

**CONSOLIDATED FINANCIAL STATEMENTS  
SPINEWAY GROUP**

**AT 06/30/2025**

## Consolidated balance sheet

### CONSOLIDATED BALANCE SHEET - ASSETS

	30/06/2025	31/12/2024
Intangible assets	9 371	9 507
<i>Goodwill</i>	5 900	5 900
Tangible assets	2 946	2 529
Financial assets	4 482	4 477
Investments in associates		
<b>Fixed assets</b>	<b>16 799</b>	<b>16 514</b>
Inventories and work in process	4 819	4 731
Accounts receivable and related accounts	2 852	3 156
Other receivables and accruals	1 705	1 488
Cash	4 028	4 519
<b>Current assets</b>	<b>13 404</b>	<b>13 894</b>
<b>TOTAL ASSETS</b>	<b>30 203</b>	<b>30 408</b>

### CONSOLIDATED BALANCE SHEET - LIABILITIES

	30/06/2025	31/12/2024
Share capital	71	58
Issue, merger and contribution premiums	20 967	29 417
Réserves et résultat consolidé	2 823	-5 231
Others		
<b>Shareholders' equity attributable to the group</b>	<b>23 861</b>	<b>24 243</b>
<b>Minority shareholdings</b>		
<b>Other stockholder equities</b>		
<b>Provisions for liabilities and charges</b>	<b>593</b>	<b>270</b>
Loans and miscellaneous financial debts	1 542	1 817
Suppliers and related accounts	2 758	1 895
Other debts and accruals	1 449	2 183
<b>Debts</b>	<b>5 749</b>	<b>5 895</b>
<b>TOTAL LIABILITIES</b>	<b>30 203</b>	<b>30 408</b>

## Consolidated income statement

CONSOLIDATED INCOME STATEMENT		
	30/06/2025	30/06/2024
<b>Net Sales</b>	<b>5 573</b>	<b>6 535</b>
Total other operating income	158	128
Operating depreciation reversals		21
Operating provision reversals	297	517
Operating Related account	0	0
<b>Operating income</b>	<b>455</b>	<b>665</b>
Purchases and change in inventory	1 702	2 059
Other purchases and external expenses	2 158	2 232
Taxes	31	60
Personnel cost	2 374	2 685
Operating allowance	485	482
Operating provisions charges	467	440
Other operating expenses	7	14
<b>Operating expenses</b>	<b>7 225</b>	<b>7 971</b>
<b>EBITDA</b>	<b>-1 197</b>	<b>-770</b>
Goodwill impairment and amortization		
<b>Net Operating Income</b>	<b>-1 197</b>	<b>-770</b>
Financial income	37	-1
Financial expenses	256	2 095
<b>Net Financial Income</b>	<b>-219</b>	<b>-2 096</b>
<b>Current profit before tax</b>	<b>-1 416</b>	<b>-2 866</b>
<b>Net Extraordinary Income</b>		<b>-515</b>
Income taxes and related Deferred tax		
<b>Net income in consolidated companies</b>	<b>-1 416</b>	<b>-3 381</b>
Net result of affiliated companies		
<b>Consolidated net income</b>	<b>-1 416</b>	<b>-3 381</b>
<b>Group net income</b>	<b>-1 416</b>	<b>-3 381</b>
<b>Net income of the minority interests</b>		
<b>Résultat par action</b>	<b>-0,00004169 €</b>	<b>-0,00001213 €</b>
<b>Résultat dilué par action</b>	<b>-0,00004169 €</b>	<b>-0,00001213 €</b>

## Consolidated statement of changes in shareholders' equity

### CONSOLIDATED CHANGE IN EQUITY

	Capital	Premiums	Group net income	Reserves	INVESTISSEMENT GRANTS	Regulated provisions	Réserves de conversion	Group Shareholder's Equity
<b>Solde December 2023</b>	<b>286</b>	<b>27 043</b>		<b>-8 761</b>			<b>486</b>	<b>19 054</b>
Transfer movements							0	
Changes in the scope of consolidation	0	0		333	0	0	0	333
Changes in capital	-4 151	0		4 151	0	0	0	0
Group net income			-3 865				0	-3 865
Dividends pay-out (-)							0	
Dividends paid by ME							0	
INVESTISSEMENT GRANTS	0	0		0	0	0	0	0
Regulated provisions							0	
Capital Subscription							0	
Changes in equity	0	-2 987		2 987	0	0	0	0
Exchange rate movements	0	0		0	0	0	-229	-229
Other movements	3 922	5 360		-333			0	8 949
<b>Solde December 2024</b>	<b>58</b>	<b>29 417</b>	<b>-3 865</b>	<b>-1 624</b>			<b>257</b>	<b>24 243</b>

  

Transfer movements							0	
Changes in the scope of consolidation	0	0		0	0	0	0	0
Changes in capital	0	0		0	0	0	0	0
Group net income			-1 416				0	-1 416
Dividends pay-out (-)							0	
Dividends paid by ME							0	
Acquisition							0	
Repayment (-)							0	
INVESTISSEMENT GRANTS	0	0		0	0	0	0	0
Regulated provisions							0	
Capital Subscription							0	
Changes in equity	0	-9 024		9 024	0	0	0	0
Exchange rate movements	0	0		0	0	0	446	446
Other movements	14	574					0	588
<b>Solde June 2025</b>	<b>71</b>	<b>20 967</b>	<b>-1 416</b>	<b>3 532</b>			<b>707</b>	<b>23 861</b>

