

**FINANCIAL STATEMENTS**

**Ended December 31<sup>st</sup>, 2020**

**SA SPINEWAY**

7 allée Moulin Berger

69130 Ecully

France

**NOTES ON THE FINANCIAL STATEMENTS**

**ASSETS**

Statement in euros		31/12/2020			31/12/2019
		Gross	Depreciation and provisions	Net	Net
<i>Subscribed capital uncalled (1)</i>					
FIXED ASSETS	<b>INTANGIBLE FIXED ASSETS</b>				
	Establishments costs				
	Research and development costs	122 916	113 801	9 116	23 566
	Concessions, patents, right and similar assets	151 540	129 000	22 540	35 568
	Goodwill (1)				
	Other intangible fixed assets	1 253 884	12 190	1 241 694	359 146
	Prepayments				
	<b>TANGIBLE FIXED ASSETS</b>				
	Land				
	Constructions	98 130	77 794	20 336	28 284
	Technical installations, machinery and equipments	5 295 765	4 804 761	491 003	817 749
	Other tangible fixed assets	397 088	385 949	11 139	24 364
	Tangible fixes assets in progress				
	Prepayments				
	<b>FINANCIAL FIXED ASSETS (2)</b>				
	Participating interests				
Portfolio long term investment securities					
Debts receivable related to participating interests	4 888 709	468 779	4 419 929	4 419 929	
Other long-term investment securities	3 250 210	3 248 699	1 511		
Loans					
Other financial fixed assets	234 030	142 401	91 629	94 788	
	<b>TOTAL</b>	<b>15 692 272</b>	<b>9 383 374</b>	<b>6 308 898</b>	<b>5 803 393</b>
CURRENT ASSETS	<b>STOCK AND WORK IN PROGRESS</b>				
	Raw materials and other consumables	44 704		44 704	53 392
	Work in progress (goods)				
	Work in progress (services)				
	Intermediate and finished products				
	Goods	2 751 743	884 462	1 867 281	2 258 315
	<b>Advances and prepayments on orders</b>				
	<b>RECEIVABLES (3)</b>				
	Trade receivable	1 322 704	241 172	1 081 531	1 272 004
	Other debts receivable	358 142		358 142	380 898
Subscribed capital - called but not paid					
<b>MARKETABLE SECURITIES</b>					
<b>CASH AND CASH EQUIVALENT</b>	4 838 512		4 838 512	2 530 070	
ACCOUNT ADJUSTEMENT	Deferred charges	107 640		107 640	125 853
	<b>TOTAL</b>	<b>9 423 443</b>	<b>1 125 634</b>	<b>8 297 810</b>	<b>6 620 533</b>
	Loans redemption premiums				
	Bond redemption premiums				
	Realisable exchange losses	297 404		297 404	- 155
<b>TOTAL ASSETS</b>		<b>25 413 119</b>	<b>10 509 008</b>	<b>14 904 112</b>	<b>12 423 771</b>

(1) Of which lease premium

(2) Of which due within one year

(3) Of which due after more than one year

**LIABILITIES**

Statement in euros		31/12/2020	31/12/2019
Shareholder's equity	Capital stock	463 276	4 545 711
	Premium on shares issued, mergers, contributions	10 029 831	8 229 831
	Revaluation reserve		
	<b>RESERVES</b>		
	Legal reserves	33 955	33 955
	Statutory or contractual reserves		
	Regulated reserves	13 064 950	1 996 761
	Other reserves		
	Retained earnings		- 5 247 525
	Accumulated profit / loss		
	<b>Net profit / loss</b>		
Investment grants	- 13 590 634	- 3 331 938	
Regulated provisions			
	<b>TOTAL EQUITIES</b>	<b>10 001 377</b>	<b>6 226 794</b>
Other Equities	Proceeds from issues of participating securities		
	Conditional advance	197 577	204 253
	<b>TOTAL OTHER EQUITIES</b>	<b>197 577</b>	<b>204 253</b>
Provisions	Provisions for liabilities	333 366	52 221
	Provisions for charges		
	<b>TOTAL PROVISIONS</b>	<b>333 366</b>	<b>52 221</b>
DEBTS PAYABLE	<b>FINANCIAL DEBTS</b>		
	Convertible bond loans		
	Other bond debts payable		2 009 500
	Loans and debts payable to credit institutions (2)	2 340 595	1 671 268
	Loans and sundry financial debts payable	359 396	740 570
	Payments on account received on orders in progress		
	<b>TRADE DEBTS PAYABLE</b>		
	Suppliers and related accounts	831 378	1 122 553
	Tax and social debts payable	823 524	384 276
	<b>MISCELLANEOUS DEBTS</b>		
	Creditors for fixed assets and related accounts	- 90	- 90
Other debts payable	10 542	2 375	
Deferred income (1)			
	<b>TOTAL DEBTS PAYABLE</b>	<b>4 370 744</b>	<b>5 930 452</b>
	Realisable exchange gains	1 048	10 050
	<b>TOTAL LIABILITIES</b>	<b>14 904 112</b>	<b>12 423 771</b>
	Net profits / loss (cents)	- 13 590 634	- 3 331 938
	(1) Of which due within one year	2 865 021	5 509 751
	(2) Of which current bank advances and credit balances towards banks	535 160	952 946

**INCOME STATEMENT ½**

Statement in euros

		31/12/2020	31/12/2019
<b>OPERATION INCOME</b>	Sales of goods	3 331 144	4 998 362
	Production sales (goods)		
	Production sales (services)	48 470	83 567
	<b>Net turnover income</b>	<b>3 379 615</b>	<b>5 081 929</b>
	Inventoried products		
	Production capitalized	902 297	358 296
	Operation grants		
	Provisions and depr written back and charges transferred	847 728	961 981
	Other income	1 053	930
<b>TOTAL OPERATING INCOME</b>		<b>5 130 693</b>	<b>6 403 136</b>
<b>OPERATING CHARGES</b>	Purchase of goods	625 837	1 096 261
	Change in inventory	444 300	385 203
	Purchase of raw material and other consumables	235 590	199 040
	Change in inventory	8 688	4 093
	Other purchases and external charges	2 090 390	2 076 427
	Taxes and similar payments	46 099	82 230
	Gross wages and perquisites	1 450 645	1 524 001
	Social charges	579 405	674 558
	on operating charges to allocate	1 250 972	1 744 631
	Other Charges	152 051	344 062
<b>TOTAL OPERATION CHARGES</b>		<b>6 883 978</b>	<b>8 122 321</b>
<b>OPERATIONG RESULT</b>		<b>- 1 753 285</b>	<b>- 1 719 185</b>

