

**CONSOLIDATED FINANCIAL STATEMENTS
SPINEWAY GROUP**

Period ending June 30th, 2022

Consolidated balance sheet

ASSETS (K €)	Notes	June 30, 2022	December 31, 2021
Intangible assets	3.1	2 492	2 044
<i>Goodwill</i>		507	507
Tangible assets	3.2	543	384
Financial assets	3.3	4 482	4 513
fixed assets		7 517	6 941
Inventory	3.4	2 708	2 415
Accounts receivable	3.5	2 110	1 673
Deferred tax assets	3.6	-	-
Other accounts receivable	3.7	1 119	649
Cash and cash equivalent	3.8	15 254	13 890
Current assets		21 191	18 627
Total assets		28 708	25 568

Liabilities (K €)	Notes		
Share capital	3.9	2 197	1 576
Premiums, share premium		22 746	21 617
Reserves		-3 011	-730
Net income		-803	-1 583
Exchange differential		374	-
Total shareholder's equity - Attributable to group		21 503	20 880
Non controlling interest			
Total equity		21 503	20 880
Suppliers	3.10	210	176
Loans and financial debts	3.11	4 425	2 398
Suppliers debts & related accounts	3.12	1 256	1 207
Fiscal & social debts	3.12	994	863
Other debts	3.12	321	44
Total debts		7 205	4 688
Total liabilities		28 708	25 568

Consolidated profit & loss

PROFIT AND LOSS (K €)	Notes	June 30, 2022	June 30, 2021
Revenue	4.1	3 113	1 885
Provision written back		214	82
Other income	4.2	108	139
Capitalised production		383	447
Other operating income		705	668
Purchase of goods and changes in inventory		-1 036	-505
Other external expenses and purchases Single		-1 329	-995
Taxes and similar payments		-46	-29
Salaries and wages		-1 874	-1 091
Depreciation and amortizations are fixed assets		-188	-262
Depreciation and write-down allowances		-176	-133
Other expenses		-40	-23
Operating expenses		-4 689	-3 038
Operating result		-871	-483
Financial income		154	106
Financial expenses		-29	-37
Financial result	4.3	125	70
Current result before taxes		-747	-413
Extraordinary income		-	2
Extraordinary expenses		-56	-205
Extraordinary result	4.4	-56	-203
Corporate income tax		-	0
Consolidated result		-803	-617
Result Attributable to controlled group		-803	-617
Not Controlling result			
Earnings per share (€ / share)	4.5	-0,00000005	-0,0001
Diluted earnings per share (€ / share)	4.5	-0,00000005	-0,0001

Variation in the consolidated equity capital

CHANGES IN EQUITY (K €)	Number of shares	Share capital	Premium, share premium	Reserves	Income	Foreign currency translation	Shares of Consolidating company	Share Attributable to equity group	Non controlling interests	TOTAL EQUITY
Balance as of December 31, 2020	4 632 759 445	463	10 029	13 663	-14 105	-29	-1	10 019	-	10 019
Net income Allocated 2020				-14 105	14 105			-		-
Net income					-1 583			-1 583		-1 583
Share Capital increase	11 127 538 097	1 113	11 587					12 700		12 700
Reduction of capital								-		-
Changes in self owned shares								-		-
Other currency			1	-256		-6		-261		-261
Balance as of December 31, 2021	15 760 297 542	1 576	21 617	-698	-1 583	-35	-1	20 875	-	20 874
Net income Allocated 2020				-1 583	1 583			-		-
Net income					-803			-803		-803
Share Capital increase	6 213 624 332	621	1 129					1 750		1 750
Reduction of capital								-		-
Changes in self owned shares								-		-
Currency variations				-374		374		-		-
Other variations				-339		18		-321		-321
Balance as of June 30, 2022	21 973 921 874	2 197	22 746	-2 994	-803	357	-1	21 501	-	21 500

Consolidated cash flow statement

CONSOLIDATED CASH FLOW STATEMENT (K €)	June 30, 2022	June 30, 2021
Net consolidated income	-803	-617
Amortizations, depreciations and provisions	172	322
Charges without any impact on the operating income	25	192
Net Gains Losses gold is disposal of fixed assets		
Adjusted cash-flow	-656	-103
Change in inventory	-277	-125
Change in trade receivables and other accounts receivable	-1194	-227
Change in trade and other payable accounts payable	4390	-463
Variation in suppliers debts	806	317
Operating activities cashflow	3 069	-601
Asset expenditures	-1191	-727
Asset Disposals	-	187
Consolidating Change in scope impacts	-	-555
Investing activities cash flow	-1 191	-1095
Increases mainly related to capital ans bond loans :	4 000	11 500
<i>Share capital increase (net of capital increase costs)</i>	1 750	11 500
<i>Share premium</i>	4 000	11 500
<i>Bond loans issues</i>	-1 750	-11 500
<i>Bond issues included in capital</i>	-	
Treasury instruments (MCNE & promissory notes)	-71	-93
Other reimbursements	-152	-165
<i>of which of new loans credit institutions</i>	-	-
<i>of which repayment of loans credit institutions</i>	-133	-139
<i>COFACE third-party reimbursment</i>	-19	-26
<i>Various reimbursements</i>	-	-
Impacts of changes in scope	-	-
Increase (Decrease) in FEDER repayable advances	-	-
Advance in current accounts	-4339	-
Own shares	-	-
Financing activities cash flow	-562	11 243
Foreign currency translation	47	-94
Change in cash flow and cash equivalents	1 363	9 453
Cash at the Beginning of the period	13 890	4 857
Cash at the end of the period	15 254	14 310

Notes to the consolidated financial statements

These consolidated financial statements of SPINEWAY group cover a 6-month period, beginning on the 01/01/2022 and ending on the 30/06/2022.

