

## MINUTES

of the Extraordinary General Meeting of Shareholders  
of ARPIDA AG, in Reinach

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Place: Arpida's legal seat, Duggingerstr. 23, 4153 Reinach, Switzerland

Date: 26 November 2009, 10.30 a.m.

### A. Opening

André Lamotte, Chairman of the Board of Directors of Arpida welcomes the shareholders to the Extraordinary General Meeting (EGM) of Arpida.

The meeting is held largely in German. Some parts are in English and Matthias Staehelin, Member and Secretary of the Board, will give a short translation in German to each formal agenda item and will translate specific items on request.

### B. Constitution

According to Section 13 of the Articles of Association, Dr. André Lamotte, chairman of the Arpida Board of Directors, acts as chairman of the meeting and opens the meeting at 10.30 a.m. Matthias Staehelin is appointed to keep the minutes. In order to facilitate taking the minutes, the whole meeting is registered on audio tape.

#### 1. Invitation

The chairman takes note

- that the shareholders have been duly invited to this meeting in accordance with Section 11 of the Articles of Association;
- that the invitation was sent on November 4, 2009 to all shareholders who have been registered in the share register;
- that the invitation included the agenda items, the proposals of the Board of Directors and the registration documents for this meeting; and
- that, in addition, the agenda of this meeting was published on November 5, 2009 in the "Schweizerisches Handelsamtsblatt" and in "Neue Zürcher Zeitung".

#### 2. Presence

The chairman takes note that apart from himself, Dr Hans Fünfschilling and Dr Matthias Staehelin of the Board of Directors are present.

He further welcomes:

- Dr Jürgen Raths (CEO) and Harry Welten, MBA (CFO) as representatives of the Executive Management of the Company;

- Mr. Thomas Brüderlin of PricewaterhouseCoopers as representative of the auditors;
- Dr. Caspar Zellweger, LL.M., Attorney at Law in Basel, who acts as independent shareholder proxy;
- Mrs Katharina Walter, Notary public in Liestal.

The chairman informs the meeting that Harry Welten acts as proxy representative of the Company.

The chairman suggests the following persons as vote counters:

- Dr. Matthias Ammann, from VISCHER AG, Attorneys in Basel
- Mr. Adrien Jacottet, from VISCHER AG, Attorneys in Basel

There are no objections against any of the said persons.

The chairman furthermore informs that, in light of the proposed merger with Evolva SA, several additional persons will attend the meeting. These include the CEO and CFO of Evolva SA, Mr Neil Goldsmith and Mr Jakob Dynnes Hansen, respectively. In addition, most of the proposed new members of Arpida's Board of Directors are present, as well as a representative of the proposed new auditing firm.

### **3. Voting Rights**

The chairman states that

- according to Section 16 of the Articles of Association, the general meeting of shareholders passes its resolutions and elections with the absolute majority of the votes represented unless the law requires otherwise;
- as foreseen in the Articles of Association, the resolutions and elections shall be taken on a show of hands, unless the General Meeting or the chairman decides for a secret ballot;
- shareholders who vote against a proposal and who would like their no-votes recorded in the minutes, are kindly requested to notify the vote counters accordingly and that the same applies for shareholders who abstain from voting; and
- the chairman may at any time order an election or resolution to be repeated with a secret ballot, if the show of hands in the first ballot does not yield a clear result.

### **4. Shareholders' Statements**

The chairman states

- that shareholders who would like to make a statement to an agenda item, will have the opportunity to express their statements in consecutive order;
- that they are kindly asked to use the microphones which are available in the room; and
- that they should state their name for the record.

## **C. Introduction of the Agenda Items**

### **1. Speech of Dr. André Lamotte, Chairman**

The chairman highlights a few aspects, namely: (1) the negative opinion of the US FDA as well as the European CHMP regarding the New Drug Application for intravenous iclaprim (2) the company restructuring and (3) the efforts made by Board and Management to develop strategic scenarios for Arpida's future. The chairman presents the two key proposals to the shareholders. First the proposed contribution and sale of the iclaprim business and second the proposed merger with Evolva SA. The chairman reiterates the Board's support for both proposals.

