MEDIVIR

# MEDIVIR AB – INTERIM REPORT
# JANUARY – SEPTEMBER 2022

**The measures to increase the pace of patient recruitment have yielded results.**
**The Fostrox study is now progressing as expected.**

## *July – September*

### Financial summary for the quarter

- Net turnover amounted to SEK 1.1 (0.8) million.
- The loss before interest, tax, depreciation and amortization (EBITDA) amounted to SEK -13.9 (-11.7) million. Basic and diluted earnings per share amounted to SEK -0.27 (-0.24) and SEK -0.27 (-0.24) respectively.
- Cash flow from operating activities amounted to SEK -19.7 (-20.0) million.
- Cash and cash equivalents at the end of the period amounted to SEK 142.2 (225.9) million.

### Significant events during the quarter

- Fostroxacitabine bralpamide – the name given to MIV-818 by the World Health Organization (WHO) – received formal approval as a pharmaceutical name in the USA by the United States Adopted Names (USAN) Council.

## *January – September*

### Financial summary for the period

- Net turnover amounted to SEK 2.1 (11.6) million.
- The loss before interest, tax, depreciation and amortization (EBITDA) amounted to SEK -66.9 (-36.0) million. Basic and diluted earnings per share amounted to SEK -1.27 (-0.75) and SEK -1.27 (-0.75) respectively.
- Cash flow from operating activities amounted to SEK -77.1 (-43.3) million.
- Cash and cash equivalents at the end of the period amounted to SEK 142.2 (225.9) million.

### Events after the end of the period

- In October the nomination committee was appointed ahead of the AGM in May 2023. The Nomination Committee consists of Karl Tobieson (Chairman), appointed by Linc AB, Richard Torgerson, appointed by Nordea Investment Funds, Anders Hallberg, appointed by HealthInvest Partners and Uli Hacksell, Chairman of the Board, Medivir AB.

*In the event of any discrepancies between the Swedish and the English Interim Report, the former should have precedence.*

**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. Medivir is focusing on the development of fostroxacitabine bralpamide (fostrox), a pro-drug designed to selectively treat liver cancer cells 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. Birinapant, a SMAC mimetic, is exclusively outlicensed to IGM Biosciences (Nasdaq: IGMS) to be developed in combination with IGM-antibodies for the treatment of solid tumors. Medivir's share (ticker: MVIR) is listed on Nasdaq Stockholm's Small Cap list. www.medivir.com

## *CEO's message*

*Our measures to regain momentum in patient recruitment have been effective and the fostrox study is now progressing as expected.*

Medivir's absolute focus is on the continued clinical development of our cutting-edge project fostroxacitabine bralpamide (fostrox), for the treatment of hepatocellular carcinoma (HCC).

I described in our Q2 report that we saw slower recruitment to the study than expected in the second quarter, mainly in Europe. In order to increase recruitment speed, we decided for example to activate additional study centers and increase our presence at already activated trial centers.

It is now very gratifying to state that the measures we initiated to speed up patient recruitment to the study have borne fruit. Today, a total of 14 centers are activated in the UK, Spain and South Korea and during Q3 we have seen an accelerated recruitment rate.

Fostrox has the potential to become the first liver-targeted and orally administered drug that can help patients with various cancers of the liver. Its unique mechanism of action in liver cancer enables attractive combination treatments with other drug alternatives for HCC.

Medivir's strategy, to combine fostrox with other treatments, is well in line with the development within HCC, a development where improved clinical effect has been obtained by combining different types of medications.

Despite these advances, the medical needs in liver cancer are still significant. Far from all patients benefit from existing therapy options, and therefore many combination studies are underway to find treatments that significantlyimproves the outcome for HCC patients.

We have good hopes that fostrox with its liver-directed mechanism of action is an innovative combination concept that can contribute to more powerful treatments and we have chosen to work in parallel with two combinations. In the end, we will choose the most attractive combination to proceed with in phase 2b based both on the clinical results of the study and how the treatments are actually applied in cancer care.

Our preparations to open an Investigational New Drug (IND) in the USA in 2023 is progressing according to plan.

The continued focus for our business development lies on our two clinical projects for partnerships, remetinostat and MIV-711. The data packages for these two projects have been strengthened during 2021–2022 and we continue our dialogue with external parties with the ambition of finding the best possible solution for each substance.

Regarding our out-licensed projects, IGM Bioscience's clinical development work is progressing in the phase I clinical study in solid tumors with birinapant in combination with IGM's own DR5 agonist antibody IGM-8444. Three dose-escalation cohorts have been completed with no dose-limiting toxicity or clinically significant hepatotoxicity observed to date. Patient recruitment to the fourth dose escalation cohort in the study is ongoing.

In summary, we see that the measures we have taken have yielded results in patient recruitment for our ongoing combination study with fostrox. We continue our work tirelessly so that fostrox can become an effective drug against liver cancer that makes a real difference for patients and for care and thus also for our shareholders. I look forward to keeping you informed of Medivir's continued development.

