



Notice of Annual General Meeting of Medivir AB (publ)

The shareholders of Medivir AB are hereby summoned to the annual general meeting on Thursday 3 May 2018 at 2 p.m. at the IVA's conference center, Grev Turegatan 16, Stockholm.

Participation

Shareholders who wish to participate in the meeting must (a) be recorded in the share register maintained by Euroclear Sweden AB on Thursday 26 April 2018, and (b), notify the company of their intention to participate in the meeting not later than on Thursday 26 April 2018 in writing to Medivir AB, c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden. Such notification can also be made by telephone +46 (0)8-402 92 37 or via the company's web site at www.medivir.se. The notification shall set forth the name, address, telephone number (daytime), personal/corporate identity number, the number of shares held and, when applicable, information about representatives and assistants.

There are 24,287,818 series B shares corresponding to an equal amount of outstanding votes. The company holds 11,413 treasury series B shares.

Shareholders represented by proxy shall issue a written and dated power of attorney for the proxy or, should the right to vote for the shares be divided among different representatives, the representatives, together with information on the number of shares each representative is entitled to vote for. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate for the legal entity (or corresponding document), evidencing the authority to issue the proxy, shall be appended. The original of the power of attorney and, when applicable, the registration certificate should be sent to the company at the address indicated above, well before the meeting. A proxy form is available at the company's website, www.medivir.se, and is sent to shareholders who so request.

Shareholders whose shares are registered in the name of a nominee through a bank or a securities institution must re-register their shares in their own names to be entitled to participate in the meeting. Such registration, which may be temporary, must be duly effected in the share register maintained by Euroclear Sweden AB on Thursday 26 April 2018, and the shareholders must therefore advise their nominees well in advance of this date.

The shareholders are reminded of their right to request information in accordance with Chapter 7, Section 32 of the Swedish Companies Act (Sw. *aktiebolagslagen*).

Proposed agenda

1. Opening of the meeting.
2. Election of chairman of the meeting (see below).
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to approve the minutes of the meeting.
6. Determination of whether the meeting has been duly convened.
7. Reports from the managing director and the chairman of the board.
8. Presentation of the annual report and the auditor's report as well as the consolidated annual accounts and the auditor's report for the group.
9. Resolution on approval of the profit and loss account and balance sheet as well as the consolidated profit and loss account and consolidated balance sheet.
10. Resolution on approval of allocations of the company's profits or losses according to the adopted balance sheet (see below).

11. Resolution on discharge from liability of the members of the board of directors and the managing director.
12. Determination of the number of directors, deputy directors, auditors and deputy auditors (see below).
13. Determination of fees to be paid to the directors and the auditor (see below).
14. Election of the directors, chairman of the board and auditor (see below).
15. The nomination committee's proposal concerning nomination committee (see below).
16. The board's proposal on guidelines for remuneration to the management (see below).
17. The board's proposal regarding resolution on authorization for the board to resolve on new issue of shares with deviation from the shareholders' pre-emptive rights (see below).
18. The board's proposal regarding resolution on authorization for the board to resolve on new issue of shares with pre-emptive rights for the company's shareholders (see below).
19. The board's proposal for resolution on the issue of warrants of series 2018:1 (see below).

Allocation of the company's balance (item 10)

The board of directors proposes that the company's results shall be carried forward.

Board of directors etc (items 2 and 12–14)

The nomination committee, comprising Maria Rengefors (Nordea Fonder, chairman), Bo Öberg (representative of the company's former series A shareholders), Bengt Julander (Linc AB) and the chairman of the board of directors, Anna Malm Bernsten, proposes the following:

