

Presentation on draft resolutions

GENERAL SHAREHOLDER MEETING 2023

FRIDAY, MAY 5, 2023, AT 10:00 AM

To be held at the Company's HQ

400, boulevard Gonthier d'Andernach
67400 Illkirch-Graffenstaden – France



Presentation on draft resolutions

In addition to the ordinary resolutions submitted for your vote, we propose that you vote on an extraordinary basis on:

- the renewal of the financial delegation (resolution 26) adopted by the Combined General Meeting of May 25, 2022 which had a duration of only 18 months, unlike the other financial delegations of the same meeting with a duration of 26 months;
- the renewal of the authorization to trade in the Company's shares recently adopted by the Combined General Meeting of May 25, 2022, and implemented by the Company within the framework of a liquidity contract, as well as
- on an authorization to cancel treasury shares, as a corollary of Transgene's share buyback program.

Your Board recommends a vote in favor of each of these resolutions submitted to your vote at this Combined General Meeting with the exception of the resolution 22 regarding capital increases reserved for employees, for which the Board recommends a vote against.

Draft resolutions proposed on an ordinary basis

Resolutions 1 and 2 submit for your approval the annual financial statements of Transgene for the fiscal year ended December 31, 2022, which show a loss of €27,301,026 and the Group's consolidated financial statements, which show a loss of €32,804,306, as approved by the Board of Directors at its meeting of March 16, 2023. These resolutions are proposed to you by the Board of Directors on the recommendation of the Audit Committee.

Resolution 3 relates to the appropriation of a net loss of €27,301,026 to retained earnings, bringing it to €81,006,957. This resolution is proposed to you by the Board of Directors on the recommendation of the Audit Committee.

Resolution 4 proposes that you release the Directors from their liability for their duties during fiscal year 2022.

Resolutions 5, 6, 7 and 8 propose, pursuant to Articles L. 22-10-9 I and L. 22-10-34 of the French Commercial Code, that you approve the components of compensation paid or allocated in respect of the past fiscal year, to the following directors:

- the Chairman Mr. Alessandro Riva from May 25, 2022;
- The Chief Executive Officer Mr. Hedi Ben Brahim in his capacity as Chairman & CEO from January 1, 2022, to May 25, 2022, before the separation of the positions of Chairman and Chief Executive Officer, and as CEO from May 25, 2022, to December 31, 2022, after the separation of the positions;
- the Deputy CEO of the Company.

These components are presented in detail in Part 3 of the Report on Corporate Governance, Chapters 3.8.2 and 3.8.3 Compensation and benefits of executives

and directors of the Company's 2022 Universal Registration Document and Annual Financial Report. These resolutions correspond to the so-called "ex post" approval of the compensation of the executive corporate officers of your Company. These resolutions are proposed to you by the Board of Directors on the recommendation of the Compensation Committee.

Shareholders are reminded that Mr. Alessandro Riva's compensation as of May 25, 2022, does not include any variable component. Furthermore, the compensation of Mr. Hedi Ben Brahim after the separation of functions remains unchanged.

Resolutions 9, 10, 11, 12 and 13 propose, in accordance with Article L. 22-10-8 of the French Commercial Code, that you approve the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable for the 2023 fiscal year, to the Chairman, Chief Executive Officer, the Deputy CEO and the corporate officers of the Company. These principles and criteria are described in the Board of Directors' report attached to the Management Report and are presented in detail in Part 3 of the Report on Corporate Governance, Chapters 3.8.1 Compensation for 2023 - of the Company's 2022 Universal Registration Document and Annual Financial Report. These resolutions correspond to the so-called "ex ante" approval of the compensation policy of the executive officers of your Company. These resolutions are proposed to you by the Board of Directors on the recommendation of the Compensation Committee.

The Board of Directors is currently composed of ten directors, five of whom are independent. Five terms of office expire at the end of the General Meeting of May 5, 2023. Your Board submits proposals for

renewal, in order to maintain a body of ten members, half of whose members are independent and characterized by a range of relevant skills, and gender balance in accordance with the principles of French governance.

Resolutions 14 to 18 propose that you renew the terms of office of 5 directors, 3 of whom are independent directors:

- Renewal of the mandate of Mr. Philippe Archinard - Non-independent Director
- Renewal of the mandate of Mr. Benoît Habert - Independent Director
- Renewal of the mandate of Ms. Marie Landel - Independent Director
- Renewal of Ms. Maya Saïd - Independent Director
- Renewal of the mandate of TSGH, represented by Ms. Sandrine Flory - non-independent director.

