

Proposal for reverse share split

The Company's shares are currently registered in denominations of DKK 0.25 each.

The nominal value of the Company's share capital amounts to DKK 130,022,412.50 divided into 520,089,650 shares of DKK 0.25 each.

The Board of Directors proposes to change the denomination of the shares to DKK 10 each, subject to approval by the shareholders in general meeting.

The specific terms and conditions as well as the practicalities and background for the proposal are described below.

The Company's shares are listed on NASDAQ OMX Copenhagen. The price of the Company's shares at 12 noon on the date of convening the annual general meeting was DKK 1.30 per share of DKK 0.25. Hence, the total market value of the Company's shares at 12 noon on the date of convening the general meeting was DKK 676,116,545.

The Board of Directors proposes to reduce the number of shares by increasing the denomination from DKK 0.25 to DKK 10. It is proposed that each shareholder holding 40 old shares of DKK 0.25 each should receive 1 new share of DKK 10.

Following the implementation of the reverse share split, the nominal value of Topsil's share capital will remain at DKK 130,022,412.5, but the number of shares in circulation will be reduced by 507,087,408.8 from 520,089,650 shares of DKK 0.25 each to 13,002,241.25 shares of DKK 10 each.

As a result of the proposal, some shareholders will be left with holdings of shares that are insufficient to make up 1 new share, if the excess number of shares does not match the number of shares that can be converted into 1 new share.

These shareholders will be offered to buy the required number of shares from the Company to bring their shareholdings to 40 shares of DKK 0.25 each, for which they may receive 1 new share of DKK 10.

The acquisition of such shares will be made from the Company's holding of treasury shares and the price will correspond to the price quoted on NASDAQ OMX Copenhagen on the date of completion of the transaction.

Likewise, shareholders, who do not wish to buy the required number of shares, will be offered to sell their excess shares and the Company will be obliged to buy such shares at a price corresponding to the price quoted on NASDAQ OMX Copenhagen at the time of completion of the transaction.

Regardless of whether the shareholders choose to buy additional shares or sell excess shares, it is the Company's responsibility and duty to pay all costs related to these transactions, including bank fees, brokerage, commission, etc.

Hence, all shareholders holding an insufficient/excess number of shares should notify the Company of whether they wish to buy or sell shares in accordance with the above-stated. If the Company is not notified by the shareholders, the excess shares will automatically be acquired by the Company and the purchase price will be credited to the relevant shareholder's account with VP Securities. The purchase price will be paid in cash.

The shares held by the Company after the completion of the acquisition and sales procedure will be also merged.

The Company expects the last trading day for its shares with a denomination of DKK 0.25 each to be at the end of May 2011 and the first trading day for the new shares with a denomination of DKK 10 each to be 3 days after the last trading day.

Shareholders are recommended to stay updated by visiting Topsil's website.

Pursuant to section 106 of the Danish Companies Act, the approval at the annual general meeting of this proposal requires a majority of votes. The approval is only valid if approved by not less than two-thirds of the votes cast as well as of the voting share capital represented at the general meeting.