All amounts are expressed in K euros unless otherwise specified.

These consolidated financial statements have been built up as if the Group has always existed.

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

Note 1. Presentation of the Group and significant events of the period

1.1 Information regarding the Group

These consolidated financial statements include SPINEWAY and its American subsidiary SPINEWAY INC (both of these two entities called « the Group »).

Spineway SA is a company incorporated under French law, it is the mother company of the group. It is registered on the Register of Commerce and Companies in Lyon, under the number 484 163 985. The headquarters are located 7 allée Moulin Berger – 69130 Ecully.

Spineway Inc is a company incorporated under American law, created on the 1st of August 2016. It has a share capital of 500K\$ and is based in Miami, Florida, 990 Biscayne Blvd, in the United States.

DISTIMP is a company incorporated under French law, a subsidiary of the Group. It is registered on the Register of Commerce and Companies in Lyon, under the number 843 516 782. The headquarters are located 7, allée Moulin Berger - 69130 Ecully.

Spineway is a specialized company in surgical solutions for the spinal column. It designs, manufactures and markets innovative implants and surgical instruments for treating severe disorders of the spinal column.

The use of surgical implants is recommended by specialized orthopedics and neurologic surgeons, after a diagnostic of severe disorders which require a surgical operation to correct and stabilize the spinal column of the patient.

1.2 Significant events from 2022

- A dynamic 1st semester

Spineway Group registers a total turnover of 3.1M€ (+65% compared to S1 2021) on the first semester 2022. This performance allows the Group to exceed the turnover of the 1st half 2019 (before the crisis) by 19%, which amounted to 2,6 M€.

Latin America, the Group's historic region, remains predominant with a revenue of 1,5 M€ and sales rising up to 72% in the first half 2022.

The Europe zone, up 106% compared to S1 2021 with a revenue of 0,9 M€, fully benefits from the synergies put in place with Distimp, particularly in France, which is now the Group's second zone. During the 2nd quarter 2022, the Group also benefited from good results in the Middle East area (+96%) and achieved in S1 2022 a turnover of 0,4 M€ in this zone, up by +171%. compared to 2021.

Over the semester, the Group was able to highlight the products resulting from the integration of the Distimp company, which complement the existing Spineway ranges. These new ranges now represent 22% of the Group's turnover, although they have not yet been deployed on all territories. The historic Mont-Blanc and Mont-Blanc MIS ranges contribute at 57% of Group sales in the first half 2022.

- Reinforcement of equity

The conversion of convertible or exchangeable bonds into new or existing ordinary shares over the period from January 2022 to the end of June 2022 resulted in a capital increase of 621 362.40 euros through the creation of 6 213 624 332 shares of 0,0001 euros each and an issue premium of 1 128 638 euros.

The capital on June 30, 2022 was made up of 21 973 921 874 shares of 0,0001 euro each. The capital amounts 2 197 392.17 euros.

- IMS participation

Following difficulties in implementing the operational side following the acquisition of a stake in the capital of INTEGRAL MEDICAL SOLUTIONS (IMS), the leading holding company of a group of companies in the healthcare sector heavily invested in the management of hospitals in Latin America and Africa, the SPINEWAY group had initiated proceedings before the Geneva arbitration court. The latter rendered its award dated January 20, 2022 in favor of the Spineway Company. INTEGRAL MEDICAL SOLUTIONS (IMS) is thus ordered to pay Spineway the full acquisition price of the shares, i.e. 4 160 K€ plus interest at the legal rate from October 23, 2019 and to reimburse it 105 K€ for arbitration costs already borne directly by Spineway. IMS did not appeal within the time limit of 30 days. This sentence is subject to recovery procedures in the countries where the IMS group is established.

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

1.3 Significant events from 2021

- Evolution of the COVID Group

In a context still disrupted by the pandemic, Spineway closes the 2021 financial year with a turnover of €4.3 million, up 27% compared to 2020, driven by a strong commercial dynamic concretized by a 4th quarter at €1.3 million, up 26% compared to last year.

This growth was driven in particular by high sales performances in the Group's historical areas. Thus, Latin America recorded revenues of nearly €2 million, up 33% compared to fiscal year 2020, despite a still complicated situation; while sales in Asia reached €1 million, up 19% compared to 2020.

Moreover benefiting from the first commercial synergies with Distimp, sales in Europe amounted to nearly €1 million, up 38% compared to last year.

- Continuation of the securing of financing thanks to the NEGMA contract (see 3.9) and the obtaining of 100% of the EMPs (see 1.3), the repayment of which has been deferred by one year

This contract concluded in October 2019 with Negma GROUP LTD by issuing OCA with attached BSA for a total potential amount of 40 million euros corresponding to 16 000 Issue Warrants by June 2022 is intended to finance projects bringing together capital and supporting its strategy, as well as supporting cash flow requirements related to current activity, particularly in connection with the current pandemic.

At the date of this report, there is still 15.45 million euros in additional financing under this contract, which has enabled a cash contribution of 18.6 million euros since its conclusion.

- Reinforcement of equity

The conversion of convertible or exchangeable bonds into new or existing ordinary shares over the period from January 2021 to the end of December 2021 resulted in a capital increase of 1 112 753.81 euros through the creation of 11 127 538 097 shares of 0,0001 euros each and an issue premium of 11 587 246 euros.

The capital on December 31, 2021 was made up of 15 760 297 545 shares of 0,0001 euro each.

