

Nasdaq Copenhagen A/S
Nikolaj Plads 6
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Denmark

27 April 2015

COMPANY ANNOUNCEMENT NO. 7/15

Warrant programme for members of the Management Board and managerial employees

At a board meeting held today, 27 April 2015, the Board of Directors of Topsil Semiconductor Materials A/S resolved to set up an incentive-based remuneration scheme in the form of a warrant programme for the three members of the Management Board and six participants representing the senior management and selected key employees of the Group. Thus, the Board of Directors has today partly exercised the authorities of articles 3.5 and 3.6 of the company's Articles of Association.

Objective

The purpose of the grant is reflected in Topsil's objective to attract and retain the most skilled and competent employees with a view to maintaining and supporting long-term value creation for the company.

Participants, exercise periods and subscription price

A total of up to 13,552,071 warrants are granted, entitling the holders to subscribe for up to 13,552,071 shares with a nominal value of DKK 0.25 each. The CEO, Kalle Hvidt Nielsen, is granted 7,084,647 warrants, the CFO, Jesper Bodeholt, is granted 1,610,147 warrants and the CSO, Michael Lisby Jensen, is granted 1,368,625 warrants. The other managerial employees of the Group are granted the remaining 3,488,652 warrants.

From 27 April 2018 until 27 April 2020, exercise may take place twice a year within a four-week exercise window starting on the date of the announcement of either the financial statements or the interim financial statements.

Each warrant entitles the warrant holder to subscribe for one share with a nominal value of DKK 0.25 each at a subscription price of DKK 0.49 plus an annual hurdle rate of 8%. The price is fixed on the basis of the last 30 business days leading up to the date of the annual general meeting, 24 April 2015.

Conditions

Regardless of the number of warrants granted, the gains from the exercise of warrants of the three members of the Management Board may not exceed a total of 300% of their annual pay

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before tax on the date of the grant. For the other managerial employees, an upper limit of 100% applies.

If a member of the Management Board resigns, all warrants shall automatically lapse without compensation irrespective of whether his employment contract is terminated by himself or the company prior to exercise.

For the other managerial employees, all warrants shall automatically lapse without compensation if the employment relationship is terminated prior to the exercise of warrants for reasons other than those set out below:

1. The relevant managerial employee resigns due to age or state pension,
2. The employment relationship is terminated by the managerial employee provided that the termination is due to the company's material breach of the employment contract,
3. The employment relationship is terminated by the company provided that the termination is not due to the managerial employee's breach of the employment contract, or
4. In the event of death where the estate is entitled to keep the warrants granted.

Market value

As at today's date, the total market value of the issued warrants is estimated at DKK 1,515,000. The market value of the issued warrants as at today's date is calculated at DKK 0.11 each, based on the Black-Scholes formula with a volatility calculated at 45.4%, a risk-free interest rate of 0% p.a. and a share price of DKK 0.49.

Please direct any questions to Topsil's CEO concerning this stock exchange announcement to Susanne Hesselkjær, tel.: (+45) 2926 6752

Topsil Semiconductor Materials A/S

Jens Borelli-Kjær
Chairman

Kalle Hvidt Nielsen
CEO

This announcement has been prepared in a Danish-language and an English-language version. In case of doubt, the Danish version will prevail.

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