

Company Announcement no. 12/2012

To: NASDAQ OMX Copenhagen A/S

Hørsholm, Denmark, 29 August, 2012

### **Notice to Convene an Extraordinary General Meeting**

The board of directors of the company hereby convenes an extraordinary general meeting in the company which will be held on

**Thursday 20 September 2012 at 2 pm**

at Søhuset, Venlighedsvej 10, 2970 Hørsholm, Denmark.

#### **Agenda**

- 1 Proposal by the board of directors for authorisation for the board of directors to increase the company's share capital in a rights issue with pre-emption rights for the company's shareholders.
- 2 Proposal by the board of directors for authorisation for the board of directors to issue warrants to the company's management, board of directors and key employees.
- 3 Proposal by the board of directors to amend the articles of association.
- 4 Proposal by the board of directors for authorisation for the chairman of the extraordinary general meeting.

#### **Complete proposals**

##### ***Re item 1***

The board of directors proposes that it be authorised to decide a capital increase in the company with pre-emption rights for the shareholders in the company. It is proposed that the board of directors be authorised to increase the company's share capital from nominally DKK 45,254,248 by up to nominally DKK 135,000,000 to nominally DKK 180,254,248.

It is proposed that the authorisation be included in the articles of association, cf. the Danish Companies Act sec. 155.1, as article 9B with the following wording:

*"The board of directors is authorised until 1 September 2013, at one time, to increase the share capital by up to nominally DKK 135,000,000.*

*The capital increase pursuant to this authorisation shall be carried out by the board of directors by cash capital contributions with pre-emption rights for all shareholders in the company. Shares that are not subscribed for within the subscription period by existing shareholders with pre-emption rights might, if the board of directors so decides, be offered to new investors.*

*The new shares shall be negotiable shares issued to the bearer, but may be recorded on name. The new shares shall not have any restrictions as to their transferability and no shareholder shall be obligated to have their shares redeemed fully or partly. The shares shall carry the same rights to dividends and other rights in the company from the time which is decided by the board of directors in connection with the decision to increase the share capital."*

The proposed authorisation is article 6B in the draft new articles of association due to the proposed amendment of the articles of association in item 3 on the agenda.

## **Re item 2**

The board of directors proposes that it be authorised until 20 September 2017, at one or more times, to issue 144,203,398 warrants each conferring a right to subscribe for one share of nominally DKK 0.1 in the company and to implement the corresponding increase(s) of the share capital. It is proposed that the authorisation be included in the articles of association, cf. the Danish Companies Act section 155.2, as article 8A:

*"The Board of Directors is until 20 September 2017 authorised, at one or more times, to issue up to 144,203,398 warrants, each conferring a right to subscribe for 1 share of nominally DKK 0.1 in the company, and to implement the corresponding increase(s) of the share capital.*

*The warrants can be issued to key employees, executive directors and board members in the company and its subsidiaries without pre-emptive subscription rights for the company's shareholders.*

*The exercise price for warrants, which are issued pursuant to the authorisation, shall at a minimum correspond to the market price of the Company's shares on the date of issuance of the warrants. The other terms for the warrants issued pursuant to this authorisation, including payment for the warrants, duration, exercise periods, vesting periods, adjustments as a result of corporate changes etc. shall be determined by the board of directors. The shares subscribed for on the basis of the issued warrants shall be negotiable shares issued to the bearer, but may be recorded on name. The shares shall not have any restrictions as to their transferability and no shareholder shall be obliged to have their shares redeemed fully or partly.*

*The board of directors is entitled to make such amendments to the articles of association which are connected with the issuance of warrants comprised by this clause or the exercise thereof."*

The proposed authorisation is article 5A in the draft new articles of association due to the proposed amendment of the articles of association in item 3 on the agenda.