- Attorney at law Erik Sjöman to be appointed chairman of the meeting (item 2).
- The board of directors shall consist of seven members with no deputies. The company shall have one auditor without deputy auditors (item 12).
- The remuneration to the board of directors shall be paid in a total amount of not more than SEK 2,590,000 allocated as follows. The chairman shall receive SEK 625,000 and other members who are not employed by the company shall receive SEK 240,000 each. Remuneration for work performed in relation to committees is proposed to be paid in a total amount of SEK 525,000, whereof SEK 230,000 shall be allocated to the audit committee (whereof SEK 80,000 to the chairman of the committee and SEK 75,000 to each of the other two members), SEK 125,000 to the remuneration committee (whereof SEK 75,000 to the chairman of the committee and SEK 50,000 to the other member) and SEK 170,000 to the R&D committee (whereof SEK 90,000 to the chairman of the committee and SEK 80,000 to the other member) (item 13).
- Remuneration to the auditor shall be paid in accordance with approved invoices within the auditor's quotation (item 13).
- Re-election of members of the board Anders R Hallberg, Bengt Julander, Helena Levander, Anna Malm Bernsten and Bengt Westermark and election of Uli Hacksell and Lennart Hansson as new members of the board. Anders Ekblom has declined re-election (item 14).
- Re-election of Anna Malm Bernsten as chairman of the board (item 14).
- Re-election of the auditing company Öhrlings PricewaterhouseCoopers AB. The proposition is in accordance with the audit committee's recommendation (item 14).

Uli Hacksell was born in 1950. He has over 20 years of international experience in leading positions in major pharmaceutical and biotechnology companies and over 10 years of experience as managing director of public companies. He was managing director of ACADIA Pharmaceuticals 2000 - 2015 and led the company from being a private start-up company to becoming a public, multi-billion class company. He has previously held various senior positions within Astra AB and has been Professor in Organic Chemistry at Uppsala University. He is chairman of the board of Cerecor Inc., as well as board member of InDex Pharmaceuticals AB, Beactica AB and Uppsala University.

Lennart Hansson was born in 1956. He holds a doctorate in Genetics from Umeå University. Lennart Hansson is senior adviser at Industrifonden. He has vast experience within the life science sector and has had senior and executive positions at KabiGen AB, Symbicom AB, AstraZeneca, Arexis AB, Biovitrum AB and Karolinska Development AB. He is a board member of InDex Pharmaceuticals AB, Athera Biotechnologies AB, Ignitus AB (chairman), Calliditas Therapeutics AB, Sixera Pharma AB (chairman) and Cinclus Pharma AG.

Further information on the proposed members of the board is available at www.medivir.se.

Nomination committee (item 15)

The nomination committee proposes that the meeting shall resolve to appoint a nomination committee for the annual general meeting 2019 mainly in accordance with the same procedure as the preceding year.

The chairman of the board shall contact the three largest shareholders in respect of voting power by the end of the third quarter. These three shareholders are offered to appoint one representative each for the nomination committee. In addition, the chairman of the board shall be a member of the nomination committee. If a shareholder chooses not to exercise the right to appoint a representative, the right shall pass on to the largest shareholder in respect of voting power who has not appointed a representative. The nomination committee is to elect a chairman among its members to lead the work of the committee.

If any of the shareholders who has appointed a member of the nomination committee sells a not insignificant part of its shareholding during the nomination committees' term or for any other reason ceases to be a larger shareholder with rights to appoint a member of the nomination committee, the member appointed by such shareholder should resign from the nomination committee. This member shall then be replaced by a member appointed by the shareholder who, based on voting power following the sale, instead is one of the three largest shareholders in the company. If such shareholder does not utilize its right to appoint a member of the nomination committee, the above described procedure shall be applied.

In the event a member no longer represents the shareholder who appointed him or her, or otherwise resigns from the nomination committee prior to the completion of the nomination committee's work, the shareholder shall be given the opportunity to appoint a new member of the nomination committee.

The nomination committee shall pursue the tasks that, according to the Swedish Corporate Governance Code, are the responsibility of the nomination committee.

Guidelines for remuneration to the management (item 16)

The board proposes remuneration guidelines for senior executives that generally correspond to the guidelines that have been applied up to now. Under the guidelines, the company shall offer a total remuneration on market norms and enable skilled senior executives to be hired and

retained. The remuneration to senior executives may consist of fixed salary, variable salary, incentive programs resolved by the general meeting, pension and other benefits. The fixed salary shall relate to individual responsibilities and experience. In order to facilitate the company's long-term value creation, variable remunerations shall be based on pre-determined and measurable criteria. The variable cash remuneration may not exceed 50 percent of the annual fixed salary.

