

English version for information purposes only

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GENFIT

French corporation (*Société Anonyme*)
governed by a Board of Directors
with a share capital of €12,458,745.75
Registered Office: 885 avenue Eugène Avinée, 59120 Loos
424 341 907 R.C.S. Lille Métropole
(the "**Company**")

**SPECIAL REPORT OF THE BOARD OF DIRECTORS
REGARDING FREE SHARES AT THE ANNUAL COMBINED
GENERAL MEETING OF MAY 24, 2023**

Dear Shareholders,

As part of the Combined Meeting, we have made available to you a special report that details, in accordance with article L. 225-197-4 of the Commerce Code, transactions carried out pursuant to the provisions of articles L. 225-197-1 to L. 225-197-3 of that same Code, whereby the Extraordinary Shareholders' Meeting may authorize the granting of free shares, which may be either existing or new, to the benefit of employees and executive officers of the Company and its eligible consolidated subsidiaries at December 31, 2022 in accordance with articles L.225-197-1 et seq. of the French Commercial Code or to the benefit of some of them.

As a reminder, the Combined Shareholders' Meeting of the Company on May 25, 2022, in its 25th resolution, authorized the Board of Directors to grant free shares, which may be either existing or new.

Prior to the deliberations of the Combined Meeting, the Board of Directors wishes to bring to your attention certain details regarding the use of this delegation of authority that it has received.

Thus, we remind you that the 25th resolution of the Company's Combined General Meeting on May 25, 2022 reads:

"The Shareholders' Meeting, acting in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having deliberated and reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L.225-197-1 to L.225-197-6 and L.22-10-59 to L.22-10-60 of the French Code de commerce, authorises the Board of Directors to proceed, in one or several allocations, with the free allocation of a maximum of 100,000 common shares, existing or to be issued, with a nominal value of €0.25 each, for the benefit

of the employees and the executive officers of the Company or the entities or groups referred to in Article L.225-197-2, or for the benefit of some of them (the "Free Shares").

(1) Share capital increase

The definitive acquisition of the totality of the Free Shares, in the case of new shares, will result in one or several capital increases of €25,000, which are authorised by this Shareholders' Meeting, it being specified that this amount does not take into account any adjustments that may potentially be carried out in accordance with applicable legal and regulatory provisions and, as the case may be, with contractual stipulations providing for other cases of adjustment, in order to preserve the rights of holders of securities or other rights giving access to the share capital.

The capital increase(s) that will result from the creation of the Free Shares will be implemented by way of special incorporation of all or part of the reserve accounts available and, in particular, of the account "share issue premium". The Shareholders' Meeting acknowledges that this decision implies shareholders' renunciation of their rights, for the benefit of holders of Free Shares, to the said reserves.

(2) Acquisition and retention periods

The Board of Directors shall determine, for each allocation, a vesting period of at least one year after which the acquisition of existing or new shares will become definitive, followed, if deemed useful or necessary by the Board of Directors, by a retention period of a duration it shall determine and which shall run from the definitive acquisition of the existing or new shares; it being specified that the cumulated duration of the vesting period and, as the case may be, of the retention period, shall be of at least three years.

The definitive acquisition of the Free Shares must be subject to a condition of the beneficiary's presence in the Company or its subsidiaries as employee and/or executive officer or the member of the administrative or supervisory bodies (subject to legal exceptions or a change of control of the Company and it being understood that the Board of Directors may, if necessary, waive this condition on an individual basis) and, as the case may be, to the fulfilment of performance conditions that the Board of Directors may determine upon allocation, as is specified below.

(3) Delegation of powers to the Board of Directors

The Shareholders' Meeting grants full powers to the Board of Directors, with the option to sub-delegate under the conditions set forth by law, to implement the allocation of Free Shares, including:

- to determine the conditions of eligibility, the number and the identity of the beneficiaries et the number of Free Shares allocated to each of them;*
- determine within the aforementioned limits, the acquisition period and, if applicable, the Free Shares conservation period;*
- to determine, in particular for the executive officers and certain managing directors of the Company and its subsidiaries, as the case may be, the performance conditions to which the definitive acquisition of the Free Shares will be subject;*
- to establish the rules for the allocation plan of the Free Shares;*
- to take all necessary measures in order to preserve the rights of the holders of Free Shares pursuant to any legal or regulatory provision;*
- to set the dividend entitlement date (date de jouissance), even retroactively, of the Free Shares to be issued; and*

- *to record the completion of the increase(s) in the share capital resulting from the definitive acquisition of Free Shares, complete any acts and formalities in order to finalise the increase(s) in share capital realised pursuant to this authorisation, amend the by-laws accordingly and more generally take all decisions required in the context of this authorisation, grant all delegations, and do all that is needed.*

The Shareholders' Meeting acknowledges that this delegation voids, from this day, any prior delegation of authority having the same purpose.

This authorisation may be used within a period of 38 months from the date of this Shareholders' Meeting."

On October 14, 2022, the Board of Directors, subdelegating to the CEO in accordance with the provisions set out by law regarding free shares granted to Company employees, made use of these delegations to grant free shares to (i) the Chief Executive Officer of the Company and (ii) employees of the Company.

i. Grant of free shares to the Chief Executive Officer of the Company.

20,000 free shares were granted among the 100,000 shares authorized by the Combined General Meeting of May 25, 2022 (the "**AGA D 2022**") to the benefit of the CEO of the Company (the "**AGA D 2022 Beneficiary**").

The AGA D 2022 are subject to a vesting period ending on October 17, 2025, subject to adherence to the performance conditions and the presence condition described in the "Free Shares for the Chief Executive Officer– AGA D 2022".

The definitive grant of the AGA D 2022 is contingent on the performance conditions being met as of October 17, 2025. We invite you to review Chapter 6 of the Universal Registration Document filed on April 18, 2022 with the Autorité des Marchés Financiers under reference D.23-0304 available on the Company's website (www.genfit.com) for more information about these performance conditions.¹

The definitive grant of the AGA D 2022 is also contingent on the presence of the AGA D 2022 Beneficiary within the Company on October 31, 2024.

ii. Grant of free shares to employees of the Company.

39,200 free shares were granted among the 100,000 shares authorized by the Combined General Meeting on May 25, 2022 (the "**AGA S 2022**") to the benefit of 119 eligible employees of the Company (the "**AGA S 2022 Beneficiaries**").

The AGA S 2022 are subject to a vesting period ending on October 17, 2025, subject to adherence to the performance conditions and the presence condition described in the "Free Shares for Employees – AGA S 2022" plan rules.

¹ For English language information, see the Company's Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on April 18, 2022, in particular Item 6.

The definitive grant of the AGA S 2022 is contingent on the performance conditions being met as of October 17, 2025. We invite you to review Chapter 6 of the Universal Registration Document filed on April 18, 2022 with the Autorité des Marchés Financiers under reference D.23-0304 available on the Company's website (www.genfit.com) for more information about these performance conditions.²

The definitive grant of the AGA S 2022 is also contingent on the presence of the AGA S 2022 Beneficiaries within the Company on October 31, 2024.

By his decision on November 22, 2022, the CEO, acting on authorization from the Board of Directors observed that the majority of AGA S 2022 had accepted their grants as well as the terms and conditions and plan rules, and consequently noted the acceptance of 38,900 AGA S 2022.

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The Board of Directors

² For English language information, see the Company's Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on April 18, 2022, in particular Item 6.