**Jens Lindberg**
*Chief Executive Officer*

**Proprietary project**


## PROPRIETARY PROJECT

**Fostroxacitabine bralpamide (fostrox) –** *for the treatment of liver cancer.*

Fostrox is Medivir's proprietary prodrug for the treatment of liver cancer. Fostrox has been developed to achieve a targeted anti-tumor effect by optimizing the concentration of the active substance in the liver, while keeping the concentration in the rest of the body lower to minimize potential side effects.

Fostrox's mechanism of action, inhibition of the DNA replication of cancer cells and induction of DNA damage and cell death, is well established in cancer therapy. In addition, this type of prodrug has successfully proven its ability to deliver the active substance to the liver in anti-viral drugs for hepatitis C. Fostrox has received orphan drug designation both in the USA and in Europe, for the treatment of HCC.

Primary liver cancer, where the most common form originates from liver cells (hepatocellular carcinoma, HCC), is the third leading cause of cancer-related deaths worldwide[1]). Although existing treatments for HCC can extend the lives of patients, far from all respond to treatment and mortality remains at a high level.

In April 2021 it was announced that the results from the first part of the phase Ib study with fostrox were positive with a good safety and tolerability profile. Thus, the starting dose could be determined for the initial part of the phase 1b/2a study, where fostrox is given in combination with other treatments.

During the ESMO congress in September, additional positive data from the completed dose escalation part of the phase 1b study were presented. A total of nine patients with various types of advanced cancer in the liver were included and evaluated. These patients had exhausted all possible approved treatments prior to being included in the study.

Liver biopsies from patients have shown delivery of fostroxacitabine bralpamide to the liver, and a selective effect of fostrox on cancer cells in different cancer types.

On February 3 this year, further data from the completed phase I study with fostroxacitabine bralpamide were presented at the European Association for the Study of the Liver (EASL) Liver Cancer Summit. These data show, among other things, that fostrox provides a tumor-selective effect in the liver by causing the desired DNA damage and cell death in tumor cells in the liver but not in normal or healthy liver cells.

In mid-December 2021, treatment of the first patient with HCC began in the phase 1b/2a combination study with fostrox. In the study, fostrox is given in combination with two other medicines, either with Lenvima®, a tyrosine kinase inhibitor, or with Keytruda®, an anti-PD-1 checkpoint inhibitor. The study will include patients with HCC for whom current first- line treatment has shown to be ineffective or intolerable. The purpose of the study is to evaluate safety and tolerability, as well as to get an indication of the efficacy of fostrox in combination with two already existing drugs.

The study is an open-label multi-center study starting with a dose escalation part (phase 1b) to establish the recommended phase 2 dose (RP2D) for each combination.

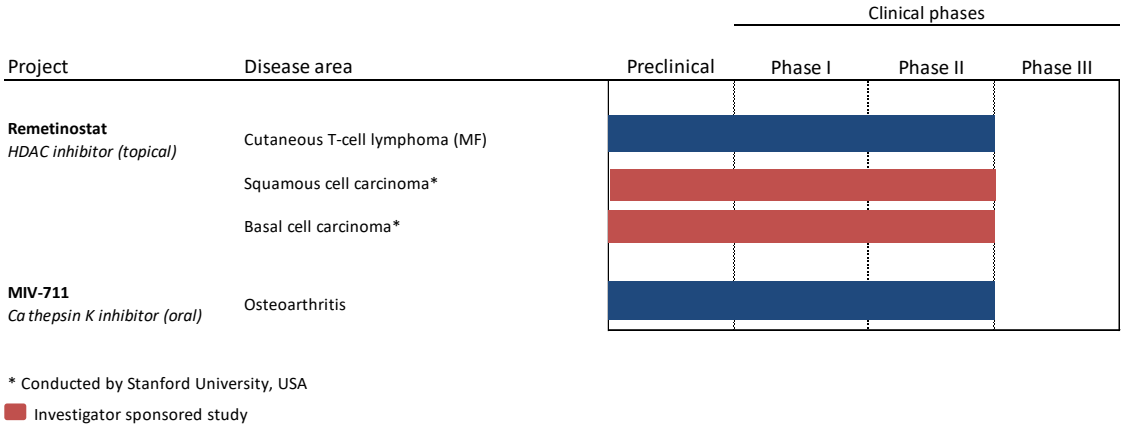
Once RP2D has been established for the combinations, further up to 30 patients with HCC will be enrolled in the phase 2a part of the study for an initial evaluation of safety and efficacy. The study is currently conducted at clinics in the UK, Spain and South Korea.

1) https://gco.iarc.fr/today/data/factsheets/cancers/11-Liver-fact-sheet.pdf

### Project descriptions

Full descriptions of all of Medivir's development projects, including their current status and ongoing studies, can be found on the Medivir website: http://www.medivir.com/our-projects.

