



Company Release no. 05/2017

To: NASDAQ Copenhagen A/S

Copenhagen, Denmark, 16 March, 2017

### **Notice to Convene Annual General Meeting 2017**

The board of directors of Veloxis Pharmaceuticals A/S, CVR no. 26 52 77 67 ("the Company"), hereby convenes the annual general meeting in the Company which will be held on

**Friday 7 April 2017 at 9 am. CET**

at the offices of Plesner Advokatpartnerselskab, Amerika Plads 37, 2100 Copenhagen, Denmark.

#### **Agenda**

- 1 Report by the Company's board of directors on the Company's activities during the past financial year
- 2 Presentation of the audited annual report for approval
- 3 Resolution on covering of losses as per the approved annual report
- 4 Election of members to the board of directors
- 5 Election of auditor
- 6 Approval of fee to the board of directors for the financial year 2017
- 7 Proposal by the board of directors on authorization to the board of directors to issue warrants and amendment of the articles of association in accordance therewith
- 8 Proposal by the board of directors that all documents prepared for use by a general meeting of the Company at or after the general meeting, including the notice and the minutes, shall be prepared in English only and amendment of the articles of association in accordance therewith
- 9 Proposal by the board of directors on authorization to the Company to acquire own shares
- 10 Proposal by the board of directors on authorization to the chairman of the annual general meeting, with a right of substitution, to file the resolutions passed at the general meeting for registration with the Danish Business Authority

## **Complete proposals**

### *Re item 2:*

The board of directors proposes that the presented audited annual report is approved.

### *Re item 3:*

The board of directors proposes that the previous year's net loss of USD 10.1 million be carried forward by transfer to accumulated deficit.

### *Re item 4:*

According to the Company's articles of association, the board of directors is elected for one year at a time which implies that all board members elected by the general meeting are up for election.

The board of directors proposes that all members of the board of directors are re-elected, i.e.:

- Michael Thomas Heffernan
- Mette Kirstine Agger
- Anders Götzsche
- Robert Samuel Radie
- Lars Kåre Viksmoen
- Paul Kevin Wotton

For a description of the qualifications of the nominated candidates, see [Exhibit 1](#) to the notice.

### *Re item 5:*

The board of directors recommends the re-election of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab in accordance with the Audit and Risk Management Committee's recommendation. The Audit and Risk Management Committee has not been influenced by third parties and has not been subject to any agreement with third parties, which limits the general meetings election to certain auditors or to certain audit firms.

### *Re item 6:*

The board of directors proposes that the general meeting approves the fee to the board of directors for the financial year 2017.

An external compensation consulting company has performed a compensation review of the Company's compensation structure (i) to compare the Company's board of directors compensation practices and levels to US peer company 2015-2016 practices and levels, (ii) to provide an assessment of the Company's competitive posture and (iii) to make recommendations for changes, if any, to the Company's practices to be implemented in 2017.

The board of directors proposes that the board of directors receives the following remuneration in 2017 in accordance with the recommendations from the aforementioned review:

<b>Remuneration to the board of directors and board sub-committees (USD)</b>	<b>2017</b>
Chairman of the Board of Directors	87,500
Members of the Board of Directors	37,500
Chairman of the Audit Committee	20,000
Members of the Audit Committee	10,000
Chairman of the Compensation Committee	15,000
Members of the Compensation Committee	7,500
Chairman of the Nomination and Corporate Governance Committee	10,000
Members of the Nomination and Corporate Governance Committee	5,000

Further, members of the board of directors may receive incentive-based remuneration under the Company's general guidelines for incentive pay to the members of the board of directors and the executive management, ref. article 16 of the articles of association.

The board of directors proposes that each board member is granted warrants equal to the value of USD 150,000 calculated at the share price on the day of grant.

*Re item 7:*

The board of directors proposes that the general meeting approves an authorisation to the board of directors to issue warrants in accordance with the following provisions to be inserted in the Company's articles of association as article 5D:

*"Article 5D*

*The Board of Directors is until 7 April 2022 authorised, at one or more times, to issue up to 68,134,955 warrants, each conferring a right to subscribe for 1 share of nominal DKK 0.1 in the Company, and to implement the corresponding increase(s) of the share capital.*

*The warrants can be issued to 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 registered holders and shall be recorded in the Company's Register of Owners. 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."*

*Re item 8:*

The board of directors proposes that all documents prepared for use by a general meeting of the Company at or after the general meeting, including the notice and the minutes, shall be prepared in English only.

Provided that the proposal is approved the following sentence will be included in article 8 of the Company's articles of association:

"All documents prepared for use by a General Meeting of the Company at or after the General Meeting, including the notice and the minutes, must be prepared in English only."