**INCOME STATEMENT 2/2**

Statement in euros

		31/12/2020	31/12/2019
<b>OPERATIONG RESULT</b>		- 1 697 531	- 1 719 185
<b>Opera- activities</b>	Allocated income or transferred loss		
	Appropriate loss or transferred income		
<b>Income financial</b>	From investments in affiliates (3)		
	Other short-term investments and titles (3)		
	Other interests and similar income (3)	52 489	29 525
	Provisions and depreciations written back and charges transferred	-	31 250
	Realized exchange gains	18 731	21 269
	Net income on realized short term investments		
<b>TOTAL FINANCIAL INCOME</b>		<b>71 220</b>	<b>82 043</b>
<b>Charges financial</b>	Provisions, depreciations, amortizations	297 625	4 909
	Interests and similar charges (4)	12 030 016	225 953
	Realized exchange losses	989	8 087
	Net charges on realized short term investments		
<b>TOTAL FINANCIAL CHARGES</b>		<b>12 328 630</b>	<b>238 949</b>
<b>FINANCIAL RESULT</b>		- 12 257 410	- 156 906
<b>CURRENT RESULT BEFORE TAXES</b>		- 14 010 695	- 1 876 090
<b>Income extraordinary</b>	Total of extraordinary income	257 592	33 328
	Total of extraordinary charges	69 151	1 699 538
<b>EXTRAORDINARY RESULT</b>		<b>188 441</b>	- 1 666 210
Employee participation			
Corporate income tax		- 231 620	- 210 362
<b>TOTAL INCOME</b>		<b>5 459 505</b>	<b>6 518 507</b>
<b>TOTAL CHARGES</b>		<b>19 050 139</b>	<b>9 850 445</b>
<b>NET PROFIT / LOSS</b>		- 13 590 634	- 3 331 938

## **Rules and accounting methods**

Company name: SPINEWAY SA

The financial statements for the period ended 12/31/2020 are characterized by a total net asset of 14 904 112 € and a net income profit before taxes of -13 590 634 €. The Board of Directors approved the accounts on January 25<sup>th</sup>, 2021.

These financial statements covered a 12-month period, beginning on the 01/01/2020 and ending on the 12/31/2020.

The following notes and tabs are an integral part of the financial statements.

This statement is available in both English and French. In case of discrepancy, the French version shall prevail.

### **General rules and principles**

The financial statements were prepared in accordance with French GAAP's framework as stated in the accounting standards legislation N°2014-03, N°2015-06 and N°2016-07 under the Authority of Accounting Standards (Autorité des Normes Comptables).

The accounting standards used are compliant with the prudence principle and have been based on the following assertions:

#### **- continuity of business activity:**

Spineway's business induces a significant need for working capital related to the collection delays of receivables, health facilities in France and distributors outside France, and a high level of inventory made necessary by the availability of implant ranges.

The 2021 continuity of business activity is based on:

- Assumptions of receipts related to the budget of turnover,
- The financing lines of the WCR given the banking pool. At the date of December 31<sup>st</sup>, 2020, 46% of the financing lines were renewed. A line of financial notes has been reduced for a total of 380 000 euros over the year. These financing lines will be renegotiated during the financial year 2021;
- The obtainment of loans guaranteed by the State (PGE) up to 1 270 000 euros;
- Funding guaranteed under the Negma contract (see note 1.2) dedicated to cash flow requirements linked to activity and organic growth which secure at least cash requirements for the coming year.

The company applies ANC regulation no. 2015-05 relating to forward financial instruments and hedging transactions.

#### **- continuity of accounting rules and principles:**

There have been no changes in accounting methods.

**- separation and independence of accounting periods:**

And in accordance with the GAAP regarding the elaboration and the presentation of annual financial statements. Assets and liabilities are recorded in compliance with the historical cost principle.

Only material information is reported in the notes to the financial statements. All amounts are reported in euros, unless otherwise specified.

**Intangible and intangible fixed assets**

Both tangible and intangible fixed assets are recorded at their purchase price when they are purchased, at their production cost when they are produced by the company, at their fair market value when they were given to the company.

The depreciations are calculated by the straight-line method for the duration of their expected useful life.

- \* Establishment fees : 5 years
- \* Concessions and similar rights, patents, licenses : 1 year
- \* Software : 1 to 3 years
- \* Other intangible assets : 10 years (patents)
- \* Equipment testing/controls : 1 to 2 years
- \* Industrial machinery and equipment : 3 years, including instrument kits provided to customers
- \* Other installations and equipment : 3 to 10 years
- \* Office equipment : 3 to 10 years
- \* IT equipment : 3 years
- \* Office furniture : 3 to 10 years

The depreciable life withheld for goods that are not decomposable is their expected useful life.

Accreditation fees are capitalized when they are related to current accreditation reports owned by a third party.

**Financial assets**

Financial assets are recorded at their purchase price.

Financial assets are impaired (where appropriate) through a provision for impairment to reflect their market value at the end of the period, when the latter is inferior to the net book value.

Concerning the calculation of the amount of depreciation of securities and receivables from the US subsidiary, the calculation method was that of DCF.

**Stocks**

The inventories are recorded at their purchase price.



The acquisition cost is made up of its purchase price, including custom duties and non-refundable taxes, as well as transport costs, handling costs and all direct set up costs, together with production costs of raw materials, merchandizes, work in progress and finished products costs. Commercial discounts, rebates, cash discounts and assimilated items are deducted from the purchase price.

The inventories are impaired (where appropriate) through an impairment provision to reflect their market value at the end of the period, when the latter is inferior to the net book value.

The inventories mainly consist of merchandize for sale; except a limited inventory of raw materials the company acquires for its subcontractors for regulation reasons.

### **Receivables**

Trade receivables are valued at their nominal value, less (where appropriate) an allowance to write them down to their estimated net realizable value.

Provisions for impairment on trade receivables are calculated on the following basis:

- Risks of litigation, insolvency or legal liquidation.
- Analysis per customer together with its country of implementation assessment

As of December 31, 2020, trade receivables represented 1 081 531 € for sales of goods essentially. The end users of the company's products are hospitals and clinics that have particularly long payment periods, especially in certain countries. This is the reason for the volume of clients' work in progress.

In 2020, the company classified the debt of one distributor as doubtful customer for 10 369 € and written off debts accrued the last previous years for a total of 146 067 euros. The total amount doubtful customers at December 31, 2020 amounted to 241 172 €, amount fully depreciated.

### **Debts**

The medium- and long-term debt bonds have a fixed interest rate and have been subscribed in euros, apart from one loan of 500K\$ which has been subscribed to capitalize the American subsidiary.

The MCNE (cross border claims mobilized) and BL (promissory notes) have both floating rates.

The details of short-term instruments used at the 12/31/2020 are as follows:

MCNE (cross border claims mobilized): 529 867 euros used on a total of 1 040 000 euros. The MCNE reach maturity upon payment of the invoice by the customer.

