Oncology acquisition transaction Investor call

November 3, 2016

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MEDIVIR

A research-based pharmaceutical company with focus on oncology and infectious diseases

A Transformational Transaction

Signed agreement to acquire two clinical stage programs from US-based company Tetralogic Pharmaceuticals

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

Why This Transaction is Right for Medivir

Strategy for Value Creation

Meaningfully advances achievement of stated objectives

Strengthen the R&D pipeline

- Advance and expand the pipeline with two clinical stage programs
- Strengthens and accelerates Medivir's oncology focus
- Highly complementary to Medivir's technology platforms

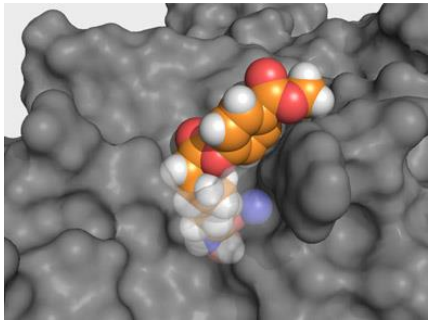
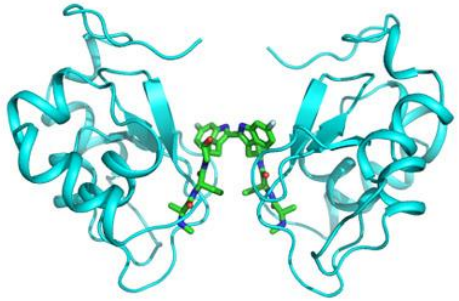
Collaborate through global partnerships

- Merck collaboration with Tetralogic to study Keytruda in combination with birinapant

Invest capital responsibly

- Structure heavily weighted toward milestones and royalties based on future project success while providing a reasonable upfront payment
- Portfolio diversification with two clinical programs, and potential additional future indications for each

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	Various solid tumors (combination with Keytruda) MERCK	Bivalent second mitochondrial activator of caspases (SMAC) mimetic, an inhibitor of apoptosis proteins (IAP) inhibitor
	Phase II	High-grade serous carcinomas (including ovarian cancer) UCLA	

Link to Medivir platform:
HDACs are a group of enzymes closely related to proteases

Link to Medivir platform: Peptidomimetic, like simeprevir, and with a strong link to Medivir's current interests in protein ubiquitylation

Medivir is the best buyer for Tetralogic

Process

Medivir identified Tetralogic as an attractive target 2 years ago; Tetralogic's current financial situation made a transaction possible

- **Disappointing trial results** January 2016 with birinapant in myelodysplastic syndrome (Phase II)
  - Medivir sees a much stronger rationale in other oncology indications
- **Liquidity difficulties** with convertible debt outstanding and inability to raise capital
- **Hired financial advisor** to look at strategic alternatives for the company

Medivir differentiators

Medivir was uniquely positioned to recognize the value of both clinical assets

Remetinostat:

- Oncology not dermatology
- Medivir experience in topical therapeutic development (Xerclear) and chemistry-driven targeting of therapies to specific tissues (e.g. liver targeting)

Birinapant:

- Medivir's scientific platform in protease inhibition and interests in ubiquitylation provide us unique insight into future development for birinapant

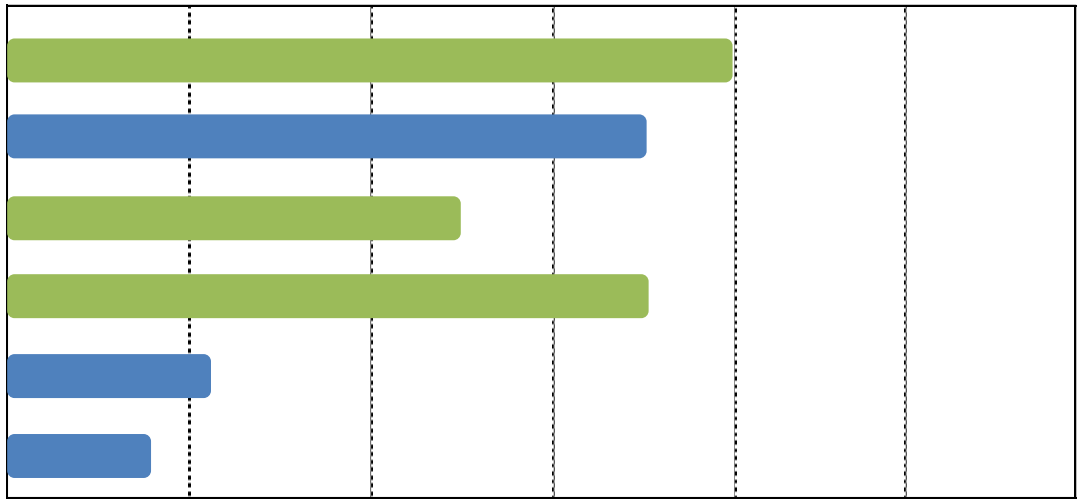
Identified opportunities in other oncology indications for both assets