**Projects for partnering**




## PROJECTS FOR PARTNERING

Medivir has two projects for licensing/partnerships:
**Remetinostat –** *histone deacetylase inhibitor for the treatment of different types of cancers in the skin.*
**MIV-711 –** *cathepsin K inhibitor with the potential to be the first disease-modifying drug in osteoarthritis.*

Currently Medivir does not conduct any active clinical development for these projects, but instead evaluates the possibilities of concluding a license or collaboration agreement for the continued development of each project.

### Remetinostat for cancer in the skin

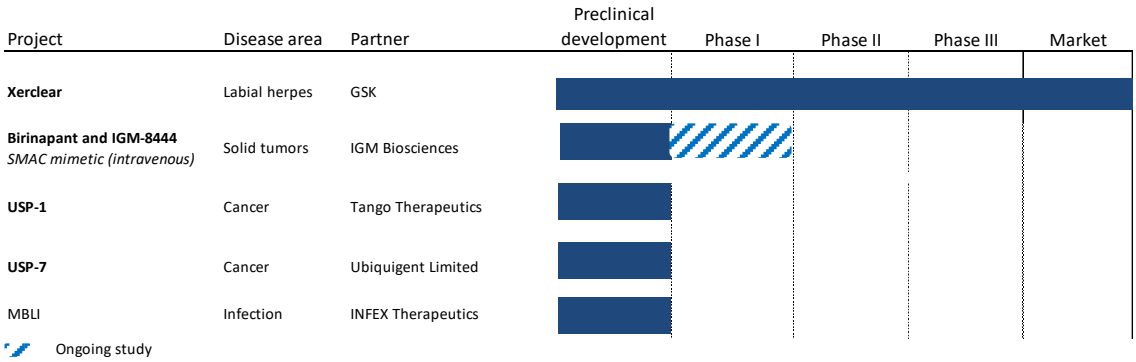
Three phase II studies with remetinostat have been conducted, one in cutaneous T-cell lymphoma (MF) and two investigator-initiated studies in basal cell carcinoma and cutaneous squamous cell carcinoma. Remetinostat has shown positive clinical efficacy and acceptable tolerability without systemic side effects in these three types of cancer.

### MIV-711

Medivir has conducted a phase II study with positive effects on both bone and cartilage in joints in osteoarthritis patients after only six months of treatment with MIV-711.

In February, a subgroup analysis of Medivir's phase II study with MIV-711 for osteoarthritis was published, showing a significant reduction in osteoarthritis-related pain.

**Outlicensed projects**




## OUTLICENSED PROJECTS

**Xerclear®** - In 2009, Xerclear® (Zoviduo®) was approved for the treatment of labial herpes. The marketing rights to Xerclear® in the USA, Canada and Mexico were divested in 2010, while the corresponding rights in Europe and the rest of the world have been out-licensed to GlaxoSmithKline, with the exception of China, where Medivir has out-licensed the rights to Shijiazhuang Yuanmai Biotechnology Co Ltd. (SYB), and Israel and South America where Medivir has retained the rights.

Medivir receives royalties on Xerclear®(Zoviduo®) sales from GlaxoSmithKline. In addition, Medivir would receive milestones when Zoviduo® is approved as an over the counter product in new markets.

After marketing approval and production in China, Medivir will receive a fixed royalty from SYB for each unit sold and the agreement guarantees a minimum sale during the first three years on the market amounting to single-digit million SEK.

**Birinapant –** *for the treatment of solid tumors.*
In January 2021, Medivir entered into a licensing agreement with IGM Biosciences regarding the global and exclusive rights to develop birinapant.

Medivir received a payment of USD 1 million upon signing the agreement, which was followed by an additional USD 1.5 million when IGM in November 2021 initiated a clinical Phase I study in solid cancers with birinapant in combination with its DR5-agonist antibody IGM-8444.

IGM has announced that patient inclusion in the third dose escalation cohort has been completed without any dose-limiting toxicity or clinically significant hepatotoxicity being observed. The patient recruitment for the fourth dose escalation cohort of the study has been initiated.

The terms of the agreement entitles Medivir to milestone payments up to a total of approximately USD 350 million, given that birinapant is successfully developed and approved, and tiered royalties up to "mid-teens" on net sales. A portion of all revenue is shared with Tetralogic Pharmaceuticals Corporation, but the main part goes to Medivir.

### Preclinical projects

*USP-1*
In the first quarter of 2020 Medivir entered into a licensing agreement with the US-based company Tango Therapeutics for USP-1, Medivir's preclinical research program. Tango has announced that it expects to open an IND for a USP-1 inhibitor in 2023. The agreement entitles Medivir to multiple development and commercial milestone payments as well as royalties on future sales.

*USP-7*
In February 2021 a licensing agreement with Ubiquigent was signed for the preclinical research program USP-7. The agreement grants Ubiquigent an exclusive global license to develop and commercialize all of the program's related substances in all therapeutic indications in exchange for agreed revenue sharing with Medivir upon successful development or commercialization.

