Oncology acquisition transaction
Post-Closing Investor update

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Niklas Prager CEO
Richard Bethell CSO
Ola Burmark CFO

MEDIVIR

A Transformational Transaction

The previously announced acquisition of remetinostat and birinapant, two clinical stage oncology programs, was completed on December 29th 2016

Portfolio Transformation: Results in balanced and broad pipeline from early to late stages of development

- Shift of balance in the pipeline from research to later stage development
- Enables Medivir to build a critical mass in development
- Secures visible value generation by Medivir as a separate R&D company, with expected near-term and continuous news flow from clinical pipeline

Corporate Transformation: Transition to oncology-focused R&D company

- Both acquired programs in targeted oncology indications with high unmet need
- Aligned with the previously announced R&D focus

Today's communication

Upfront acquisition cost of $12M was paid in December

Presentation includes further detail on the acquired programs, including:

- market potential
- development plans and timelines
- expected financial requirements for future development

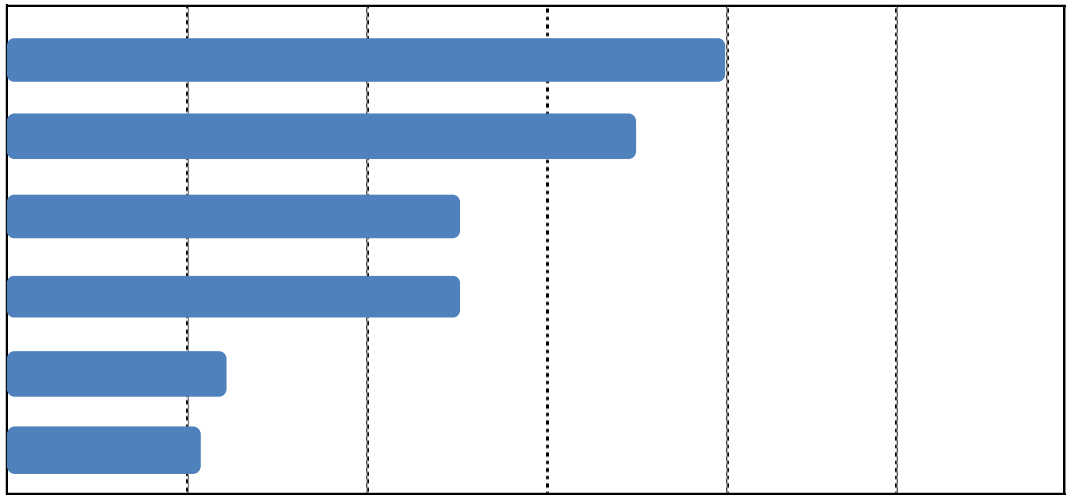
Information on the programs previously presented on the transaction investor call on November 3, 2016 can be found on Medivir's website

Medivir pipeline is diversified from early to late stages of development

Proprietary Pipeline

Well-balanced and broad pipeline from early to late stages of development

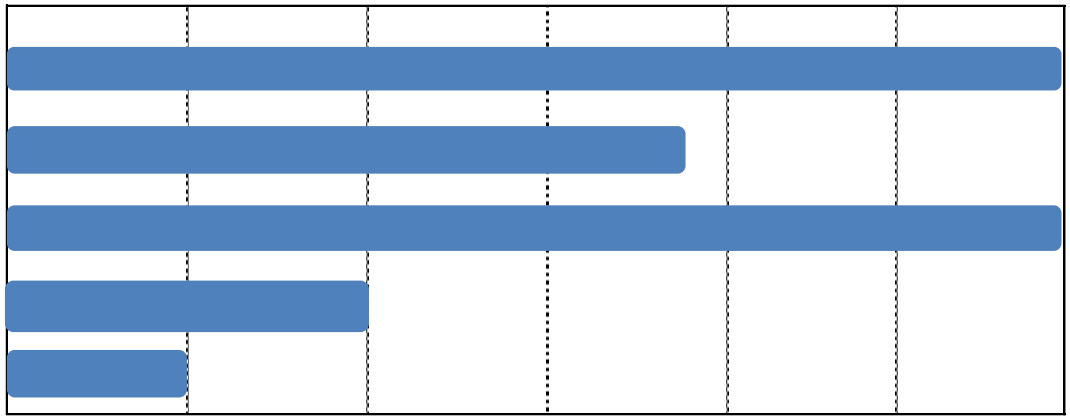
Project, Mechanism	Disease area
Remetinostat Topical HDAC inhibitor	**Cutaneous T-cell lymphoma**
MIV-711 Cathepsin K inhibitor	**Osteoarthritis**
Birinapant SMAC mimetic	**Solid tumors** (combo with Keytruda™)
	High-grade serous carcinomas
MIV-818, Nucleotide DNA polymerase inhibitor	**Hepatocellular carcinoma**
MIV-323 Fusion protein inhibitor	**RSV-infection**



