

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised independent professional adviser.**

If you have sold or otherwise transferred all your ValiRx plc shares, please send this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

# VALIRX PLC

(incorporated and registered in England and Wales under  
company registration number 03916791)

## NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of ValiRx plc to be held at 10.00am on 23 April 2014 at the offices of Pinsent Masons LLP, 30 Crown Place, London EC2A 4ES is set out at the end of this document.

A form of proxy for use at the Annual General Meeting is enclosed. To be valid, the Form of Proxy should be completed, signed and returned in accordance with the instructions printed on it to Capita Asset Services at PXS, 34 Beckenham Road, Beckenham BR3 4TU as soon as possible but in any event so as to arrive no later than 10.00am on 21 April 2014.

**Registered office**

24 Greville Street  
London EC1N 8SS

28 March 2014

To the shareholders of ValiRx plc (the "Company")

Notice of Annual General Meeting

**VALIRX PLC**

(incorporated and registered in England and Wales  
under company registration number 03916791)

Dear shareholder,

I am pleased to be writing to you with details of our Annual General Meeting (AGM) which we are holding at 10.00am on 23 April 2014 at the offices of Pinsent Masons LLP, 30 Crown Place, London EC2A 4ES. The formal notice of AGM is set out on page 3 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM by using one of the methods set out in the notes to the notice of AGM. Appointing a proxy will not prevent you from attending and voting in person at the AGM.

The purpose of this letter is to give you notice and explain certain elements of the business to be considered at the meeting. If you have a question you wish to ask at the AGM, it would assist us if you would either write to the Company Secretary at ValiRx plc, 24 Greville Street, London EC1N 8SS or email [info@valirx.com](mailto:info@valirx.com). I will deal with the issues most frequently raised at the meeting.

**Resolutions****Resolution 1 – to receive the annual report and accounts**

The Chairman will present the annual report and accounts for the year ended 31 December 2013 to the meeting. These accounts will be available on the Company's website at [www.valirx.com](http://www.valirx.com) from today's date. However, shareholders who have elected not to receive electronic communications will also find a copy of these accounts enclosed with this document.

**Resolutions 2, 3 and 4 – re-appointment of Directors**

Resolutions 2, 3 and 4 deal with the re-appointment of the Directors. The Board of Directors of the Company (the "Board") has confirmed, following a performance review, that all Directors standing for re-appointment continue to perform effectively and demonstrate commitment to their role. These resolutions will be voted upon separately.

Summary biographical details of those seeking re-election are set out below:

**Satu Vainikka, Chief Executive Officer**

Satu was appointed to the Board on 3 October 2006. She has many years experience of the biotechnology industry, including extensive first-hand experience of equity financing, business management and developing life science technology into commercial enterprises. Prior to her current role as CEO of ValiRx, she was a founder, director and CEO of Cronos Therapeutics Limited.

**Gerry Desler, Chief Financial Officer**

Gerry was appointed to the Board on 12 May 2006. He is a chartered accountant, who qualified in 1968 with a City firm, before becoming a partner in 1970. Between 1985 to 1990 he was the Senior Partner. During his time in the City, he has specialised in consultancy work, much of it involving funding and venture capital.

**Seppo Mäkinen, Non-executive Director**

Seppo was appointed to the Board on 4 October 2013. He has more than 25 years of senior advisory and executive experience in board level strategic leadership and venture capital management on life science; his special expertise is on medtech/diagnostics.

**Resolutions 5 and 6 – re-appointment of auditors**

Resolution 5 relates to the re-appointment of Adler Shine LLP as the Company's auditors to hold office until the next AGM of the Company and Resolution 6 authorises the Directors to set their remuneration. The Directors have delegated the responsibility of setting the auditors' remuneration to the Audit Committee of the Board.

**Resolution 7 – allotment of share capital**

At the last AGM of the Company held on 22 April 2013, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of one million seven hundred and eleven thousand one hundred and eighty four pounds (£1,711,184), representing approximately 100% of the Company's then issued ordinary share capital.

Your Board considers it appropriate that authority in respect of a similar percentage of the issued share capital be granted to allot ordinary shares in the capital of the Company. Accordingly the Board is seeking authority to allot ordinary shares up to a maximum nominal amount of two million nine hundred and twenty one thousand and forty three pounds (£2,921,043), representing approximately 100% of the Company's issued ordinary share capital as at 19 March 2014 (the latest practicable date before publication of this letter) during the period up to the conclusion of the next AGM in 2014 or, if earlier the date 15 months after the date of the passing on the resolution.

As at the date of this letter, the Company does not hold any ordinary shares in the capital of the Company in treasury.

**Resolution 8 – disapplication of statutory pre-emption rights**

Resolution 8 will empower the Directors to allot ordinary shares in the capital of the Company for cash on a non pre-emptive basis:

- 1 in connection with a rights issue or other pro-rata offer to existing shareholders; and
- 2 (otherwise than in connection with a rights issue) up to a maximum nominal value of two million nine hundred and twenty one thousand and forty three pounds (£2,921,043), representing 100% of the issued ordinary share capital of the Company as at 19 March 2014 (the latest practicable date before publication of this letter).