*MBLI*
Medivir's Metallo Beta Lactamase (MBLI) program aimed at addressing the threat of resistant bacteria was out-licensed in 2017 to the AMR Centre (today INFEX Therapeutics) in England.

In 2022, INFEX has presented additional preclinical data and communicated its intention to initiate a phase I program in 2022/23. In October, INFEX received patent approval for the substance in the United States. Medivir is entitled to a share of potential future revenue.

## *Financial overview, July – September 2022*

| Summary of the Group's figures | Q3 | | Q1 - Q3 | | Full Year |
|---|---|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2022 | 2021 | 2021 |
| Net turnover | 1.1 | 0.8 | 2.1 | 11.6 | 25.5 |
| Operating profit before depreciation and amortization (EBITDA) | -13.9 | -11.7 | -66.9 | -36.0 | -59.5 |
| Operating profit (EBIT) | -14.6 | -12.3 | -68.7 | -38.0 | -62.1 |
| Profit/loss before tax | -14.8 | -12.8 | -70.7 | -38.3 | -62.6 |
| Basic earnings per share, SEK | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| Diluted earnings per share, SEK | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| Net worth per share, SEK | 3.78 | 5.47 | 3.78 | 5.47 | 5.04 |
| Return on equity, % | -27.2 | -17.1 | -38.3 | -23.2 | -29.8 |
| Cash flow from operating activities | -19.7 | -20.0 | -77.1 | -43.3 | -48.7 |
| Cash and cash equivalents at period end | 142.2 | 225.9 | 142.2 | 225.9 | 221.2 |

### Revenues

Net turnover for the period from July – September was SEK 1.1 million (0.8 m) corresponding to an increase of SEK 0.3 million, the difference relates to higher royalty income.

### Operating expenses

Other external costs totaled SEK -11.1 million (-9.4 m), corresponding to an increase of SEK 1.8 million which relates to higher cost for clinical studies.

Personnel costs amounted to SEK -3.9 million (-4.0 m) a decrease of 0.1 million. The total overheads amounted to SEK -16.6 million (-14.0 m), an increase of 2.6 million.

### Operating profit/loss

The operating loss totaled SEK -14.6 million (-12.3 m), SEK 2.3 million lower compared to previous year. The lower result mainly relates to higher clinical costs.

### Cash flow, investments, and financial position

Liquid assets, including short-term investments amounted to SEK 142.2 million (225.9 m) at the end of the period, corresponding to a decrease of SEK 83.7 million. The opening balance 2022 was SEK 221.2 million (70.0 m).

Cash flow from operating activities totaled SEK -19.7 million (-20.0 m), with changes in working capital accounting for SEK -5.2 million (-8.2 m) of this total.

The period's investments in tangible and intangible fixed assets totaled SEK -0.4 million (0.0 m).

Cash flow from financing activities totaled SEK -0.5 million (-1.2 m).

## *Financial overview, January – September 2022*

### Revenues
Net turnover for the period from January – September was SEK 2.1 million (11.6 m) corresponding to a decrease of SEK 9.5 million, the difference mainly relates to milestone income regarding birinapant last year. During first quarter 2021, reimbursement was received for previous clinical studies and is reported as other operating income.

### Operating expenses
Other external costs totaled SEK -53.3 million (-41.2 m), corresponding to an increase of SEK 12.1 million which relates to higher cost for clinical studies.

Personnel costs amounted to SEK -16.0 million (-15.3 m) an increase of 0.7 million which relates mainly to more employees. The total overheads amounted to SEK -72.5 million (-58.5 m), an increase of 14.0 million.

### Operating profit/loss
The operating loss totaled SEK -68.7 million (-38.0 m), SEK 30.7 million lower compared to previous year. The lower result mainly relates to higher clinical costs and lower revenue.

### Cash flow, investments, and financial position
Liquid assets, including short-term investments amounted to SEK 142.2 million (225.9 m) at the end of the period, corresponding to a decrease of SEK 83.7 million. The opening balance 2022 was SEK 221.2 million (70.0 m).

Cash flow from operating activities totaled SEK -77.1 million (-43.3 m), with changes in working capital accounting for SEK -7.1 million (-6.0 m) of this total.

The period's investments in tangible and intangible fixed assets totaled SEK -0.4 million (0.0 m).

Cash flow from financing activities totaled SEK -1.4 million (199.4 m).

## *Other disclosures, January – September 2022*

### Employees
Medivir had 9 (9) employees (FTEs) at the period end, 56% (67%) of whom were women.

### Share-related incentive plans
At the beginning of the period, there were 1,113,864 outstanding warrants in the ongoing incentive program. In January, 51,864 warrants expired in the 2018 program. No shares were subscribed for. The total number of outstanding warrants at the end of the period amounted to 1,062,000.