BF (promissory note): 350 000 euros used on a total of 350 000 euros.

The promissory notes are subscribed for 90 days. At the 12/31/2020, the taken promissory notes cover the period from 01/01/2021 to 03/31/2021 and will be renewed at maturity.

### **As a reminder**

On October 17<sup>th</sup>, 2019, Spineway signed a financing contract with Negma Group Ltd through the issuance of 16,000 warrants which give rise to the issuance of a maximum of 16,000 bonds convertible into new ordinary shares together

with warrants subscription of shares representing a bond loan with a maximum total nominal amount of 40 000 000 euros.

As of December 31<sup>st</sup>, 2020, Spineway has recorded 8 bank loans in progress.

In the context of COVID-19, the French company has subscribed to four State Guaranteed Loans for a total of € 1 270 000 over 12 months at a rate of 0% with its banks.

Given the continuing pandemic context and the latest government measures, the company has opted to defer the start of repayment of these loans to one year. Those State Guaranteed Loans are therefore more than a year away.

Regarding the 4 loans which cover 30% of the remaining amounts at the date of December 31<sup>st</sup>, 2020 under the borrowings contracted by Spineway, the covenants for example are:

- To allow controls on the accuracy of evidence provided on the basis of records or on the spot
- Obligation to furnish information:
  - Accounting records (annual accounts, interim financial statements ...)
  - Major changes in the financial situation (any event likely to affect significantly the volume of financial commitments, any decision of breaking away or non-renewal regarding short term bank borrowings, ...) or legal (change in social form, change of representative, collective proceeding, loss of half the corporate capital, merger, ...)
- To wholly archive the purpose of the loan and to inform the lender of any change which leads to modify the initial purpose of the funded and financed project.
- To supply all evidences related to the purpose of the loan and the amount of the expenditure.

Regarding the borrowing contracted in dollars:

- To bear the exchange risk rate and establish the required reporting requested by the regulation of foreign exchange.

At December 31<sup>st</sup>, 2020, Spineway anticipates no non-compliance of these covenants.

The two main loans contracted by Spineway were taken out by BPI for a global amount of 1 000 K€.

BPI Prêt Innovation contract subscribed on December 12<sup>th</sup>, 2014 :

Initial amount borrowed : 400 K€

Rate : 4,12% (fixed)

Length : 7 years

Initial deadline : 31/12/2021. Awaiting new timeline

Deadline : trimestral

Conditions of repayment : 8 trimesters of amortization deferred followed by 20 quarterly instalments (capital amortization + interests)

Purpose of the loan : reinforcement of the financial structure

Commitment of Spineway :

- To issue a capital increase of the minimum 1 240 K€ (realized on July 16th 2014)
- To allow controls

BPI Prêt Innovation contract subscribed on October 14<sup>th</sup>, 2014 :

Initial amount borrowed : 600 K€

Rate : 3,15% (fixed)

Length : 6 years and 9 months

Deadline : trimestral

Conditions of repayment : 7 trimesters of amortization deferred followed by 20 quarterly instalments (capital amortization + interests)

Purpose of the loan : the funding of immaterial expenditures linked to the industrial and commercial launch of the innovation

Commitment of Spineway :

- To subscribe to a death and invalidity Group insurance contract for Mr. Le Roux and Mr. Laurito. Amount insured : 300 K€ each. (These contracts have been subscribed).
- To allow controls

At December 31<sup>st</sup>, 2020 the total outstanding regarding those two loans amounts is 270 K€ on a total of 1 804 K€ of loans.

The company mobilizes cross border claims, these claims are not subject to any deconsolidation as the Group keeps the risk of non-payment linked to those claims.

The Coface guarantee is a subvention received for prospecting expenses incurred on geographical areas where the company had no turnover, which are some European and some Asian countries.

This subvention will be reimbursed on the basis of a commission calculated on 7% of the realized turnover made by the company in these countries, the reimbursement will occur from October 1st 2017.

The total amount of subvention received since 2015 reaches 267K€.

The company has reimbursed 23 K€ in 2018, 44K€ in 2019 and 7 K€ at December 31<sup>st</sup>, 2020.

### **Extraordinary income and expenses**

Extraordinary income and expenses are related to transactions and events with no direct relation with the activity of the company.

### **Foreign currency transactions**

Foreign currency transactions are converted at the day exchange rate or the hedge exchange rate (where appropriate). Related hedging fees are included in the purchase price.

Foreign currency debts, receivables and available resources are stated on the balance sheet for their counter value at the end of the period. The occurring spread is stated as an exchange rate difference on the balance sheet.

The net amount of unrealized exchange loss is booked under a provision for contingent liabilities in compliancy with regulation.

**Pension liability**

The retirement benefit is made up of the termination benefits of the employees, legislation requires that lump sum retirement indemnities be paid employees based upon their years of service and their salary at the time of their retirement.

The calculating assumptions are based on the number of years of service and the salary at the time of the retirement date of the employee.

The main assumptions used for the calculation of the pension liability are :

- the discount rate : 0,5% at December 31<sup>st</sup> 2020 (versus 1 % at the December 31<sup>st</sup> 2019)
- the mortal rate TG05
- moderate staff turnover

	December 31, 2019	December 31, 2020
Retirement age	62 years	62 years
Discount rate	1%	0,5%
Wages growth rate	1%	0%
Rate of social security	45% (C), 31% (NC)	44% (C), 22% (E), 35% (other)
Mortality table	TV 88-90	TG05

The Group does not expect any significant change in its pension commitments over the next few years.

**Research and development costs**

The costs are capitalized only if the projects initiated meet the following criteria:

- The project or process is clearly defined and the related costs are measured reliably and clearly identified,
- Technical feasibility is demonstrated
- The product or process has a serious chance of being marketed or used internally,
- The assets generate future economic benefits,
- Adequate technical and financial resources and other resources necessary for the completion of the project are available.

The company, since the second semester of 2019, has fulfilled all the criteria for activating development projects.

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

Development expenses include direct and indirect costs incurred on projects and in particular the salaries of researchers, engineers and technicians as well as subcontracting costs incurred for development activities.

The development effort gives rise in the second half to the recognition of capitalized production of development costs in the Intangible assets in progress account for an amount of 902 297 € for 2020 and 358 296 euros for the second semester of 2019.

When the costs are activated, they will be amortized on a straight-line basis.

When there is an indication of impairment, and at each year-end, the development projects entered on the assets side of the balance sheet are analyzed to ensure that each project still meets the criteria activation. Where applicable, impairment is recognized.

It should be noted that, in accordance with French rules in this area, the existence of assets in the balance sheet of development costs not yet amortized and greater than the amount of free reserves is an obstacle to distribution.