Authorization on new issue with deviation from the shareholders' pre-emptive rights (item 17)

The board proposes that the meeting resolves to authorize the board, on one or several occasions and for the period up to the annual general meeting 2019, to resolve to issue new shares of series B with deviation from the shareholders' pre-emptive rights.

The reason for the authorization, including the deviation from the shareholders' pre-emptive rights, is to enable payment of so-called milestone payments with the company's own shares. The authorization also aims at providing flexibility regarding the possibility of carrying out additional capital raise, extending the company's shareholder base, through directed new share issues against cash payment.

The total number of shares that may be issued under the authorization shall total not more than 20 percent of the number of shares of series B issued as per the date of the meeting, of which not more than 10 percent may relate to potential directed share issues against cash payment.

Accordingly, new share issues shall, within the above-mentioned limits, be made against cash payment or, in relation to milestone payments, against payment by way of set-off. Issuances of new shares under the authorization shall be made on market terms and conditions

Authorization on new issue with pre-emptive rights for the shareholders (item 18)

The board proposes that the meeting resolves to authorize the board, for the period up to the annual general meeting 2019, to resolve to issue new shares of series B. The total number of shares that may be issued under the authorization shall be within the limits of the articles of association, as applicable from time to time, and shall be issued with pre-emptive rights for the company's shareholders.

The reasons for the authorization are to increase Medivir's flexibility and possibility to more rapidly advance the development of the company's clinical portfolio and to enable the board to issue new shares of series B without diluting the holdings of the company's existing shareholders.

Issuances of new shares under the authorization shall be made on market terms and conditions

The board's proposal for resolution regarding the issue of warrants of series 2018:1 (item 19)

The board of proposes that the meeting resolves to issue warrants and resolves to approve of transfer of the warrants in accordance with the following.

Issue of warrants

The board proposes that the general meeting resolves to carry out a directed issue in respect of not more than 102,610 warrants, entailing an increase in the share capital of not more than

approximately SEK 796,341.10 at full subscription. The resolution shall otherwise be governed by the following terms and conditions.

The right to subscribe for the share warrants shall, with deviation from the shareholders' pre-emptive rights, be vested in the company's wholly owned subsidiary Medivir Personal AB, 556598-2823 (the "**Subsidiary**"), with the right and obligation for the Subsidiary to transfer the share warrants to employees pursuant to the below. Over-subscription is not possible.

The reason for the deviation from the shareholders' pre-emptive rights is to implement an incentive program through which the employees shall take part of and contribute to a positive value increase of the company's share during the period of the proposed program, and that the company shall be able to retain and recruit competent and dedicated staff.

The warrants shall be issued at no consideration. Subscription must be completed no later than three weeks after the resolution on issue of warrants. The board shall be entitled to extend the subscription period.

Each warrant entitles a right to subscribe for one share of series B in the company. The warrants may be exercised to subscribe for new series B shares during the period from and including 16 December 2021 up to and including 15 January 2022. The new shares which may be issued due to subscription are not subject to any restrictive provisions.

The subscription price (strike price) shall correspond to 133 per cent of the volume weighted average rate of the series B share according to the official share list of Nasdaq Stockholm during the period from and including 4 May 2018 up to and including 17 May 2018.

Shares which are newly issued following subscription shall carry an entitlement to participate in dividends for the first time on the next record date for dividends which occurs after subscription is effected.

The board of the company may, by means of a board resolution and with the consent from the board of directors in the Subsidiary, cancel the Subsidiary's warrants that are not transferred in accordance with the below or that have been re-purchased from participants. Cancellation shall be registered with the Swedish Companies Registration Office.

The board of directors, or a person appointed by the board of directors, is authorized to make such minor adjustments to the resolution which may prove necessary in order to register the resolution with the Swedish Companies Registration Office.

Approval of transfer of warrants

The board proposes that the general meeting approves of the Subsidiary's transfer of warrants on the following conditions.

