

# Genovis AB (publ) Annual General Meeting

The shareholders of Genovis AB (publ) are hereby invited to the Annual General Meeting at 4:30 pm on Tuesday, May 20, 2014 at Scheelevägen 2, Medicon Village in Lund.

4:00 – 4:20 pm Registration

4:30 pm Opening of the Annual General Meeting

Light refreshments will be served after the meeting.

## Proposed Agenda

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Approval of the voting list
4. Approval of the agenda.
5. Election of one or two persons to verify the minutes
6. Determination as to whether the Meeting has been duly convened
7. Presentation of the Annual Report and the Audit Report as well as the Consolidated Accounts and the Audit Report for the Group
8. Speech by the Chief Executive Officer, after which shareholders will have the opportunity to ask questions of the CEO, the Chairman of the Board and the auditor
9. Resolution
  - a. on adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet
  - b. on allocation of the Company's result in accordance with the adopted balance sheet
  - c. on discharge from liability of the Directors and the Chief Executive Officer
10. Determination of the number of Board members and deputy members to be elected by the Meeting.
11. Determination of fees to the Board of the Board of Directors.
12. Determination of remuneration to the auditor.
13. Election of the Board of Directors and Chairman of the Board.
14. Appointment of members to the Nomination Committee and adoption of guidelines for the Nomination Committee
15. The Board of Directors' proposal for a motion regarding remuneration guidelines for senior executives
16. The Board's proposal for a motion on the issuance of warrants to subscribe for shares.
17. Other matters to be considered at the Annual General Meeting in accordance with the Swedish Companies' Act or the Articles of Association
18. Authorization of the Chief Executive Officer to make such formal adjustments to the resolutions as may be necessary in conjunction with registration and implementation thereof
19. Closing of the Meeting

## Motions:

### **Item 2** Proposal to chair the meeting

The Nomination Committee proposes that attorney Arne Källén chair the meeting.

### **Item 12** Determination of remuneration to the auditor

The Nomination Committee proposes that remuneration of the auditors shall be paid on approved account.

### **Item 14** Appointment of members to the Nomination Committee and adoption of guidelines for the Nomination Committee

The Nomination Committee proposes that the Committee for the 2015 AGM will consist of representatives of the four largest shareholders at September 30, 2014, who are not members of the Board. The Nomination Committee shall appoint a chairman from among its members. It is incumbent upon the Chairman of the Board to convene the Nomination Committee. Should a shareholder decline to participate in the committee the right to appoint a representative shall be transferred to the next largest shareholder not represented in the committee. If deemed appropriate as a result of ownership changes, the Nomination Committee shall invite additional shareholders to join the Nomination Committee, though the total number of members may not exceed five. In the event a member of the Nomination Committee leaves the Committee before its work is completed, the Chairman of the Board, if the Nomination Committee deems necessary, shall invite the same shareholder or, if the latter is no longer one of the major shareholders, the shareholder next entitled, in terms of size of shareholding, to appoint a replacement. Such a change shall be announced on the Company's website.

The Nomination Committee will prepare proposals for the 2015 Annual General Meeting for resolution as regards chairman at the meeting, Chairman of the Board and other directors, remuneration of directors and auditors, and principles for appointing the Nomination Committee. The Nomination Committee mandate runs until a new committee is appointed.

The Nomination Committee proposes that remuneration will only be paid for direct costs associated with the assignment.

### **Item 15** The Board of Directors' proposal for a motion regarding remuneration guidelines for senior executives

The Board of Directors proposes that the AGM adopts the following guidelines for remuneration to senior executives.

These guidelines are valid for employment agreements entered into after the guidelines are approved by the AGM, and for amendments made afterward to existing employment agreements. The basic principle is that remuneration and other terms of employment for the management and CEO will be competitive to ensure that Genovis AB can attract and retain senior executives.

#### **Fixed remuneration policy**

The fixed remuneration to the management and the Chief Executive Officer should be competitive and be based on the individual areas of responsibility and performance.

#### **Variable remuneration policy**

Variable compensation will be limited and linked to predetermined measurable criteria designed to promote long-term value creation for the company. Variable compensation may not exceed a maximum of 25% percent of the fixed salary and will be set per fiscal year.

The Board will consider on a yearly basis whether or not to propose a share-related or market value-related incentive program to the Annual General Meeting. The Annual General Meeting makes the decisions regarding such incentive programs.

#### **Conditions for non-monetary benefits, pensions, termination, and severance pay**

##### *Pensions*

Management and the CEO are entitled to a defined-contribution pension.