- Group strategic growth plans

The strengthening of cash and equity capital now allows the group to initiate its growth plan to constitute a medium-sized European player specializing in spine. As such, the group acquired a first company, DISTIMP, on June 25th, 2021 (i.e 3.1 & 4.9)

This acquisition allows Spineway to expand its products and services, by offering a wider range of implants and instruments for the treatment of severe spinal diseases as well as new high value-added surgical techniques for surgeons. This transaction will also enable the Group to strengthen its commercial positions, particularly in France, by relying on the large network of spine surgeons available to Distimp (see 2.4.1.1.3).

1.4 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 2022 continuity of business activity is based on:

- A cash level which raises 15 254 K€ at the date of closure,
- Assumptions of receipts related to the budget of turnover,
- The financing lines of the WCR given the banking pool. At the date of June 30, 2022 a line of financial notes amounts 200 000 euros. These financing lines will be renegotiated by September 2022.

- Funding guaranteed under the Negma (ie. Note 1.2) contract dedicated to cash flow requirements linked to activity and organic growth which secure at least cash requirements for the coming year.

1.5 Significant post balance-sheet events

○ Group strategic growth plans

On July 21st, 2022, the Spineway Group announced the acquisition of 100% of the capital of the French company Spine Innovations, a company specializing in cervical and lumbar disc prostheses. The company has developed, in collaboration with renowned French surgeons, and after more than 10 years of Research & Development, the first viscoelastic lumbar prosthesis called "LP-ESP" which was implanted in 2004 at the University Hospital of La Pitié Salpêtrière in Paris. Patented one-piece ESP viscoelastic (shock-absorbing core) disc prostheses allow surgeons to implant a device that mimics the movement and behavior of a natural disc. They are now used in more than 15 countries and Spine Innovations aims to become a key player in the field of disc prostheses worldwide thanks to this innovative technology.

Based in Lyon and Mulhouse, Spine Innovations relies on a team of 15 people and mainly markets its products in France, Europe and Australia. Over the 2020/2021 financial year, the company achieved a turnover of €4.2 million, of which 76% internationally. Positioned in a segment and territories complementary to those of Spineway, Spine Innovations offers numerous synergies to be developed.

In line with its growth strategy, this new acquisition will enable Spineway to add a new segment to its product offering, strengthen its positions in France and internationally and expand its teams. This acquisition was entirely financed in cash and will contribute to the Group's revenue from the 2022 financial year.

○ Consolidation of shares

In order to reduce the volatility of the Spineway share price, promote its stabilization and thus better reflect development prospects, the General Meeting of July 25th, 2022 approved the implementation of a reverse stock split. The Spineway Board of Directors, which met on the same date, decided on the conditions for implementing the said consolidation plan. Thus, one (1) new share will be issued at the end of the consolidation period for forty thousand (40 000) existing shares. Taking into account the exchange parity used, as a result of the business combination, the number of shares in circulation will be divided by forty thousand (40 000), i.e. on the basis of the shares on the date of approval of the operation five hundred eighty-six thousand eight hundred and forty-eight (586 848) shares. The nominal value of the Spineway share will be increased in proportion to the consolidation parity and will increase from one ten thousandth (0.0001) of a euro to four (4) euros. This consolidation has no impact on the amount of share capital.

The indicative timetable for the consolidation operations is as presented below:

Share Trading Period	
August 16, 2022	Start of exchange operations
September 14, 2022	End of exchange operations
Consolidation operations	
September 14, 2022	Last listing of old shares listed on Euronext Growth (ISIN code: FR0011398874)
September 15, 2022	First listing of new shares on Euronext Growth (ISIN code: FR001400BVK2)
September 19, 2022	Allocation of new shares
Management of fractions	
September 14, 2022	Start of compensation for fractional shares by financial intermediaries
October 14, 2022	Deadline for compensation of fractional shares by financial intermediaries

Note 2. Accounting principles and consolidation rules

2.1 Basis of preparation of the financial statements

These consolidated financial statements beginning on the 01/01/2022 and ending on the 30/06/2022 were approved by the board of Direction on September 7th 2022.

2.2 Accounting standards

The consolidated accounts were prepared in accordance with the French general rules and principles.

The accounting rules and methods applied comply with ANC regulation n ° 2020-01 applicable since January 1st, 2021.

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

The consolidated accounts have been approved by the Chairman of the Board of Directors in accordance with the principle of going concern.

2.3 Consolidation method

The consolidation methods are the following:

- The companies over which the Group has exclusive control are consolidated through full integration.
- Jointly controlled companies are consolidated by the proportional method
- Entities over which the Group has significant influence are accounted for using the equity method.

Non-significant subsidiaries or shareholders and about to be sold were not consolidated.

These consolidated financial statements include SPINEWAY, its 100% owned American subsidiary SPINEWAY Inc, fully owned, and its French subsidiary DISTIMP also fully owned since June 25th, 2021. Those 2 subsidiaries are consolidated under the full integration method.

2.4 Rules and accounting methods

The consolidated accounts respond to the following principles:

- Historical cost convention
- Continuity of business activity
- Continuity of accounting rules and principles
- Separation and independence of accounting periods.

2.4.1 Consolidation adjustments

After harmonization, the following rules were respected:

- The use of accounts covering a 6-month period beginning on the 01/01/2022 and ending on the 30/06/2022 for all the Group entities,
- The application of homogeneous accounting methods for all the Group entities
- The elimination of intercompany transactions between the Group entities

2.4.1.1 Goodwill

The difference between the acquisition cost and the acquiring company's share in the fair value of the identifiable assets and liabilities of the acquired company is recorded on the assets side of the consolidated balance sheet under the heading “Intangible assets” when it is positive, on the liabilities side of the balance sheet in a specific item when it is negative.