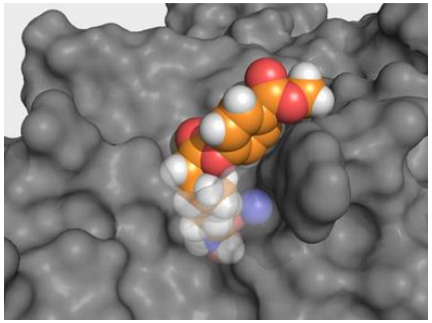
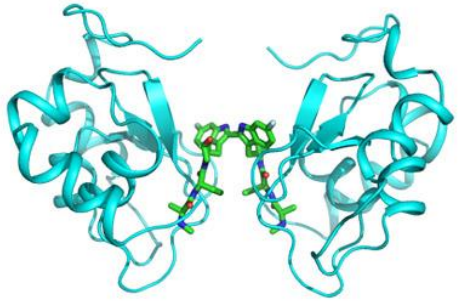
Partnership Pipeline

Partnerships where they can meaningfully enhance the value of a project

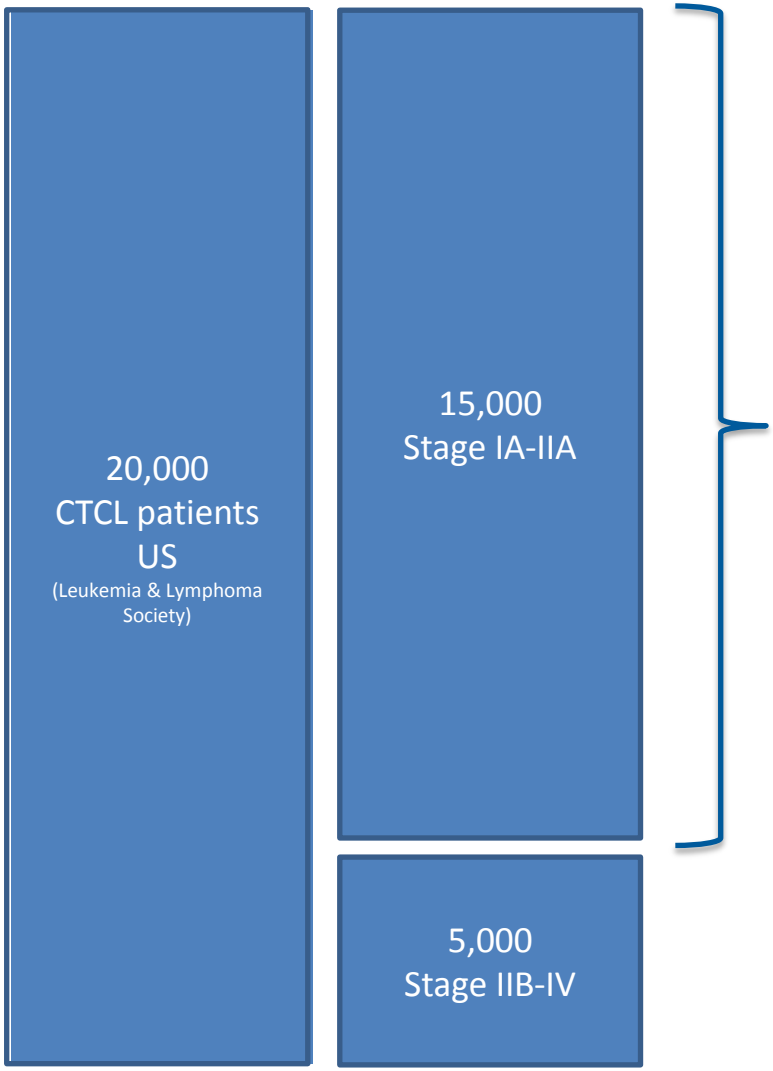
Project	Disease area	Partner
Olysio (simeprevir)	**Hepatitis C**	**Janssen**
JNJ-4178 AL-335+odalasvir+simeprevir	**Hepatitis C**	**Janssen**
Xerclear	**Labial herpes**	**GSK and Meda**
MIV-802, nucleotide NS5B polymerase inhibitor	**Hepatitis C**	**Trek Therapeutics**
HIV protease inhibitor	**HIV-infection**	**Janssen**



