

VALNEVA
Société Européenne with a Management Board and a Supervisory Board
Share capital: €8,390,317.14
Registered office: 70, rue Saint Jean de Dieu, 69007 Lyon
Lyon Companies Register (RCS) No.: Identification no.: 422 497 560

**SPECIAL REPORT OF THE MANAGEMENT BOARD TO THE ANNUAL ORDINARY GENERAL
MEETING OF JUNE 26, 2014**

ON TRANSACTIONS UNDERTAKEN IN THE FISCAL YEAR ENDED 31 DECEMBER 2013
IN ACCORDANCE WITH THE PROVISIONS OF ARTICLES L 225-197-1 TO L 225-197-3
OF THE FRENCH COMMERCIAL CODE

To the Shareholders,

In compliance with the provisions of Article L225-197-4 subsection 1 of the French commercial code, we hereby report to you on transactions undertaken by virtue of Articles L225-197-1 to L225-197-3 of said code relating to the grant of free shares in the fiscal year ended 31 December 2013.

We inform you below of the number and value of free shares granted in the period ended, and which, by virtue of the appointments and functions exercised in the Company, were granted to each corporate officer by the Company and by companies affiliated thereto, in accordance with the provisions provided for under Article L.225-197-2 and L233-16 of the French commercial code:

Beneficiaries	Appointment	Number of bonus shares	Value of the share
	None		

Number and values of free shares fully vested in the period by corporate officers:

Beneficiaries	Appointment	Number of bonus shares	Value of the share
Majid Mehtali	Management Board member	17,666	€6.67
		15,667	€6.67

We also inform you of free shares granted by the Company or companies or economic interest groups affiliated thereto, in accordance with the provisions of article L225-197-4 of the French commercial code, to employees who are not corporate officers.

Plan n°3 – Allotments 1 and 2

Allotment 1

General Assembly Date	June 10, 2010
Management Board decision	July 24, 2013
Number of free shares granted	7,500
Beneficiaries	Employees
Vesting period	4 years from the date of receipt, by the beneficiary, of his/her letter informing of the grant of free shares
Lock-up period	2 years from the end of the vesting period

Allotment 2

General Assembly Date	June 7, 2011 and June 4, 2012
Management Board decision	July 24, 2013
Number of free shares granted	44,500
Beneficiaries	Employees
Vesting period	2 years from the date of receipt, by the beneficiary, of his/her letter informing of the grant of free shares
Lock-up period	2 years from the end of the vesting period



Fully vested shares by employees in 2013

20,500 shares were fully vested by employees in the period.

Date of granting	Plan number and date	Number of fully-vested free shares
By a Management Board decision dated July 24, 2013	Plan n°1, allotment 3 *** Management Board decision: 23.07.2009	500
		500
		500
		6,000
		500
		500
		500
		500
		500
		500
By a Management Board decision dated October 9, 2013	Plan n°2, allotment 7 *** Management Board decision: 06.09.2011	5,000
		5,000
TOTAL		20,500

Finally, in accordance with article L.225-197-4 of the French Commercial code, we report you on free shares granted to, and fully vested by, the top 10 employed beneficiaries of the Company and its affiliates, who are not corporate officers, during 2013.

FREE SHARES GRANTED TO TOP 10 EMPLOYED BENEFICIARIES WHO ARE NOT CORPORATE OFFICERS, AND FULLY VESTED FREE SHARES	Total number of bonus shares granted	Weighted average price
Free shares granted during 2013	43,500 ^{1&2}	€3.53
Free shares fully vested during 2013	19,500 ^{3&4}	€3.90

¹ Seventeen employees who each received 500 fully vested free shares during FY 2013 have not been included in this amount.

² The minimum number of free shares per employee to be taken into account for the calculation of this amount is 500.

³ Two employees who each received 500 fully vested free shares during FY 2013 have not been counted in this value.

⁴ The minimum number of free shares per employee to be taken into account for the calculation of this amount is 500.

We remain at your disposal to provide any further details and information.

Roissy, March 20, 2014

THE MANAGEMENT BOARD