## **Revenue**

For direct sales to hospitals (mainly domestic, France), the gross revenue is booked as of the transfer of propriety on the merchandize to the customer. In most cases, the customer, hospital or clinic, informs the company of the references used in the provided stock (by loan or consignment) to the customer. Following which, an invoice is issued for the used merchandize. The revenue is realized at the moment the invoice is issued.

For sales towards abroad distributors, the bookkeeping is compliant with INCOTERM regulations. Where appropriate, an adjustment is calculated, in order to factor in the specific conditions regarding the transfer of propriety stated in the orders or agreements. The main INCOTERM used is EXW (Ex WORKS).

The revenue is made up of the invoicing after deduction of discounts and rebates. Transport fees are charged back and are also included in the revenue.

Finally, the revenue also includes income from charged backed expenses directly related to operating expenses such as congress or conference fees when paid by the company for its distributors or services realized for the company SPW Inc. These are charged back to them.

## **Significant events of the period**

- Turnover

The Group generated a total revenue of 3 380K euros on 2020 versus 5 081K euros on 2019.

The company showed a sharp increase in sales for the month of December 2020 (+30% compared with December 2019), allowing it to post revenue of €1 068K for the fourth quarter, up 21% compared with the third quarter of 2020. This positive dynamism brought the Group's annual revenue to €3 380K and decreased the gap with 2019 (-33%) for a year that was deeply affected by the COVID crisis.

Sales in Latin America, an area particularly hard-hit by the health crisis, continued to be impacted by the restrictions in place due to the pandemic and the poor performances of Colombia, Mexico and especially Peru, whose planned growth in 2020 is now expected for 2021. Nevertheless, the main client in the area (Brazil) managed to maintain his activity level and remained remarkably stable (drop in activity limited to 1% compared with 2019). Moreover, activity for the area as a whole improved during the fourth quarter compared with the two previous quarters and posted a measured decline of 23% compared with 2019. Annual revenue for Latin America thus amounted to €1 494K at the end of 2020 (-42%) and represents 44% of the total revenue.

Asia, however, showed very strong growth in 2020 (+167% compared with 2019) thanks to the implementation of the contract with Japan as from the third quarter of 2020 in the midst of the COVID crisis. Another positive is the solid performance of Thailand, a longstanding client on a territory less affected by the virus. This growth allowed Asia to post overall revenue of €841K for 2020 (+19%) and its contribution to the Group's revenue increased to 25%

(compared with 14% the previous year) thanks to the fourth quarter, which was up 71% compared with the fourth quarter of 2019.

Middle East/Africa had mixed performances from the different countries and posted a limited decrease of 31% for 2020, with close to €300K.

Activity in Europe remains limited and amounted to almost €700K for 2020 (-39% compared with 2019). The upturn in France noted during the third quarter decelerated due to market conditions and did not last through the end of the year. Likewise, sales in Lithuania and Italy slowed due, in part, to the halting of non-urgent surgeries in these countries.

The gradual return to activity from one quarter to the next, the increased sales in Asia and the new prospects in Latin America due to the delay for certain markets should allow the Group to return to normal activity gradually. Boosted by the dynamism of the year's end, Spineway will continue its sales efforts on its existing territories and remain on the lookout for any and all opportunities for developments in new strategic territories and for external growth that would create value.

- Continuation of the financing contract with NEGMA GROUP LTD by issuing OCA with attached BSA

This financing plan was approved in October 2019 for a total potential amount of 40 million euros corresponding to 16 000 warrants by June 2022.

The purpose of this contract is to finance capital merger projects and support its strategy, but also to support cash flow requirements related to current activity, particularly in connection with the current pandemic.

To date Spineway has launched three subscription phases:

- 1<sup>st</sup> phase: December 2019 – March 2020 for a total amount of 5,250 M€

. Commitment fees for a total amount of 1,450 M€ on December 24<sup>th</sup>, 2019 corresponding to 580 warrants;

. 1<sup>st</sup> subscription tranche on December 24<sup>th</sup>, 2019 for 800 Tranche Warrants granting rights to 800 Convertible Bonds with a par value of 2,500 euros, i.e a total amount fully converted and contributed in cash for 2 000 000 euros;

. the second subscription tranche took place on March 31<sup>st</sup>, 2020 for 720 Tranche Warrants granting rights to 720 Convertible Bonds with a par value of 2,500 euros, i.e a total amount fully converted for 1 800 000 euros and contributed in cash up to 300 000 euros. The delta corresponding to the compensation regulations under the application of contractual clauses when the nominal value of the shares is lower than the market price.

- 2<sup>nd</sup> phase: April 2020 – September 2020 for a total amount of 6 M€

. The 1<sup>st</sup> subscription tranche took place on April 16<sup>th</sup>, 2020 for 1 120 issue warrants giving the right to 1 120 convertible bonds with a nominal value of 2 500 euros, i.e. a total converted amount of 2 800 000 euros, solely as compensation.

. The 2<sup>nd</sup> subscription tranche took place on May 22<sup>nd</sup>, 2020 for 300 issue warrants giving the right to 300 convertible bonds with a nominal value of 2 500 euros, i.e. a total amount fully converted in the subsequent period of 750 000 euros and fully contributed in cash.

. The 3<sup>rd</sup> tranche took place on September 10<sup>th</sup> for 800 warrants giving the right to 800 convertible bonds with a nominal value of 2 500 euros, for a total amount of 2 000 000 euros in bond loans, including 1 313 000 euros in cash.

. The 4<sup>th</sup> tranche took place on November 14<sup>th</sup> for 400 warrants giving the right to 400 convertible bonds with a nominal value of 2 500 euros resulting in 900 000 euros of share premium, for a total amount of 1 000 000 euros in bond loans, total amount fully converted and fully contributed in cash.

- 3<sup>rd</sup> phase: December 2020 – March 2021 for a total amount of 6 M€

. The 4<sup>th</sup> tranche took place on December 22<sup>nd</sup> for 400 warrants giving the right to 400 convertible bonds with a nominal value of 2 500 euros resulting in 900 000 euros of share premium, for a total amount of 1 000 000 euros in bond loans, total amount fully converted and fully contributed in cash.

The total amount of financial charges under the contractual compensation mechanism amounts to 11 977 792 euros for 2020. These financial charges did not generate any cash outflow but are the consideration for issuance of warrants and increase in capital following revaluation of receivables. In fact, the compensations can be cleared either by issuing new warrants, by increasing the capital, or by paying in cash; this last solution having been excluded by the company.

The amount of compensation breaks down as follows:

- 1 450 000 euros in commitment fees
- 6 646 024 euros in compensation
- 2 905 559 euros of revaluation of the receivable related to the capital increase of May 19<sup>th</sup>, 2020
- 976 208 euros of revaluation of the receivable related to the capital increase of September 10<sup>th</sup>, 2020

- Participation IMS

On May 6, 2019, Spineway took a stake in the capital of INTEGRAL MEDICAL SOLUTIONS (IMS), the leading holding company of a group of companies in the health sector heavily invested in the management of hospitals in Latin America and in Africa.