Medivir R&D pipeline after transaction is diversified from early to late stages of development

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

Proprietary Pipeline

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**
RSV Fusion protein inhibitor	**RSV-infection**



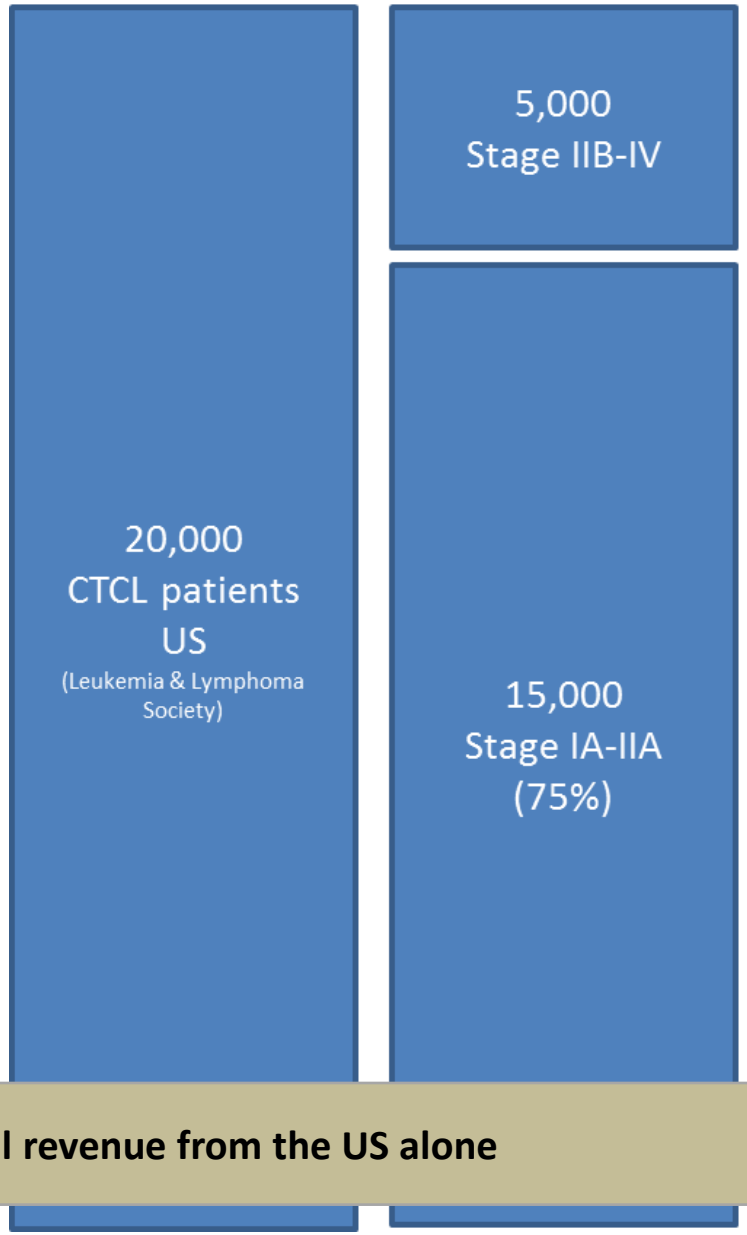
Partnerships where they can meaningfully enhance the value of a project