## Consolidated cash flow statement

CASH FLOW STATEMENT		
	30/06/2025	30/06/2024
<b>OPERATING OPERATIONS</b>		
Net income in consolidated companies	-1 416	-3 381
Reversal of depreciation and provisions	-32	-69
Provisions and depreciation entered	842	712
Capital gains & losses on disposal	0	9
Elim of calculated profits and charges	0	0
<b>CASH FLOW FROM OPERATIONS</b>	<b>-606</b>	<b>-2 728</b>
Change in financial expenses	0	0
Net change in operating	1 074	-2 153
Net change in off-operating	71	1 565
<b>CHANGE IN WORKING CAPITAL REQUIREMENTS</b>	<b>1 144</b>	<b>-588</b>
<b>Net operating cash flow</b>	<b>538</b>	<b>-3 316</b>
<b>INVESTMENT OPERATIONS</b>		
<b>Net cash flow on investments</b>	<b>-772</b>	<b>-373</b>
<b>FINANCING OPERATIONS</b>		
<b>Net cash on financing activities</b>	<b>-257</b>	<b>3 522</b>
<b>Currency effect on cash and capital</b>	<b>-2</b>	<b>2</b>
<b>NON CASH VARIATION</b>	<b>-492</b>	<b>-166</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>4 515</b>	<b>1 795</b>
<b>CASH AND CASH EQUIVALENTS AT PERIOD-END</b>	<b>4 023</b>	<b>1 629</b>
<b>NON CASH VARIATION</b>	<b>-492</b>	<b>-166</b>

# Notes to the consolidated financial statements

These consolidated financial statements of the SPINEWAY group cover the period from January 1<sup>st</sup> 2025 to June 30<sup>th</sup> 2025.

All amounts are in thousands of euros unless otherwise stated.

The consolidated financial statements have been prepared as if the Group had always existed

This document is written in English and French. In the event of any discrepancy, the French version shall prevail.

## Note 1. Presentation of the Group and major events

### 1.1 Group information

These consolidated financial statements include SPINEWAY, its US subsidiary SPINEWAY INC, DISTIMP and SPINE INNOVATIONS, which was acquired on July 21, 2022 (together the "Group").

Spineway SA is a société anonyme with a Board of Directors, incorporated under French law, and is the parent company of the Spineway Group. It is registered with the Lyon Trade and Companies Registry under number 484 163 985. The company's registered office is at 7, allée Moulin Berger - 69130 Ecully.

Spineway Inc is a company incorporated in the United States, created on August 1<sup>st</sup>, 2016, with a share capital of \$500 K, whose registered office is located at 990 Biscayne Blvd, in Miami, Florida, USA.

DISTIMP is a French société par actions simplifiée unipersonnelle, a Group subsidiary. It is registered with the Lyon Trade and Companies Registry under number 843 516 782. The company's head office is located at 7, allée Moulin Berger - 69130 Ecully.

Spine Innovations is a French société par actions simplifiée (single-shareholder company), a Group subsidiary. It is registered with the Lyon Trade and Companies Registry under number 887 534 501. The company's registered office is at 7, allée Moulin Berger - 69130 Ecully.

The Group specializes in spine implants. It designs, develops and markets a range of cutting-edge surgical implants used at all levels of the spine (lumbar, thoracic and cervical).

The use of these surgical implants is indicated by surgeons specializing in orthopedics or neurosurgery, following diagnosis of severe pathology requiring surgical correction and stabilization of their patients' spine.

## 1.2 Key Events in the First Half of 2025

- First-half revenue impacted by the postponement of orders from major accounts

The Spineway Group generated revenue of €5.6 million in the first half of 2025, down 15% compared to the first half of 2024. This decline is the result of the postponement of orders from certain major export accounts and a high comparison base with the first half of 2024, linked to the depletion of end-of-sale product inventories.

- Termination of the €10.99 million bond financing agreement with convertible bonds

On May 24, 2023, the Company entered into an agreement for the issuance and subscription of convertible bonds (OCA) for a maximum total nominal amount of ten million nine hundred and ninety thousand euros (€10,990,000) and a term of 24 months.

The detailed characteristics of the financing are included in the appendix to the press release dated May 25, 2023, and are also available on the Company's website.

From January 1 to June 11, 2025, 180 OCA bonds were subscribed and 235 OCA bonds were converted into 6,752,115 shares, representing a capital increase of €13,504.23.

The capital as of June 30, 2025, is €71,088.78 and consists of 35,544,391 shares with a par value of €0.002 each.

- Group strategic growth plan

Spineway continues its commercial developments and regulatory procedures dedicated to the approval of Spine Innovations and Distimp products for major exports.

- New production line dedicated to ESP prostheses

During the first half of 2025, Spine Innovations received approval from the GMED (French Notified Body) for its new manufacturing line dedicated to its LP-ESP and CP-ESP intervertebral disc prostheses. This approval marks a major strategic milestone in the Group's development, securing the production and distribution of its innovative ESP prostheses.

Located in La Rochelle, at a long-standing Spineway partner, this new line includes a clean room for injection operations.

In line with the established schedule, the very first production of LP-ESP prostheses began in February 2025, and the first implants from this new line are expected to be available by the end of July.

The launch of this manufacturing line, led by a dedicated team over a period of three years, strengthens Spineway's production capacity and unique expertise in intervertebral disc prosthesis manufacturing techniques. This progress reinforces the Group's desire to become a major player in less invasive spinal treatments.

- IMS participation

Since Integral Medical Solutions (IMS) failed to implement the operational plan planned when it acquired its stake in the Spineway Group, the latter initiated proceedings before the Geneva Arbitration Court, which issued an award on January 20, 2022, in favor of Spineway, ordering them to pay the full purchase price of the shares, i.e., €4,160,000 plus interest, and to reimburse the arbitration costs incurred. IMS has never responded to the various ongoing proceedings, which are therefore continuing.

