

## Medivir carries out a directed share issue of approx. SEK 20 million

**INSIDER INFORMATION:** Stockholm, Sweden — Medivir AB (Nasdaq Stockholm: MVIR) ("Medivir" or the "Company"), a pharmaceutical company focused on developing innovative treatments for cancer in areas of high unmet medical need, announced today that the board of directors of MedivirAB (publ), as authorised by the general meeting on 4 May 2023, has resolved on a directed issue of 7,547,170 new ordinary shares through which the Company receives approx. SEK 20 million before issue costs (the "Directed Issue"). The right to subscribe for shares in the Directed Issue shall, with deviation from the shareholders pre-emption rights, belong to Hallberg Management AB ("HMAB"). HMAB is controlled by Anders Hallberg, former fund manager at HealthInvest Partners AB. The subscription price in the Directed Issue is SEK 2.65 per share and has been determined after negotiations with HMAB. The reason for the deviation from the shareholders' pre-emption rights is that the board of directors, in an overall assessment and after careful consideration, considers that a directed issue to HMAB is a time and cost-effective way to provide the Company with additional capital to progress the development of the Company's drug candidate fostrox and to give the Company an increased financial flexibility as well as that the Company, through the Directed Issue, will get a new strategically important, financially strong and long-term shareholder with many years of experience in the industry, which the board of directors' considers to be positive for the Company and its shareholders.

### Background and motive

In December 2023, Medivir carried out a rights issue (the "**Rights Issue**") which was subscribed to approximately 87 percent, which resulted in the issuance of 48,664,647 ordinary shares and proceeds of approximately SEK 129 million in total to the Company (before deduction of costs attributable to the Rights Issue). The subscription price in the Rights Issue was SEK 2.65 per share.

Medivir is a development company and the Company's board of directors continuously evaluates alternatives to finance the Company's operations. HMAB has expressed an interest in investing in the Company and the board of directors has therefore conducted negotiations with HMAB. The proceeds from the Rights Issue cover the Company's capital requirements for the activities that the Company plans to carry out in accordance with its business plan during the next twelve-month period. However, the board of directors considers that it is positive if the Company is provided with additional capital as it enables the Company to advance the development of the Company's drug candidate fostrox, and thereby create additional value for all shareholders, and provides the Company with increased financial flexibility. The Directed Issue can be carried out in a time and cost-effective manner, which means that the Company can quickly benefit from a large part of the proceeds. The Directed Issue also entails that the Company will get a new strategically important, financially strong and long-term shareholder with many years of experience in the industry, which the board of directors considers to be positive for the Company and its shareholders. The purpose of the Directed Issue and the reason for the deviation from the shareholders' pre-emption rights is thus to take advantage of the opportunity to provide the Company with additional capital in a time and cost-effective manner and to further strengthen the Company's shareholder base with a strategically important investor.

Considering that the Company has recently completed the Rights Issue, that a rights issue is time- and cost-consuming in relation to the limited size of the issue, and that one purpose of the Directed Issue is to provide the Company with a new strategic investor, the board of directors considers that a rights issue is not a suitable alternative to carrying out the Directed Issue. In an overall assessment and after careful consideration, the board of directors considers that it is justified and in the interest of the Company and the shareholders to deviate from the main rule regarding the shareholders' pre-emption rights.

### **About HMAB and Anders Hallberg**

HMAB is a limited liability company, which is wholly-owned by Anders Hallberg. Anders Hallberg has more than 20 years of experience in investing in health care and is one of the founders of the fund company Healthinvest Partners AB. Until January 2024, Anders Hallberg was fund manager in Healthinvest Alpha Fund.

Before the formation of Healthinvest Partners AB, Hallberg worked as both an analyst and a fund manager within the health sector on Carnegie Investment Bank AB. Hallberg has achieved the highest ranking as a healthcare analyst by Prospera and has been elected the fund manager of the year within the category healthcare funds, by Dagens Industri and Morningstar. Hallberg has a master's degree in national economy and a bachelor's degree in business administration from Lund University.

Hallberg has expressed an interest in being elected to the Company's board of directors, subject to a nomination from the Company's nomination committee and a resolution by the Company's annual general meeting during 2024.

### **Terms for the Directed Issue**

The Directed Issue is carried out at a subscription price of SEK 2.65, which corresponds the subscription price of the Rights Issue and has been determined after negotiations with HMAB. The subscription price entails a discount on the closing price on 22 January 2024 (SEK 2.77) with 4.19 percent and a discount on the volume-weighted average price during the period 16 January 2024 – 22 January 2024 (SEK 2,76) with 3.97 percent. The board of directors' opinion is that the agreed discount is in line with market conditions in this type of transaction. The board of directors' assessment is therefore that the subscription price has been set on market terms and reflects the current demand and market conditions.

In connection with the Rights Issue, the Company undertook towards Pareto Securities AB and Zonda Partners AB not to issue additional shares or other share-related instruments for a period of 90 days after the end of the subscription period. Pareto Securities AB and Zonda Partners AB have provided their prior consent to the Directed Issue but have not acted as advisors to the Company in connection with the Directed Issue. The Company's largest shareholders Linc AB and Nordea Investment Management AB support the Right Issue.

### **Dilution**

Through the Directed Issue, the number of outstanding shares will increase with 7,547,170 from 105,370,798 to 112,917,968 and the number of votes will increase with 7,547,170 from 104,592,523 to 112,139,693. The share capital will increase with SEK 3,773,585, from SEK 52,685,399 to SEK 56,458,984. The Directed Issue will result in a dilution effect for existing shareholders of approximately 6.68 percent of the number of shares and 6.73 percent of the number of votes in the Company.

### **Issue costs**

The costs for the Rights Issue are estimated to be approximately SEK 200,000.

### **Advisor**

In connection with the Directed Issue, the Company has engaged Advokatfirman Lindahl KB as its legal advisor.

### **For additional information, please contact;**

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*This press release constitutes inside information that Medivir AB is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was sent for publication, through the agency of the contact person set out above, at the time stated by the Company's news distributor set out above at the publication of this press release.*

### **About Medivir**

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. Medivir is focusing on the development of fostroxacitabine bralpamide (fostrox), a pro-drug designed to selectively treat liver cancer and to minimize side effects. 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](http://www.medivir.com).