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

The Group determines the useful life, whether limited or not, of the goodwill, based on a documented analysis of the relevant characteristics of the relevant acquisition transaction, on technical, economic, and legal aspects.

Where there is no foreseeable limit to the period during which the goodwill will provide economic benefits to the group, the latter is not amortized.

When, upon acquisition, there is a foreseeable limit to its useful life, goodwill is amortized on a straight-line basis over this period, or, if it cannot be determined reliably, over 10 years.

Any significant change in the useful life of goodwill is treated prospectively.

The Group identifies, at each closing of accounts, whether there is an indication that goodwill may have lost value. When there is an indication of impairment, an impairment test is performed: the net book value of the goodwill is compared to its current value. If its present value falls below its net book value, the latter is reduced to the present value through depreciation.

When the useful life of goodwill is unlimited, the impairment test is performed at least once per fiscal year, whether or not there is an indication of impairment.

The recorded depreciations are never reversed.

When the period of use of the goodwill, originally estimated as unrestricted, 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 applicable impaired, is amortized over the remaining useful life.

2.4.1.2 Foreign currency transactions

The accounts of subsidiaries whose functional currency is different from the euro have been converted using the historical cost method. According to this method, the conversion is carried out as follows:

- Non-monetary items, including shareholders' equity, are converted at the historical rate, i.e. the exchange rate on the date of entry of the items into the consolidated assets and liabilities;
- Monetary items are converted at the exchange rate on the closing date;
- Income and expenses are, in principle, converted at the exchange rate in force on the date they are recorded; in practice, they are converted at the average rate for the year.

The application of this method is effective for the first half of 2022 due to the strengthening of the traceability of the information involved in the calculation of the equity translation difference. This generates an impact in equity of 340 k€.

2.4.1.3 Deferred taxes

In accordance with the requirements ANC 2021-01, the Group recognizes deferred taxes in the event of temporary differences between the tax and book values of assets and liabilities on the consolidated balance sheet. If the amounts are significant.

In accordance with the liability method of tax allocation, the effect of any changes in tax rates on deferred taxes recorded earlier is entered in the income statement for the financial year in which the changes in rates became known.

The taxes restatements for foreign affiliates are estimated at the tax rate in force in the country concerned. The tax rate in the United States of America is progressive and depends on numerous factors (amount of prior losses ...).

Total deferred tax assets resulting from temporary differences and tax loss must not exceed the estimated value of the tax that may be recovered. This probability is estimated at each year end closure.

Over the presented periods, the tax loss carryforwards are not capitalized as there is no visibility on their imputation against future revenues.

2.4.2 Accounting principles

2.4.2.1 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 first half to the recognition of capitalized production of

development costs in the Intangible assets in progress account for an amount of 380 930 € for the 1st semester 2022 against 572 244 € for 2021 (902 297 € on 2021 and 358 296 euros for the second semester of 2019).

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

Over 2021, 249 611 euros of R&D project costs were activated, they are amortized on a straight-line basis over 5 years.

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.

Over 2021, 326 496 euros were depreciated following project stoppages.

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.

2.4.2.2 Tangible and intangible 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

By simplification, 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.

Lease :

Goods acquired via financial lease are booked as tangible assets against the corresponding debt recognized in borrowings for the same amount. The corresponding assets are depreciated over a useful life identical to that of property, plant and equipment acquired.

The capitalization of leasing contracts, if significant, leads to rise a deferred tax asset, when appropriate.

2.4.2.3 Financial assets

This item largely consists of:

- equity interests in companies that are not included in the scope of consolidation
- guarantees and deposits paid

A provision for depreciation is booked if the book value of the participations is less than the acquisition cost. The value at year-end is the value in use which represents what a company would agree to pay to acquire these securities if it had to acquire them. Among the elements taken into consideration : profitability, a cost-benefit perspective, shareholders' equity, ...

2.4.2.4 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.

Inventories were, where applicable, depreciated by means of a provision for depreciation to take account of their net realizable value on the closing date of the accounts, if the latter is lower than the net book value.

The inventories mainly consist of merchandize for sale.

The company reviewed and readjusted its inventory values as of December 31, 2021 (the expiration date of certain batches of products) and in particular:

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

2.4.2.5 Receivables

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

As part of its trading activity, the Group ensures its working capital requirements by the use of short-term instruments such as cross border claims mobilized (MCNE).

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

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

2.4.2.6 Provisions and contingencies

A provision is recorded as soon as there is an obligation (legal or implied) in relation to a third party, insofar as it may be reliably estimated, and it is likely to be reflected in an outflow of resources for the Group.

A contingent liability is either:

- a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or otherwise of one or more uncertain future events, that are not under the full control of the business
- a present obligation arising from past events, but which is not recognized either because an outflow of resources is unlikely or because the amount of the obligation cannot be measured with sufficient reliability.

2.4.2.7 Retirement benefits

The Group does opt for application of the preferred method: the commitments of the Group's entities are booked as a liability on the balance sheet under provisions for risks and expenses.

The retirement benefit imposed on the Group is made up of the termination benefits of the French 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 used are identical for both compared periods.

2.4.2.8 Long-term liabilities

Loans are valued at their nominal value.

The costs relating to the issue of bonds are directly absorbed.

Accrued interests are recorded in the liabilities, at the interest rate specified in the contract.

Guarantees and advances given by public entities to support research activities of the company or commercial prospection, and for which repayments are conditional, are recognized in financial liabilities.

In case of failure, the debt write-off granted is recorded as a grant.

2.4.2.9 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 when 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 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.

2.4.2.10 Lease contracts

The Group uses some long-term leasing contracts regarding the vehicles fleet and computer equipment. Given the frequency of renewal of the goods in use, no adjustment has been made. The goods involved in leasing contracts are not included in the assets.