### **Re item 3**

The board of directors proposes the following amendments to the articles of association:

- In article 5 it is proposed to delete all warrant issues in respect of which the last exercise period will expire 21 days after the publication of the interim report for the first six months 2012 (Q2) on 22 August 2012. The proposed deletion comprises warrants issued by the board of directors on 4 April 2003, 29 August 2003, 3 October 2003, 19 December 2003, 22 March 2004, 28 April 2004, 20 June 2005, 21 September 2005, 17 October 2005, 18 November 2005, 12 December 2005, 10 June 2006, 7 September 2006, 1 December 2006 and 22 December 2006. In connection with the deletion of the warrant issues, appendix 2 to the articles of association ceases to apply and is cancelled, and the present appendix 3 is renamed appendix 2. It is proposed that the last paragraph of article 5 be moved to article 7. In article 5 of the comprehensive draft new articles of association the board of directors has further updated the number of issued warrants and the exercise price to reflect the adjustments following the rights issue in November 2010.
- Article 6 is proposed to be deleted in its entirety as all warrant issues in this article will expire due to the expiry of the last exercise period 21 days after the publication of the interim report for the first six months of 2012 (Q2) on 22 August 2012. The deletion comprises warrants issued by the general meeting on 16 June 2004, 16 December 2004, 17 March 2005 and 7 November 2005. Consequently, the numbering of the articles will change, cf. the comprehensive draft new articles of association.
- It is proposed that article 7 be renamed article 7A with the subheading "Changes in the warrant terms" with the following wording (article 4A in the draft new articles of association):

*"A total of 16,856,790 warrants are either cancelled or expired. 27,638,230 unexercised warrants remain as adjusted for the rights issue in April 2008 and in November 2010.*

*At the general meeting of the company held on 18 April 2012 it was resolved to reduce the share capital of the company by decrease of the denomination of all shares with nominally DKK 0.9 from nominally DKK 1 to nominally DKK 0.1, and consequently, the nominal value of the shares which may be subscribed for pursuant to warrants has changed to DKK 0.1. In the event there are any warrants which have not been exercised the nominal value of the capital increase, which may be resolved by exercise of warrants, shall be reduced by 90 per cent as a consequence of the resolution made at the general meeting held on 18 April 2012.*

*Warrants issued prior to 15 December 2010 are adjusted (number and exercise price) in accordance with Appendix 1 to the articles of association following the rights issue in April 2008 and the rights issue in November 2010.*

*At the board meeting on 15 December 2010 the Board of Directors resolved to change the terms and conditions applicable to future grants and issues of options (warrants) to the company's management, other employees, consultants, advisors and board members. The specific terms and conditions applicable to the warrants issued are attached hereto as Appendix 2 and form an integral part hereof.*

*At the board meeting on 30 December 2009 the board of directors resolved to change the terms and conditions applicable to grants of warrants made in the years 2007 – 2009 to employees in the company, with the effect that the vesting and exercise of warrants in the event of death shall continue as if the deceased was still employed. Rights and obligations regarding warrants in the event of death shall be transferred to the death estate respectively the heirs. All specific provisions in Appendix 1 to the articles of association regarding vesting and exercise of warrants in the event of death shall hereafter be deemed null and void in respect to warrants issued in the years 2007 – 2009."*

- In article 8 it is proposed to delete the second paragraph and revise the first paragraph to the following wording:

*"The board of directors is until 20 April 2015 authorised, at one or more times, to issue up to 27,370,086 warrants (21,355,908 warrants remain following the last issue on 17 November 2011), each conferring a right to subscribe for 1 share of nominally DKK 0.1 in the company and to implement the corresponding increase(s) of the share capital."*

- In article 11 it is proposed to exchange "Danish Commerce and Companies Agency" with "Danish Business Authority" as the public authority changed its name. All references in the appendix 1 and 2 to the "Danish Commerce and Companies Agency" are likewise proposed to be exchanged with "Danish Business Authority".
- It is proposed to delete article 2 as the content of the provision was deleted earlier at the company's general meeting on 21 April 2010. Consequently, the numbering of the articles will change, cf. the comprehensive proposal for new articles of association.

The amendments proposed in this item 3, including the new numbering, are reflected in full in the comprehensive draft articles of association.

#### **Re item 4**

The board of directors proposes that the chairman of the extraordinary general meeting, with the right of substitution, be authorised to register the resolutions passed by the general meeting with the Danish

Business Authority and to make such alterations as the Danish Business Authority may require for registration or approval.

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### **Language**

The general meeting is held in Danish. However, there will be some contributions in English which will be translated into Danish.

### **Resolution requirements**

The following adoption requirements apply to adopt the resolutions which shall all be fulfilled in order for the proposals to be adopted:

The adoption of the proposals to amend the company's articles of association contained in items 1, 2 and 3 of the agenda requires a majority in favour of the proposed resolution of at least two-thirds of the votes cast as well as at least two thirds of the share capital represented at the general meeting.