In May 2020, the Board of Directors proposed and the AGM approved a new long-term incentive program. During the second quarter 2020, Medivir employees bought 227 000 warrants at a market value of 1.30 each with an exercise price of SEK 31.40 per share. In the third quarter 2020, Medivir employees bought an additional 300 000 warrants. These warrants were issued at a market value of SEK 1.00 each with an exercise price of SEK 31.40 per share. The total 527 000 warrants may be exercised to subscribe for new class B shares during the period from 1 December 2023 up to and including 15 December 2023. The valuation calculation for 2020 was based on the following figures: term, 3.58 years; strike price, SEK 31.40; VWAP, SEK 15.70; risk-free interest rate, 0.0 percent; volatility, 41 percent. After recalculation caused by the rights issue during the first quarter of 2021, each such warrant entitles the holder to subscribe for 1.16 new B shares in the company at a subscription price of SEK 27.10.

In May 2021, the Board of Directors proposed and the AGM approved a new long-term incentive program. During the second quarter 2021, Medivir employees bought 230 000 warrants at a market value of 1.00 each with an exercise price of SEK 13.79 per share. In the fourth quarter 2021, Medivir employees bought an additional 305 000 warrants of which incoming CEO bought 240 000 . These warrants were issued at a market value of SEK 1.71 each with an exercise price of SEK 13.79 per share.The warrants may be exercised to subscribe for new class B shares during the period from 1 December 2024 up to and including 15 December 2024. The valuation calculation for 2021 was based on the following figures: term, 3.60 years; strike price, SEK 13.79; VWAP, SEK 7.88; risk-free interest rate, 0.4 percent; volatility, 41 percent.

In May 2022, the Board of Directors proposed and the AGM approved a new long-term incentive program with similar terms to the program in 2021. The incentive program for 2022 is expected to start in Q4 2022. The total number of option rights amounts to a maximum of 850,000 if the program is fully subscribed. The warrants may be exercised to subscribe for new class B shares during the period from 1 December 2025 up to and including 15 December 2025. The subscription price for each option will be offered at market value determined by the Black-Scholes formula.

## The Parent Company in brief

Medivir AB (publ.), corporate ID no. 556238-4361, is the Parent Company of the Group. Its operations consist of pharmaceutical development, administrative and company management functions.

The Parent Company's total turnover amounted to SEK 2.1 million (11.6 m).
Combined operating expenses totaled SEK -72.9 million (-58.7 m).

The operating loss was SEK -69.1 million (-38.2 m), corresponding to a decrease in the result of SEK 30.9 million.

Net financial items totaled SEK -0.9 million (0.5 m), corresponding to a decrease of SEK 1.4 million.

The tax for the period totaled SEK 0.0 million (0.0 m). The net loss for the period was SEK -70.1 million (-37.7 m), corresponding to a decrease of SEK 32.3 million. The lower result mainly relates to higher clinical costs and lower revenue.

Liquid assets, including short-term investments with a maximum term of three months, amounted to SEK 141.6 million (218.3 m).

## Significant risks and uncertainty factors

The process of pharmaceutical research and development, all the way up to regulatory market approval, is both high-risk and capital-intensive. The majority of projects initiated will never achieve market authorization. If competing pharmaceuticals take market shares, or competing research projects achieve better efficacy and reach the market more quickly, the future value of Medivir's product and project portfolio may be lower than expected. Medivir's success in developing medicines, to enter into partnerships and to secure funding for its operations, are decisive in terms of the company's future.

In addition to industry-specific risk factors, there is an added uncertainty in our surrounding world, both as a result of Russia's invasion war in Ukraine and through a financial instability with rising inflation and general macroeconomic uncertainty.

A more detailed description of the exposure to risk, and of the ways in which Medivir manages it, is provided in the 2021 Annual Report, see pages 25-26 and 34 and in Note 7 on pages 50-52. The Annual Report is available on the company's website: www.medivir.com.

## Outlook

Medivir's future investments will mainly be in clinical pharmaceutical projects within oncology.

It is the assessment of the Board and management that existing cash and cash equivalents are sufficient to cover the company's needs to complete the ongoing phase 1b study as well as one combination arm in phase 2a.

Huddinge, November 3, 2022

**Jens Lindberg**
*CEO and President*

*This report has been subject to auditors' review.*

*The information was submitted for publication at 08.30 CET on November 3, 2022.*

## For further information, please contact

Magnus Christensen, CFO, +46 (0) 8 5468 3100

## Contact the Nomination Committee:

A shareholder who wishes to submit a proposal to the Nomination Committee may send its proposal via e-mail to:valberedning@medivir.se

**Conference call for investors, analysts and the media**
The Interim Report January - September 2022 will be presented by Medivir's CEO, Jens Lindberg.

Time: Thursday, November 3, 2022, at 15.00 (CET).

Phone numbers for participants from:
Sweden + 46 8 505 583 65
Europe +44 33 3300 9269
US +1 631 913 1422, pin code 19436682#

The conference call will also be streamed via a link on the website: www.medivir.com
The presentation will be available on Medivir's website after completion of the conference.

