

## Valneva Announces Successful Establishment of New Global Marketing and Distribution Network

- + IXIARO<sup>®</sup> marketing and distribution handover largely completed – excellent IXIARO<sup>®</sup> sales performance in 2015 and successful transition
- + Valneva sales and marketing organizations established in Canada and U.K. - More than 60% of expected 2016 product sales (IXIARO<sup>®</sup> and DUKORAL<sup>®</sup>) planned to be generated by Valneva's own commercial teams
- + Country-specific marketing and distribution agreements with leading players in place for IXIARO<sup>®</sup> and DUKORAL<sup>®</sup> in several countries
- + Partnership with previous global marketing & distribution partner for IXIARO<sup>®</sup> continues in Germany
- + New global marketing and distribution network expected to deliver product sales in the range of €75 to 80 million in 2016 - representing more than 30% growth over 2015

**Lyon (France), January 26, 2016** – Valneva SE (“Valneva” or “the Company”), a leading pure play vaccine company, announces today the successful establishment of its new global marketing & distribution network. This network provides a strong platform for significant further value growth from the Company's first two commercial vaccines – IXIARO<sup>®</sup>/JESPECT<sup>®</sup> and DUKORAL<sup>®</sup>.

Valneva also reverts to its prior guidance of approximately €30 million for IXIARO<sup>®</sup> net sales revenues in 2015, owing to a very collaborative and professional transition and substantial in-market sales growth in 2015. Management had anticipated that the transition would impact net sales by €5-10 million, but this reduction has not materialised.

Valneva acquired a sales and marketing team in the Nordic countries in 2015 and recently established two new dedicated sales and marketing organizations with offices in Montreal, Canada and London, UK, which will focus on developing the sales of the Company's travel vaccines “IXIARO<sup>®</sup>” and “DUKORAL<sup>®</sup>” in addition to third party products. In the US, Valneva will now distribute IXIARO<sup>®</sup> directly to the US Military, the Company's largest customer for this vaccine.

Valneva estimates that more than 60% of its expected 2016 total product sales can be generated by its own commercial teams. The company's commercial teams have extensive expertise in the sale, marketing and distribution of vaccines, gained through prior experience in sales and business development in large pharmaceutical companies.

Valneva is confident that it can successfully build a commercial presence in its targeted countries and become a trusted and valued partner for healthcare professionals and travelers.

In order to complement its own commercial sales infrastructure, Valneva has entered into a number of country-specific marketing and distribution agreements to ensure broad geographic availability of its products through leading local distribution partners. The commercial terms of these new agreements are improved compared to the global marketing and distribution agreement terminated in June 2015. GlaxoSmithKline (GSK), however, will continue to be responsible for the marketing and distribution of IXIARO<sup>®</sup> and DUKORAL<sup>®</sup> in Germany.

As previously announced, VaxServe, Inc., a Sanofi Pasteur company, will market and distribute IXIARO<sup>®</sup> exclusively in the U.S. private market while US company PaxVax, who was already commercializing DUKORAL<sup>®</sup> in Italy, Spain and Portugal, will now market and distribute IXIARO<sup>®</sup> in these countries. Australian company BioCSL will continue to distribute Valneva's Japanese encephalitis vaccine in Australia and New Zealand while India and Taiwan will be covered by the existing agreements with Biological E and Adimmune.

Valneva has also partnered with a number of local companies in smaller markets, such as IMED for Poland and certain Eastern European markets, Pro Farma in Switzerland and a number of other partners in the Asia Pacific region including Singapore, Malaysia, Philippines and Thailand.

**Thomas Lingelbach, President and CEO, and Franck Grimaud, Deputy CEO of Valneva commented,** "Taking direct control over marketing & distribution of our current and future products is essential in the evolution of our business, allowing us to increase our revenues and sales margins, in addition to securing our position as a leading, independent and fully integrated vaccine company. We believe the combined commercialization structure we are creating, comprising distribution agreements with high caliber partners in addition to our own teams, represents a strong basis for significant further value growth for our travel vaccines. We, therefore, expect 2016 total revenues to be close to €100 million".

The Company will release its fourth-quarter and 2015 sales figures, along with estimated financial results, on February 24, 2016.

#### **About IXIARO<sup>®</sup>/JESPECT<sup>®</sup>**

Valneva's Japanese encephalitis vaccine is indicated against Japanese encephalitis for adults who travel to, or live in, endemic areas. The vaccine has received marketing approval in the U.S., Europe, Canada, Hong Kong, Singapore, and Israel under the trade name IXIARO<sup>®</sup> and in Australia and New Zealand where it is marketed as JESPECT<sup>®</sup>. It is the only vaccine being marketed to the U.S. military for Japanese encephalitis. IXIARO<sup>®</sup> is approved for use in individuals 2 months of age and older in the US and EU

member states, Norway, Liechtenstein, Iceland, Singapore, Hong Kong and Israel. In all other licensed territories, IXIARO<sup>®</sup>/JESPECT<sup>®</sup> is indicated for use in persons 18 years of age and above.

#### **About DUKORAL<sup>®</sup>**

DUKORAL<sup>®</sup> is an oral vaccine indicated for active immunization against cholera and, in some countries, also indicated against LT-ETEC-caused diarrhea. The vaccine is indicated for adults and children from 2 years of age who will be visiting endemic/epidemic areas. DUKORAL<sup>®</sup> was first granted authorization for use in Sweden in 1991. In 2004, DUKORAL<sup>®</sup> was granted a marketing authorization by the European commission for European Union members (including Norway and Iceland) and was pre-qualified by the World Health Organization.

#### **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<sup>®</sup>/JESPECT<sup>®</sup>) and the second (DUKORAL<sup>®</sup>) indicated for the prevention of Cholera and, in some countries, prevention of diarrhea caused by LT-ETEC. The Company has proprietary vaccines in development including candidates 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<sup>®</sup> vaccine production cell line, IC31<sup>®</sup> 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](http://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 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 in this press release will in fact be realized. Valneva is providing the information in these materials as of the date of this press release, and disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.