*Re item 9:*

The board of directors requests the general meeting to grant an authorisation until the next annual general meeting for the Company to acquire the Company's own shares for up to 10 per cent of the Company's share capital at any time, provided that the acquisition, in accordance with the Danish Companies Act section 197, can be financed by the funds that may be distributed as ordinary dividends. The payment may not deviate from the stock price at NASDAQ Copenhagen A/S with more than 10 per cent at the time of purchase.

*Re item 10:*

The board of directors proposes that the chairman of the annual general meeting, with the right of substitution, be authorized to file the resolutions passed by the general meeting for registration with the Danish Business Authority and to make such alterations or amendments as the Danish Business Authority may require for registration.

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## **Language**

In accordance with article 8 of the articles of association the general meeting is held in English without simultaneous interpretation.

## **Resolution requirements**

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

The proposals under items 2, 3, 4, 5, 6, 8, 9 and 10 are adopted by simple majority of votes. The adoption of the proposal under item 7 requires that the proposal is adopted by at least two-thirds of the votes cast as well as at least two-thirds of the share capital represented at the general meeting.

## **General information**

The share capital of the Company amounts to nominally DKK 170,337,388.10. 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 16 March 2017 to 7 April 2017 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 as well as appendix (qualifications of the nominated candidates and draft remuneration policy), proxy form, postal vote form and registration form to be used when ordering admission card as well as the annual report and draft revised articles of association.

## **Publication of notice**

The notice has also been made public at the Company's website and forwarded to the shareholders registered in the register of shareholders of the Company who have made such request.

## **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 general meeting, 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 Friday 31 March 2017.

Only persons who are shareholders in the Company on the date of registration, i.e. 31 March 2017, 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 Monday 3 April 2017 at 11.59 pm. CET. Admission cards can be ordered online via the shareholder portal on the Company's website [www.veloxis.com/agm.cfm](http://www.veloxis.com/agm.cfm) or via [www.computer-share.dk](http://www.computer-share.dk), by using NemID or username and password. Admission cards can also be ordered by submitting the registration form by regular mail to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, or by email (scanned copy) to [agm@computershare.dk](mailto:agm@computershare.dk). 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 at the general meeting by proxy. The shareholders who elect to appoint a proxy must submit a proxy form so that it has been received by the Company or Computershare A/S no later than Monday 3 April 2017 at 11:59 pm. CET. The proxy form can be submitted online via the shareholder portal on the Company's website [www.veloxis.com/agm.cfm](http://www.veloxis.com/agm.cfm) or via [www.computershare.dk](http://www.computershare.dk), by using NemID or username and password. The proxy form can also be submitted by regular mail to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, or by email (scanned copy) to [agm@computershare.dk](mailto:agm@computershare.dk). The proxy form to be used is attached to the notice and is also available on the website of the Company, [www.veloxis.com](http://www.veloxis.com).

### **Postal vote**

The shareholders may vote by post before the general meeting is held. The shareholders who elect to vote by post must submit their postal vote so that it has been received by the Company or Com-



putershare A/S no later than Thursday 6 April 2017 at 12 noon CET. The postal vote can be submitted online via the shareholder portal on the Company's website [www.veloxis.com/agm.cfm](http://www.veloxis.com/agm.cfm) or via [www.computershare.dk](http://www.computershare.dk), by using NemID or username and password. The postal vote can also be submitted by regular mail to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, or by email (scanned copy) to [agm@computershare.dk](mailto:agm@computershare.dk). The form to be used for voting by post is attached to the notice and is also available on the website of the Company, [www.veloxis.com](http://www.veloxis.com). A vote by post that has been received by Computershare A/S or the Company cannot be revoked. Please note that letters may be in the mail for several days.

**For more information, please contact:**

Veloxis Pharmaceuticals A/S

Craig Alexander Collard  
President & CEO  
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Exhibit 1

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**Michael Thomas Heffernan**

Mr. Heffernan has been a Board Member of Veloxis since April 2015 and chairman of the company since April 2016. Mr. Heffernan is Co-Founder, President & CEO of Collegium Pharmaceutical Inc.

Prior to this, Mr. Heffernan was Founder, President & CEO of Onset Therapeutics Inc. Before this Mr. Heffernan has also held positions as Co-Founder, President & CEO of Clinical Studies Ltd, and as President & CEO of PhyMatrix Inc.

Mr. Heffernan has a B.S. Degree in Pharmacy from the University of Connecticut and is a Registered Pharmacist.

Mr. Heffernan is a board member of Keryx Biopharmaceuticals, Inc.

Mr. Heffernan is an independent board member.