Your Board considers it appropriate to seek the levels of authority sought under Resolutions 7 and 8 in order to give the Directors flexibility as the Company moves to the next stage of its development. However, the Board has no present intention of exercising either of these authorities.

**Recommendation**

The Board considers that the resolutions to be proposed at the AGM (the "Resolutions") will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 60,864,495 shares representing approximately 2.08% of the existing issued ordinary share capital of the Company.

Yours sincerely,



**Oliver de Giorgio-Miller**

Chairman

28 March 2014

# Notice of Annual General Meeting

ValiRx plc

Notice is hereby given that the Annual General Meeting of ValiRx plc (the "Company") will be held at the offices of Pinsent Masons LLP, 30 Crown Place, London EC2A 4ES, on 23 April 2014 at 10.00am to transact the following business. Resolutions 1 to 7 inclusive will be proposed as ordinary resolutions. Resolution 8 will be proposed as a special resolution:

- 1 To receive the report of the Directors, the accounts and the Auditors' Report on the accounts and on the auditable part of the Directors' Remuneration Report for the period ended 31 December 2013.
- 2 To re-elect Satu Vainikka as a Director of the Company.
- 3 To re-elect Gerry Desler as a Director of the Company.
- 4 To re-elect Seppo Mäkinen as a Director of the Company.
- 5 To re-appoint Adler Shine LLP as auditors to the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
- 6 To authorise the Directors to determine the auditors' remuneration.
- 7 That the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") in substitution for all existing authorities to exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together "Relevant Securities") up to an aggregate nominal amount of two million nine hundred and twenty one thousand and forty three pounds (£2,921,043), provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, on the date that is 15 months after the date of the Annual General Meeting, except that the Company may before such expiry make an offer or agreement that would or might require relevant securities or equity securities as the case may be to be allotted after such expiry and the Directors may allot relevant securities or equity securities in pursuance of any such offer or agreement as if the authority in question had not expired.
- 8 That the Directors be and are empowered, in accordance with Section 570 of the Act, to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority conferred by Resolution 6 or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
  - 8.1 the allotment of equity securities in connection with a rights issue or other pro-rata offer in favour of holders of ordinary shares where the equity securities respectively attributable to the interests of all those persons at such record date as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held or deemed to be held by them or are otherwise allotted in accordance with the rights attaching to such equity securities subject in each case to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever; and
  - 8.2 the allotment (otherwise than pursuant to paragraph 8.1 above) of equity securities up to an aggregate nominal amount of two million nine hundred and twenty one thousand and forty three pounds (£2,921,043),
 and shall expire upon the expiry of the general authority conferred by Resolution 7 above, except that the Company may make an offer or agreement before this power expires that would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

By order of the Board



**Kevin Alexander**  
Secretary  
28 March 2014

**Registered office**  
24 Greville Street  
London EC1N 8SS

**Notes**

- 1 A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
- 2 Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
- 3 A proxy form is provided with this Notice and instructions for use are shown on the form. In order to be valid, a completed appointment of proxy must be returned to the Company by one of the following methods:
  - 3.1 in hard copy form by post, by courier or by hand to the Company's registrars, Capita Registrars, at the address shown on the form of proxy form; or
  - 3.2 in the case of CREST members, by using the CREST electronic proxy appointment service in accordance with the procedures set out below, and in each case must be received by the Company not less than 48 hours before the time fixed for the meeting, excluding any part of a day that is not a working day.Please note that any electronic communication sent to us or our registrars in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted.
- 4 To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Capita Asset Services at PXS, 34 Beckenham Road, Beckenham BR3 4TU. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.
- 5.1 CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 5.2 In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent, Capita Asset Services (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- 5.3 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 5.4 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 6 Only those shareholders registered in the Register of Members of the Company as at 6.00pm on 21 April 2014 (or, if the meeting is adjourned, on the date that is two days before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting or adjourned meeting in respect of the number of shares registered in their respective names at that time. Changes to the Register of Members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
- 7 Any corporation that is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 8 You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
- 9 As at 27 March 2014 (being the last business day before the publication of this Notice), the Company's issued share capital consisted of 2,921,043,530 ordinary shares carrying one vote each. The Company does not hold any shares in treasury.

## Notice of Annual General Meeting continued

ValiRx plc

- 10 Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:
  - 10.1 to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
  - 10.2 the answer has already been given on a website in the form of an answer to a question; or
  - 10.3 it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- 11 The following documents are available for inspection at the registered office of the Company during normal business hours on each weekday (public holidays excluded) and at the place of the Annual General Meeting for 15 minutes prior to and during the meeting:
  - 11.1 copies of the executive Directors' service contracts with the Company; and
  - 11.2 copies of the letters of appointment of Non-executive Directors.