Difficulties in implementing the operational side led the company to negotiate the outcome of this participation with IMS.

Legal proceeding has been initiated in front of the arbitral tribunal. Note that no factual element has been provided by IMS since the submission of the request for arbitration at the beginning of August 2020. SPINEWAY therefore remains the owner of the titles.

To date, there is no indication of loss in value of IMS securities.

- Tax audit

The company was the subject of a tax audit in 2014, after which the administration sent a formal notice to Spineway for 191 K€.

The first judgment in the administrative court was unfavorable to the group, the company settled the total amount requested by the administration in July 2018. The company appealed the judgment.

The Lyon administrative court of appeal by judgment dated June 4<sup>th</sup>, 2020 quashed the judgment of the administrative court. Thus, the financial statements for the first half of 2020 take into account an exceptional income from previous years of € 199K, amount received in September 2020.

- Inventory depreciation

The company reviewed and readjusted its inventory values as of December 31<sup>st</sup>, 2020 (the end of expiration of certain batches of products) and in particular:

- 100% depreciation of expired, obsolete, discarded products, unusable products (CE marking 0434) and whose expiration is less than 1 year
- 50% depreciation of lapses between 1 and 2 years
- Depreciation between 95% and 100% of slow-moving stocks
- 91% depreciation of single products.

For 2020, the amount of depreciation for inventories amounted to 884 K€.

- Depreciation on US subsidiary

As of December 31, 2020, the US subsidiary, Spineway USA Inc, reached a turnover of 54K USD. The result is a loss of 531K USD. The company has not yet concluded significant new contracts with a distributor following the judicial liquidation of its main customer in 2018 and the necessary restructuring of its subsidiary.

In view of this, the company has written off all trade receivables for an amount of 1 605 000 euros and the current account of the subsidiary Spineway Inc for an amount of 1 645 000 euros as at December 31<sup>st</sup> 2020 as receivables related to equity interests, i.e a total depreciation of 3 249K euros, including 48K euros for 2020.

- Impact of Covid-19 on the main aggregates

Since a few weeks, the Coronavirus epidemic has affected many countries. France is concerned via the containment measures taken since mid-March, but also the US subsidiary and more generally most of the countries in which the Spineway group operates. This worldwide crisis is unprecedented. The extent and exact nature of its consequences remain unclear today.

The impact of the drop-in turnover, amplified by an export presence in countries which are very heavily affected, is slightly attenuated in terms of results by cost savings, particularly in connection with:

- The elimination of trade fairs and conferences as well as travel for salespeople and surgeons;
- The implementation from March 2020 of partial activity and load deferrals for a total of 399K euros on 2020;
- The implementation of sanitary protocols at group level has generated specific expenses, such as those essential for securing sites and employees: revised signage, purchase of gel, purchase of masks and purchase of disinfectant in particular. These remain however limited.

Nevertheless, the Spineway teams are fully mobilized to ensure business continuity, they adjust action plans in real time so that they were prepared for the recovery on the third trimester in order to minimize the impact of this health crisis.



Thus, as part of the government measures intended to support businesses, Spineway obtained the agreement of its banks for the granting of a State Guaranteed Loan in the amount of 1 270 000 euros, i.e. the maximum that can be granted. This loan thus strengthens the Group's cash flow and allows it to maintain its activities until the resumption of surgeries in all of its areas of operation.

In view of the drop-in turnover, the company continued its actions to rationalize inventories and seek to improve working capital.

Various potential additional impacts could affect the group in the medium term, including:

- Solvency problems of some of our customers or at least an increase in payment terms, problems not encountered in 2020;
- Generally speaking, a decrease or delay in expected turnover compared to the 2020-2021 organic growth plan;
- Delays and difficulties in collecting clinical and regulatory data.

The continuity of operation is therefore not a question, on the basis of the elements known to date, in any way. In particular, the group can rely on its Negma funding. Spineway also studies each way to optimize short-term cash flow requirements according to government decrees and measures published over time.

In addition, the group, concerned about the health of employees, subcontractors and suppliers, had implemented new procedures and developed home office work as much as possible during the confinement period and remains flexible depending on the evolution of the situation.

The main uncertainty in all the geographical areas where the group operates remains the risk of getting a second epidemic wave. Today, the group remains very strict in respecting the health protocol, in particular the wearing of a compulsory mask except for difficult and isolated workstations and / or when wearing a mask is inoperative.

The second uncertainty or opportunity for the Group, linked to the misdeeds of Covid-19 is the evolution of policies between States and the impact on world trade.

Finally, global macroeconomic uncertainty remains the impossibility and difficulty of properly targeting the level of resumption of activity in the coming months. We must at the same time be cautious and anticipate a more or less lasting prolongation of the market disruption, while being ready to face a brutal and violent recovery which cannot be ruled out.

### **Significant post balance-sheet events**

A second tranche of subscription took place on January 4<sup>th</sup> for 400 warrants giving the right to 400 convertible bonds with a nominal value of 2 500 euros resulting in 900 000 euros of share premium, for a total amount of 1 000 000 euros in bond loans, total amount fully converted and fully contributed in cash.

On January 6<sup>th</sup>, 2021, an amendment was signed concerning the contract with Negma. This amendment grants a retrocession of 34,113,815 BSA to Spineway and a modification of the coverage of the BSA which increases to 20% (versus 30% previously).

A third tranche of subscription took place on January 19<sup>th</sup> for 600 warrants giving the right to 600 convertible bonds with a nominal value of 2 500 euros, for a total amount of 1 500 000 euros in bond loans, total amount fully converted and fully contributed in cash. This should result in 1 350 000 euros of share premium.

Following the Board of Directors meeting of January 25<sup>th</sup>, 2021, the company decided to set up a plan for the allocation of free shares.