The other proposals are adopted by simple majority of votes.

### **General information**

The share capital of the company amounts to nominally DKK 45,254,248. The nominal amount of each share is DKK 0.1. Each share of DKK 0.1 has one vote at the general meeting.

The shareholders may exercise their financial rights through their own depository bank.

### **The website of the company**

Further information will be available from 29 August 2012 to 20 September 2012 on the website of the company, [www.veloxis.com](http://www.veloxis.com), concerning the general meeting, including the total number of shares and voting rights on the date of the notice, the notice with agenda and the complete proposals, proxy form, postal vote form and registration form to be used when ordering admission card as well as the other documents to be presented at the general meeting, including a draft of the new articles of association after the adoption of the proposed amendments to the articles.

### **Publication of notice**

The notice has also been made public via the IT system of the Danish Business Authority, forwarded to the shareholders registered in the register of shareholders of the company who have made such request and made public at the company's website.

## **Questions**

Shareholders may ask questions concerning the agenda and the rest of the material for the purpose of the general meeting both before and during the actual general meeting.

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In order to attend the general meeting and to vote the following applies:

## **Date of registration**

The shareholders' right to vote at the company's general meetings, or to vote by post in relation to the shareholders' shares, is determined based on the shares which the shareholders hold on the date of registration.

The date of registration is Thursday 13 September 2012.

Only persons who are shareholders in the company on the date of registration, i.e. Thursday 13 September 2012 may attend and vote at the general meeting. However, see below regarding the shareholders' request for admission card in due time.

When the date of registration expires, the shares held by each shareholder of the company on the date of registration will be calculated. The calculation is based on the registration of shares in the register of shareholders as well as duly documented notifications to the company of acquisition of shares which have not yet been registered in the register of shareholders but which have been received by the company before the expiry of the date of registration.

Disposals or acquisitions of shares which take place in the period between the date of registration and the general meeting do not affect the right to vote at the general meeting or the right to vote by post in connection with the general meeting.

## **Admission card**

In order to be able to attend the general meeting the shareholder must order an admission card no later than Friday 14 September 2012 at 11.59 p.m. Admission cards can be acquired by contacting Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, fax no. +45 45 46 09 98 or via the shareholder portal on the company's website [www.veloxis.com/investor/general-meetings](http://www.veloxis.com/investor/general-meetings). The registration form to be used when ordering admission cards is attached to the notice and is also available on the website of the company, [www.veloxis.com](http://www.veloxis.com).



## **Proxy**

A shareholder may be represented by proxy. Computershare A/S must receive the proxy form no later than Friday 14 September 2012 at 11:59 p.m. either by sending the form to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, fax no. +45 45 46 09 98 or via the shareholder portal on the company's website [www.veloxis.com/investor/general meetings](http://www.veloxis.com/investor/general meetings). The proxy form is attached to the notice and is available on the website of the company, [www.veloxis.com](http://www.veloxis.com). It is also possible, before expiry of the deadline, to submit an electronic proxy via the shareholder portal on the company's website [www.veloxis.com](http://www.veloxis.com).

## **Postal vote**

Instead of casting their vote at the actual general meeting the shareholders may vote by post, i.e. vote in writing before the general meeting is held. The shareholders who decide to vote by post must submit their vote by post so that it has been received no later than 12 a.m. CET on Wednesday 19 September 2012, to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, fax no. +45 45 46 09 98 or via the shareholder portal on the company's website [www.veloxis.com/investors/general meetings](http://www.veloxis.com/investors/general meetings). The form to be used for voting by post is attached to the notice and is available on the website of the company, [www.veloxis.com](http://www.veloxis.com). It is also possible to vote by post electronically via the company's website [www.veloxis.com](http://www.veloxis.com). A vote by post that has been received cannot be revoked. Please note that letters may be in the mail for several days.

## **For more information, please contact:**

Veloxis Pharmaceuticals A/S

Johnny Stilou  
EVP, Chief Financial Officer  
Phone: +45 21 227 227  
Email: [jst@veloxis.com](mailto:jst@veloxis.com)

John Weinberg, M.D.  
EVP, Chief Commercial Officer  
Phone: +1 732 321 3208  
Email: [jdw@veloxis.com](mailto:jdw@veloxis.com)