

## **Notice of Annual General Meeting of Medivir AB (publ)**

The shareholders of Medivir AB are hereby summoned to the annual general meeting on Tuesday 5 May 2020 at 2 p.m. at Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm.

### **Participation**

Shareholders who wish to participate in the meeting must (a) be recorded in the share register maintained by Euroclear Sweden AB on Tuesday 28 April 2020, and (b), notify the company of their intention to participate in the meeting not later than on Tuesday 28 April 2020 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 website at [www.medivir.se](http://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.

As per the day of this notice there are 24,287,818 series B shares corresponding to an equal number of votes in the company. 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 power of attorney, 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](http://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 Tuesday 28 April 2020, 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*).

### **Information relating to the Corona virus**

As a result of the Corona virus, Medivir has, to the extent possible, taken certain precautionary measures to limit the physical presence at the meeting. Therefore, Medivir encourages shareholders to carefully consider the possibility of participating in the meeting by way of proxy. Euroclear Sweden AB has informed that Euroclear Sweden, at no cost, offers a possibility for shareholders, who wishes to be represented by proxy, to appoint a proxy designated by Euroclear Sweden, to vote for the shares in accordance with the shareholder's instructions. Further information is available at [www.euroclearproxy.se](http://www.euroclearproxy.se). Any questions to be raised by shareholders at the meeting can be sent to the company by e-mail to [enter@medivir.com](mailto:enter@medivir.com) in advance of the meeting.

The board of Medivir has decided on the following measures to reduce the risks:

- Registration will take place starting at 1.45 p.m.
- No food or refreshments will be served.
- No external guests will be invited.
- The reports will be shortened in order to limit the length of the meeting.

Kindly review the information and recommendations issued by the Swedish Public Health Authority. Medivir is closely following developments and authorities' recommendations and will, if needed, update the information on the annual general meeting on the company's website, [www.medivir.se](http://www.medivir.se).

### **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 executive management (see below).
17. The board's proposal regarding amendments to the articles of association (see below).
18. The board's proposal regarding authorization for the board to resolve on new share issues (see below).
19. The board's proposal for resolution on the issue of warrants of series 2020:1 (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 Jan Särilvik (Nordea Fonder, chairman), Karl Tobieson (Linc AB), Bo Öberg (founder and shareholder) and the chairman of the board of directors, Helena Levander, proposes the following:

- Chairman of the board of directors, Helena Levander, to be appointed chairman of the meeting (item 2).
- The board of directors shall consist of six 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 1,850,000 annually allocated as follows. The chairman shall receive SEK 650,000 and other board members not employed by the company shall receive SEK 240,000 each. No remuneration for work performed in relation to committees shall be paid (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 Uli Hacksell, Lennart Hansson, Bengt Julander, Helena Levander, An van Es Johansson and Bengt Westermark (item 14).
- Re-election of Helena Levander 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).

Further information on the proposed members of the board is available at [www.medivir.se](http://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 2021 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 shareholder that, after these three shareholders, has the largest shareholding. 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 right 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 executive management (item 16)**

The board proposes that the meeting resolves on the following remuneration guidelines for the executive management in Medivir. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting. These guidelines essentially correspond to the guidelines that were adopted by the annual general meeting 2019 but are described in further detail due to new legal requirements.

***The guidelines' promotion of Medivir's business strategy, long-term interests and sustainability***

Medivir creates shareholder value through the development of innovative pharmaceuticals for the treatment of cancer of high unmet medical need, either on its own or in partnership. For more information regarding Medivir's business strategy, please see [www.medivir.se](http://www.medivir.se).

A prerequisite for the successful implementation of the business strategy and safeguarding of Medivir's long-term interests, including its sustainability, is that Medivir is able to recruit and retain qualified personnel who are working to achieve the maximum amount of shareholder- and customer value. To this end, it is necessary that Medivir offers competitive remuneration. These guidelines enable Medivir to offer the executive management a competitive total remuneration.