The company initiated proceedings to have the Geneva Arbitration Court's decision recognized in the United States, as IMS is headquartered in Delaware. Since IMS did not respond to the petition, Spineway pursued steps in the US to declare IMS in default, a prerequisite for any recovery efforts. The United States Court of Appeals for the Third Circuit (Deleware) ruled in a judgment rendered on March 19, 2025, to uphold the decision rendered at first instance and dismissing the Spineway Group's request for enforcement of the arbitral award rendered in Geneva, which upheld Spineway's claim on the merits.

The Group recalls that in 2019, it acquired a stake in Integral Medical Solutions (IMS), owned by Strategos. Since Strategos failed to implement the planned operational plan, Spineway initiated proceedings before the Geneva Arbitral Tribunal, which issued an award dated January 20, 2022, in favor of Spineway, ordering Strategos to return the full purchase price of the shares, i.e., €4,160,000, plus interest, and to reimburse the arbitration costs incurred.

Since Strategos never responded to Spineway's requests for payment, the latter-initiated proceedings to have the Geneva Arbitral Tribunal's decision recognized in the United States, a prerequisite for any recovery efforts. Indeed, enforcement of the decision requires recognition of the award by the judicial authorities of the State of Delaware, the location of the parent company Strategos's headquarters. In this context, Spineway filed a motion for recognition of the arbitral award before the United States District Court for the District of Delaware, which dismissed the motion for confirmation of the arbitral award by an order dated March 1, 2024. Following this judgment, Spineway appealed this order to the Delaware Court of Appeals, which has now upheld the lower court's decision.

Determined to have its rights recognized, the Spineway group is exploring alternative legal avenues to enforce the Geneva arbitral award, which is in its favor on the merits.

To date, there is no indication of any impairment in the value of IMS shares.

### 1.3 Business continuity

Spineway's business requires a high level of working capital, due to delays in the collection of receivables from customers (healthcare institutions in France and distributors outside France), and a high level of inventory, necessitated by the availability of implant ranges.

Going concern is based on :

- Closing cash position at June 30<sup>th</sup> 2025 of €4 million;
- The cash budget derived from the Company's annual budget ;
- The Company's ability to raise additional financing if necessary.



#### 1.4 Post-balance sheet events

No events to mention.

### **Note 2. Accounting principles and consolidation rules**

#### 2.1 Basis of preparation

These consolidated financial statements for the period from January 1<sup>st</sup> 2025 to June 30<sup>th</sup>, 2025, were approved by the Board of Directors on July 30<sup>th</sup>, 2025.

#### 2.2 Accounting standards

The consolidated financial statements have been prepared in accordance with the principles applicable in France.

The accounting rules and methods applied comply with ANC regulation no. 2020-01 applicable from January 1, 2021.

The financial statements of foreign consolidated companies, prepared in accordance with the rules in force in their respective countries, are restated to comply with Group principles.

The consolidated financial statements have been prepared by the Chairman of the Board of Directors on a going concern basis.

#### 2.3 Consolidation method

The following consolidation methods are used:

- Companies over which the Group exercises exclusive control are fully consolidated,
- Companies controlled jointly with other shareholders are proportionally consolidated,
- Companies over which the Group exercises significant influence are accounted for by the equity method.

Subsidiaries or equity interests that are not material and are in the process of being sold are not consolidated.

These consolidated financial statements include SPINEWAY, its 100%-owned US subsidiary SPINEWAY Inc, its 100%-owned French subsidiary DISTIMP since June 25, 2021, and its 100%-owned French subsidiary Spine innovations since July 2022. All 3 subsidiaries are fully consolidated.

#### 2.4 Accounting policies

The consolidated financial statements comply with the following principles:

- Historical costs ;
- Business continuity ;

- Consistency of accounting policies from one year to the next ;
- Exercise independence.

#### 2.4.1 Consolidation restatements

Thus, after harmonization, the following rules are respected:

- Use of financial statements to June 30<sup>th</sup> 2025 for all Group companies,
- Application of consistent methods for all Group companies,
- Elimination of intercompany transactions.

##### 2.4.1.1 Goodwill

The difference between the acquisition cost and the acquirer's share of the fair value of the acquiree's identifiable assets and liabilities is recorded as an asset in the consolidated balance sheet under "Intangible assets" when positive, and as a liability in a specific line item when negative.

When a company is acquired, the acquisition cost of the shares is allocated, on the basis of their fair value, to the identifiable assets and liabilities of the acquired company. The fair value of identifiable intangible assets, such as brands and licenses, is determined by reference to generally accepted valuation methods, such as those based on revenues, costs or market value.

The Group determines the useful life, limited or unlimited, of goodwill based on a documented analysis of the relevant technical, economic and legal aspects of the acquisition concerned.

Where there is no foreseeable limit to the period over which goodwill will generate economic benefits for the Group, it is not amortized.

Where, at the time of acquisition, there is a foreseeable limit to its useful life, goodwill is amortized on a straight-line basis over this period, or, if this cannot be reliably determined, over 10 years.

Any significant change in the useful life of goodwill is treated prospectively, and the Group identifies at each balance sheet date whether there is any indication that goodwill may be impaired. Where the useful life of goodwill is open-ended, the impairment test is carried out at least once a year, regardless of whether there is any indication of impairment.

An overall impairment test is therefore carried out on the value of net assets. These assets include goodwill. If the present value falls below the net book value of net assets, they are written down to their present value. If necessary, this impairment is allocated to goodwill.

Impairment losses recognized are never reversed.

When the useful life of goodwill, originally estimated as open-ended, becomes limited with regard to one of the criteria mentioned in the second paragraph of this article, an impairment test is carried out; goodwill, if impaired, is amortized over its residual useful life.