The curriculum vitae of each of the reappointed Directors can be found in Chapter 3 of the Company's 2022 Universal Registration Document and Annual Financial Report.

The average attendance of the five reappointed directors at meetings of the Board and the committees of which they are members has been 98% during their current term. Details of each member's individual attendance can be found in Chapter 3.4.1 of the Universal Registration Document and Annual Financial Report 2022.

The proposed term of office is three years, i.e., until the end of the Ordinary General Meeting called to approve the financial statements for the 2025 fiscal year.

Resolution 19 submits the Statutory Auditors' special report for your approval in accordance with Article L. 225-40 of the French Commercial Code. This special report describes the related-party agreements previously submitted to the General Shareholders' Meeting. No new agreement subject to the provisions of Article L. 225-38 of the aforementioned code was entered into for the fiscal year ended December 31, 2022.

The Board considers that the agreement with Institut Mérieux allows Transgene to benefit from central

services for which external purchase would be more expensive or even impractical due to the small scale of the Company. This agreement is not used to re-invoice to Transgene compensation of corporate officers associated with Institut Mérieux.

Resolution 20 is intended to renew the authorization, most recently approved by the Ordinary General Meeting of May 25, 2022, to trade in the Company's shares. The main features of the share buyback program are as follows:

- The number of shares that may be acquired may not exceed 10% of the shares comprising the share capital, i.e. for information purposes, 9,977,133 shares based on the share capital at December 31, 2022, and the Company may not hold, directly or indirectly, more than 10% of its share capital.
- Purchases, disposals or transfers may be carried out at any time, except during a public offering of the Company's shares, on one or more occasions, by any means, including block trading or the use of derivatives.
- The total amount of funds allocated to the program may not exceed €20,000,000 and the maximum purchase price would be €25 per share.
- The objectives of this program would be those authorized by the regulations in force.

This resolution would be granted for a period of 18 months and would replace, at the date of the Meeting, the previous authorization granted by the General Meeting of May 25, 2022.

A description of the share buyback program is included in the Company's Registration Document and information on share buybacks is regularly published on its website. The vote on this resolution will, among other things, extend the liquidity contract established by the Company in 2016 and transferred to a new service provider on January 2, 2020.

The Board undertakes not to use this authorization for purposes other than the continuity of the liquidity contract currently in place in the event of a public offer on the Company's shares.

The resolution also allows other possible uses of treasury shares, such as cancellation. This last possibility requires a corollary resolution submitted to your vote under the conditions of Extraordinary General Meetings (**Resolution 23**).

Draft resolutions proposed on an extraordinary basis

We propose that you vote on the financial resolution whose purpose is to renew the financial authorization most-recently approved under resolution 26 voted at the General Meeting of May 25, 2022, which is valid for only 18 months, unlike the other financial authorizations which have a validity period of 26 months. This authorization enables the Board to carry out, at its sole discretion, certain issuances of shares and securities resulting in an increase in capital (financial delegations). We also propose a resolution to authorize the Board to reduce the capital by canceling shares held by the Company.

Financial delegations

In **Resolution 21**, we propose that you renew the system of financial delegation of the resolution 26 approved by the General Meeting of May 25, 2022 given to the Board of Directors in the same terms.

This delegation allows a faster and simpler method of financing than a capital increase with a public offer and makes it possible to set a price that may bear a maximum discount of 15% compared to a reference price, in the case of capital increases of larger size but reserved for a limited category of persons. This delegation authorizes the issuance of a maximum of 100,000,000 shares, i.e. an increase in the Company's share capital by a maximum nominal amount of €50,000,000 and representing approximately 99% of the share capital, without preferential subscription rights, and is reserved mainly for investors specializing in the pharmaceutical / biotechnology sector. This amount is deducted from the ceiling set in the twenty-second resolution adopted by the General Meeting of May 25, 2022.

The purpose of this delegation is to:

- grant the Board of Directors greater flexibility, in the interest of the Company in terms of opportunities and deadlines for carrying out financing transactions, without the constraints of convening of a new General Meeting;
- strengthen the Company's equity;
- also to allow the Company to have more flexibility to raise the necessary resources for the Group's development according to market conditions.