### **2. Report of Dr Jürgen Raths, President and CEO of Arpida**

Dr. Raths gives an overview of the restructuring measures that were executed since December 2008. These involve both the development programmes as well as the Company's headcount. He explains the rationale behind the proposed merger and expresses his support for the transaction.

Dr Raths then invites Mr Neil Goldsmith, CEO and managing director of Evolva SA, to introduce his company and his vision for the future of the company after the proposed merger.

Mr Goldsmith provides an overview of the history, the technology, the current compound pipeline, the management team and the financial situation of Evolva SA.

The chairman asks Matthias Staehelin to present the attendance list.

#### **Attendance List**

Matthias Staehelin reports as follows: the total share capital of the Company amounts to CHF 4,218,820.80 divided into 21,094,104 registered shares with nominal value of CHF 0.20 each.

At the meeting 74 shareholders and shareholder representatives represent 2,981,585 shares with a nominal value of CHF 0.20 each (14.1 % of the total share capital). The representative of the Company represents 1,861,269 registered shares with nominal value of CHF 0.20 each (62.4% of the total present share capital). The independent shareholder proxy represents 733,343 registered shares with nominal value of CHF 0.20 each (24.6% of the total present share capital). The shareholders who are present at the meeting represent 386,973 votes (13.0% of the total present share capital).

The chairman declares the Extraordinary General Meeting as duly constituted. There are no objections to this statement.

## **D. Agenda Items**

### **1. The contribution and sale of the iclaprim business**

The Board of Directors proposes that the iclaprim business (including all assets, data and intellectual property rights relating to iclaprim in both intravenous and oral form) shall be contributed to the fully owned subsidiary Adipra AG, with seat in Reinach BL, Switzerland. Thereafter Adipra AG shall be sold for a purchase price of CHF 2,100,000 to Acino Holding AG.

Several shareholders ask questions regarding the future of iclaprim and the price at which it is sold in relation to the investments made during its development. Mr Luzi Von Bidder, chairman of Acino Holding AG and present in the meeting, assures the shareholders that the journey for iclaprim continues. Acino has the financial resource to progress its development. Dr Raths

explains that one should not merely look at the disposal price of CHF 2.1 million, but also consider the extensive investments required to re-start the iclaprim programme.

*://: The meeting approves the proposed contribution and sale of the iclaprim business with a clear majority, exceeding the required two-third.*

## **2. Ordinary Capital Increase for the Combination with Evolva SA**

The Board of Directors proposes to increase the ordinary capital for the combination with Evolva SA.

The chairman explains that the exact size of the capital increase is dependent on (1) the sale of the iclaprim business, as approved under the first agenda item and (2) the size of the fundraising of Evolva SA which is still ongoing at the date of the EGM. For that reason, the proposal does not contain an exact size of the capital increase but a range.

Other conditions of the capital increase include:

- The pre-emptive rights of the shareholders are excluded and shall be allocated to the shareholders of Evolva SA, in Allschwil.
- The new shares are entitled to dividends for the business year 2009.
- The new shares are subject to the transfer restrictions as outlined in Article 5 of the Articles of Association.
- This capital increase shall be implemented within three months.

*://: The meeting approves the increase of the ordinary capital for the combination with Evolva SA with a clear majority, exceeding the required two-third.*

## **3. Creation of Authorised or Conditional Capital for financing purposes (and corresponding introduction of a new article 3a of the Articles of Association)**

The Board of Directors proposes an authorised or conditional capital of around 10% of the issued share capital after registration of the capital increase as outlined above in agenda item 2. This will enable the Company to respond swiftly to strategic business opportunities as they arise.

The Board of Directors proposes accordingly to enact a new Article 3a of the Articles of Association with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above.

A shareholder puts forward a counter proposal in which the pre-emptive right for the shareholders is maintained in some cases, namely in items (4) and (5) of article 3a(i)-2.

The meeting votes on this proposal.