Impairment tests did not lead to the recognition of any impairment for the year. It should be noted, however, that the results are highly sensitive to operational and actuarial assumptions.

#### 2.4.1.2 Cumulative translation adjustment

The financial statements of subsidiaries whose functional currency is not the euro have been translated using the historical cost convention. In accordance with this method, translation is carried out as follows:

- Non-monetary items, including shareholders' equity, are translated at the historical rate, i.e. at the exchange rate on the date on which the items are included in consolidated assets and liabilities;
- Monetary items are translated at the exchange rate at the balance sheet date;
- In principle, income and expenses are translated at the exchange rate prevailing on the date they are recognized; in practice, they are translated at the average rate for the year.

#### 2.4.1.3 Deferred taxes

In accordance with ANC regulation 2020-01, the Group recognizes deferred taxes on temporary differences between the tax and book values of assets and liabilities in the consolidated balance sheet. If the amounts are material.

Under the liability method, the effect of any changes in tax rates on previously recognized deferred taxes is recognized in the income statement in the year in which these changes become certain.

Foreign corporate income tax is restated at the tax rate applicable in the country concerned. The tax rate in the United States is progressive and depends on a number of factors (amount of previous losses, etc.). Deferred tax assets arising from temporary differences and tax losses are limited to the estimated amount of tax that is likely to be recovered. This probability is assessed at the end of each fiscal year.

For the periods presented, tax losses have not been capitalized in the absence of visibility as to their offset against future earnings.

#### 2.4.2 Accounting policies

##### 2.4.2.1 Research and development costs

Costs are capitalized only if the initiated projects meet the following criteria:

- The project or process is clearly defined and the associated costs are reliably measured and clearly identified,
- Proven technical feasibility
- The product or process has a good chance of being marketed or used internally,
- Assets generate future economic benefits,
- Adequate technical, financial and other resources are available to complete the project.

Since the second half of 2019, the company has met all the criteria for activating development projects.

Any development costs incurred for projects that do not meet these criteria are recognized in the income statement as soon as they are incurred.

Development expenditure includes direct and indirect costs incurred on projects, notably the salaries of researchers, engineers and technicians, as well as subcontracting costs incurred for development activities.

The development effort gives rise to the capitalization of development costs under intangible assets in progress in the amount of 78 852 euros for the first semester 2025, compared with 200,999 euros for 2024.

When the costs are capitalized, they will be amortized on a straight-line basis over 5 years.

Where there is an indication of impairment, and at each year-end, development projects recorded as assets on the balance sheet are analyzed to ensure that each project still meets the criteria for capitalization. Where necessary, an impairment loss is recognized.

It should be noted that, in accordance with French regulations, the existence of unamortized development costs on the assets side of the balance sheet in excess of the amount of unrestricted reserves precludes distribution.

#### 2.4.2.2 Intangible assets and property, plant and equipment

Property, plant and equipment and intangible assets are valued at acquisition cost in the case of assets acquired for valuable consideration, at production cost in the case of assets produced by the company, and at market value in the case of assets acquired free of charge or in exchange.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

- Development costs: 3 to 5 years
- Registration fees: 5 years, these are probate fees
- Concessions, software: 1 to 2 years
- Management software: 1 to 5 years
- Other intangible assets: 8 to 10 years (patents)
- Mat tests/trials: 1 to 2 years
- Industrial machinery and equipment: 3 to 7 years, including instrument kits made available to customers.
- Demonstration equipment: 5 years
- General installations, fixtures and fittings: 3 to 10 years
- Office equipment: 3 to 10 years
- Computer equipment: 3 years
- Furniture: 3 to 10 years

For simplicity's sake, the depreciation period used is the useful life for assets that cannot be broken down at the outset.

A change of estimate has been made in respect of instrument kits on property, plant and equipment.

Approval costs are capitalized when they relate to the acquisition of existing approval files held by third parties.

**Leasing :**

Leased assets are recorded under property, plant and equipment, with a corresponding financial liability. The corresponding assets are depreciated over a useful life identical to that of owned property, plant and equipment.

Current CB depreciation is calculated on a straight-line basis over the term of the contract.

The capitalization of leasing contracts leads, where material, to the recognition of deferred taxes.

#### 2.4.2.3 Long-term investments

This item mainly comprises :

- Investments in companies not included in the scope of consolidation,
- Deposits and guarantees paid.

A provision for impairment is recognized when the carrying amount of an investment falls below its acquisition cost. This inventory value is the value in use, which represents what the entity would be willing to pay for the investment if it had to acquire it. Factors which may be taken into consideration include profitability, profitability prospects, shareholders' equity, etc., ...

#### 2.4.2.4 Stocks

Inventories are valued at acquisition cost.

Inventory acquisition costs comprise the purchase price and other costs directly attributable to the cost of raw materials, merchandise, work-in-progress and finished goods.

Trade discounts, rebates, cash discounts and similar items are deducted to determine acquisition costs.

Where applicable, inventories are written down to their net realizable value at the balance sheet date, if this is lower than their net book value.

Inventories consist mainly of goods held for sale.

The company reviews and adjusts its inventory values (due to the expiry of certain product batches), in particular :

- 100% depreciation of expired, obsolete, scrap and unusable products (CE marking 0434) with a shelf life of less than 1 year.
- 50% depreciation on expiries between 1 and 2 years old
- Depreciation between 95% and 100% of slow-moving inventories
- 91% depreciation of isolated products.

#### 2.4.2.5 Receivables and payables

Receivables and payables are valued at their nominal value (historical cost). Where necessary, a provision is booked to write down receivables to their estimated net realizable value.

Provisions for impairment of trade receivables are determined on the basis of :

- Risks relating to customers in litigation, receivership and liquidation (recognized as impairment).
- A case-by-case analysis of each customer's situation, combined with the situation in the countries concerned.