The right to subscribe for share warrants from the Subsidiary shall vest in the following categories of employees:

Category	Maximum number of warrants per person	Maximum number of warrants per category
A. Managing Director (not more than 1 person)	20,400	20,400
B. Management (not more than 6 persons)	3,400	20,400
C. Employees at "Director" level (not more than 13 persons)	1,570	20,410
D. Other employees (not more than 60 persons)	690	41,400

The right to purchase warrants from the Subsidiary shall only vest in employees who have not terminated their employment or whose employment have not been terminated at the end of the application period.

Warrants may also be offered to future employees. For such acquisitions, the conditions shall be the same or equivalent to what is stated in this resolution. This means that acquisitions shall be made to the market value at the time of the acquisition.

Allotment is conditional upon it being legally possible to purchase the warrants, and that such transfers can be done using reasonable administrative and financial resources according to the assessment of the board.

Application and allotment

Application for acquisition of warrants shall be made during the period from and including 14 May 2018 up until and including 21 May 2018. The board of the company shall however be entitled to extend the application period for acquisitions and to set a corresponding application period for new employees whose acquisitions are made after the expiration of the initial application period.

Should warrants of a certain category remain with the Subsidiary after all applications within the category have been satisfied, the remaining warrants shall be available for allotment to participants in another category whereby the board shall determine the distribution based on category of the participant(s), the employment category and the number of warrants applied for. However, such distribution must not result in the maximum amount of warrants per person in a certain category being exceeded more than 50 per cent.

The board of the company shall determine the final allotment.

Price and payment etc.

The warrants shall be transferred on market terms at a price established on the basis of a market value of the warrants calculated by an independent valuation institute using the Black & Scholes valuation model. A new market value shall be established in an equivalent way for acquisitions made by new employees after the expiration of the initial application period. The value has preliminary been calculated to be SEK 5.04 per warrant based on a share price of SEK 36.70.

Payment for the allocated warrants shall be made in cash no later than five days following the application for acquisition. The board shall establish a corresponding date of payment for acquisitions made by new employees.

Further information on the warrant program

Dilution

Upon full exercise of all warrants, 102.610 new shares can be issued, which corresponds to a dilution of approximately 0.42 per cent of the total number of shares and votes in the company, however, subject to any potential adjustment of the number of shares that each warrant entitles to subscription of which may occur under the terms and conditions for the warrants.

Impact of financial ratio and costs for the company etc.

The company's earnings per share are not affected by the issue of the warrants as the present value of the warrants' strike price exceeds the current market value of the share at the date of issue. Since the warrants are transferred to the participants at market value it is not expected that the company will incur any personnel costs. The warrant program may incur certain limited costs in terms of external consulting fees and costs relating to the administration of the warrant program.

Preparation of the matter

The principles of the warrant program have been prepared by the board of the company and are based on the warrant program adopted by the annual general meeting 2017. The board has thereafter decided to submit this proposal to the annual general meeting. Except for the officials who prepared the matter pursuant to instructions from the board, no employee that may be included in the program has taken part in the drafting thereof.

Other share related incentive programs etc.

Except from the current proposal to issue warrants and the warrant program resolved upon at the annual general meeting 2017, the company has no outstanding share related incentive programs.

Authorization for the board of directors

The board proposes that the meeting authorizes the company's board of directors to execute the resolution in accordance with the above and to ensure that the Subsidiary's board of directors carries out the transfer of the warrants in accordance with the above.

Decision rules

In order for a resolution in accordance with this item to be valid, the resolution must be supported by shareholders representing at least nine-tenths (9/10) of the votes cast and the shares represented at the general meeting.

Documentation etc.

The annual report and other supporting documentation for resolutions will be available at the company's offices, Medivir AB, Lunastigen 7, SE-141 22 Huddinge, Sweden, and on www.medivir.se, no later than three weeks prior to the meeting and will be sent to shareholders who so request and provide their postal address. This notice is a translation of a Swedish notice and in case of any deviations between the both language versions, the Swedish version shall prevail.

Huddinge, April 2018
Medivir AB (publ)
The Board of Directors