Partnership Pipeline

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**

CTCL: orphan cancer disease with a meaningful market opportunity

- Cutaneous T-cell lymphoma (CTCL) is an orphan disease in both the US and Europe
  - Annual incidence of 1,000-3,000
  - Estimated prevalence in the US of ~20,000 and similar in EU5
- Approximately 75% of CTCL constitute early stage IA-IIA disease
- Stage IA-IIA is predominantly indolent, with patients remaining in this stage of disease for an extended period
- Expected $900 million addressable market in the US for early-stage CTCL



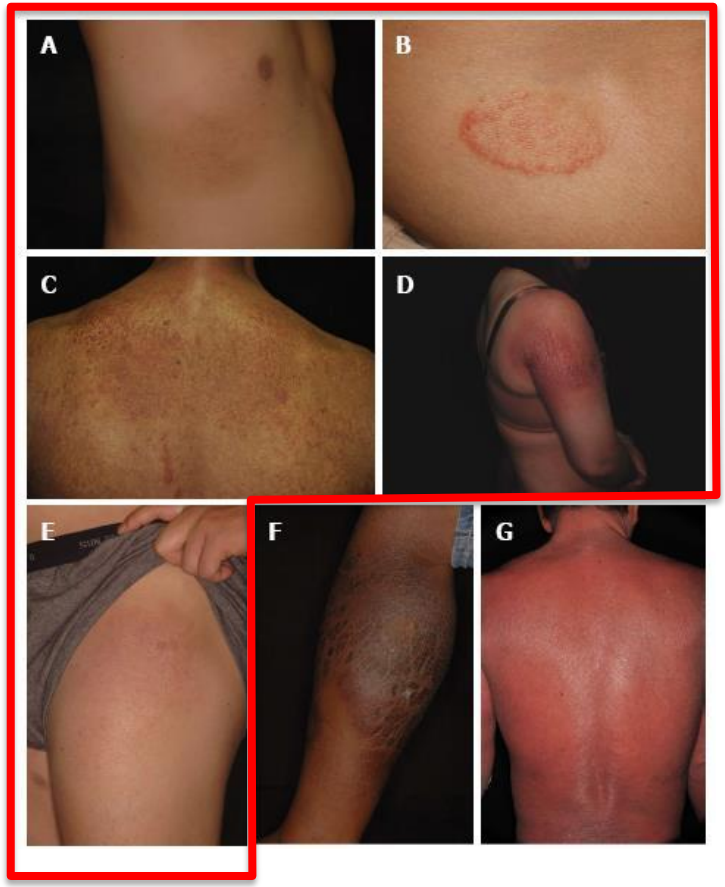
A 15% patient share would translate into over 1 BSEK in annual revenue from the US alone

Sources: Leukemia & Lymphoma Society, Medivir market research

Early-stage CTCL: Patients and physicians looking for new treatment options

Disease background

- **In early stages of CTCL the disease is confined to the skin** (Photos A-E)
  - Stage IA involves <10% of skin
  - Stage IB involves >10% of skin
  - Stage IIA has stage IA or B skin involvement with additional limited involvement of lymph nodes
- **Patients remain in this stage for an extended period and require long-term treatment**
- **Significant quality of life issues, including clinically significant pruritus (itch)**



Limitations of current treatments

- **Rotation among treatments with no single treatment for long-term use**
  - 1st line treatment with topical steroids
  - Current 2nd line treatments lack sustained efficacy and/or tolerability and are highly irritating

Room for an additional option for patients in rotation with, after, and in combination with other treatments