#### 2.4.2.6 Provisions and contingent liabilities

A provision is recognized when there is a present obligation (legal or constructive) towards a third party, which can be reliably estimated and is likely to result in an outflow of resources for the Group.

A contingent liability is :

- Either a potential obligation of the entity to a third party resulting from events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity;
- An obligation of the entity to a third party that is not probable or certain to result in an outflow of resources without at least equivalent consideration from the third party.

#### 2.4.2.7 Pension commitments

The Group has opted for the preferential method: the commitments of Group companies are shown as liabilities in the balance sheet under provisions for charges.

The pension obligation borne by the Group consists of end-of-career indemnities (IFC) for employees of the French entity, legislation providing for indemnities to be paid to employees on retirement, based on their length of service and salary at retirement age.

The calculation method used remains unchanged from the previous year. Calculation assumptions are detailed in note 3.10.

#### 2.4.2.8 Borrowings and financial debt

Borrowings are stated at their nominal value. Loan issue costs are expensed immediately. Accrued interest is recognized as a liability at the contractual interest rate.

Advances and guarantees received from public bodies to finance the company's research activities or territorial business prospecting, for which repayment is conditional, are shown under financial liabilities. If the project fails, the waiver is recorded as a grant.

#### 2.4.2.9 Sales figures

For direct sales to hospitals (mainly in France), sales are recognized when ownership of the goods is transferred to the customer. In most cases, the hospital or clinic customer declares to the company the references consumed under consignment or loan stocks. In such cases, the products consumed are invoiced. Sales are recognized at the time of invoicing.

Sales to foreign distributors are accounted for in accordance with INCOTERM rules. An adjustment is calculated, if necessary, to take account of the specific conditions of transfer of ownership defined in orders or contractual agreements.

Sales correspond to invoicing after deduction of commercial discounts and rebates. Transport costs are also included in sales.

#### 2.4.2.10 Leases

The Group uses long-term leases for its vehicle fleet and IT equipment. Given the frequency with which the leased fleet is renewed, no restatement has been made. Leased assets are not capitalized.

#### 2.4.2.11 Fees

Fees paid to the French statutory auditors for the first semester 2025 amounted to €23,000 for all Group entities auditing missions and €4,000 for other missions.

#### 2.4.2.12 Net financial expense

The financial result corresponds mainly to interest on borrowings, foreign exchange gains and losses, and financial expenses relating to the contractual subscription discount.

#### 2.4.2.13 Exceptional items

Non-recurring income and expenses include items that do not relate to the company's ordinary activities. The accounts as of June 30, 2025 take into account the reform to modernize financial statements.

#### 2.4.2.14 Tax credits

In application of the general principle of substance over form in the consolidated financial statements and, in particular, of the restatement of tax entries provided for in ANC regulation 2020-01, tax credits (research tax credits and innovation tax credits) are presented under "Other income".

#### 2.4.2.15 Earnings per share

Earnings per share are calculated by dividing net income by the weighted average number of shares outstanding during the year.

In accordance with the "treasury stock" method, diluted earnings per share are calculated by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding, adjusted for the impact of maximum conversion of dilutive instruments into ordinary shares.

### 2.5 Use of judgments and estimates

In preparing the consolidated financial statements, estimates, judgments and assumptions have been made by Group management which may affect the reported amounts of assets, liabilities and contingent liabilities at the date of preparation of the financial statements, and the reported amounts of revenues and expenses for the year.

These estimates are based on the going-concern assumption, and are determined on the basis of information available at the time of preparation. They are continually assessed on the basis of past experience and various other factors deemed reasonable, which form the basis of the assessments of the

carrying amount of assets and liabilities. Estimates may be revised if the circumstances on which they were based change, or if new information becomes available. Actual results could differ materially from these estimates under different assumptions or conditions.

In preparing these consolidated financial statements, the main judgments made by management and the main assumptions applied were as follows:

- Valuation and impairment of tangible and intangible assets, in particular R&D costs.
- Calculating deferred taxes.
- Valuation of provisions.

## 2.6 Segment information

The Group has identified a single operating segment corresponding to the design, manufacture and marketing of ranges of innovative surgical implants and ancillaries (instruments) designed to treat severe spinal pathologies.



## Note 3. Notes to the consolidated balance sheet

### 3.1 Intangible assets

INTANGIBLE ASSETS								
Gross amounts in EUR	Opening	Acquisition	Disposition Investments	Construction work in progress activation	Operating allocation	Increases	Other movements and translation adjustments	Year ended
Uncalled subscribed capital	0						0	0
Goodwill gross value	5 900							5 900
Research and development costs	1 238			58		58		1 295
Software, concessions, patents	2 410							2 410
Other intangible assets	16							16
Intangible assets in progress	1 695	125		-58		68	-2	1 760
<b>Gross intangible fixed assets</b>	<b>11 258</b>	<b>125</b>				<b>125</b>	<b>-2</b>	<b>11 381</b>
Amortizations and provisions in EUR	Opening	Acquisition	Disposition Investments	Construction work in progress activation	Operating allocation	Increases	Other movements and translation adjustments	Year ended
Amortization of Research and development costs	625				116	116		741
Amortization of Concessions, patents...	1 109				144	144		1 253
Amortization of Other intangible assets	16							16
<b>Amortizations and provisions</b>	<b>1 750</b>				<b>259</b>	<b>259</b>		<b>2 010</b>
Net amounts in EUR	Opening	Acquisition	Disposition Investments	Construction work in progress activation	Operating allocation	Increases	Other movements and translation adjustments	Year ended
Uncalled subscribed capital	0						0	0
Goodwill gross value	5 900							5 900
Research and development costs	613			58	-116	-58		555
Software, concessions, patents	1 300				-144	-144		1 157
Other intangible assets	0							0
Intangible assets in progress	1 695	125		-58		68	-2	1 760
<b>Net intangible fixed assets</b>	<b>9 507</b>	<b>125</b>			<b>-259</b>	<b>-134</b>	<b>-2</b>	<b>9 371</b>

The breakdown of fixed assets by business segment and geographic or currency zone (representing more than 10% of the consolidated total) is not applicable, given the insignificant nature of the US subsidiary's assets.