2.4.2.11 Financial income

The financial income is mainly due to interests on loans and Forex losses and gains.

2.4.2.12 Extraordinary income

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

2.4.2.13 Tax credits

In application of the general principle of the predominance of substance over form in the consolidated accounts and, in particular, of 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”.

2.4.2.14 Earning per share

Net income per share is calculated dividing the net income attributable to equity holders by the smoothed average number of outstanding stocks during the financial period.

Diluted earnings per share is computed in accordance with the treasury stock method and based on the weighted average number of common shares and dilutive common share equivalents.

2.4.2.15 Receivable under assignment

Assignments of receivables guaranteed by the factoring company are recognized on the day of the assignment of receivables.

2.5 The use of judgements and estimates

The preparation of financial statements requires the use of judgements and estimates by the management of the Group; which may affect the amounts reported for assets, liabilities and contingent liabilities as of the date of preparation of the financial statements, and of revenue and expenses for the semester.

These estimates assume the business will continue to operate as a going concern and are measured using information available at the time of preparation. They are continuously assessed based on past experience, as well as various other factors deemed to be reasonable that represent the basis for the assessments of the carrying amount of assets and liabilities. Estimates may be revised if the

circumstances on which they are based change or if new information arises. Actual results could differ significantly from these estimates under different assumptions or conditions.

In the preparation of these consolidated financial statements, the main estimates and assumptions made by the Direction and the principal assumptions are:

- the evaluation and depreciation of tangible and intangible assets
- the calculation of deferred taxes
- the calculation of provisions

2.6 Segment information

The Group only identified one operational segment which corresponds to the design, the manufacturing and the marketing of innovative implants and surgical instruments for treating severe disorders of the spinal column.

Note 3. Notes on the consolidated balance sheet

3.1 Intangible assets

INTANGIBLE ASSETS GROSS (K €)	Probate fees	R&D expenses	Software	Goodwill	Other intangible assets	Assets in progress & advances	total gross
Balance as of December 31, 2020	123		152		13	1 241	1 528
Increase		569	11			3	583
Decrease		-319					-319
transfers			75	507	3		585
Currency translation							-
Balance as of December 31, 2021	123	250	238	507	16	1 245	2 377
Increase						492	492
Decrease							
transfers							
Currency translation							
Balance as of June 30, 2022	123	250	238	507	16	1 737	2 869

INTANGIBLE ASSETS GROSS (K €)	Probate fees	R&D expenses	Software	Goodwill	Other intangible assets	Assets in progress & advances	total gross
Balance as of December 31, 2020	-114		-129		-12	-	-255
Amortizations	-9	-24	-26		-1		-60
Decrease		-326					-326
transfers		319					319
Changes in scope			-10		-2		-12
Depreciation							-
Currency translation							-
Balance as of December 31, 2021	-123	-31	-165	-	-15	-	-334
Amortizations		-26	-18				-44
Decrease							-
Depreciation							-
Currency translation							-
Balance as of June 30, 2022	-123	-57	-183	-	-15	-	-378

Intangible assets NET (K €)	Probate fees	R&D expenses	Software	Goodwill	Other intangible assets	Assets in progress & advances	total gross
Balance as of December 31, 2021	0	219	72	507	1	1 245	2 044
Balance as of June 30, 2022	-	193	55	507	-	1 737	2 493

*The amount of 1 626K€ of assets in progress are related to the R&D costs.

The breakdown by geographical area, sector of business activity or currency (which represents over 10% of the total consolidated) for the tangible assets is not relevant as the amount of assets of the American subsidiary are not significant.

The probate fees represent the costs incurred to get commercialization allowances which already exist in order to avoid paying the project costs.

Goodwill of the company DISTIMP

SAS DISTIMP, 100% acquired on June 25th, 2021 for 580 K€ including acquisition costs, gave rise to the recognition of goodwill, adjusted where applicable by earn-out payable on the basis of the accounts at 30 June in 2022, 2023 and 2024. These earn-outs are based on actual revenue, gross margin, working capital requirement and activity-specific expenditure envelope (regulatory costs, loan of kits of instruments) noted at the end of June.

Thus, goodwill is adjusted each year when an earn-out is payable for the financial year concerned.

The Group believes that there is no foreseeable limit to the period during which goodwill will provide economic benefits to the Group. So the latter is not depreciated. The company will perform an impairment test annually to ensure the fair value of goodwill.

3.2 Tangible assets

TANGIBLE ASSETS GROSS (K €)	constructions	Instal. Techn., Mat. & Out.	Other tangible assets	Assets in progress & advances	total gross
Balance as of December 31, 2020	98	5 446	429	-	5 973
Increase	9	217	30	3	260
Decrease		-3	-32		-35
change in scope		43	9		52
Balance as of December 31, 2021	107	5 702	435	3	6 248
Increase	20	283	17	7	328
Decrease					-
change in scope					-
Balance as of June 30, 2022	20	5 984	451	10	6 574

Amortizations OF TANGIBLE ASSETS (K €)	constructions	Instal. Techn., Mat. & Out.	Other tangible assets	Assets in progress & advances	total Amortization
Balance as of December 31, 2020	-78	-4 948	-398	-	-5 424
Amortizations	-10	-386	-35		-431
Decrease		3	32		35
Changes in scope		-21	-2		-23
Currency translation		-20			-20
					-
Balance as of December 31, 2021	-88	-5 373	-403	-	-5 864
Amortizations	-5	-131	-9		-145
Decrease					-
Changes in scope					-
Currency translation		-22			-22
					-
Balance as of June 30, 2022	-93	-5 527	-411	-	-6 031

tangible assets NET (K €)	constructions	Instal. Techn., Mat. & Out.	Other tangible assets	Assets in progress & advances	Net total
Balance as of December 31, 2021	19	329	33	3	384
Balance as of June 30, 2022	34	458	41	10	543

Technical installations are instruments kits provided to customers, either deposited either lent.