## Fixed assets

Statement in euros		Assets Value Opening	Financial year fixed assets movements				Assets Values Closing 31/12/2020
			Increase		Decrease		
			Re-evaluations	Additions	Reclassifications	Disposals	
Intangible assets	Establishment fees	122 916					122 916
	Other intangible fixed assets	522 336		883 088			1 405 424
	<b>Total Intangible fixed assets</b>	<b>645 252</b>		<b>883 088</b>	<b>0</b>	<b>0</b>	<b>1 528 340</b>
Tangible assets	Land						
	Buildings - owned land / installations						
	Technical installations, machinery and equipment						
	Other installations and equipment	97 022		1 108			98 130
	Transport equipment	5 067 948		227 817			5 295 765
	Office equipment	131 047					131 047
	Returnable containers and other packaging						
	Construction work in progress	263 360		2 681			266 041
	Advance payments						
<b>Total tangible assets</b>	<b>5 559 377</b>		<b>231 606</b>		<b>0</b>	<b>5 790 983</b>	
Financial assets	Investments in associates (equity method)						
	Other affiliated investments	8 089 303		645 676		596 061	8 138 919
	Other investments						
	Loans and other financial assets	236 968		424		3 363	234 030
<b>Total financial assets</b>	<b>8 326 271</b>		<b>646 100</b>		<b>599 423</b>	<b>8 372 948</b>	
<b>Total</b>	<b>14 530 900</b>		<b>1 760 794</b>		<b>599 423</b>	<b>15 692 272</b>	

### Intangible assets

Following is the breakdown of the intangible assets:

- Patents acquired for a total of 12 500 €
- Accreditations acquired for 122 916 €
- Software for 42 966 €
- Operating software for 108 574 €
- Intangible assets in progress for a total of 1 241 384 €.

Intangible assets in progress correspond to R&D costs capitalized during the year.

**Tangible assets**

At December 31<sup>st</sup>, 2020, the company capitalized 231 606 € of tangible assets, including 227 817 € of technical installations, machinery and equipment.

The breakdown is as follows:

- 166 385 € as instrument kits, provided to customers
- 61 432 € as equipment for testing/controls

The maintenance and reparation costs are booked as expenses on the period.

**Financial assets**

At December 31<sup>st</sup>, 2020, the financial assets were written down for 48 325 € :

- \* 48 104 € concerning investments in affiliates and assimilated accounts (US subsidiary)
- \* 221 € concerning other financial assets (loss on self-owned shares)

The impairment is distributed as follows:

- \* 48 104 € in exceptional
- \* 221 € in financial

## Depreciation

Depreciation Opening	Financial year depreciation movements		Depreciation Closing 31/12/2020
	Increase	Decrease	

Statement in euros

INTANGIBLE ASSETS		Depreciation Opening	Financial year depreciation movements		Depreciation Closing 31/12/2020
			Increase	Decrease	
	Establishment costs	99 351	14 450		113 801
	Other intangible assets	127 622	13 568		141 190
	<b>TOTAL INTANGIBLE ASSETS</b>	<b>226 973</b>	<b>28 018</b>		<b>254 991</b>
TANGIBLE ASSETS	Land				
	Building - owned land				
	.Leasehold land				
	Installations	68 742	9 052		77 794
	Technical installations, machinery and equipment	4 250 199	561 603	7 041	4 804 761
	Other installations and equipment	121 491	7 186		128 676
	Transport equipment				
	Office equipment	248 549	8 724		257 272
	Returnable containers and packaging				
	<b>TOTAL TANGIBLE ASSETS</b>	<b>4 688 980</b>	<b>586 567</b>	<b>7 041</b>	<b>5 268 504</b>
	<b>TOTAL</b>	<b>4 915 953</b>	<b>614 583</b>	<b>7 041</b>	<b>5 523 495</b>

	Movement distribution for degressive depreciation scheme						Net Variations
	Increase			Decrease			
	Differential time and other	Degressif method	Fiscal de p. Extraordinary	Differential time and other	Degressif method	Fiscal de p. Extraordinary	
Establishment cost							
Otehr intangible assets							
<b>TOTAL INTANGIBLE ASSESTS</b>							
Land							
Building - owned land							
Leasehold land							
Installations							
Technical installations, machinery and equipment							
Other installations and equipment							
Transport equipment							
Office equipment							
Returnable containers and packaging							
<b>TOTAL TANGIBLE ASSETS</b>							
Cost of investment in affiliates							
<b>TOTAL</b>							
<b>TOTAL UNDISTRIBUTED MOVEMENTS</b>							

At December 31<sup>st</sup>, 2020, the company booked an amortization expense of 614 583 € regarding technical installations, machinery and equipment:

- \* 3 460 € for industrial machinery
- \* 554 743 € for industrial equipment, including:
  - 511 581 € for instrument kits
  - 39 522 € for equipment testing/controls

### Financial assets situation

The financial assets are not subject to amortizations.

An allowance on self-owned shares has been booked for 141 976 €, based on the market value at the 31<sup>st</sup> of December 2020.

## Receivables and Debts

### Receivables

Statement in euros		31/12/2020	Due under 1 year	Due over 1 year
<b>RECEIVABLE</b>	Receivables from affiliates	3 250 210		3 250 210
	Loans (1) (2)			
	Other financial assets	234 030		234 030
	Doubtful or disputed trade receivables	241 172	241 172	
	Other trade receivables	1 081 531	1 081 531	
	Receivables on securities lent			
	Employees and other assimilated accounts	8 925	8 925	
	Social institutions and social security contributions			
	Income tax	231 620	231 620	
	Value added tax	91 636	91 636	
	Other tax receivables			
	Miscellaneous receivables	1 333	1 333	
	Affiliates and shareholders (2)			
	Other receivable	24 628	24 628	
	Prepaid expenses	107 640	107 640	
<b>TOTAL RECEIVABLES</b>	<b>5 272 724</b>	<b>1 788 485</b>	<b>3 484 240</b>	
(1) Loans granted during period				
(1) Loans paid period				
(2) Loans granted to shareholders (persons)				

### Debts

		31/12/2020	Due under 1 year	1 to 5 years	Due over 5 years
<b>DEBTS</b>	Loans to credit institutions - 1 year max from origin (1)	535 160	535 160		
	Loans to credit institutions - over 1 year from origin (1)	1 805 434	299 711	1 505 723	
	Other loans and financial debts (1) (2)	350 000	350 000		
	Trade payables and other assimilated accounts	836 778	836 778		
	Employees and other assimilated account	259 788	259 788		
	Social institutions and social security contributions	543 187	543 184		
	Other tax payables	20 549	20 549		
	Debts on assets and assimilated accounts	-90	-90		
	Affiliates and shareholders (2)	9 396	9 396		
	Other liabilities	10 542	10 542		
	Debts on securities lent				
	Unearned revenue				
	<b>TOTAL DEBITS</b>	<b>4 370 744</b>	<b>2 865 021</b>	<b>1 505 723</b>	
(1) Loans contracted during period		1 270 000			
(1) Loans reimbursed during period		184 760			
(2) Loans contracted toward shareholders (persons)		9 396			

## Accrued income

Statement in euros		31/12/2020
<b>Total accrued income</b>		<b>19 654</b>
<b>Other account receivables</b>		<b>19 654</b>
<i>Outstanding debits</i>	15 611	
<i>Part-time work State agreement</i>	2 710	
<i>State - Accrued revenue</i>	1 333	