**Financial calendar:**

**Year-End Report (January – December 2022)**
February 15, 2023
**Interim Report (January – March 2023)**
April 27, 2023
**Annual General Meeting 2023**
May 4, 2023
**Interim Report (January – June 2023)**
August 18, 2023

## *Notes*

**Accounting principles**

Medivir prepares its Consolidated Accounts in accordance with IFRS, International Financial Reporting Standards, as endorsed by the EU. In addition to the stated IFRS, the Group also applies the Swedish Financial Reporting Board's recommendation, RFR 1 Supplementary Accounting Rules for Groups, and applicable statements from the Swedish Financial Reporting Board. The Group utilizes the acquisition value for Balance Sheet item valuation, unless otherwise indicated.

The interim report has been prepared in accordance with IAS 34. IFRS are under constant development, and new standards and interpretations are published on an ongoing basis. No new standards that are expected to affect the period's earnings and financial position have entered into force. See pages 42-47 of the 2021 Annual Report for a full presentation of the accounting principles applied by the Group.

| Consolidated Income Statement, summary | Q3 | | Q1 - Q3 | | Full year |
|---|---|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2022 | 2021 | 2021 |
| Net turnover | 1.1 | 0.8 | 2.1 | 11.6 | 25.5 |
| Other operating income | 0.8 | 0.9 | 1.6 | 8.9 | 10.2 |
| **Total income** | **2.0** | **1.7** | **3.8** | **20.5** | **35.7** |
| Other external expenses | -11.1 | -9.4 | -53.3 | -41.2 | -73.3 |
| Personnel costs | -3.9 | -4.0 | -16.0 | -15.3 | -21.4 |
| Depreciations and write-downs | -0.7 | -0.6 | -1.9 | -2.0 | -2.6 |
| Other operating expenses | -0.9 | - | -1.3 | - | -0.6 |
| **Operating profit/loss** | **-14.6** | **-12.3** | **-68.7** | **-38.0** | **-62.1** |
| Net financial items | -0.2 | -0.5 | -1.9 | -0.2 | -0.5 |
| **Profit/loss after financial items** | **-14.8** | **-12.8** | **-70.7** | **-38.3** | **-62.6** |
| Tax | - | -0.5 | - | -0.6 | -0.5 |
| **Net profit/loss for the period** | **-14.8** | **-13.3** | **-70.7** | **-38.8** | **-63.1** |
| **Net profit/loss for the period attributable to:** | | | | | |
| Parent Company shareholders | -14.8 | -13.3 | -70.7 | -38.8 | -63.1 |
| **Earnings per share, calculated from the net profit/loss attributable to Parent Company shareholders during the period** | | | | | |
| Earnings per share (SEK per share) | | | | | |
| - Total operations, basic earnings | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| - Total operations, diluted earnings | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| Average number of shares, '000 | 55 736 | 55 736 | 55 736 | 51 841 | 52 815 |
| Average number of shares after dilution '000 | 55 736 | 55 736 | 55 736 | 51 841 | 52 815 |
| Number of shares at period end, '000 | 55 736 | 55 736 | 55 736 | 55 736 | 55 736 |

| Consolidated Statement of Comprehensive Income | Q3 | | Q1 - Q3 | | Full year |
|---|---|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2022 | 2021 | 2021 |
| **Net profit/loss for the period** | **-14.8** | **-13.3** | **-70.7** | **-38.8** | **-63.1** |
| **Other comprehensive income** | | | | | |
| Exchange rate differences | - | 0.6 | 0.0 | 0.5 | 0.5 |
| **Total other comprehensive income** | **-** | **0.6** | **0.0** | **0.5** | **0.5** |
| **Total comprehensive income for the period** | **-14.8** | **-12.7** | **-70.7** | **-38.4** | **-62.6** |

| Consolidated Balance Sheet, summary (SEK m) | 30-sep 2022 | 30-sep 2021 | 31-dec 2021 |
|---|---|---|---|
| **Assets** | | | |
| Intangible fixed assets | 96.3 | 96.3 | 96.3 |
| Tangible fixed assets | 15.5 | 14.2 | 13.6 |
| Current receivables | 5.3 | 3.9 | 4.7 |
| Short-term investments | 135.2 | 211.5 | 206.5 |
| Cash and cash equivalents | 7.0 | 14.4 | 14.7 |
| **Total assets** | **259.3** | **340.3** | **335.8** |
| **Shareholders' equity and liabilities** | | | |
| Shareholders' equity | 210.5 | 304.9 | 281.1 |
| Long-term liabilities | 14.9 | 12.9 | 13.0 |
| Current liabilities | 33.9 | 22.5 | 41.7 |
| **Total shareholders' equity and liabilities** | **259.3** | **340.3** | **335.8** |

