect the Company's business and its associated market.