



## VALNEVA

A European Company (*Societas Europaea*) with a Management and a Supervisory Board

Share capital: €13,816,511.49

Registered offices: 6 rue Alain Bombard, 44800 Saint-Herblain (France)

Nantes Companies Register (RCS) No. 422 497 560

### AUTHORIZATIONS FOR CAPITAL INCREASES

In accordance with the provisions of article L. 225-100, subsection 7, of the French Commercial code, information is provided below on the current authorizations granted to the Management Board by the General Meeting of the Company in order to proceed with capital increases in accordance with articles L. 225-129-1 and L. 225-129-2 of the French Commercial code, and on the uses made of these authorizations during the fiscal year ended December 31, 2018.

#### 1. Current delegations in connection with stock option and free shares<sup>1</sup>

##### Combined General Meeting held on June 30, 2016

Resolution 31	
Grant of authority to the Management Board for the purpose of granting stock options, through one or more issues, for the benefit of employees and/or corporate officers of the Company and its affiliates, entailing waiver by shareholders of their preferential subscription right	
Duration of the delegation	38 months, <i>i.e.</i> until August 29, 2019 inclusive.
Authorized amount	The maximal total number of stock options to be granted further this resolution shall represent a maximum of shares to be subscribed of 4% of the share capital of the Company at the stock option grant date.
Uses during fiscal year 2017	Delegation used in the context of the new stock option plan of the Company (Plan No. 10 - Tranche 1), set on December 7, 2017 for 1,269,500 stock options, giving right to the grant of 1,269,500 ordinary shares of the Company (see Section 6.2.1 (c) of this Report by the Supervisory Board on the Corporate Governance). <b>Note:</b> this delegation was also used during the fiscal year 2016, in the context of the new stock option plan of the Company (Plan No. 9 - Tranche 1), set on October 7, 2016 for 584,250 stock options, giving right to the grant of 584,250 ordinary shares of the Company.

##### Combined General Meeting held on June 29, 2017

Resolution 26	
Authorization for the Management Board to freely award preferred shares of the Company for the benefit of employees and/or corporate officers of the Company and its subsidiaries, entailing waiver by shareholders of their preferential subscription right	
Duration of the delegation	38 months, <i>i.e.</i> until August 28, 2020 inclusive.
Authorized amount	The total number of convertible preferred shares that may be granted without consideration based on this resolution may not represent more than 3% <sup>2</sup> of the Company's share capital on the date of the Management Board's grant decision. The maximum number of ordinary shares that may be created if these free convertible preferred shares are converted is 2,363,000, or a maximum capital increase of €354,450.
Uses during fiscal year 2017	Delegation used in the context of the grant of 34,017 Free Convertible Preferred Shares (Plan 2017-2021), declared by the Management Board on December 15, 2017, giving right at maximum to the grant of 2,109,054 ordinary shares of the Company (see Section 6.2.1 (c) of this Report by the Supervisory Board on the Corporate Governance).

<sup>1</sup> The maximum amounts indicated in the lines "Authorized amount" do not take into account adjustments to be made, in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities or other rights giving immediate and/or future access to the capital of the Company, or of beneficiaries of stock options or convertible preferred shares, as the case may be.

<sup>2</sup> It being understood that in any case, all Company's convertible preferred shares cannot at any time represent more than 6% of the share capital.



## 2. Current authorizations related to share buyback programs and cancellation of shares of the Company

### Combined General Meeting held on June 28, 2018

#### Resolution 12

Authorization and powers to be given to the Management Board for the purpose of allowing the Company to make transactions on its own shares