**Mette Kirstine Agger**

Ms. Agger has been a Board Member of Veloxis since April 2010 and vice chairman of the company since April 2016. Ms. Agger is Managing Partner of Lundbeckfond Ventures, a company fully owned by the Lundbeck Foundation. She joined the Company on 1 September 2009.

Prior to this, Ms. Agger was CEO of 7TM Pharma A/S, which she cofounded in late 2000, and from 1996 to 2000 she was part of the management team at NeuroSearch A/S, responsible for business development and licensing.

Ms. Agger has a Master of Science in Biology from Copenhagen University and an MBA from the Henley Business School, UK.

Ms. Agger is a board member of Klifo A/S, PsiOxus Therapeutics Ltd, Cydan LLC, scPharmaceuticals LLC, Thesan Pharmaceuticals Inc, Imara Inc. and Vtesse Pharma.

Ms. Agger is an independent board member.

**Anders Götzsche**

Mr. Götzsche has been a Board Member of Veloxis since April 2008. Mr. Götzsche is Executive Vice President and Chief Financial Officer at H. Lundbeck. He joined Lundbeck on 1 September 2007.

After finishing his education in 1991, he joined PricewaterhouseCoopers in Denmark. From 1998 through 2001, Mr. Götzsche was a Sales Manager with the SAS Institute Inc. He became Director of Group Accounting and Reporting for Group 4 Falck A/S. Before joining Lundbeck, Mr. Götzsche held the post of Chief Financial Officer for the Berlingske Officin A/S from 2005.

Mr. Götzsche holds a Master of Science in Accounting from the University of Southern Denmark and became a state authorized public accountant in 1997.

Mr. Götzsche is a board member of Rosborg Møbler A/S.

Mr. Götzsche is an independent board member.

**Robert Samuel Radie**

Mr. Radie has been a Board Member of Veloxis since July 2016, and he has been president, chief executive officer and member of Egalet Corporation's board of directors since March 2012. Further,



Mr. Radie currently occupies positions as member of the board of directors of Paratek Pharmaceuticals, Pennsylvania BIO and Horse Power For Life.

Prior to this Mr. Radie was director of Affinium Pharmaceuticals, Ltd. between July 2012 to April 2014. Mr. Radie has previously also held positions as president and CEO of Topaz Pharmaceuticals Inc. between November 2010 to October 2011, and president and CEO of TransMolecular Inc between March 2009 and November 2010.

Finally, Mr. Radie has also held a position as Chief Business Officer of Prestwick Pharmaceuticals, Inc. and Morphotek, Inc., a position as SVP Corporate Strategy and Business Development of Vicuron Pharmaceuticals, Inc. and a position as Senior Management of Eli Lilly and Company.

Mr. Radie has a Bachelor of Science in Chemistry from Boston College, MA, United States of America.

Mr. Radie is an independent board member.

### **Lars Kåre Viksmoen**

Mr. Viksmoen has been a Board Member of Veloxis since July 2016, and he has been Special Advisor to the Board Strategy Committee of GN Store Nord A/S since January 2015.

Mr. Viksmoen has previously held positions as president and CEO of GN ReSound A/S from April 2010 to August 2014 and CEO of Biotec Pharmacon ASA between October 2006 and March 2010.

Further, in the period between 1986 to 2006 Mr. Viksmoen held several different positions with Merck & Co Inc. (Merck, Sharp & Dohme) such as Regional Director, Vice President and Managing Director.

Mr. Viksmoen is a medical doctor educated at the Medical Faculty of the University of Oslo, Norway.

Mr. Viksmoen is an independent board member.

### **Paul Kevin Wotton**

Mr. Wotton has been a Board Member of Veloxis since July 2016, and he has been president and CEO of Sigilon Inc. since May 2016. Further, he currently occupies a position as member of the board of Vericel Corporation.

Mr. Wotton has previously held positions as Joint Chairman of Astellas Ocata Integration Office between February 2016 to May 2016, CEO and president of Ocata Therapeutics between July 2014 and January 2016 and CEO and President of Antares Pharma Inc. between June 2008 and June 2014.

Further in the period between March 2008 and 1985, Mr. Wotton held positions with Topigen Pharmaceuticals Inc, SkyePharma PLC, Eurand International BV., PENWEST Pharmaceuticals Co., Abbot Laboratories, UK and Merck, Sharp and Dohme, UK.

Mr. Wotton has also held positions as member of the board of Genaera Corporation between 2008 and 2009 and chair of BIOTEC Canada Emerging Companies' Advisory Board between 2006 and 2008.

Mr. Wotton has a Master in Business Administration from Kingston Business School, UK, and a Ph.D., from the University of Nottingham, UK.

Mr. Wotton is an independent board member.