##### *Termination and severance pay*

For the CEO the notice period is 12 months for the Company and 6 months for the individual. For management personnel the notice period is 6 months for the Company and 6 months for the individual. Moreover, assuming

that the Company gave notice of termination, in certain cases the CEO may be offered 12 months of severance pay. The Board of Directors may depart from these guidelines if there are particular reasons in an individual case.

The company's undertaking in relation to senior executives and the chief executive may amount to a maximum of SEK 3,828,810.

**Item 16** The Board's proposal for a motion on the issuance of warrants to subscribe for shares.

The Board of Directors of Genovis ("the Company") proposes that the AGM resolves in favor of issuance of a maximum of 450,000 warrants. Each warrant entitles the holder to subscribe for one (1) new share in Genovis.

The price at which new shares may be subscribed for shall correspond to a sum that amounts to 150 percent of the volume-weighted average price paid for the Company's share, which is listed on First North, during the period from May 6, 2014 up until May 19, 2014, though no lower than a subscription price corresponding to the par value of the share.

Subscription for new shares will take place during the period from April 1, 2017 through June 30, 2017.

The warrants may only be subscribed, with deviation from shareholders' preferential rights, by GeccoDots AB, a wholly-owned subsidiary ("the Subsidiary") of Genovis, given that the AGM approves the resolution on the issuance.

The warrants will be issued without consideration to the Subsidiary. It is intended that the Subsidiary subsequently, on one or more occasions, will transfer the warrants to the CEO and key personnel of great value to the Company's future development ("Participants") as part of a long-term incentive program established by the Company.

For the warrants that the Subsidiary transfers to the Participants, they shall pay a premium corresponding to the prevailing market value according to an independent valuation using the Black-Scholes formula. The Board proposes that the Meeting approve the Subsidiary's transfer of the warrants on the terms and conditions specified above.

The Board's reason for the above proposal, and the deviation from shareholders' preferential rights, is that a personal long-term ownership commitment among the employees can be expected to stimulate increased interest in the business and the earnings trend, increased motivation and an enhanced sense of loyalty to the Company, which the Board considers to be beneficial for the Company and its shareholders. The Board therefore believes that the offer is beneficial to the Company and its shareholders.

Assuming full exercise of the warrants, share capital will increase by about SEK 180,000, corresponding to a dilution effect of approximately 2.0 percent of the total number of shares and votes in the Company.

The Board proposes that the AGM resolves that the Board or the Board designee is hereby authorized to determine the amount of the issue price in accordance with the above decision and adapt the conditions accordingly, and to otherwise make minor adjustments to the resolutions above that may be required for registration with the Swedish Companies Registration Office and Euroclear.

*Decisions under this item on the agenda require support of shareholders representing at least nine tenths of both cast votes and shares represented at the meeting.*

### Right to attend the Annual General Meeting

Shareholders who are listed in a printout of the shareholders' register produced by Euroclear Sweden AB (formerly VPC AB)

on May 14, 2014, and have notified the Company of their intention to attend the Annual General Meeting by 12 noon on May 14, 2014 at the latest are entitled to attend Genovis' Annual General Meeting.

### Recording in shareholders' register

Only owner-registered holdings are listed in the register maintained by Euroclear Sweden AB (formerly VPC AB). Shareholders with nominee-registered shares must temporarily register their shares in their own name to be entitled to participate in the Annual General Meeting. Shareholders who have nominee-registered shares must request temporary owner-registration, so-called voting-right registration, with their bank or broker holding the shares a couple of banking days prior to May 14, 2014.

### Registration

Register to participate at the Annual General Meeting:

- Address: Box 790, S-220 07 Lund, Sweden
- P: +46 (0)46-10 12 30
- F: +46 (0)46-12 80 20
- E-mail: info@genovis.com

### Include the following information when registering

- name/company name
- personal identification number/corporate registration number
- address, phone number
- name and personal identification number of any representative/accompanying representative(s)
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### Documents, etc.

The annual report, audit report, articles of association, proxy form and the other proposals for motions will be available at the Company's office at Scheelevägen 2, Box 790, S-220 07 Lund, Sweden, and on the Company's website [www.genovis.com](http://www.genovis.com) as of April 29, 2014, and will be sent, upon request, to shareholders who provide their mailing address.

It is noted that the Company has 21,845,652 shares and votes.

Shareholders are reminded of their right to request information in accordance with Chapter 7, § 32.

Lund April 17, 2014

Board of Directors

This document is a translation of the Swedish original. In the event of any discrepancy between this translation and the Swedish original, the Swedish version shall prevail.

*Genovis shares are listed on NASDAQ OMX First North, and Thenberg Fondkommission is Certified Adviser for the Company, t: +46 (0)31-745 50 00*