Innovative therapies in key areas of unmet medical need

Compound	Clinical Stage	Indication	Mechanism
remetinostat 	Phase II	Early stage cutaneous T-cell lymphoma (CTCL, an orphan hematologic cancer)	Topical, skin-directed inhibitor of histone deacetylases (HDACs)
birinapant 	Phase I/II	Various solid tumors (combination with Keytruda) MERCK	Bivalent second mitochondrial activator of caspases (SMAC) mimetic, an inhibitor of apoptosis proteins (IAP) inhibitor
	Phase I/II	High-grade serous carcinomas (including ovarian cancer) UCLA	

CTCL: orphan cancer disease with a meaningful market opportunity



- Expected target market:
  - early-stage patients (75% of CTCL)
  - US as priority geography
- Patients remain at this stage for extended periods
- Current treatments lack sustained efficacy and/or tolerability and are highly irritating
- Based on Phase II data and KOL discussions, remetinostat is expected to meet key unmet needs
- Pricing dynamics in US are favorable for orphan disease in cancer as confirmed in payor discussions; competitive treatments priced above $50K per patient year (1)
- Expected $900 million addressable market

A 15% patient share in the US would translate into over 1 BSEK in annual revenue

Sources: Leukemia & Lymphoma Society, Medivir market research

(1) The Medical Letter, Issue 1467, April 27, 2015 and Actelion public information

Modest expected Phase III clinical development size and cost

Upcoming Milestones

- Final results from Phase II expected Q1
- Preparations underway for End of Phase II meeting to allow Phase III start in 2H 2017
- Potential for launch in 2021

Design	• CTCL is an orphan indication – a single phase III study expected to be sufficient for approval • Past approvals in early stage CTCL were based on pivotal clinical studies involving <300 patients • Preferred dose for remetinostat has already been identified • Focus on treatment-experienced patients, in whom medical need is high
Costs and timing	**~405 MSEK expected costs to NDA submission over a 3 year period** • Clinical development milestones to third parties totaling ~105 MSEK at Phase III start • Phase III study expected to cost < 300 MSEK

Birinapant potential to enhance existing immuno-oncology agent effect in multiple tumor types

Market dynamics

Multi-billion for immuno-oncology agents

- PD-1 inhibitor revenues now $3.2B annually[(1)] and growing (including Merck's Keytruda™)
- Additional opportunities for combination treatments with other agents in late-stage trials

Combination regimens to enhance benefit are a major trend in cancer R&D

- Despite immunotherapy breakthroughs, less than half of patients derive meaningful clinical benefit

Birinapant benefits

Birinapant expected to enhance efficacy in combination with immuno-oncology drugs

Merck development collaboration for Phase I and II

- Keytruda™ provided at no cost
- Joint Development Committee to oversee the study, bringing Merck's IO expertise
- Medivir retains full global rights to birinapant and the data generated

Combination with Keytruda™ MERCK	**Design**
	• Phase I: sequential group dose-escalation to determine the dose-limiting toxicity and recommended Phase 2 dose, in combination with 200 mg pembrolizumab • Phase II: safety and tolerability of the recommended dose of birinapant, in combination with pembrolizumab
	Costs and timing
	• Cost of Phase I/II study: <SEK150m over three years • No development milestones expected in this time period