#### Goodwill on acquisition of DISTIMP

SAS DISTIMP, which was acquired at 100% on June 25, 2021 for €580,000 including acquisition costs, gave rise to the recognition of goodwill, adjusted where appropriate by earn-outs payable on the basis of the financial statements at June 30 in 2022, 2023 and 2024. These earn-outs depend on actual sales, gross margin, working capital requirements and specific business expenditure (regulatory costs, instrument kit loans) recorded at the end of June

Accordingly, goodwill is adjusted each year when an earn-out is payable in the year concerned. An earn-out of €498,000 was booked for 2024. , This adjustment was fully settled during the first half of 2025.

#### Spine Innovations goodwill

SPINE INNOVATIONS, which was acquired at 100% on July 21, 2022 for €5,430,000 including acquisition costs, gave rise to the recognition of goodwill adjusted, where appropriate, by an earn-out based on sales and margins from 07/01/2023 to 06/30/2024, and capped at €2 million. No earn-out is expected.

The Group considers that there is no foreseeable limit to the period over which goodwill will generate economic benefits for the Group. Accordingly, goodwill is not amortized. The company performs an impairment test each year to ensure that goodwill is at fair value.

### 3.2 Property, plant and equipment

TANGIBLE ASSETS					
Gross amounts in EUR	Opening	Increases	Decreases	Other movements and translation adjustments	Year ended
Buildings	240	13			253
Machinery and equipment	5 334	1 403	-14	-12	6 710
Machineries and equipments - Finance leases	55				55
Other tangible assets	540	5			545
Tangible assets in progress	877	-779			98
<b>Gross tangible fixed assets</b>	<b>7 045</b>	<b>642</b>	<b>-14</b>	<b>-12</b>	<b>7 661</b>
Amortizations and provisions in EUR	Opening	Increases	Decreases	Other movements and translation adjustments	Year ended
Amortization of Buildings	123	7			130
Amortization of Machinery and equipment	3 872	201	-14	-12	4 047
Machinery and equipment - Finance leases - Amortization	22	4			26
Amortization of Other tangible assets	499	13			512
<b>Amortizations and provisions</b>	<b>4 516</b>	<b>225</b>	<b>-14</b>	<b>-12</b>	<b>4 715</b>
Net amounts in EUR	Opening	Increases	Decreases	Other movements and translation adjustments	Year ended
Buildings	117	6			123
Machinery and equipment	1 462	1 202		0	2 664
Machineries and equipments - Finance leases	33	-4			29
Other tangible assets	41	-8			33
Tangible assets in progress	877	-779			98
<b>Net tangible fixed assets</b>	<b>2 529</b>	<b>416</b>		<b>0</b>	<b>2 946</b>

Technical installations correspond mainly to instrument kits on deposit or loan with customers.

### 3.3 Long-term investments

FINANCIAL ASSETS					
Gross amounts in EUR	Increases	Decreases	Changes in the consolidation scope	Other movements and translation adjustments	Year ended
Investment securities					4 420
Deposits & guarantees	5				62
Other long-term investments					0
<b>Gross financial assets</b>	<b>5</b>	<b>0</b>		<b>0</b>	<b>4 482</b>
Provisions in EUR	Increases	Decreases	Changes in the consolidation scope	Other movements and translation adjustments	Year ended
Impairment on Loans to related external company	0	0			0
Impairment on Long-term investments					0
<b>Provisions</b>	<b>0</b>	<b>0</b>			<b>0</b>
Net amounts in EUR	Increases	Decreases	Changes in the consolidation scope	Other movements and translation adjustments	Year ended
Investment securities					4 420
Receivables rel. to subsidiaries & affiliated cies	0	0		0	0
Deposits & guarantees	5				62
Other long-term investments					0
<b>Net financial assets</b>	<b>5</b>	<b>0</b>		<b>0</b>	<b>4 482</b>

Non-consolidated investments correspond to a minority stake in INTEGRAL MEDICAL SOLUTIONS (IMS), the holding company at the head of a group of companies in the healthcare sector heavily invested in hospital management in Latin America and Africa.

### 3.4 Inventories

INVENTORIES AND WORK IN PROGRESS						
	Gross figures	Depreciations	30/06/2025	Gross figures	Depreciations	31/12/2024
Raw materials and other supplies inventories	65		65	42		42
Goods inventories	5 796	1 042	4 754	5 681	993	4 688
<b>Total inventories and work in progress</b>	<b>5 862</b>	<b>1 042</b>	<b>4 819</b>	<b>5 723</b>	<b>993</b>	<b>4 731</b>

Inventory corresponds to goods ready for sale.

The provision for depreciation concerns certain batches of products that have reached the end of their useful life, are obsolete, need to be scrapped, or whose CE marking number no longer allows them to be marketed. It also concerns depreciation for slow turnover.

### 3.5 Trade accounts receivable

By type	Gross figures	Depreciations	30/06/2025	Gross figures	Depreciations	31/12/2024
Advances and instalments	276		276	274		274
Trade receivables and related accounts	2 576	116	2 460	2 881	168	2 713
Doubtful accounts	116		116	168		168
Receivables - invoice to be drawn up	0		0	0		0
<b>OPERATING RECEIVABLES</b>	<b>2 968</b>	<b>116</b>	<b>2 852</b>	<b>3 324</b>	<b>168</b>	<b>3 156</b>

The end-users of Group companies' products are hospitals and clinics, which have particularly long payment terms, especially in certain countries. This is the reason for the volume of trade receivables.