Sources: Medivir market research; Hu SC, World J. Dermatol. 2015; 4(2): 69-79

Remetinostat: an important additional CTCL option for dermato-oncologists

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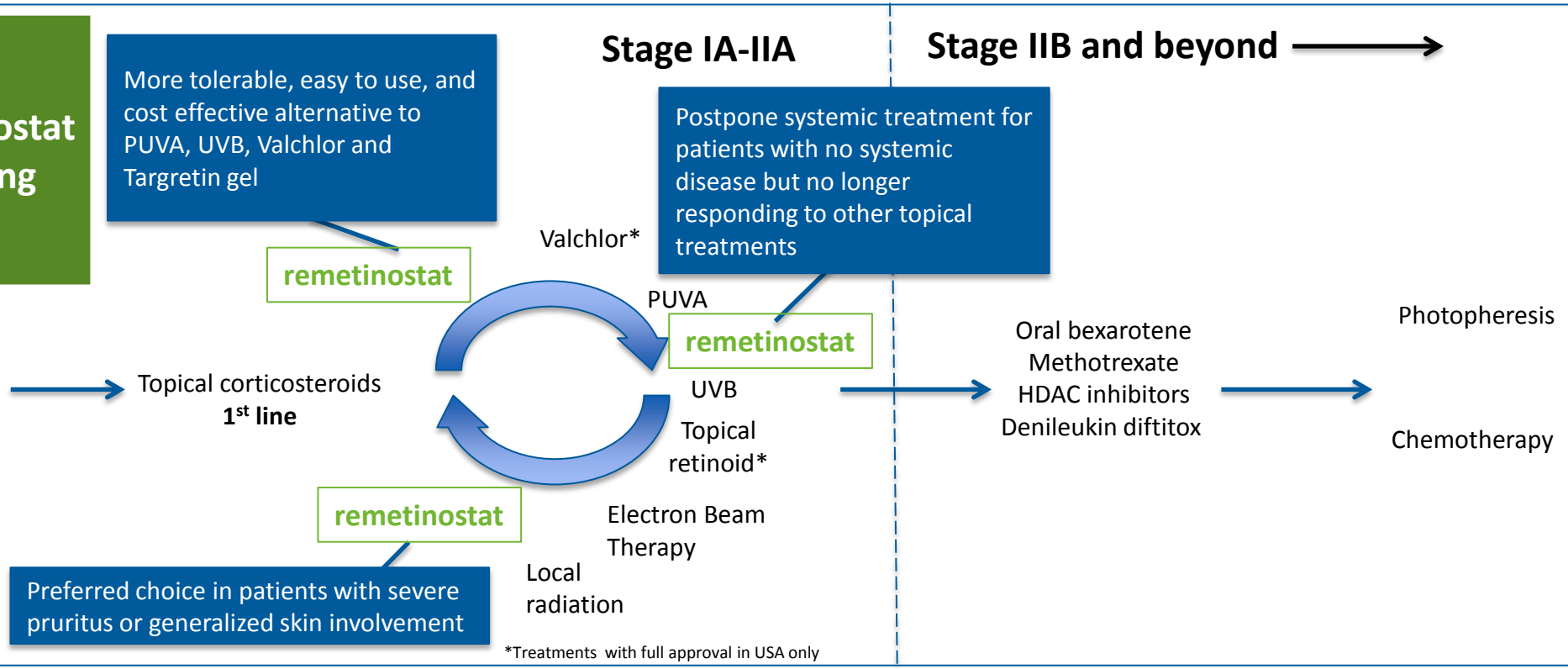
Key unmet needs

- Efficacy on lesions not responding to current therapy
- Reduction of clinically significant pruritus
- Tolerability, especially for continuous and extended treatment over large lesion areas and for surrounding normal skin

Remetinostat Positioning

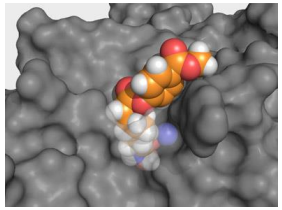


Remetinostat can capture significant market share based on its clinical profile balancing efficacy, safety and tolerability. This profile is also expected to result in significant QoL benefits for patients.

Sources: Medivir market research, Phase I and Phase II remetinostat clinical trial data

Remetinostat CTCL clinical trial results promising to date with Phase III program expected to start in 2H 2017

remetinostat



Clinical Stage	Indication	Mechanism
Phase II	Early stage cutaneous t-cell lymphoma (CTCL, an orphan hematologic cancer)	Skin-directed histone deacetylase (HDAC) inhibitor

Interim phase II data in highly treatment-experienced population demonstrate efficacy profile appropriate for early stage CTCL

- Open-label Phase II design facilitated Medivir's review of the trial data
- Complemented by extensive discussions of the data with CTCL physicians

Safety and tolerability profile consistent with the skin-specific activity of the drug

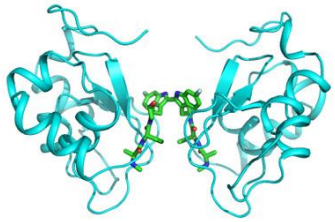
- No AEs typically associated with systemic HDAC inhibitors were observed