## Provisions

Statement in euros		Opening	Increase	Decrease		31/12/2020	
				Used	Not used		
<b>REGULATED PROVISIONS</b>	Reconstituion of mines and oil fields						
	Provisions for invesments						
	Provisions for price increases						
	Provisions for capital cost allowance						
	Provisions allowance for start-up loans						
	Other Provisions						
<b>REGULATED PROVISIONS</b>							
<b>PROVISIONS FOR CONTINGENT LIABILITIES</b>	Litigation	15 000		15 000			
	Warranties						
	Futures market loss						
	Penalties and fines		297 404			297 404	
	Exchange loss						
	Pensions and assimilated obligations						
	Tax related						
	Investment renewal						
	Provisions for repairs and maintenance						
	Pay roll taxes						
	Other Provisions	37 221	35 961	37 221		35 961	
<b>PROVISION FOR RISKS AND CHARGE</b>		<b>52 221</b>	<b>333 366</b>	<b>52 221</b>		<b>333 366</b>	
<b>PROVISIONS FOR DEPRECIATION</b>	Fixed assets <ul style="list-style-type: none"> <li>Intangible</li> <li>Tangibe</li> <li>Investments in associates (equity method)</li> <li>Investments in associates</li> <li>Other financial assets</li> </ul>	3 669 374	48 104			3 717 478	
			142 180	221			142 401
		Inventory and works in progress	937 728	568 850	622 117		884 462
		Trade receivables	376 870	31 578	167 276		241 172
	Other provisions						
	<b>PROVISIONS FOR IMPAIRMENT</b>		<b>5 126 153</b>	<b>648 753</b>	<b>789 393</b>		<b>4 985 513</b>
	<b>TOTAL</b>		<b>5 178 374</b>	<b>982 118</b>	<b>841 614</b>		<b>5 318 878</b>

Increases and reversals	Operating	636 389	826 614	
	Financial	297 625		
	Extraordinary	48 104	15 000	

Investments in associates (equity method) : the depreciation amount at year end is calculated in compliance with the rules under article 39-1.5e C.G.I

**Accrued debts**

Statement in euros

31/12/2020

<b>Total accrued debts</b>		<b>741 092</b>
Loans and other debts to credit institutions		<b>7 165</b>
Accrued interest from credit institutions	1 872	
Accrued interest payable	5 293	
<b>Trade payable and other assimilated accounts</b>		<b>357 891</b>
Suppliers - Invoices outstanding	357 891	
<b>Social and fiscal debts</b>		<b>376 036</b>
Accrued charges payable for holiday pay	105 959	
Other accrued charges payable	153 828	
Contributions for holiday pay	43 038	
Other accrued charges payable	60 471	
State - Accrued charges payable	12 741	

## Items – affiliated companies and Investments in associates

Statement in Euros	31/12/2020	Affiliated companies	Companies with shared interest
<b>Fixed assets</b>			
Advance payments on assets			
Investments in affiliates		468 779	4 419 929
Receivable from affiliates		3 250 210	
Loans and other financial assets			
<b>Current assets</b>			
Advance payments given			
Trade receivables and assimilated account			
Other receivable			
subscribed shares called, unpaid			
<b>Liabilities</b>			
Convertible bonds			
Other bonded debts			
Loans and debts to credit institutions			
Other loan and financial debts			
Advance payments received			
Trade payables and assimilated accounts			
Debts and assets and assimilated accounts			
Other debts			
<b>Financial revenue</b>			
Investment in affiliates revenue			
Other financial revenue			
<b>Financial expenses</b>			
Financial expenses			
<b>Miscellaneous</b>			

The company Spineway Inc., a wholly owned subsidiary by Spineway and 5% of IMS.

## Prepaid expenses

Statement in euros	Period	Amount	31/12/2020
<b>Prepaid expenses - OPERATING</b>			<b>107 640</b>
Building rental		39 500	
Matériel rental		5 890	
Homologations		10 746	
Insurance		6 886	
Professional fees		15 000	
Fairs and Exhibitions		7 600	
Other		22 018	
<b>Prepaid expenses - FINANCIAL</b>			
<b>Prepaid expenses - EXTRAORDINARY</b>			
<b>TOTAL</b>			<b>107 640</b>

## **Financial commitments**

Overdrafts not used at 31 12 2020 : 80 K euros

### **Financial commitments given :**

The supported retirement commitment is constituted by the retirement indemnities (IFC) of the staff of the French entity, the legislation providing that indemnities are paid to employees at the time of their retirement, according to their seniority and of their salary at retirement age.

The 985 K€ of surety on inventory are hold by banks against short term promissory notes (3 months renewable).

The 560 K€ of surety on business are granted against the 500K\$ loan taken out with Crédit Agricole.

### **Financial commitments received :**

The 80 K€ represent the total of the bank overdrafts authorized by Spineway banking partners.

## Share capital

Statement in euros		31/12/2020	Number	Par value	Amount
shares	Shares outstanding at the beginning of the year		454 571 079	0,0100	4 545 710,79
	Bonds conversions		805 000 000	0,0100	8 050 000,00
	Capital increase		456 521 700	0,0100	4 565 217,00
	Reduction of capital - decrease of the nominal value			-0,0070	-12 012 649,45
	Bonds conversions		916 666 666	0,0030	2 750 000,00
	Reduction of capital - decrease of the nominal value			-0,00290	-7 635 002,40
	Bonds conversions		2 000 000 000	0,0001	200 000,00
	<b>Shares outstanding at the end of the year</b>		<b>4 632 759 445</b>	<b>0,0001</b>	<b>463 275,94</b>

### Operations on capital

The conversion of convertible or exchangeable bonds into new or existing ordinary shares over the period from January to April 2020 resulted in a capital increase of 8 500 000 euros through the creation of 805 000 000 shares of 0.010 euros each.

By decisions dated May 19<sup>th</sup>, 2020, the Chairman and Chief Executive Officer, making use of the powers sub-delegated to him by the Board of Directors on October 3<sup>rd</sup>, 2019, noted a capital increase of 4 565 217 euros through the creation of 456 521 700 new shares with a par value of 0.01 euro each.

By deliberations of the Combined General Meeting of May 26<sup>th</sup>, 2020, the share capital was reduced by 12 012 649.45 euros, to reduce it from 17 160 927.79 euros to 5 148 278.24 euros, by reducing the par value of the shares of 0.01 euro to 0.003 euro.

The conversion of convertible or exchangeable bonds into new or existing ordinary shares over the period from May to mid-September 2020 resulted in a capital increase of 2 750 000 euros through the creation of 916 666 666 shares of 0.003 euros each.

By deliberations of the Combined General Meeting of September 16<sup>th</sup>, 2020, the share capital was reduced by 7 635 002,40 euros, to reduce it from 7 898 278,34 euros to 263 275,94 euros, by reducing the par value of the shares of 0.003 euro to 0.0001 euro.