*://: The counter-proposal of the shareholder's regarding maintaining the subscription price is rejected.*

The shareholder requests that the vote is repeated by written ballot. This request is submitted to the shareholders' meeting for a vote:

*://: The request for a written ballot is rejected.*

*://: The meeting approves the proposal by the Board of Directors regarding the creation of authorised or conditional capital for financing purposes with a clear majority, exceeding the required two-third.*

## **4. Creation of Authorised Capital for shares to be issued in the framework of share price stabilisation and internal group reorganization purposes (and corresponding introduction of a new article 3b of the Articles of Association)**

The Board of Directors proposes an authorised capital of around 3% of the issued share capital after registration of the capital increase as outlined above in agenda item 2. This will enable the Company to fulfill its obligations under a stabilisation agreement to be entered with Bank Vontobel AG and complete the internal reorganisation acquiring all shares in its Indian subsidiary Evolva Biotech Private Ltd., Hyderabad, from Ventureast Trustee Company Private Limited, in Hyderabad, India, as soon as all regulatory and legal requirements have been complied with.

The Board of Directors proposes accordingly to enact a new Article 3b of the Articles of Association with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above.

*://: The meeting approves the creation of authorised capital for shares to be issued in the framework of share price stabilisation and internal group reorganization purposes with a clear majority, exceeding the required two-third.*

#### **5. Creation of a Conditional Capital to be used in connection with the granting of options under incentive schemes** (and corresponding introduction of a new article 3c of the Articles of Association)

The Board of Directors proposes a conditional capital of around 14% of the issued share capital after registration of the capital increase as outlined above in agenda item 2. This will enable the Company to incentivize its employees, Board members etc in the framework of stock option plans.

The Board of Directors proposes accordingly to enact a new Article 3c of the Articles of Association with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above.

*://: The meeting approves the creation of a conditional capital to be used in connection with the granting of options under incentive schemes with a clear majority, exceeding the required two-third.*

#### **6. Name Change**

*The Board of Directors proposes to change with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above the Company's name to "Evolva Holding SA (Evolva Holding AG) (Evolva Holding Ltd)".*

This requires amendments to Article 1 and 2 of the Articles of Association. These amendments were made available to the shareholders in a handout at the meeting.

*://: The meeting approves the name change and the related amendments to Article 1 and 2 with a clear majority, exceeding the required two-third.*

#### **7. Resignation of Current Board Members and Election of New Board Members**

The Board informs that Dr. Hans Fünfschilling, Elmar Schnee and Dr. Matthias Staehelin resign as members of the Board of Directors with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 (two) above.

The Board of Directors proposes with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above the election of the following persons to the Board of Directors for a term of office ending at the Ordinary Annual Shareholders' Meeting 2010:

7.1: Prof. Dr. Erich Schlick, German citizen, residing in Otterstadt (D),

7.2: Mr. Neil Goldsmith, British citizen, residing in Delémont,

- 7.3: Mr. Jean-Philippe Tripet, citizen of Chézard-Saint-Martin, residing in Zürich,  
7.4: Ms. Ingelise Saunders, Danish citizen, residing in Skorping (DK), and  
7.5: Dr. Jacques Mallet, French citizen, residing in Fourqueux (F).

All proposed new members of the Board of Directors, except for Mr Jean-Philippe Tripet, are present and provide a brief introduction, outlining education and experience gathered during their careers.

*://: The meeting elects each of the proposed members to the Board of Directors with a clear majority.*

The chairman congratulates the new Board members to their election.

#### **8. Election of New Auditor**

The Board of Directors proposes to elect Ernst & Young Ltd., in Basel, as Auditors starting from the business year 2009 with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above.

Mr Jürg Zürcher, the designated auditor in charge, briefly introduces himself and his company to the shareholders.

The chairman thanks the auditors of PricewaterhouseCoopers AG for their competent and diligent work over the past years.

*://: The meeting elects with with a clear majority, Ernst & Young Ltd., in Basel, as Auditors starting from the business year 2009 with effect on the date of registration in the register of commerce of the capital increase foreseen in agenda point 2 above.*

The chairman congratulates Ernst & Young Ltd to their election.

#### **E. Conclusion**

As there are no further items to discuss, the chairman closes the meeting and on behalf of the Board thanks all shareholders and other participants for their attendance and continuous support.

Reinach, this 26th day of November 2009

The Chairman:

The Secretary

André Lamotte

Matthias Staehelin