<b>Duration of the delegation</b>	18 months, <i>i.e.</i> until December 27, 2019 inclusive.
<b>Description of the authorization</b>	<p>Authorization to trade in Company shares, pursuant to the provisions of article L. 225-209 of the French Commercial code, articles 241-1 <i>et seq.</i> of the general regulations of the French Financial Markets Authority, Regulation (EU) 596/2014 of the European Parliament and Council of April 16, 2014 on market abuse ("<b>MAR Regulation</b>") and the EU Delegated Regulation 2016/1052 of March 8, 2016 completing the MAR Regulation, with the possibility of sub-delegation provided for by law.</p> <p>These shares, including preferred shares, may be purchased, sold or transferred on one or more occasions, at any time except in the period from the filing by a third party of a proposed public offering targeting the Company's shares until the end of the offering period, and by any means, especially by trading in the market or off-market, including block transactions, except involving the use of derivatives. The purchase and sale of shares through block trades may account for the entire authorized share buyback program.</p> <p>The Company may:</p> <ul style="list-style-type: none"> <li>+ buyback its own shares up to a maximum of 5% of its share capital existing at the date of such buyback, as adjusted based on corporate actions that might affect the share capital after this resolution, less treasury shares, at a price per share not exceeding €10.0. However, when shares are purchased to promote liquidity under the conditions defined by the French Financial Market Authority's General Regulations, the number of shares to be taken into account for calculating this 5% limit will equal the number of shares purchased minus shares resold during the authorization period;</li> <li>+ sell, assign or transfer by any means all or part of the shares thus acquired;</li> <li>+ or cancel said shares by reducing the share capital, subject to the adoption of the 14<sup>th</sup> resolution below and within the limit of 5% of the Company's share capital per 24 month period.</li> </ul> <p>In the event of an increase in the capital by capitalizing reserves and a grant of restricted share units, stock splits or reverse stock splits, the prices indicated above will be adjusted by a multiplier equal to the ratio between the number of shares making up the share capital before and after the transaction.</p> <p>The shareholders decide that these share purchases may be made for the purposes provided for by law, or subsequently permitted by law, and notably to:</p> <ul style="list-style-type: none"> <li>+ ensure liquidity or maintain an orderly market in the Company's share through a liquidity agreement that complies with the code of professional conduct acknowledged by the AMF and has been concluded with an investment services provider acting independently;</li> <li>+ hold acquired shares and subsequently remit them as payment or in exchange as part of financial transactions (and notably mergers, spin-offs and contributions);</li> <li>+ implement and honor obligations, and in particular remit shares pursuant to the exercise of rights attached to securities giving access, by any means, immediately or in the future, to the Company's shares, as well as all hedging transactions resulting from the obligations of the Company relating to these securities, in accordance with the provisions provided for by market authorities and at such times as the Management Board or the person acting on the authority of the latter shall determine;</li> <li>+ cancel acquired shares, subject to an Extraordinary General Meeting of shareholders approving the 14<sup>th</sup> resolution below authorizing the Management Board to reduce the share capital by canceling treasury shares;</li> <li>+ cover share option plans reserved for employees or other share allocations according to the conditions set out in articles L. 3332-1 <i>et seq.</i> and R. 3332-4 of the French Labor code, or the allocation of Company shares to employees and/or officers of the Company, or companies referred to in article L. 225-197-2 of the French Commercial code, or share allocations as part of employee profit sharing.</li> </ul> <p>The maximum amount of funds allocated for this program is set at €15,000,000.</p>
<b>Uses during fiscal year 2018</b>	Delegation used in the fiscal year 2018, in the context of the implementation of the Company's liquidity agreement.

#### Resolution 14

Authorization granted to the Management Board to cancel treasury shares

<b>Duration of the delegation</b>	18 months, <i>i.e.</i> until December 27, 2019 inclusive.
<b>Authorized amount</b>	<p>Authorization to proceed, at its sole discretion, with the reduction, on one or more occasions, of the share capital, within the limit of 10% of the capital, adjusted for corporate actions that could affect the share capital after this decision, per 24 month period, by canceling the shares, including any preferred shares, which the Company holds or might hold by any means, including by purchasing shares through buyback programs authorized by the 12<sup>th</sup> resolution above, or buyback programs authorized previously or following the date of the Combined General Meeting of June 28, 2018, or by any other means, by charging the difference between the buyback price of the canceled shares and their par value to additional paid-in capital and available reserves.</p>
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.



### 3. Other current delegations<sup>3</sup>

#### Combined General Meeting held on June 28, 2018

<b>Resolution 15</b>	
<b>Delegation of power granted to the Management Board in order to increase the share capital by issuing ordinary shares or of any securities giving access to the capital while maintaining the preferential subscription right</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	<p><u>Total nominal amount of the share capital increases:</u> €4,500,000.</p> <p>The securities that may be issued pursuant to this delegation may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 <i>et seq.</i> of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities.</p> <p><u>Maximal nominal amount of debt securities:</u> €125,000,000.</p> <p>Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.</p>
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.
<b>Resolution 16</b>	
<b>Grant of authority to the Management Board to increase the capital by issuing ordinary shares and all securities conferring rights to the capital, through a public offering, canceling preferential subscription rights though including an option for a priority period</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	<p><u>Total nominal amount of the share capital increases:</u> €4,000,000.</p> <p>The securities that may be issued may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 <i>et seq.</i> of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities.</p> <p><u>Maximal nominal amount of debt securities:</u> €125,000,000.</p> <p>The par value of the debt securities that may be issued under this delegation will be credited against the maximum nominal amount of debt securities as set out in the 15<sup>th</sup> resolution above.</p> <p>Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.</p>
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.
<b>Resolution 17</b>	
<b>Grant of authority to the Management Board to increase the share capital by issuing shares and/or securities giving present and/or future access to the Company's share capital through private placement, with cancellation of preferential subscription rights</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	<p><u>Total amount of the share capital increases:</u> 20% of the share capital of the Company, per year.</p> <p>The securities that may be issued may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 <i>et seq.</i> of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities.</p> <p><u>Maximal nominal amount of debt securities:</u> €125,000,000.</p> <p>The par value of the debt securities that may be issued under this delegation will be credited against the maximum nominal amount of debt securities as set out in the 15<sup>th</sup> resolution above.</p> <p>Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.</p>
<b>Uses during fiscal year 2018</b>	Delegation used during the fiscal year 2018 for the issue of 13,333,334 new Valneva SE ordinary shares with a par value of €0.15 each, as part of a fundraising campaign reserved for qualified investors, for a total amount of approximately €50.0 million <sup>4</sup> .