The conversion of convertible or exchangeable bonds into new or existing ordinary shares over the period from mid-September to end of December 2020 resulted in a capital increase of 2 000 000 euros through the creation of 20 000 000 343 shares of 0.0001 euros each and a share premium of 1 800 000 euros.

The capital at December 31<sup>st</sup>, 2020 was made up of 4 632 759 445 shares of 0.0001 euro each.

## Changes in equity

Statement in euros	Equity capital closing 31/12/2019	Last year's income appropriation (1)	Retroactive contributions	Changes During period (2)	Equity capital closing 31/12/2020
Share Capital	4 545 711			-4 082 435	463 276
Premiums, share premiums	8 229 831			1 800 000	10 029 831
Goodwill					
Legal reserve	33 955				33 955
Statutory reserves					
Regulated reserves	1 996 761			11 068 189	13 064 950
Other reserves					
Unappropriated retained earnings	-5 247 525	-3 331 938		8 579 463	0
Income summary	-3 331 938	3 331 938		-13 590 634	-13 590 634
Investment grants					
Régulated provisions					
<b>Total</b>	<b>6 226 794</b>			<b>3 774 583</b>	<b>10 001 377</b>

Date of annual general meeting : 25/01/2021

Distributed dividends

Including dividends of last year's income

Opening share capital after last year's income appropriation	6 226 794
Opening share capital after retroactive contributions	6 226 794
Including change from structural modifications	14 033 279
Changes in equity during period excluding structural modifications	(10 258 696)

### Self-owned shares

At the 31<sup>st</sup> of December 2020, Spineway holds 705 496 self-owned shares for a total of 144 050 euros. During the period, 7 297 732 shares were bought, and 6 887 597 shares were sold.

The self-owned shares represent 0,003% of the total shares.

The proportion of net income allocated to these self-owned shares during the period is a loss on sold short term investments for 1 439 euros and a reversal of a provision for realized loss on self-owned shares for 126 euros.

## Cash flow statement

Statement in K euros

	12/31/2019	12/31/2020
<b><u>Operating activities</u></b>		
Self financing cash flow	-1 297	-685
Change in working capital requirements	1 002	485
<b><u>Operating activities cash flow (A)</u></b>	<b>-294</b>	<b>-200</b>
<b><u>Investing activities</u></b>		
Tangible and intangible asset expenditures	-759	-1 115
Tangible and intangible asset disposals	22	0
Financial asset expenditures	-5 354	-50
Financial asset disposals	0	2
<b><u>Investing activities cash flow (B)</u></b>	<b>-6 091</b>	<b>-1 163</b>
<b><u>Financing activities</u></b>		
Share capital increase	10 460	3 387
Net change in new bond issues	8 450	5 387
<i>Including collection of new bond loans</i>	<i>9 139</i>	<i>11 350</i>
<i>Including new bond loans integrated into capital</i>	<i>-7 129</i>	<i>-13 350</i>
Treasury instruments (MCNE & promissory notes)	-1 086	-800
Variation in bank loans	-126	
Other reimbursements	-415	1082
<i>New banking loans</i>	<i>0</i>	<i>1270</i>
<i>Repayment of loans from banking institutions</i>	<i>-293</i>	<i>-183</i>
<i>Advances reimbursed to COFACE</i>	<i>0</i>	<i>-7</i>
<i>Repayment of other advances</i>	<i>-122</i>	<i>2</i>
Increase (Decrease) in FEDER repayable advances	0	0
Refund of current accounts	0	0
Own shares	0	1
<b><u>Financing activities cash flow (C)</u></b>	<b>8 833</b>	<b>3 672</b>
Impact of variation of currency rates		2
Change in cash flow and cash equivalents (A+B+C)	<b>2 448</b>	<b>2 311</b>
Cash at the beginning of the period (D)	81	2 528
Cash at the end of the period (A+B+C+D)	<b>2 530</b>	<b>4 839</b>



## Extraordinary Income

Statement in euros

31/12/2020

<b>Total extraordinary income</b>		<b>257 592</b>
Extraordinary items in operating income		<b>241 092</b>
<i>Prior period income</i>	241 092	
Extraordinary income on capital operations		<b>1 500</b>
<i>Book values of transferred assets</i>	1 500	
Provision reversals and expenses transfers		<b>15 000</b>
<i>Reversals on provision for risks and charges</i>	15 000	
<b>Total extraordinary expenses</b>		<b>69 151</b>
Provisions for extraordinary liabilities and charges		<b>19 547</b>
<i>Penalties and fines</i>	337	
<i>Prior period charges</i>	19 210	
Provisions for extraordinary capital operations		<b>1 500</b>
<i>Book values of transferred assets</i>	1 500	
Extraordinary depreciation provisions		<b>48 104</b>
<i>Provision for risks and charges</i>	48 104	
<b>Extraordinary result</b>		<b>188 441</b>

## Corporate income tax allocation

Statement in euros	31/12/2020	Erning before after taxes	Income taxes (1)	Erning after taxes
Operating income		-14 010 695	-231 620	-13 779 076
Extraordinary income (and equity investments)		188 441		188 441
Net income		-13 822 254	-231 620	-13 590 634

(1) Including allowances / disallowances

<u>Taxe Credit</u>
Taxe credit for research and devolopment (CIR): 220 128 €
Tax credit for innovation: 11 492 €

## Financial commitments

statement in euros

31/12/2020

	Financial commitments	Financial commitments
<b>Notes receivable discounted</b>		
<b>Sureties</b>		
<b>Financial lease commitments</b>		
<i>Financial lease liabilities</i>		
<b>Pension plan commitments</b>		
<i>Pension liabilities</i>	73 803	
	<b>54 544</b>	
<b>Other commitments</b>		
<i>Surety on inventory</i>	985 000	
<i>Surety on business capital</i>	560 000	
<i>Other commitments</i>		
Bank credit lines allowed		80 000
	<b>1 545 000</b>	<b>80 000</b>
<b>Total financial commitments (1)</b>	<b>1 618 803</b>	<b>80 000</b>
(1) Including :		
Executive		
Subsidiaries		
Investments in affiliates		
Other affiliates companies		

### Commitments received

Bank credit line allowed but not used at the 31st of December 2020 : 80 000 €

**Average personnel (per head)**

		31/12/2020	Internal staff	External staff
Average personnel by category	Executives		18	
	Middle level employees		5	
	Employees		2	
	Labourers		0	
	<b>Total</b>		<b>25</b>	

## Executives compensation

Statement in Euros

	31/12/2019
<b>Members compensation</b>	
- Of the administrative board	
- Of the executive board	
- Of the supervisory board	

In conformity with the protection of individual rights, this information is not always provided, as it would indirectly result in giving individual information.

This information is not provided as it allows the situation of the executives to be known.