| Consolidated Statement of Changes in Equity (SEK m) | Share capital | Other paid-in capital | Exchange rate difference | Accum. loss | Total equity |
|---|---|---|---|---|---|
| **Opening balance, 1 January 2021** | **188.5** | **420.8** | **-3.7** | **-463.7** | **141.9** |
| Total comprehensive income for the period | - | - | 0.5 | -38.8 | -38.4 |
| Reduction of share capital | -356.0 | 356.0 | - | - | - |
| Stock dividend issue | 195.3 | 27.4 | - | - | 222.8 |
| Warrants | - | 0.2 | - | - | 0.2 |
| Transaction costs | - | - | - | -21.6 | -21.6 |
| **Closing balance, 30 September 2021** | **27.9** | **804.4** | **-3.3** | **-524.1** | **304.9** |
| **Opening balance, 1 January 2021** | **188.5** | **420.8** | **-3.7** | **-463.7** | **141.9** |
| Total comprehensive income for the period | - | - | 0.5 | -63.1 | -62.6 |
| Reduction of share capital | -356.0 | 356.0 | - | - | - |
| Stock dividend issue | 195.3 | 27.4 | - | - | 222.8 |
| Warrants | - | 0.8 | - | - | 0.8 |
| Transaction costs | - | - | - | -21.6 | -21.6 |
| **Closing balance, 31 December 2021** | **27.9** | **804.9** | **-3.2** | **-548.4** | **281.1** |
| **Opening balance, 1 January 2022** | **27.9** | **804.9** | **-3.2** | **-548.4** | **281.1** |
| Total comprehensive income for the period | - | - | - | -70.7 | -70.7 |
| **Closing balance, 30 September 2022** | **27.9** | **804.9** | **-3.2** | **-619.1** | **210.5** |

| Consolidated Cash Flow Statement, summary | Q3 | | Q1 - Q3 | | Full Year |
|---|---|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2022 | 2021 | 2021 |
| **Cash flow from operating activities before changes in working capital** | **-14.5** | **-11.8** | **-70.0** | **-37.3** | **-61.2** |
| Changes in working capital | -5.2 | -8.2 | -7.1 | -6.0 | 12.4 |
| **Cash flow from operating activities** | **-19.7** | **-20.0** | **-77.1** | **-43.3** | **-48.7** |
| **Investing activities** | | | | | |
| Acquisition/sale of fixed assets | -0.4 | - | -0.4 | - | - |
| **Cash flow from investing activities** | **-0.4** | **-** | **-0.4** | **-** | **-** |
| **Financing activities** | | | | | |
| Other changes in longterm receivables/liabilities | -0.5 | -1.1 | -1.4 | -2.0 | -2.5 |
| Warrants | - | - | - | 0.2 | 0.8 |
| Rights issue | - | - | - | 169.9 | 169.9 |
| Directed issues | - | - | - | 52.8 | 52.8 |
| Transaction costs | - | -0.1 | - | -21.6 | -21.6 |
| **Cash flow from financing activities** | **-0.5** | **-1.2** | **-1.4** | **199.4** | **199.4** |
| **Cash flow for the period** | **-20.5** | **-21.2** | **-78.9** | **156.0** | **150.7** |
| Cash and cash equivalents at beginning of period | 162.8 | 247.8 | 221.2 | 70.0 | 70.0 |
| Exchange rate difference, liquid assets | 0.0 | -0.7 | 0.0 | -0.1 | 0.5 |
| **Cash and cash equivalents at end of period** | **142.2** | **225.9** | **142.2** | **225.9** | **221.2** |

| Parent company income statement, summary | Q3 | | Q1 - Q3 | | Full year |
|---|---|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2022 | 2021 | 2021 |
| Net turnover | 1.1 | 0.8 | 2.1 | 11.6 | 25.5 |
| Other operating income | 0.8 | 0.8 | 1.6 | 8.8 | 10.2 |
| **Total income** | **2.0** | **1.6** | **3.8** | **20.5** | **35.7** |
| Other external expenses | -11.8 | -10.0 | -55.4 | -43.2 | -75.9 |
| Personnel costs | -3.9 | -4.0 | -16.0 | -15.3 | -21.4 |
| Depreciations and write-downs | 0.0 | -0.1 | -0.2 | -0.3 | -0.3 |
| Other operating expenses | -0.9 | - | -1.3 | - | -0.6 |
| **Operating profit/loss** | **-14.7** | **-12.5** | **-69.1** | **-38.2** | **-62.5** |
| Profit/loss from participation in Group companies | 0.3 | - | 0.3 | - | 6.7 |
| Net financial items | 0.1 | 0.2 | -1.2 | 0.5 | 0.5 |
| **Profit/loss after financial items** | **-14.3** | **-12.3** | **-70.1** | **-37.7** | **-55.3** |
| Tax | - | - | - | - | - |
| **Net profit/loss for the period (=comprehensive income)** | **-14.3** | **-12.3** | **-70.1** | **-37.7** | **-55.3** |

