

English version for information only*

GENFIT

A public limited company governed by an Executive Board and a Supervisory Board (*Société anonyme à directoire et conseil de surveillance*)

with sharecapital of € 5,989,417.75.

Company headquarters: Parc Eurasanté, 885 Avenue Eugène Avinée, 59120 Loos
424 341 907 Trade and Companies Register of Metropolitan Lille

**REPORT OF THE EXECUTIVE BOARD
TO THE SHAREHOLDERS MEETING OF JUNE 3, 2015**

Ladies and Gentlemen,

Dear Shareholders,

We have convened this Annual Ordinary Shareholders' Meeting, pursuant to the provisions of the French Commercial Code and the Company's articles of association, to deliberate on the following agenda:

- Presentation of the Executive Board report on the Company's activities and on the financial statements for the year ended on December 31, 2014 ;presentation of the Supervisory Board's report on this report and presentation of the Statutory Auditors' general report on the accounts for year ended on December 31, 2014;
- Presentation of the Group's management report, presentation of the Supervisory Board's report on this report and reading of the Statutory Auditors' general report on the consolidated financial statements for the year ended on December 31, 2014;
- Reading of the Chairman of the Supervisory Board's report on the conditions for organizing and preparing the work of the Supervisory Board and on the internal audit procedures implemented by the Company;
- Reading of the Statutory Auditors' report on the Chairman of the Supervisory Board's report on the conditions for organizing and preparing the work of the Supervisory Board and on the internal audit procedures implemented by the Company;
- Approval of the annual financial statements for the year ended on December 31, 2014 and operations of this financial year;
- Approval of the consolidated annual financial statements for the year ended on December 31, 2014;
- Allocation of the results for the year ended on December 31, 2014;
- Reading of the statutory auditors' special report on the regulated agreements referred to in articles L. 225-86 et seq. of the French Commercial Code and approval of said regulated agreements;
- Reading of the Executive Board special report on the options of subscription to or purchase of Company shares in accordance with article L. 225-184 of the French Commercial Code;
- Reading of the Executive Board special report on the granting of free shares in accordance with article L. 225-197-4 of the French Commercial Code;

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- Reading of the table summarizing the delegations of authority and powers granted by the General Meeting to the Executive Board in respect of capital increases, in accordance with articles L. 225-129-1 et seq. of the French Commercial Code;
- Reading of the Executive Board supplementary report on the use of delegations of powers granted by the General Meeting, in accordance with article R. 225-116 of the French Commercial Code;
- Attendance fees;
- Powers to carry out legal formalities.

Our report, the auditors' report, the financial statements and consolidated financial statements have been made available to you in accordance with conditions and deadlines set forth by the Company's articles of association and applicable legal provisions.

1. Approval of the financial statements, reports and allocation of earnings for the financial year ended on 31 December 2014 (Resolutions n°1, 2, 3, 5, 6 and 7)

a. Financial statements for the financial year ended on 31 December 2014

The financial statements submitted to your approval, namely the balance sheet, income statement and the annex attested on 31 December 2014, have been established pursuant to the presentation rules and evaluation methods set forth by regulations in force in France.

The Executive Board presents this set of accounts for your approval, for the approval of the operations reflected in these statements and discharge to give to the members of the Executive Board, the members of the Supervisory Board and the Statutory Auditors from their duties for said year.

The financial statements highlight a net profit (loss) of (15,973,312) Euros under the financial year ended on 31 December 2014, against a net profit (loss) of (10,043,221) Euros under the financial year ended on 31 December 2013.

In accordance with articles 233 quarter and 223 quinquies of the French General Tax Code, it is required that you acknowledge that there are no expenditures or charges deductible from the Company's taxable income as referred to in article 39.4 of the French General Tax Code.

For comments on these financial statements, please refer to the management report of the Executive Board, observations made by the Supervisory Board on this management report and Statutory Auditors report, which have been made available to you in accordance with the regulations in force.

b. Consolidated financial statements and reports for the financial year ended on 31 December 2014

The consolidated financial statements submitted to your approval, namely the balance sheet, income statement, statement of cash flows and statement of changes in equity and the annex attested on 31 December 2014, have been established pursuant to the IFRS standards.

The Executive Board presents this set of accounts, report and special reports for your approval and for the approval of the operations reflected in these statements or summarized in these reports and discharge to give to the members of the Executive Board, the members of the Supervisory Board and the Statutory Auditors from their duties for said year.

The consolidated financial statements highlight a net profit (loss) of (17,025.5) thousands Euros under the financial year ended on 31 December 2014, against a net profit (loss) of (12,652.1) thousands Euros under the financial year ended on 31 December 2013.

For comments on these consolidated financial statements, please refer to the management report of the Executive Board, observations made by the Supervisory Board on this management report and

Statutory Auditors report, which have been made available to you in accordance with the regulations in force.

c. Proposition as regards the allocation of earnings

The profit of the financial year highlights, in light of the financial statements, a net loss of 15,973,312 Euros, which we propose you allocate to "Retained Earnings". After allocation of this profit, the "Retained earnings" will represent a loss of 58,610,677 Euros.

There will not be an allocation of dividends under the financial year ended on 31 December 2014.

In addition, we remind you that, pursuant to article 243 bis of the French General Tax Code, no dividend has been allocated under the preceding three financial years.

2. Related-party transactions (Resolution n°4)

No agreement falling within the scope of articles L.225-86 and seq. of the French Commercial Code was conclude during the financial year ended on 31 December 2014, as well as any previously authorised and concluded agreements whose performance continued during the past financial year.

The Statutory Auditors' special report on this matter will be submitted to your approval.

3. Shareholders' decision on attendance fees (Resolution n°8)

We invite you to vote on the allocation, for the benefit of members of the Supervisory Board, of a global amount of 100,000 Euros attendance fees for the 2015 financial year. The amount of attendance fees proposed remains unchanged in comparison to the one proposed in the previous financial year.

The Super Board shall allocate all or part of this amount amongst its members based on a calculation pertaining to their level of participation during meetings and their responsibility in the different committees.

The Executive Board management report and the report of the Chairman of the Supervisory Board on the governance of the Company and Internal Control contain precisions on the conditions for allocating these attendance fees and their allocation in the financial year 2014.

4. Powers to complete formalities (Resolution n°9)

It is proposed that the Shareholders' Meeting grants full powers to the holder of an original, a copy, or an excerpt of the minutes of the Shareholders' Meeting of June 3,2015 for the purpose of completing legal formalities.

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Should you approve various proposals, please confirm with your vote by adopting these resolutions which shall be read to you and have been kept available at the registered office during fifteen days preceding the Shareholders' Meeting of June 3,2015, in accordance with law.

The Executive Board