

VALNEVA SE

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Valneva Announces Successful Outcome of its AGM; The Company Confirms its Growth Strategy and Financial Outlook

- + New Supervisory Board appointed - consisting of five re-elected and three new members; Capital authorizations approved as proposed by the management board;
- + During the meeting, Valneva confirmed its FY 2016 financial target of reaching €90 to €100 million in revenues and coming close to EBITDA breakeven;
- + The Company also reiterated its strategy to grow revenues to around €250 million by 2020 by complementing profitable organic growth with opportunistic M&A, and build on R&D value growth; The company expects:
 - › to find a partner for the Phase III trial of its Clostridium vaccine candidate before the end of the year
 - › to enter its Lyme vaccine candidate in Phase I in the second half of 2016
 - › to announce proof-of-concept results for the development of a Zika vaccine in the coming months.

Lyon (France), July 1, 2016 – Valneva SE (“Valneva” or “the Company”), a leading pure play vaccine company, today announced that all the resolutions proposed by the management board (excluding 1 resolution which lacked quorum) were adopted by the shareholders at its Combined General Meeting (AGM) held in Lyon on June 30, 2016.

The Company also confirmed its financial targets and growth strategy during the AGM, reiterating that it expects 2016 IFRS revenues to reach €90 to €100 million and to continue to strive towards operational break-even by reducing its 2016 EBITDA-loss to less than €5 million. Valneva will pursue its strategy to grow revenues to around €250 million by 2020 by complementing profitable organic growth with opportunistic M&A while maximizing the value of its R&D.

Thomas Lingelbach, President and CEO and Franck Grimaud, Deputy CEO of Valneva, commented, “Thanks to the development of our vaccine sales through our newly-established commercial network and based on our Q1, we are confident that we can achieve the financial targets we set ourselves for 2016. We also expect to announce some important R&D milestones in the coming months with the Phase I entry of our Lyme vaccine candidate, the results of the proof of concept studies we conducted on Zika and the signing of a partnership agreement for the Phase III trial of our Clostridium difficile vaccine candidate.”

Among the resolutions approved during the AGM were the 2015 financial statements, the reappointment of five Supervisory board members and the appointment of three new members, including Dr. Ralf Clemens and Ms. Lisa Shaw-Marotto, two leading pharma executives, each bringing decades of strategic, operational and management experience in the pharmaceutical industry. Bpifrance Participations SA, the investment arm of French state-owned bank BPI France SA, and currently Valneva’s second largest shareholder, was also appointed as a member of Valneva’s Supervisory board.

The resolutions also included delegations of authority to the management board to increase the Company's share capital or to issue financial instruments.

In accordance with the authorizations given by Valneva's shareholders at the AGM and in order to maintain the Company's financial flexibility, Valneva renewed its equity line with Crédit Agricole CIB. The new equity line, which replaces a previous instrument expired in May 2016, will enable Valneva to issue up to 5,474,633 new ordinary shares representing up to 7.33% of its ordinary share capital (subject to adjustments).

This renewed equity financing program, which extends the existing financing capabilities of the Valneva, is part of the Company's financing toolbox and will be managed by Valneva based on its financing needs. The Company does not currently intend to make use of the renewed equity line.

The equity line has been implemented by way of issuance of 5,474,633 equity warrants subscribed by Crédit Agricole CIB, which are exercisable, upon Valneva's request, in several tranches over the next 24 months. Should the Company trigger the exercise of the warrants, the newly issued shares would be subsequently sold on the market by Crédit Agricole CIB.

For each tranche, the subscription price of the shares issued upon exercise of the equity warrants will represent a 5% discount to the volume weighted average price for the three trading days preceding the pricing date.

Based on the current share price, the amount of equity that could be raised through this equity line could reach approximately €11 million. Based on the latest share prices and the financial statements as of December 31, 2015, the per-share equity attributable to owners of the Company would increase by around 0.05% on a non-diluted basis and by around 0.69% on a diluted basis (as a result of the dilutive impact of potential share issues).

About Valneva SE

Valneva is a fully integrated vaccine company that specializes in the development, manufacture and commercialization of innovative vaccines with a mission to protect people from infectious diseases through preventative medicine.

The Company seeks financial returns through focused R&D investments in promising product candidates and growing financial contributions from commercial products, striving towards financial self-sustainability.

Valneva's portfolio includes two commercial vaccines for travelers: one for the prevention of Japanese Encephalitis (IXIARO[®]/JESPECT[®]) and the second (DUKORAL[®]) indicated for the prevention of cholera and, in some countries, prevention of diarrhea caused by ETEC. The Company has proprietary vaccines in development including candidates against *Clostridium difficile* and Lyme Borreliosis. A variety of partnerships with leading pharmaceutical companies complement the Company's value proposition and include

vaccines being developed using Valneva's innovative and validated technology platforms (EB66[®] vaccine production cell line, IC31[®] adjuvant).

Valneva is listed on Euronext-Paris and the Vienna stock exchange and has operations in France, Austria, Scotland, Canada and Sweden with approximately 400 employees. More information is available at www.valneva.com.

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Forward-Looking Statements

This press release contains certain forward-looking statements relating to the business of Valneva, including with respect to the progress, timing and completion of research, development and clinical trials for product candidates, the ability to manufacture, market, commercialize and achieve market acceptance for product candidates, the ability to protect intellectual property and operate the business without infringing on the intellectual property rights of others, estimates for future performance and estimates regarding anticipated operating losses, future revenues, capital requirements and needs for additional financing. In addition, even if the actual results or development of Valneva are consistent with the forward-looking statements contained in this press release, those results or developments of Valneva may not be indicative of their in the future. In some cases, you can identify forward-looking statements by words such as "could," "should," "may," "expects," "anticipates," "believes," "intends," "estimates," "aims," "targets," or similar words. These forward-looking statements are based largely on the current expectations of Valneva as of the date of this press release and are subject to a number of known and unknown risks and uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. In particular, the expectations of Valneva could be affected by, among other things, uncertainties involved in the development and manufacture of vaccines, unexpected clinical trial results, unexpected regulatory actions or delays, competition in general, currency fluctuations, the impact of the global and European credit crisis, and the ability to obtain or maintain patent or other proprietary intellectual property protection. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements made during this presentation will in fact be realized. Valneva is providing the information in these materials as of this press release, and disclaim any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.