| Parent company balance sheet, summary | 30-sep | 30-sep | 31-dec |
|---|---|---|---|
| (SEK m) | 2022 | 2021 | 2021 |
| **Assets** | | | |
| Intangible fixed assets | 96.3 | 96.3 | 96.3 |
| Tangible fixed assets | 0.4 | 0.2 | 0.2 |
| Shares in subsidiaries | 0.1 | 0.1 | 0.1 |
| Receivables on Group companies | - | - | - |
| Current receivables | 5.9 | 4.6 | 5.1 |
| Short-term investments | 135.2 | 211.5 | 206.5 |
| Cash and bank balances | 6.4 | 6.9 | 14.1 |
| **Total assets** | **244.3** | **319.6** | **322.2** |
| **Shareholders' equity and liabilities** | | | |
| Shareholders' equity | 210.1 | 297.7 | 280.1 |
| Liabilities to Group companies | 1.4 | 0.9 | 1.4 |
| Current liabilities | 32.8 | 21.0 | 40.7 |
| **Total shareholders' equity and liabilities** | **244.3** | **319.6** | **322.2** |

| Key ratios, share data, options | Q3 | | Q1 - Q3 | | Full year |
|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Return on: | | | | | |
| - shareholders' equity, % | -27.2 | -17.1 | -38.3 | -23.2 | -29.8 |
| - capital employed, % | -25.0 | -15.4 | -35.8 | -20.9 | -27.6 |
| - total capital, % | -21.7 | -14.3 | -31.4 | -18.8 | -23.7 |
| Number of shares at beginning of period, '000 | 55 736 | 55 736 | 55 736 | 24 288 | 24 288 |
| Number of shares at period end, '000 | 55 736 | 55 736 | 55 736 | 55 736 | 55 736 |
| - of which class A shares | - | - | - | - | - |
| - of which class B shares | 55 736 | 55 736 | 55 736 | 55 736 | 55 736 |
| - of which repurchased B shares | - | - | - | - | - |
| Average number of shares, '000 | 55 736 | 55 736 | 55 736 | 51 841 | 52 815 |
| Outstanding warrants, '000 | 1 062 | 809 | 1 062 | 809 | 1 114 |
| Share capital at period end, SEK m | 27.9 | 27.9 | 27.9 | 27.9 | 27.9 |
| Shareholders' equity at period end, SEK m | 210.5 | 304.9 | 210.5 | 304.9 | 281.1 |
| Earnings per share, SEK | | | | | |
| - Total operations, basic earnings | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| - Total operations, diluted earnings | -0.27 | -0.24 | -1.27 | -0.75 | -1.20 |
| Shareholders' equity per share, SEK | 3.78 | 5.47 | 3.78 | 5.47 | 5.04 |
| Net worth per share, SEK | 3.78 | 5.47 | 3.78 | 5.47 | 5.04 |
| Cash flow per share after investments, SEK | -0.36 | -0.36 | -1.39 | -0.84 | -0.92 |
| Equity/assets ratio, % | 81.2 | 89.6 | 81.2 | 89.6 | 83.7 |
| EBITDA | -13.9 | -11.7 | -66.9 | -36.0 | -59.5 |
| EBIT | -14.6 | -12.3 | -68.7 | -38.0 | -62.1 |

## Key ratio definitions

**Average number of shares.** The unweighted average number of shares during the period.
**Basic earnings per share.** Profit/loss after tax divided by the average number of shares.
**Capital employed.** Balance Sheet total less non-interest-bearing liabilities including deferred tax liabilities.
**Cash flow per share after investments.** Cash flow after investments divided by the average number of shares.
**Diluted earnings per share.** Profit/loss after tax divided by the average number of shares and outstanding warrants adjusted for any dilution effect.
**EBIT (Earnings before interest and taxes).** Operating profit/loss after depreciation and amortization.
**EBITDA (Earnings before interest, taxes, depreciation and amortization)**. Operating profit/loss before depreciation and amortization.
**Equity/assets ratio.** Shareholders' equity in relation to the Balance Sheet total.
**Net worth per share.** Shareholders' equity plus hidden assets in listed equities divided by the number of shares at the period end.
**Operating margin.** Operating profit/loss as a percentage of net turnover.
**Return on capital employed.** Profit/loss after financial items plus interest expenses as a percentage of the average capital employed.
**Return on shareholders' equity.** Profit/loss after tax as a percentage of the average shareholders' equity.
**Return on total assets.** Profit/loss after financial items plus interest expenses as a percentage of the average Balance Sheet total.
**Shareholders' equity per share.** Shareholders' equity divided by the number of shares at the period end.

The above key ratios are deemed to be relevant for the type of operations conducted by Medivir and to contribute to an increased understanding of the financial report.

# Auditor's report

Medivir AB reg. no. 556238-4361

## Introduction

We have reviewed the condensed interim financial information (interim report) of Medivir AB as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 3 November 2022

Öhrlings PricewaterhouseCoopers AB

Tobias Stråhle
Authorized Public Accountant