3.3 Financial assets

FINANCIAL ASSETS GROSS (K €)	Equity securities	Account receivables related to participante interests	Deposits and Guarantees	Other receivables	Gross total
Balance as of December 31, 2020	4 420	-	90	-	4 510
Increase	-	-	-	-	-
Decrease	-	-	-	-	-
Changes in scope			3		3
Balance as of December 31, 2021	4 420	-	93	-	4 513
Increase	-	-	-	-	-
Decrease	-	-	-31	-	-31
Changes in scope					-
Balance as of June 30, 2022	4 420	-	62	-	4 482

Financial Assets NET (K €)	Equity securities	Account receivables related to participante interests	Deposits and Guarantees	Other receivables	Net total
Balance as of December 31, 2021	4 420	-	93	-	4 513
Balance as of June 30, 2022	4 420	-	62	-	4 482

Non-consolidated investments consist of a minority interest in INTEGRAL MEDICAL SOLUTIONS (IMS), the leading holding company of a group of companies in the health sector, heavily invested in hospital management in Latin America and Africa.

No indication of impairment has been identified. It should be noted that the Geneva arbitration court has rendered its decision in the dispute between the company and the IMS group. This sentence was rendered in favor of Spineway, which is going to be able to initiate the procedures for the execution of this decision (i.e 1.2).

3.4 Stocks

Inventory (K €)	June 30, 2022	December 31, 2021
Inventory of goods	3 735	3 466
Gross amount	3 735	3 466
Depreciation and write-down	-1 026	-1 051
Net amount	2 708	2 415

The inventories mainly consist of merchandize for sale. The provision for depreciation concerns some batches of products that have reached the end of their expiry date, are obsolete, must be scrapped or whose CE marking number no longer allows them to be considered for sale. It also relates to impairments for slow rotation.

3.5 Trade and other receivables

Customers (K €)	Gross amount	Overdue under 2 months	Overdue entre 2 months and 1 year	Overdue past one year	depreciations	net amount
Balance as of December 31, 2021	1 933	1 451	219	263	-260	1 673
Balance as of June 30, 2022	2 329	2 144	185	-	-219	2 110

The end users of the company's products are hospitals and clinics who have particularly long payment terms, especially in certain countries. This explains the outstanding trade receivables.

On 2022, Spineway classified the debt of 5 distributors as doubtful customer for a total of 11 001 euros, has written off 2 previous accrual provisions for a total of 15 193 euros and wrote off receivables accrued in previous years for 36 800 euros. The total amount of doubtful customers as of June 30, 2022 amounts to 218 538 euros fully depreciated.

3.6 Deferred tax assets

The tax loss carryforwards amount 25 M€ at June 30, 2022. They were not activated in the absence of visibility as to their allocation to future results.

As a result, and in a sake of coherence, the total deferred tax assets resulting from consolidation adjustments and temporary differences (non-significant) has not been recorded.

3.7 Other receivables

TAX CREDITS AND OTHER CURRENT ASSETS (K €)	June 30, 2022	December 31, 2021
Tax credit for research and development	492	387
Tax credit for innovation	20	17
Tax credit for employee compétitivité	0	6
Tax receivables (VAT, ...)	219	74
Social receivables institution	10	7
Spineway Iberica	9	13
deferred expenses	150	113
Miscellaneous receivables	0	7
Currency translation	1	25
Shares intended to be distributed	217	
Gross value	1 119	649
Depreciation and write downs		
Net value	1 119	649

At December 31st, 2020 the research tax credit has an amount of 220 128 euros and the tax credit for innovation has an amount of 11 492 euros.

At December 31st, 2021 the research tax credit has an amount of 166 510 euros and the tax credit for innovation has an amount of 6 006 euros.

At June 30th, 2022 the research tax credit has an amount of 105 641 euros and the tax credit for innovation has an amount of 2 311 euros.

The research tax credits, and innovation tax credits are presented in the « Other income » caption.

3.8 Availabilities

CASH AND CASH EQUIVALENTS (K €)	June 30, 2022	December 31, 2021
Bank accounts	5 346	3 897
Short term deposits	4908	4906
Factoring	0	61
Bonds investment	5000	5000
Cash and cash equivalents	15 254	13 864
Outstanding bank overdrafts	-	26
Net cash	15 254	13 890

The excess cash balance comes from increases in capital following the conversion of warrants, the unconverted bond loan balance.

3.9 Share capital

See paragraph 1.2

The capital on June 30, 2022 was made up of 21 973 921 874 shares of 0,0001 euro each. The capital amounts 2 197 392.17 euros.

The financing plan by convertible bonds Negma Group Ltd (OCABSA Negma) was approved in October 2019 for a potential total amount of 40 million euros corresponding to 16 000 Warrants by June 2022. This contract has the subject of various amendments in January 2021 (retrocession of BSA warrants and modification of the BSA cover) and May 2022 (retrocession of BSA warrants, modification of the rounding rule during conversions, extension of the duration of the contract by 3 months, i.e. September 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.