At June 30<sup>th</sup> 2025, total doubtful receivables amounted to €116,000 fully impaired.

### 3.6 Deferred tax assets

Tax losses amounted to €40 million at June 30<sup>th</sup> 2025. They have not been capitalized in the absence of visibility as to their allocation to future earnings.

Deferred taxes arising from consolidation adjustments and temporary differences (which are not material) have also not been recognized.

### 3.7 Other receivables

By type	Gross figures	Depreciations	30/06/2025	Gross figures	Depreciations	31/12/2024
Social receivables	34		34	130		130
Tax receivables	600		600	584		584
Receivables - credit note to be received				9		9
Debtor current accounts				0		0
Sundry debtors	4		4	4		4
State - income taxes	623		623	583		583
Prepaid expenses	296		296	178		178
Exchange rate adjustments assets	149		149			
<b>NON OPERATING RECEIVABLES</b>	<b>1 705</b>		<b>1 705</b>	<b>1 488</b>		<b>1 488</b>

At June 30<sup>th</sup> 2025, the research tax credit (CIR) amounted to €34,000 and the innovation tax credit (CII) to €6,000.

### 3.8 Cash and cash equivalents

NET CASH		
	30/06/2025	31/12/2024
Cash at bank and in hand	4 028	4 519
<i>Total assets cash</i>	<i>4 028</i>	<i>4 519</i>
Bank overdrafts	5	4
<i>Total liabilities cash</i>	<i>5</i>	<i>4</i>
<b>Total</b>	<b>4 023</b>	<b>4 515</b>

### 3.9 Share capital

The share capital at June 30<sup>th</sup> 2025 was 71 088.80 euros, made up of 35,544,391 shares with a par value of 0.002 euros each.

### 3.10 Provisions

PROVISIONS FOR LIABILITIES AND CHARGES				
	Opening	Increases	Decreases	Year ended
For losses on foreign exchange	0	143		149
For other risks	60	156	-31	185
<i>Provision for risks</i>	<i>60</i>	<i>305</i>	<i>-31</i>	<i>334</i>
For pensions and retirements	210	51	-2	259
<i>Provisions for load</i>	<i>210</i>	<i>51</i>	<i>-2</i>	<i>259</i>
<b>Total</b>	<b>270</b>	<b>355</b>	<b>-32</b>	<b>593</b>

Provisions for retirement indemnities are valued on the basis of the following main actuarial data:

	June 30, 2025	December 31, 2024
Starting age	Age 64 - Chairman Age 67	Age 64 - Chairman Age 67
Discount rate	3,70%	3,38%
Salary growth rate	0%	0%
Social security charges	44% to 45% executives - 28% to 37% employees	44% to 45% executives - 28% to 37% employees
Mortality table	Insee 2018-2020	Insee 2018-2020
Probability of presence at retirement age (before mortality)	Under 30s: 85% Aged 30 to 40: 90% of sales From 40 to 50 : 97% From 50 to 60: 100% Over 60s: 100% of age	Under 30s: 85 Aged 30 to 40: 90% of sales From 40 to 50 : 97 From 50 to 60: 100% Over 60 Over 60s: 100% of age

As a reminder, the Group has opted for the preferential method: the commitments of Group companies are shown as liabilities in the balance sheet under provisions for charges in the amount of 259 K€ at June 30, 2025 compared with 210 K€ at December 31, 2024.

The pension obligation borne by the Group consists of end-of-career indemnities (IFC) for employees of the French entity, legislation providing for indemnities to be paid to employees on retirement, based on their length of service and salary at retirement age.

The commitments to be provisioned at the balance sheet date are calculated on the basis of employees' salaries at retirement age, and on the basis of each employee's length of service at the balance sheet date in relation to his or her length of service at retirement age. The assumptions used to calculate these commitments are as follows:

- Discount rate: 3.38% at December 31, 2024 (3.17% at December 31, 2023) ;
- Mortality table: according to Insee 2018-2020 at December 31, 2024 and 2023.
- Average staff turnover at December 31, 2024 and

### 3.11 Borrowings and financial liabilities

LOANS AND MISCELLANEOUS FINANCIAL DEBTS					
Values in Euro	Opening	Increases	Decreases	Other movements and translation adjustments	Year ended
Other bond issues	138		-138		
Banks and credit institutions loans	1642		-135		1 507
Debts on employees participation	0		18	-18	0
Garanty	0				0
Financial debts - Financial Leases	33		-3		30
Bank overdrafts	4	0		0	5
<b>Loans and miscellaneous financial debts</b>	<b>1 817</b>	<b>0</b>	<b>-257</b>	<b>-19</b>	<b>1 542</b>

Maturity schedule of financial liabilities :

## LOANS AND MISCELLANEOUS FINANCIAL DEBTS

Maturity	Less than 1 year	1 to 2 years	More than 5 years
Other bond issues	138		
Banks and credit institutions loans	1 639	3	
Debts on employees participation	-9 694	9 694	
Financial debts - Financial Leases	8	25	
Bank overdrafts	4		
<b>Emprunts et dettes financières par échéance</b>	<b>-7 906</b>	<b>9 723</b>	

The bank loans mature between 2025 and 2031.

For 2023, the Group has taken out a new loan of €1.5 million. It bears interest at an annual rate of 5%.

The bond loan was settled during the first half of 2025.

