

Valneva Grants Exclusive Worldwide License to Immune Targeting Systems for the Development of Hepatitis B Vaccines in Combination with the IC31[®] Adjuvant

Lyon (France), January 29, 2015 – European biotechnology company Valneva SE (“Valneva”, the Company) and UK company Immune Targeting Systems (ITS) Ltd announced today that they have signed an exclusive worldwide commercial license agreement. The agreement grants Immune Targeting Systems the rights to research, develop and commercialize Hepatitis B vaccine candidates in combination with Valneva’s IC31[®] Adjuvant.

Thomas Lingelbach, President and Chief Executive Officer and Franck Grimaud, President and Chief Business Officer of Valneva commented, “Hepatitis B is a virulent and contagious disease and we are excited to license our IC31[®] vaccine Adjuvant to Immune Targeting Systems for developing a potential novel vaccine.”

Hepatitis B is a serious infection of the liver caused by the hepatitis B virus and is considered a major global health problem. According to the Hepatitis B Foundation, an estimated 1 million people worldwide die each year from Hepatitis B and its complications. In the US alone over 12 million people have already been infected (one out of 20 people). Although there are several approved drugs to treat Chronic Hepatitis B (CHB), they only slow down the virus and rarely get rid of it completely. Identifying a functional or complete cure for hepatitis B infection remains a significant area of unmet medical need.

“The pan-genotype therapeutic vaccine for Chronic Hepatitis B (CHB) is a very promising product candidate that can potentially provide a cure for CHB sufferers in developed as well as developing countries. We are excited to team up with Valneva to advance the clinical development of this product.” **Benjamin Chen, Chairman and Chief Executive Officer of Immune Targeting Systems** also said.

Valneva’s IC31[®] Adjuvant is a unique synthetic adjuvant combining the immuno-stimulating properties of an antimicrobial peptide (KLK) and an oligodeoxynucleotide (ODN1a). Eight human clinical trials have shown IC31[®] to be a safe and immunogenic adjuvant in study volunteers. Those receiving IC31[®] have reported good local tolerance with no systemic adverse effects reported during clinical studies.

Financial terms of the agreement were not disclosed but include an upfront payment. If successful, product candidates from these agreements may lead to additional cash payments for achieved milestones along with future royalties on net sales.



About Immune Targeting Systems Ltd

Immune Targeting Systems focused on the development of T-cell vaccines to highly mutated viruses and to cancers utilizing its proprietary long-peptide based Depovaccine[®] platform. The company is supported by Novartis Venture Fund, HealthCap, Truffle Capital, Esperante Ventures and London SME.

About Valneva SE

Formed in 2013 through the merger of Intercell AG and Vivalis SA, Valneva is a biotechnology company developing, manufacturing and commercializing innovative vaccines with a vision to protect people from infectious diseases.

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 a commercial vaccine for the prevention of Japanese encephalitis (IXIARO[®]) and proprietary vaccines in development against *Pseudomonas aeruginosa*, *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 headquartered in Lyon, France, listed on Euronext-Paris and the Vienna stock exchange and operates out of France, Austria and Scotland with approximately 270 employees. More information is available at www.valneva.com.

Valneva Media Contact

Teresa Pinzolit

Communications@valneva.com

M +43 (0) 676 845 567 357

Stéphanie Le Bihan

T +33 (0)228 07 37 15

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.