The implementation of the financing plan on June 30, 2022 is as follows:

In K€	Obligatory loan amount :	Of which :		Which generated :	
		Brought in cash	Issued for clearing compensations :	Commitment fees	Compensations for :
Phase 1					
Tranche 1 - Dec 23rd 2019	2 000	2 000	0	1 450	2 275
Tranche 2 - March 30th 2020	1 800	300	1 500		2 047
Phase 2					
Tranche 1 - April 16th 2020	2 800		2 800		2 324
Tranche 2 - May 21st 2020	750	750	0		251
Tranche 3 - September 7th 2020	2 000	1 314	686		976
Tranche 4 - November 13th 2020	1 000	24	976		
Phase 3					
Tranche 1 - Dec 21st 2020	1 000	1 000	0		
Tranche 2 - January 4th 2021	1 000	1 000	0		
Tranche 3 - January 19th 2021	1 500	1 500	0		
Tranche 4 - February 12th 2021	1 000	1 000	0		
Tranche 5 - February 17th 2021	1 000	1 000	0		
Tranche 6 - February 18th 2021	500	500	0		
Phase 4					
Tranche 1 - March 2nd 2021	3 000	3 000	0		
Tranche 2 - March 15th 2021	2 000	2 000	0		
Tranche 3 - March 24th 2021	1 500	1 500	0		
Tranche 4 – October 11th 2021	1 700	1 700	0		
Tranche 5 – April 12th 2022	1 500	1 500	0		
Tranche 6 – June 21st 2022	2 500	2 500	0		
	28 550	22 588	5 962	1 450	7 873
				9 323	

At the date of this report, there is still 11.45 million euros in additional financing under this contract, which has enabled a cash contribution of 22.6 million euros since its conclusion.

The Board of Directors of July 12th, 2021, upon delegation from the Combined General Meeting of March 8th, 2021, had decided to set up a free share allocation plan consisting of a maximum number of 1 458 278 239 free shares, ie 10% of the Company's share capital on the day of the decision in favor of all members of the Management Committee as composed on the date of the decision.

The conditions of presence on the expiry date of the vesting period on July 12th, 2022, and of the achievement of collective (50%) and individual (50%) performance conditions specific to each manager concerned by the plan having been met, the allocation of 100% of the shares was acquired on July 12th, 2022. A share buyback program made it possible to allocate the shares concerned. These have a retention period of one year (until July 12, 2023).

3.10 Provisions

PROVISIONS (K €)	Litigation	Pensions and Assimilated bonds	other	Accrual for foreign exchange variation	Total
Balance as of December 31, 2020	-	73	36	-	110
Adjustment				297	297
Increase		49		1	50
Reversal			-7	-274	-281
Balance as of December 31, 2021	-	123	29	-25	177
Adjustment					-
Increase		56	3		59
Reversal				-25	-25
Balance as of June 30, 2022	-	179	32	-50	211

* Since the adoption of the ANC 2020-01 regulation, it is no longer possible to recognize currency translation differences between monetary assets and liabilities in profit or loss.
 As a result, the reclassification of December 31, 2020 is canceled.

The retirement benefits calculating assumptions are based on the following actuarial data:

	June 30, 2022	December 31, 2021
Retirement age	Between 60 and 67 years	Between 62 and 67 years
discount rate	2,63%	0,98%
Wages growth rate	0%	0%
Rate of social security	44% ©, 22% (NC)	44% ©, 22% (NC)
Mortality table	Insee 2016-2018	Insee 2016-2018
Probability of presence at retirement age (Before mortality)	Less than 30 years 85% From 30 to 40 years: 90% From 40 to 50 years: 97% From 50 to 60 years: 100% More than 60 years: 100%	Less than 30 years 85% From 30 to 40 years: 90% From 40 to 50 years: 97% From 50 to 60 years: 100% More than 60 years: 100%

It should be remembered that the Group does opt for application of the preferred method: the commitments of the Group's entities are booked as a liability on the balance sheet under provisions for risks and expenses for 179K€ at the June 30th, 2021 versus 123K€ at December 31st, 2021.

The retirement benefit imposed on the Group is made up of the termination benefits of the French 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 used are the following:

- Discount rate : 2.63% at June 30th, 2022 (0,98% at 31st of December 2021)
- Mortality table : according to the INSEE 2016-2018 at June 30th, 2022 as at December 31st 2020
- Staff turnover low

3.11 Borrowings and financial debts

Debt statements	Gross amount	Issued	Reimbursed	Changes in scope	Other variations	June 30, 2022
Loans	1 623		-132			1 491
Accrued interest is loans	2		-1			1
Jump	500	4 000			-1 750	2 750
Overdrafts - bank						-
promissory notes	1				1	2
Factoring of receivable abroad	134	199	-270			63
Advance ERDF						-
Guarantee COFACE	137		-19			118
Financial lease debts						-
TOTAL	2 397	4 199	-421	-	-1 749	4 426

The maturity schedule for financial debts:

Debt statements	Gross amount	Under 1 year	Between 1 and 5 years	Over 5 years
Loans	1 491	540	951	
Accrued interest is loans	1	1		
Bond issue	2 750	2 750		
Overdrafts - bank				
promissory notes	2	2		
Factoring of receivablesr abroad	63	63		
FEDER advance				
COFACE guarantee	118	118		
Financial lease debts				
TOTAL	4 426	3 475	951	-

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

The details of short-term instruments used at the 30/06/2022 are as follows:

MCNE (cross border claims mobilized) : 63K€ used on a total of 200 K€. The MCNE reach maturity upon payment of the invoice by the customer.

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.

As of June 30th, 2022, Spineway has recorded 8 bank loans in progress and one bond loan.

In the context of COVID-19, the French company has subscribed to five State Guaranteed Loans for a total of 1 308 K€ 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 four loans to one year. The first reimbursements occurred in June 2022. The reimbursement of one State Guaranteed Loan has started in June 2021.