- Planning underway for Phase III start in 2H 2017 with potential for launch in 2021
- Phase III program expected to be of modest size and cost

As a topical, skin-specific HDAC inhibitor, remetinostat has the potential to be efficacious and have an improved safety profile considering other available treatments

Combination trial with Keytruda designed to demonstrate enhanced efficacy of PD-1 inhibitors with birinapant across multiple solid tumor types

birinapant



Clinical Stage	Indication	Mechanism
Phase I	Various solid tumors (combination with Keytruda)	Bivalent, second mitochondrial activator of caspases (SMAC) mimetic, an inhibitor of apoptosis proteins (IAP) inhibitor

Immuno-oncology market dynamics

- **Keytruda: a key part of the immuno-oncology revolution that's transforming care for cancer patients**
  - Approvals in melanoma, NSCLC and HNSCC
- **PD-1 inhibitor revenues now $3.2B annually(1) and growing with additional treatments in late-stage trials**
- **Despite immunotherapy breakthroughs, significant unmet need remains**
  - While some patients derive enormous benefits from the use of a PD-1 antagonist, the benefits can be limited in many patients
  - Identification of combination regimens to enhance the proportion of patients benefitting from IO therapy is a major trend in cancer R&D

Birinapant benefits

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

- Enhancement of T-cell and NK-cell function
- Restoration of immune-cell mediated apoptosis

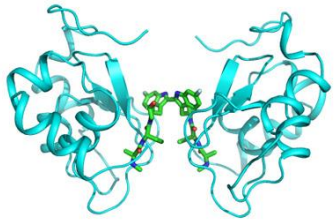
Collaboration with Merck

- Keytruda provided at no cost
- Joint Development Committee to oversee the study

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

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

birinapant



Clinical Stage	Indication	Mechanism
Phase II	High-grade serous carcinomas (including ovarian cancer) UCLA	Bivalent, second mitochondrial activator of caspases (SMAC) mimetic, an inhibitor of apoptosis proteins (IAP) inhibitor

Serous carcinoma market dynamics

High-grade serous carcinomas: Group of cancers believed to be derived from cells from the fallopian tube that may present as ovarian, endometrial, tubal or peritoneal cancer

- HGSC is ~70% of 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
- There are few options for patients who relapse with chemotherapy remaining the standard of care even for platinum-resistant carcinomas

Ovarian cancer market size overall is 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 available to enable patient selection

UCLA investigator-initiated Phase I/II study planned

- Combination of birinapant with platinum-based chemotherapy in patients with newly diagnosed or recurrent HGSCs
- Strong scientific rationale and highly motivated clinical investigators
- **Medivir to provide birinapant and potentially some financial support, with full rights to generated data**

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

Transaction structure weighted toward milestones and royalties while providing a reasonable upfront payment

Financial Terms

Upfront: USD 12m (to be paid from existing cash at closing)

Remetinostat:

- Development milestones through regulatory filings of up to USD 20m
- Regulatory approval milestones of up to USD 45m
- Tiered royalties capped at an aggregate of 13%
- Additional commercialization milestones of up to USD 31m, primarily based on substantial sales achievement levels

Birinapant:

- Development milestones and research support of up to USD 20m
- Tiered royalties capped at an aggregate of 10%
- Additional commercialization milestones of up to USD 110m, primarily based on substantial sales achievement levels

Timing and closing conditions

Closing expected by year-end 2016

- Tetralogic noteholder consent and shareholder approval required
- Confirmation by Merck/MSD of Keytruda agreement transfer to Medivir required
- Other standard closing requirements

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

Future communication plans

Transaction closing expected by year-end 2016

Following closing, Medivir expects to provide additional detail on the entire pro forma R&D portfolio, including

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

Right Transaction at the Right Time for the Right Reasons

- ✓ Portfolio of clinical stage programs in oncology that fit with Medivir platform technologies
- ✓ Focused on areas of high unmet medical need and meaningful revenue potential
- ✓ Transforms R&D pipeline enabling a stronger separated business
- ✓ Positioned for sustainable value creation with expected news flow from multiple programs

Q&A

www.medivir.com

Ticker: MVIR

Exchange: OMX / NASDAQ

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