<sup>3</sup> The maximum amounts indicated both in the lines "Authorized amount" and in resolution 22 does not take into account adjustments to be made, in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities or other rights giving immediate and/or future access to the capital of the Company.

<sup>4</sup> See Section A.1.2 (a) of the Company's Registration Document 2018.



<b>Resolution 18</b>	
<b>Grant of authority to the Management Board to increase the number of securities to be issued in connection with a share capital increase with or without preferential subscription right, up to the limit of 15% of the initial issue</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	Increase in the number of securities to be issued for each issuance carried out pursuant to the 15 <sup>th</sup> , 16 <sup>th</sup> and 17 <sup>th</sup> resolutions above, within thirty (30) days of the closing of the subscription period, up to the limit of 15% of the initial issue and at the same price as that decided for the initial issue. The nominal amount of the share capital increases that may be carried out under this delegation will be credited against the maximum nominal amount set out in the resolution pursuant to which the issue is decided, and against the aggregate nominal capital increase ceiling set under the 22 <sup>nd</sup> resolution. Unless otherwise authorized by the General Meeting beforehand, this delegation of authority shall be suspended as from the date of the filing by a third party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.
<b>Resolution 19</b>	
<b>Grant of authority to the Management Board to increase the share capital through the capitalization of reserves, earnings or premium</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	<u>Total nominal amount of the share capital increases</u> : €4,500,000.
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.
<b>Resolution 20</b>	
<b>Grant of authority to the Management Board in order to implement the issue of Company ordinary shares and/or securities giving immediate and/or later access to the capital of the Company with cancellation of preferential subscription rights, and to set the issue price in accordance with the rules set by the General Meeting up to a limit of 10% of the share capital per year</b>	
<b>Duration of the delegation</b>	26 months, <i>i.e.</i> until August 27, 2020 inclusive.
<b>Authorized amount</b>	Authorization to set the price of an increase of the Company's capital, decided under the preceding 16 <sup>th</sup> and 17 <sup>th</sup> resolutions, by means of the issue of any of the following: <ul style="list-style-type: none"> <li>+ ordinary shares of the Company, and/or</li> <li>+ any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or</li> <li>+ any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company,</li> </ul> with suppression of the preferential subscription right by way of a public offering and/or, as the case may be, offering(s) covered by II of article L. 411-2 of the French Monetary and financial code ( <i>Code monétaire et financier</i> ), departing from the price conditions stipulated in the 16 <sup>th</sup> and/or 17 <sup>th</sup> resolutions above under the following conditions: the issue price must not be lower than the weighted average share price on Euronext Paris, calculated over a period of between three (3) and ninety (90) consecutive trading days preceding the setting of the issue and possibly reduced by a maximum of fifteen percent (15%) if the Management Board so decides. <u>Total nominal amount of the share capital increases</u> : 10% of the Company's share capital (this limit being determined on the date of the Combined General Meeting of June 28, 2018), within the limit of the maximum increase in capital provided for under the 16 <sup>th</sup> resolution, or according to the case, the 17 <sup>th</sup> resolution above (and the maximum capital increase provided for by the 22 <sup>nd</sup> resolution below). Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.
<b>Resolution 22</b>	
<b>Maximum aggregate amount of capital increases</b>	
<b>Authorized amount</b>	The maximum aggregate amount of capital increases that may be carried out, with immediate effect or in the future, under resolutions 15 to 21 of the Combined General Meeting of June 28, 2018, may not exceed €4,500,000.
<b>Resolution 24</b>	
<b>Issue of equity warrants</b> <b>(For the benefit of natural persons who are not employees of the Company but are members of the Company's Supervisory Board)</b>	
<b>Duration of the delegation</b>	18 months, <i>i.e.</i> until December 27, 2019 inclusive.
<b>Authorized amount</b>	Authorization for the issuance of 57,500 equity warrants of the Company "BSA 29", each giving right to the grant of 1 new ordinary share of the Company.
<b>Uses during fiscal year 2018</b>	Delegation unused during the fiscal year 2018.