

Valneva SE - Rules Under Company Law

Introduction

Valneva SE (the “Company”) is a Societas Europaea incorporated in France and, as such, is subject to French law. The Company is governed by its Articles of Association (“Articles of Association”).

Certain provisions of the Articles of Association, as supplemented by applicable French law, may differ from the rules and regulations of the Vienna Stock Exchange. Below are summaries of certain provisions that the Company is required to provide on its website.

No subscription for own shares

Pursuant to article L. 225-206 of the French Commercial Code, the Company is prohibited from subscribing its own shares, either directly or through a person acting in their own name but on the Company's behalf.

Repayment of capital

Pursuant to article 9 of the Articles of Association and article L.225-199 of the French Commercial Code, the extraordinary general meeting of shareholders may decide a capital amortisation by making use of distributable sums (i.e. profits for the financial year minus previous losses and the amounts provisioned to reserves by way of application of the law and the Articles of Association plus retained earnings). Such amortisation may only be conducted through equal redemption of every share within a given category and does not entail any capital reduction. The fully or partially redeemed shares lose entitlement, pro tanto, to the first dividend and to the repayment of their nominal value. They retain all their other rights.

No amortisation may be decided when the shareholder's equity is less than, or falls below following the amortisation, the amount of the share capital plus the reserves for which distribution is prohibited, pursuant to the law or the Articles of Association.

Profit distribution to shareholders

Pursuant to article 34 and seq. of the Articles of Association, the general meeting of shareholders may decide on the distribution of dividends of all or part of the distributable sums (i.e. profits for the financial year minus previous losses and the amounts provisioned to reserves by way of application of the law and the Articles of Association plus retained earnings) to the shareholders.

Dividends are allocated among all of the shares in proportion to their paid-up and unamortised amount and their respective pecuniary rights. In this respect, the Articles of Association provide that each preferred share shall provide entitlement to the distribution of one fifteenth (1/15th) of the amount of any distribution decided in favour of the holders of each ordinary share. No distribution may be made to the shareholders when the shareholder's equity is or becomes, following the distribution, less than the amount of the share capital plus the reserves for which distribution is prohibited, pursuant to the law or the Articles of Association.

The general meeting of shareholders may grant an option to each shareholder for all or part of the distributed dividend, for payment of the dividend in cash or in shares of the Company. The payment of dividends must take place within nine months of the

end of the financial year, unless this deadline is extended by judicial authorisation.

Amendment to the Articles of Association

Pursuant to article L. 225-96 and seq. of the French Commercial Code and article 30 of the Articles of Association, the extraordinary general meeting of shareholders may amend the Articles of Association in all of their provisions insofar as this does not amount to increasing the shareholders' commitments.

The extraordinary general meeting of shareholders may only deliberate validly if the present or represented shareholders or shareholders voting by postal vote possess one quarter (1/4) of the shares to which voting rights are attached on the first convening of the meeting and one fifth (1/5) of the shares to which voting rights are attached on the second convening of the meeting. The extraordinary general meeting rules at a majority of two thirds (2/3) of the votes validly cast by the present or represented shareholders, or the shareholders voting by postal vote.

Exclusion of subscription rights in case of capital increase

Pursuant to articles L. 225-132 and seq. of the French Commercial Code, shareholders of the Company are entitled to a preferential right to subscribe to shares issued for cash in the context of a capital increase. Such a right is transferable throughout the subscription period. Shareholders may individually waive their preferential subscription rights. In addition, a decision to convert preferred shares entails the waiving of the shareholders' preferential right to subscribe the shares resulting from the conversion. Similarly, a decision to issue transferable securities giving access to the capital also entails the waiving of the shareholders' preferential right to subscribe the capital securities to which the transferable securities issued give entitlement. An extraordinary general meeting of shareholders which decides or authorises a capital increase may remove the preferential subscription right for the total capital increase or for one or more tranches thereof, subject to the following conditions:

- The issue price of share issuances by way of public offering must be at least equal to the weighted average market price of the three latest stock exchange sessions with a maximum 5% discount. However, subject to a limit of 10% of the share capital per annum, the extraordinary general meeting may authorise the Management Board to set the issue price on the basis of terms which it determines in the light of a report from the Management Board and a special report from the auditor. When such authorisation is used, the Management Board draws up an additional report, certified by the auditor, which describes the definitive conditions of the operation and provides information which facilitates assessment of the effective impact on the existing shareholders' situation.
- Share issuances by way of an offer to individuals providing portfolio investment and management services on behalf of third parties and/or to qualified investors or a limited circle of investors may only be carried out within the limit of 20% of the share capital per year.

Acquisition of Own Shares

Article L. 225-209 and seq. of the French Commercial Code provides that the general meeting of shareholders of a company whose shares are admitted to trading on a regulated market may authorise the Management Board to purchase a number of shares representing up to 10% of the company's share capital. The general meeting of shareholders defines the purpose as well as the terms and conditions of the

purchase. Such authorisation may not be given for a period longer than eighteen months. The works council is informed of the resolution adopted by the general meeting.

In this respect, the Company may not hold, either directly or through a person acting in their own name but on the Company's behalf, more than 10% of the total of its shares, or more than 10% of any given category. The said shares must be in registered form and fully paid up when purchased. The Company must have reserves, in addition to the statutory reserve, of an amount at least equal to the value of all of the shares it holds. Shares held by the Company do not give entitlement to dividends nor voting rights. Own shares may be acquired, assigned or transferred by any means.

The acquisition of its own shares by the Company may have the following purposes:

- Cancellation and subsequent capital reduction.
- Allocation to the employees of the Company.
- Tendering at the time of exercise of the rights attached to securities giving the right to the attribution of shares of the Company.
- Use for payment or exchange within the context of external growth operations (merger, demerger or contribution), in which case, the shares thus held by the Company cannot exceed 5% of its capital.
- Ensuring liquidity within the context of a liquidity contract entered into with an investment service provider.

Pursuant to article 241-2 of the General Regulation of the French Financial Market Authority, issuers must publish a description of the share repurchase programme before engaging in such a programme. In addition, issuers for which a share repurchase program is underway, must inform the market of all operations carried out under this programme no later than on the 7th day of trading following their execution date. Issuers also have an obligation to report their repurchase operations to the French Financial Market Authority on a monthly basis.