Compared to the previous authorizations granted at the General Meeting of May 27, 2020, the Board proposed to the General Meeting of May 25, 2022, authorizations for a greater number of shares but with a smaller discount (**reduced from 20% to 15% in Resolutions 25 and 26 adopted by the General Meeting of May 25, 2022**), in order to allow the financing of the ambitious development of your company, which is in an acceleration phase of its clinical development plan, while protecting the interests of minority shareholders.

This resolution 21 of the General Meeting of May 5, 2023, is in line with this logic and authorizes a very significant capital increase to enable your Company to finance the launch and conduct of ambitious but higher cost clinical developments.

Based on the Company's current and recent share price, a private placement limited to 10% of the share capital, at a 15% discount, would not raise funds to cover the operating and clinical development costs of Transgene's products for more than six months.

In view of the recurrent financing needs met by capital increases, Transgene does not propose to suspend this authorization during the period of a public offer. Indeed, such a suspension could jeopardize the continuity of your Company's operations if a potential buyer by virtue of its offer were able to deprive Transgene of financial resources, which would be contrary to the Company's corporate interest.

In light of its reference shareholder controlling the majority of the share capital and represented on the Board, the Company believes that the authorization requested in this resolution is not likely to be used to circumvent a public offer. Indeed, in the event of a public offer, the majority shareholder would be able to tender more than half of the Company's outstanding shares.

This delegation is valid for a period of 18 months from the date of the General Meeting of May 5, 2023.

Resolution 22 fulfills the Extraordinary General Meeting's legal obligation to vote on a draft resolution relating to a capital increase specifically reserved for employees, carried out through a company savings plan in accordance with Article L. 225-129-6 of the French Commercial Code. We therefore submit a resolution to this effect with a ceiling of 100,000 shares. In accordance with the law, your preferential subscription right would be canceled in this context and the subscription price of the issuances carried out may not be higher than the average of the prices quoted during the 20 stock market sessions preceding

the date of the Board of Directors' decision setting the opening date of the subscription, nor may it be more than 20% lower than this average. **Not intending to use this authorization, which is less advantageous for employees than the free share allocations already implemented by the Company, the Board recommends a vote against this resolution.**

Resolution 23 is intended to renew the authorization, approved by the Ordinary General Meeting of May 25,

Powers for formalities

Resolution 24 has as its purpose the powers necessary to carry out the legal formalities related to

2022, to cancel such Company shares as are repurchased in accordance with Resolution 20, authorizing your Board to trade in the Company's shares, i.e. to set up a share buyback program. The corresponding ordinary resolution is drafted to cover several uses of the shares that may be repurchased, including the cancellation of these shares, which is within the remit of the Extraordinary General Meeting.

the resolutions passed, whether in the ordinary or extraordinary part of the Combined General Meeting.

Use since January 1, 2022, of existing shareholder authorizations

- **Share buyback:** in 2022, 681,407 shares were repurchased (net of disposals) as part of the liquidity program established in June 2016 with an initial allocation of €500,000.
- **Cancellation of shares:** no shares were canceled in 2022.
- **Share-based compensation:**
 - 145,274 free shares were allocated to Company employees in March 2022 on the basis of Resolution 14 of the General Shareholders' Meeting of May 26, 2021.
 - 102,000 free shares were allocated to the Chairman of the board in 2022, on the basis of Resolution 30 of the General Shareholders' Meeting of May 25, 2022.
 - On March 30, 2022, 1,775,136 free shares were vested on the basis of Resolution 17 of the General Shareholders' Meeting of May 22, 2019.
- The Company has not issued any other shares.

Absence of "Say on Climate" resolution

As French law currently stands, decisions on CSR matters are not part of the powers reserved to the General Meeting. Nevertheless, Transgene recognizes that for its shareholders, this policy and its implementation are important factors in their assessment of the functioning of the Board of Directors and Management. In view of the importance of the subject, at the Combined General Meeting of the Company scheduled for 5 May 2023, a discussion item will be devoted to the Company's CSR issues.

Transgene notes that, following the example of the "Say on Pay" resolutions, a growing number of French

companies are submitting to their shareholders a so-called "Say on Climate" resolution to allow shareholders to express their views on the climate transition plan adopted by their company. Such a resolution at Transgene is currently premature, as the elaboration of such a climate transition plan for the Company depends on the analysis of the greenhouse gas balance (scopes 1 to 3) undertaken by the Company in 2023. However, in the future Transgene will be attentive to the expectations of its stakeholders and the legislative developments concerning such a resolution.