

Preserve Vaxart's Nasdaq Listing and Protect Your Investment



Vaxart, Inc. recently adjourned its annual meeting of stockholders to provide stockholders additional time to consider and vote on all proposals. **Of particular importance is Proposal No. 2, asking stockholders to grant the board of directors ("Board") authority to implement a reverse stock split in order to preserve Vaxart's Nasdaq listing.**

Preserving Vaxart's Nasdaq listing is vital to the Company's success and helps maintain liquidity for all stockholders. In response to feedback on this critical proposal, the Board has made recent commitments regarding implementation of a potential reverse stock split to address stockholder concerns.

We highlight below key information about the reverse stock split proposal and dispel common misconceptions related to its potential impact so stockholders can properly evaluate the merits of the proposal and make an informed voting decision:

MISCONCEPTION:

"Vaxart's Nasdaq Listing Is Inconsequential"

FACT:

A listing on Nasdaq helps preserve liquidity and a stable market. Vaxart's Nasdaq listing:

- Enables investment from institutional investors that provide the majority of funding for biotech
- Avoids potential liquidation by funds prohibited from owning shares not listed on a major exchange
- Provides the opportunity for Wall Street analyst coverage
- Provides enhanced visibility
- Provides increased market efficiency
- Provides greater access to capital

"A Reverse Stock Split Will Negatively Impact the Value of Your Investment"

A reverse stock split consolidates existing shares into fewer shares. This increases the price per share but does not change the company's market capitalization or your relative proportion thereof.

- Vaxart's stock price is influenced by the progress of its development programs and broader external market conditions
- Reverse stock splits technically have no impact on investment value
- Stockholders simply end up with fewer shares at a higher price per share
- Example (1-for-5 reverse split): 10,000 shares @ \$0.50 per share = 2,000 shares @ \$2.50 (\$5,000 in each case)

"A Reverse Stock Split Causes Dilution"

Dilution occurs when Vaxart raises capital by issuing new shares to investors. Trading on major exchanges provides the most efficient access to capital and thereby the least amount of dilution.

- Reverse stock splits do not cause dilution
- Reverse stock splits only cause a change to all issued common stock uniformly
- No new shares are issued as part of the reverse stock split
- Vaxart can issue new shares whether or not a reverse stock split is implemented

"The Proposed Reverse Stock Split Would Drastically Increase Vaxart's Authorized Shares Leading to Massive Overhang"

In response to stockholder feedback, the Board has committed Vaxart to call a special meeting to reduce authorized shares proportionally if a reverse stock split is implemented.

- Authorized share count will be decreased proportionally to the reverse stock split ratio if approved by stockholders
- Vaxart would have the same percentage of shares authorized regardless of a reverse stock split

"The Proposed Split Range is Excessive"

In response to stockholder feedback, the Board adopted resolutions not to implement any reverse stock split at a ratio higher than 1-for-20.

- Vaxart to implement the lowest prudent reverse split ratio necessary to maintain Nasdaq listing

"If Proposal No. 2 Passes, Vaxart Will Automatically Implement a Reverse Stock Split"

Vaxart's preference is to maintain its Nasdaq listing through stock price appreciation; the Company only intends to implement a reverse stock split if necessary to avoid being delisted.

- No automatic implementation of the reverse stock split
- Proposal No. 2 simply provides the Board with authorization to effect a reverse stock split

"Management and the Board Are Not Aligned with Stockholders"

Management and the Board will be impacted by a reverse stock split like all other stockholders.

- Recent purchases plus the continued retention of awarded equity by management reflect confidence in Vaxart's significant market opportunity
- Vaxart uses equity awards as a tool to attract, maintain, and incentivize management
- As stewards of Vaxart, the Board and Management aim to maximize upside by balancing financing opportunities and burn rate