Regarding the 3 loans which cover 12% of the remaining amounts at the date of June 30th 2022 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 June 30th 2022, 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€. They have both ended on the 1st semester 2022 and have been fully repaid.

BPI Prêt Innovation contract subscribed on December 12th 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 14th 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

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, 7 K€ in 2020, 60 K€ in 2021 and 19 K€ in 2022.

3.12 Liabilities

SUPPLIERS AND OTHER DEBTS (K €)	June 30, 2022	December 31, 2021
Suppliers	1256	1207
Social institutions and contributions	892	824
Tax payable	102	41
Other payable	12	12
deferred revenues	309	31
TOTAL	2 570	2 115

Maturity (K €)	June 30, 2022	December 31, 2021
under 1 year	2 570	2 115
over 1 year		
TOTAL	2 570	2 115

The increase in social debts is linked to the delay in payment of charges during the 2020 confinement period. As of June 30, 2022, an amount of 106 K€ remains to be settled A clearance plan is underway.

Note 4. Notes on the consolidated profit and loss

4.1 Revenue

Spineway designs, manufactures and markets innovative implants and surgical instruments for treating severe disorders of the spinal column.

Revenue (K €)	June 30, 2022		June 30, 2021	
Sales of goods France	706	23%	282	15%
Sales of goods - USA	2	0%	23	1%
Sales of goods - Abroad	2 404	77%	1 580	84%
<i>ASIA</i>	369	15%	432	27%
<i>EUROPE</i>	156	6%	134	8%
<i>AMLAT</i>	1 470	61%	868	55%
<i>MEA</i>	409	17%	146	9%
Revenue	3 113	100%	1 885	100%

4.2 Other products

Other operating income (K €)	June 30, 2022		June 30, 2021	
Tax credit for research and development	106	96%	104	74%
Tax credit for innovation	2	2%	21	15%
US subvention	0	0%	0	0%
Other income	0	0%	15	11%
Other operating income	108	98%	140	100%

The other income consists of the research tax credit from the French company.

5.3 Financial income

Financial result (€ K)	June 30, 2022	June 30, 2021
Exchange gains	-	105
Other financial income	129	2
Reversal of provisions	25	-
Financial income	154	106
Interest is loans	-1	-11
Exchange Losses	-16	-4
Other financial Losses	-12	-22
Financial expenses	-29	-37
Financial result	125	70

The financial result is mainly composed exchange gains and losses, interest on bank loans, provisions and reversals of provisions.

4.4 Extraordinary income

EXTRAORDINARY RESULT (K €)	June 30, 2022	June 30, 2021
Income from previous years		2
Provision for Risks and costs written back		
Other extraordinary income		
Extraordinary income	-	2
Expenses from previous years	-46	,
Provision for Risks and costs	-	
Other extraordinary expenses	-11	-205
Extraordinary expenses	-56	-206
Extraordinary result	-56	-203

Exceptional income and expenses take into account elements which are not linked to the current activity of the company.

As of June 30th, 2022, the other exceptional charges mainly include consulting costs and exceptional fees.

4.5 Earning per share

This result per share has been determined with reference to the Avis OEC No. 27.

EARNINGS PER SHARE (€)	June 30, 2022	June 30, 2021
Net result (in K €)	-803	-617
Number of shares	21 973 921 874	14 582 782 342
Weighted average number of shares	17 078 717 788	11 632 874 569
Number of available share warrants (unused)	3 295 772 742	1 800 534 648
Number of shares available	6 127 451 970	2 154 373 972
Earnings per share in EUR	-0,00000005	-0.0001
Diluted earnings per share in euros	-0,00000005	-0,0001

Diluted earnings per share is computed in accordance with the treasury stock method and based on the weighted average number of common shares and dilutive common share equivalents.

4.6 Notes regarding affiliated companies

The related parties with which transactions are operated include the entities who dispose directly or indirectly an equity in the company.

The outstanding operations have been identified and their incidence of the Group’s financial statement is by nature and by related party the following:

SCI ALLPA

SCI (property company) in which Mrs LE ROUX (CEO) & LAURITO are co-managers.

This company consents a sublease contract to Spineway for a fixed duration of 9 years for an annual rent of 76 648€ (price excluding tax) the first year.

The 1st contract amendment brought the annual rent to an amount of 79 021,64 € (price excluding tax), then from an amount of 144 432 € (price excluding tax) to 146 805,64€ (price excluding tax) for the following years.

The 2nd contract amendment brought the annual rent from 146 805,64€ (price excluding tax) to 156 000€ (price excluding tax) from the 1st of January 2014.

The 3rd contract amendment brought the annual rent from 156 000 € (price excluding tax) to 158 000€ (price excluding tax) from the 1st of January 2015.

The 4th contract amendment brought the annual rent from 158 000 € (price excluding tax) to 171 670 € (price excluding tax) from the 1st of January 2022.

On the accounting first semester, the company booked a rent of 88 032 €, price excluding taxes and rental charges in compliance with this convention.

No security deposit adjustment has been recorded.

4.7 Executives compensation

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

4.8 Average personnel (per head)

Average staff	June 30, 2022	December 31, 2021
Executives	28	20
Employees	6	7
Average staff	34	27

4.9 Financial commitments

FINANCIAL COMMITMENTS (In K €)	June 30, 2022	December 31, 2021
Commitments Given		
Financial lease liabilities		
Surety is inventories	300	985
Surety business is capital hedging instruments	560	560
Others		
Commitments Given	860	1 545
Commitments received		
Bank credit lines allowed	-	-
Commitments received	-	-
Total financial Commitments	860	1 545

Financial commitments given:

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

The 300 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.

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

Financial commitments received:

The commitments received at June 30th 2022 are null.