***Types of remuneration, etc.***

The remuneration to the executive management shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration. The total remuneration to the executive shall comprise a balanced mix of the above-mentioned components and conditions upon notice. The board of directors shall annually evaluate whether share-related or share price-related long-term incentive programs shall be proposed to the general meeting.

The fixed cash salary shall be individual and relate to the relevant person's responsibilities and experience.

The variable cash remuneration may amount to not more than 50 per cent of the total fixed annual cash salary.

For the executive management, pension benefits shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 25 per cent of the fixed annual cash salary. Notwithstanding the above, the board of directors is entitled to offer other solutions than the above-mentioned ones, that are equivalent for the company in terms of costs.

Other benefits may include, for example, company car and health services. Such benefits shall be of limited value in relation to other compensation and shall correspond to customary market terms in each geographic market. Other benefits may amount to not more than 15 per cent of the fixed annual cash salary.

***Termination of employment***

A notice period may not exceed six months. Fixed cash salary shall be disbursed during the period of notice. From a starting point, no severance pay, or the equivalent, shall be disbursed.

***Criteria for awarding variable cash remuneration, etc.***

Variable cash remuneration shall be linked to predetermined and measurable criteria, which can be financial or non-financial, designed to contribute to the company's long-term value creation. The criteria shall relate to the development of the company's projects and the partnerships the company enters into for acceleration of the clinical development and future commercialization, as well as the remuneration (such as upfront fees when the agreement is entered into, milestone payments, remuneration paid during the term of the agreement for a set number of full-time equivalent research positions (FTEs), or royalties) resulting from this development. Furthermore, the criteria shall be designed so as to contribute to Medivir's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. To which extent the criteria for awarding variable cash remuneration has been satisfied shall be determined when the measurement period has ended. The board of directors is responsible for the evaluation concerning the variable remuneration to the executive management. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

***Salary and employment conditions for employees***

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

***The decision-making process to determine, review and implement the guidelines***

The board of directors has not established a remuneration committee. Instead, the board of directors fulfill the tasks incumbent upon such a committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive management remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. A remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the group. The managing director and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

### ***Derogation from the guidelines***

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve Medivir's long-term interests, including its sustainability, or to ensure Medivir's financial viability.

### ***Further information***

Further information on the executive remuneration is available in Medivir's annual report.

### **Amendments of the articles of association (item 17)**

The board of directors proposes that the annual general meeting, as a result of statutory amendments, resolves to amend the articles of association as follows.

<b>Current wording</b>	<b>Proposed wording</b>
<p style="text-align: center;">§ 5</p> <p>The company's shares shall be registered in a securities register in accordance with the Swedish Financial Instruments (Accounts) Act (SFS 1998:1479).</p>	<p style="text-align: center;">§ 5</p> <p>The company's shares shall be registered in a securities register in accordance with the Swedish <b>Central Securities Depositories and</b> Financial Instruments (Accounts) Act (SFS 1998:1479).</p>
<p style="text-align: center;">§ 10</p> <p>A shareholder that wishes to participate in a general meeting must be recorded in a printout or other transcript of the share ledger as of five weekdays before the meeting, and notify the company of his or her intention to attend the meeting no later than at 4 p.m. on the date stated in the notice of the meeting. Such a date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the meeting.</p> <p>A shareholder or a proxy may be accompanied by not more than two advisors at a general meeting only where he or she has given the company notice of the number of advisors in the manner stated in the section above.</p>	<p style="text-align: center;">§ 10</p> <p>A shareholder that wishes to participate in a general meeting must <del>be recorded in a printout or other transcript of the share ledger as of five weekdays before the meeting,</del> and notify the company of his or her intention to attend the meeting no later than <del>at 4 p.m.</del> on the date stated in the notice of the meeting. Such a date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the meeting.</p> <p>A shareholder or a proxy may be accompanied by not more than two advisors at a general meeting only where he or she has given the company notice of the number of advisors in the manner stated in the section above.</p>

### **Share issue authorization (item 18)**

The board proposes that the annual general meeting resolves to authorize to the board, up and until the next annual general meeting, on one or several occasions and with or without preemptive rights for shareholders, to resolve on the issue of new shares of series B, comprising a total of not more than 20 per cent of the total number of outstanding shares in the company after the utilization of the authorization. It shall also be possible to make such an issue

resolution stipulating in-kind payment, the right to offset debt or other conditions referred to in Chapter 13 Section 5 first paragraph item 6 in the Swedish Companies Act.