### 3.12 liabilities

CURRENT LIABILITIES		
	30/06/2025	31/12/2024
Accounts payable	2 012	984
Invoice to be received	747	911
Social debts	973	1 069
Tax debts	463	450
Credit, current account	9	9
Other debts	3	336
Related account	0	0
Unrealized positive translation differences	0	319
<b>By type</b>	<b>4 207</b>	<b>4 078</b>
	Less than 1 year	1 to 5 years
Accounts payable	2 012	
Invoice to be received	747	
Social debts	973	
Tax debts	463	
Credit, current account	9	
Other debts	3	
Related account	0	
Unrealized positive translation differences	0	
<b>By maturity</b>	<b>4 207</b>	

As of June 30, 2025, the increase in supplier debts is explained by significant product receipts during the month of June.

## Note 4. Notes to the income statement

### 4.1 Sales

The Spineway Group designs, manufactures and markets innovative surgical implants and ancillaries (instruments) for the treatment of severe pathologies.

Sales (K€)	30/06/2025		30/06/2024	
Sales of goods France	1 620	14%	1 660	16%
Sales of goods Export, of which :	3 953	33%	4 875	46%
ASIA	1 021	9%	878	8%
EUROPE	1 110	9%	1 412	13%
LATIN AMERICA	1 416	12%	2 330	22%
MEA	406	3%	255	2%
<b>Sales figures</b>	<b>5 573</b>	<b>100%</b>	<b>6 535</b>	<b>100%</b>

### 4.2 Other products

#### DETAILS OF OPERATING PRODUCTS

	30/06/2025	30/06/2024
Production in stock		
Fixed production	80	89
Capital gain on tangible assets		-9
Other operating incomes	30	0
Research tax credit	39	39
<b>Détails of operating products</b>	<b>158</b>	<b>128</b>

Other income mainly comprises the French company's research tax credit and innovation tax credit.

#### 4.3 Net financial expense

##### FINANCIAL RESULT

	30/06/2025	30/06/2024
Other debtors & MS revenues	26	0
Foreign exchange gains	11	1
Other financial income	0	-2
<b>Total des produits financiers</b>	<b>37</b>	<b>-1</b>
Financial interest & expenses	-67	-58
Discounts granted	1	
Foreign exchange losses	-1	-2
Financial interests and expenses	-41	-2 034
Financial assets provision allowance	-442	
Expenses and risks provision allowance	293	
Financial related account		0
<b>Total des charges financières</b>	<b>-256</b>	<b>-2 095</b>
<b>Financial result</b>	<b>-219</b>	<b>-2 096</b>

Net financial income includes interest on bank loans, provisions and reversals of provisions.  
At December 31, 2024, the financial result also includes financial charges for the "subscription discount" and the contractual compensation mechanism linked to the Negma contract.

#### 4.4 Non-recurring items

##### EXCEPTIONAL RESULT

	30/06/2025	30/06/2024
Previous years extraordinary income		-9
<b>Total des produits exceptionnels</b>		<b>-9</b>
Other extraordinary expenses		-279
Extraordinary charges and expenses provisions allo		-130
Intangible assets prov. allowance		0
Tangible assets Prov. allowance		-97
<b>Total des charges exceptionnelles</b>		<b>-506</b>
<b>Exceptional result</b>		<b>-506</b>

Non-recurring income and expenses include items that do not relate to the company's ordinary activities.

As of June 30, 2024, the exceptional result was partly made up of compensation linked to the austerity plan for €235,000.

The exceptional expenses also included exceptional consultancy and fee expenses of €115,000.



#### 4.5 Earnings per share

Earnings per share were determined with reference to OEC notice no. 27.

	30/06/2025	30/06/2024
Consolidated net income	-1416	-3 381
Group net income	-1416	-3 381
Nombre d'actions	35 544 391	3 463 477
Nombre moyen pondéré d'actions	33 955 172	278 817 404
Nombre de bons attribués non encore exercés	86 974	86 974
Nombre d'actions nouvelles pouvant être créées	6 850	6 850
<b>Résultat par action</b>	<b>-0,00004169 I</b>	<b>-0,00001213 I</b>
<b>Résultat dilué par action</b>	<b>-0,00004169 I</b>	<b>-0,00001213 I</b>

#### 4.6 Related party disclosures

Related parties with whom transactions are carried out include entities that directly or indirectly hold an interest in the Company.

All of these transactions have been identified and their impact on the Group's financial statements is as follows by nature and by related party:

##### SCI ALLPA

This SCI grants SPINEWAY a sublease for an annual rent of €192,000 excluding VAT.

#### 4.7 Executive compensation

This information is not disclosed as it would enable us to identify the situation of the managers.

#### 4.8 Average headcount

GROUP'S HEADCOUNT		
	30/06/2025	31/12/2024
Senior executive	36	38
Technicians and supervisors	4	5
Employees	3	6
Workers		
<b>Headcount</b>	<b>43</b>	<b>49</b>

#### 4.9 Financial commitments

OFF-BALANCE-SHEET COMMITMENTS		
	30/06/2025	31/12/2024
Guarantees given		
Cautions given	15	15
Counterparty given		
Guarantees received		
Securities received		
<b>Out of Balance Sheet Commitments</b>	<b>15</b>	<b>15</b>

Concerning commitments given :

The Group's pension obligations consist of retirement indemnities for employees of the French entity. Legislation provides for indemnities to be paid to employees on retirement, based on their length of service and salary at retirement age.

The 56K€ in commitments given relate to a current leasing contract.

Spine Innovations has pledged 15,000 euros as collateral for an independent first demand guarantee.

In addition, earn-outs are provided for as part of the Distimp acquisition, and depend on precise financial criteria (see 3.1).

Concerning commitments received :

Commitments received are nil at June 30<sup>th</sup>, 2025.