Sources: (1) Merck and Bristol-Myers Squibb financial reports

Birinapant targets a key unmet medical need in high-grade serous carcinoma

Market dynamics

High-grade serous carcinomas: Group of gynecological cancers

- ~70% of all ovarian carcinoma, and ~90% of advanced (stage III/IV) ovarian carcinomas
- Treatment with platinum drugs is standard of care, but most relapse within 6-18 months with few treatment options after relapse

Ovarian cancer market size overall: US$840M[1]

Birinapant benefits

Platinum-resistant HGSC cells are highly susceptible to birinapant in ~50% of patients

- Tumour-initiating subset of cells resistant to platinum in HGSCs identified by UCLA researchers[2]
- Bioassay to enable patient selection

UCLA investigator-initiated Phase I/II study planned

- Medivir support primarily with drug supply, with full rights to generated data

High-grade serous carcinoma

UCLA

Design

- Single center, open label, proof-of-concept study evaluating the efficacy of birinapant in combination with platinum based chemotherapy in patients with newly diagnosed or recurrent HGSCs

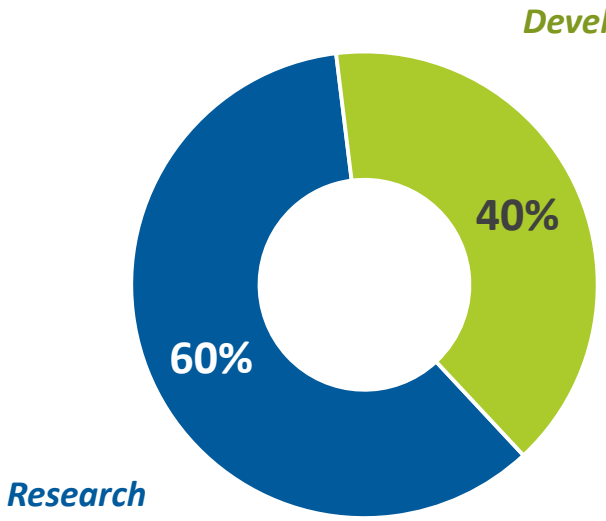
Costs and timing

- Costs of HGSC study will be limited – principally in the form of drug supply
- No development milestones expected in this time period

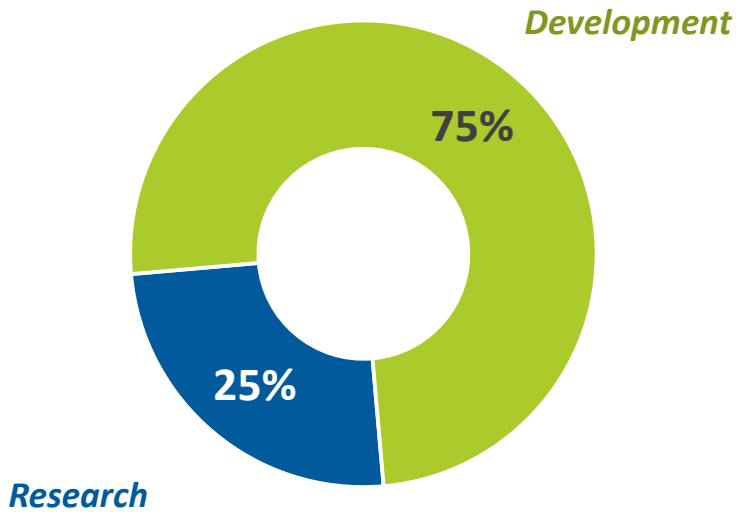
Sources: (1) DR Decision Resources LLC; (2) DM Janzen et al., Nature Commun. (2015) 6:7956

Significant shift in balance of R&D spending towards development stage

Pre-transaction R&D spending by stage



Post-transaction R&D spending by stage



Responsible investment in value generating portfolio

Transaction delivers high return potential with targeted and de-risked investments

- Significant market opportunities for both products
- Back-end loaded transaction structure with payments upon success
- Mid and late-stage trials commencing 2017 with modest expected cost
- Diversifies against risk in any particular Medivir project with a portfolio approach to the pipeline

Q&A

www.medivir.com

Ticker: MVIR

Exchange: OMX / NASDAQ

For more information please contact

Ola Burmark, CFO

(ola.burmark@medivir.com)