The purpose of the authorization is to provide flexibility to the board in its work to ensure that the company can appropriately raise capital for the financing of the business. Issuances of new shares under the authorization shall be made on market terms.

**The board's proposal for resolution on the issue of warrants of series 2020:1 (item 19)**

The board proposes that the meeting resolves to issue warrants and 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 of not more than 600,000 warrants, entailing an increase in the share capital of not more than approximately SEK 4,656,511.64 at full subscription. The resolution shall otherwise be governed by the following terms and conditions.

The right to subscribe for the 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 warrants to employees pursuant to the below. Over-subscription is not possible.

The reasons for the deviation from the shareholders' pre-emptive rights are to stimulate shareholding in the company by virtue of an incentive program through which employees can 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 1 December 2023 up to and including 15 December 2023. 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 200 per cent of the volume weighted average price of the series B share according the official share list of Nasdaq Stockholm during the period from and including 6 May 2020 up to and including 19 May 2020.

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

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:

<b>Category</b>	<b>Maximum number of warrants per person</b>	<b>Maximum number of warrants per category</b>
A. Managing director (not more than 1 person)	300,000	300,000
B. Other members of the executive management (not more than 4 persons)	50,000	200,000
C. Other employees (not more than 5 persons)	20,000	100,000

The right to purchase warrants from the Subsidiary shall only vest in employees who, at the end of the application period, have not terminated their employment, have not had their employment terminated or otherwise have given notice, or been notified, of employment termination.

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, *inter alia*, that acquisitions shall be made to the market value at the time of the acquisition.

Transfer of warrants to participants 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 15 May 2020 up until and including 22 May 2020. 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 that same or another category whereby the board shall determine the distribution based on participant category, 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 by 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 (premium) 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 1.30 per warrant based on a share price of SEK 13.14.

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.

Medivir will partly subsidize the participant's acquisition of warrants. The subsidy shall be paid in connection with the allocation of warrants to the participants. The total subsidy, prior to any payroll tax and including social security contributions on the subsidy, shall correspond to half of the participants' investment. The total cost for the subsidy, based on the above preliminary value of the warrants, is estimated at SEK 1,191,949 including social security contributions, for the entire term of the warrant programme of three years. Accrued payroll taxes due to the bonus shall be paid by each participant.

In order to be eligible for the subsidy, the participant must, at the time of the payment of the bonus, not have terminated its employment, not have been dismissed from its employment, or in any other way, given notice or been notified of employment termination. The participant must also remain employed in the company for three years, the subsidy will otherwise be prorated, and must not have transferred its warrants.

***Further information on the warrant program***

*Dilution*

Upon full exercise of all warrants, 600,000 new shares can be issued, which corresponds to a dilution of approximately 2.41 per cent of the total number of shares and votes in the company, however, subject to any potential adjustment which may occur under the terms and conditions for the warrants. Accordingly, the program offers the employees the possibility to increase their shareholding in the company to the corresponding figure.

*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 programs adopted by the annual general meetings 2017 and 2018. 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 programs resolved upon at the annual general meetings 2017 and 2018, the company has no outstanding share related incentive programs. It is the board's intention that the program shall recur annually, albeit in varying sizes.

*Authorization for the board of directors*

The board proposes that the meeting authorizes the board 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 of the votes cast and the shares represented at the general meeting.

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**Documentation**

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](http://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.

**Processing of personal data**

For information about the processing of your personal data, see the integrity policy that is available at Euroclear's website [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf). Medivir's AB (publ) corporate registration number is 556238-4361 and its registered office is in Huddinge, Sweden.

Huddinge, April 2020  
**Medivir AB (publ)**  
*The Board of Directors*