



Q1 2018

**VALNEVA SE
CONDENSED
FINANCIAL
STATEMENTS**

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**VALNEVA SE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2018 (UNAUDITED)**

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**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**

€ in thousand (except per share amounts)	Three months ended March 31,	
	2018	2017¹
Product sales	28,895	25,919
Revenues from collaboration, licensing and services	3,187	2,525
Revenues	32,083	28,444
Cost of goods and services	(13,041)	(13,322)
Research & Development expenses	(5,843)	(5,211)
Marketing and distribution expenses	(5,995)	(4,290)
General and administrative expenses	(4,022)	(4,012)
Other income and expenses, net	842	661 ¹
Amortization and impairment of fixed assets/intangibles	(822)	(1,795)
OPERATING PROFIT/(LOSS)	3,202	476
Finance income	23	14
Finance expenses	(1,307)	(2,030)
LOSS BEFORE INCOME TAX	1,918	(1,541)
Income tax	(460)	(115)
LOSS FOR THE PERIOD	1,458	(1,657)
Losses per share for loss for the period attributable to the equity holders of the Company, expressed in € per share (basic and diluted)		
- basic	0.02	(0.02)
- diluted	0.02	(0.02)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

€ in thousand	Three months ended March 31,	
	2018	2017
Loss for the period	1,458	(1,657)
Other comprehensive income		
Items that may be reclassified to profit or loss		
Currency translation differences	(2,614)	778
Items that will not be reclassified to profit or loss		
Defined benefit plan actuarial losses	35	-
Other comprehensive income for the period, net of tax	(2,578)	778
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE COMPANY	(1,120)	(879)

¹ "Grant income" was reclassified from the position "Revenue and Grants" and included in "Other income/expense" for periods starting Jan 1, 2018. The comparable period was adjusted accordingly to maintain the comparability.

**CONDENSED CONSOLIDATED INTERIM BALANCE SHEET**

€ in thousand	March 31, 2018	December 31, 2017²
ASSETS		
Non-current assets	105,027	105,895
Intangible assets	47,561	48,468
Property, plant and equipment	38,082	38,374
Other non-current assets	17,834	17,368
Deferred tax assets	1,549	1,686
Current assets	81,480	83,491
Inventories	19,257	19,931
Trade receivables	18,249	17,664
Other current assets	7,802	7,840
Cash and cash equivalents	36,172	38,055
TOTAL ASSETS	186,506	189,385
EQUITY		
Capital and reserves attributable to the Company's equity holders	94,724	92,669
Share capital	11,638	11,638
Share premium and other regulated reserves	252,934	252,934
Retained earnings and other reserves	(171,306)	(160,421)
Net result for the period	1,458	(11,482)
LIABILITIES		
Non-current liabilities	45,789	59,000
Borrowings	41,155	54,097
Deferred tax liability	66	65
Non-current contract liabilities, other liabilities and provisions	4,568	4,838
Current liabilities	45,993	37,717
Borrowings	25,360	17,399
Trade payables and accruals	9,480	9,525
Current tax liability	916	322
Tax and employee-related liabilities	7,318	7,531
Current contract liabilities, other liabilities and provisions	2,919	2,940
TOTAL LIABILITIES	91,783	96,717
TOTAL EQUITY AND LIABILITIES	186,506	189,385

² „Trade receivables“, „Trade payables and accruals“, and „Current contract liabilities, other liabilities and provisions“ have been restated in accordance with the requirements of IFRS 15.

**CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT**

€ in thousand	Three months ended March 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/Loss for the period	1,458	(1,657)
Depreciation and amortization	1,675	2,883
Share-based payments	502	380
Income tax	460	113
Other adjustments for reconciliation to cash used in operations	1,026	1,036
Changes in working capital	(372)	9,634
Cash generated from operations	4,749	12,389
Income tax paid	(248)	(259)
Net cash generated from operating activities	4,501	12,131
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of other businesses, net of cash acquired	-	-
Purchases of property, plant and equipment	(433)	(632)
Proceeds from sale of property, plant and equipment	-	-
Purchases of intangible assets	(81)	(495)
Purchases of financial instruments	(79)	-
Interest received	23	12
Net cash used in investing activities	(570)	(1,115)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock, net of costs of equity transactions	-	(68)
Disposal/(Purchase) of treasury shares	62	(88)
Proceeds from borrowings, net of transaction costs	(7)	-
Repayment of borrowings	(3,099)	(3,696)
Interest paid	(789)	(1,075)
Net cash used in financing activities	(3,833)	(4,926)
Net change in cash and cash equivalents	99	6,089
Cash at beginning of the period	33,545	35,267
Exchange gains/(losses) on cash	(431)	165
Cash at end of the period	33,213	41,522
Cash, cash equivalents and short-term deposits at end of the period	36,172	45,208

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**

€ in thousand	Share capital	Share premium and other regulated reserves	Retained earnings and other reserves	Net result	Total equity
Balance as of January 1, 2017	11,638	252,937	(115,339)	(49,184)	100,051
Total comprehensive loss	-	-	778	(1,657)	(879)
Income appropriation	-	-	(49,184)	49,184	-
Employee share option plan					
- value of employee services	-	-	380	-	380
- exercise of share options	-	-	-	-	-
Treasury shares	-	-	(88)	-	(88)
Cost of equity transactions, net of tax	-	(3)	-	-	(3)
	-	(3)	(48,114)	47,527	(589)
Balance as of March 31, 2017	11,638	252,934	(163,453)	(1,657)	99,462
Balance as of January 1, 2018	11,638	252,934	(160,421)	(11,482)	92,669
Total comprehensive loss	-	-	54	1,458	1,512
Income appropriation	-	-	(11,482)	11,482	-
Employee share option plan					
- value of employee services	-	-	481	-	481
- exercise of share options	-	-	-	-	-
Treasury shares	-	-	62	-	62
Cost of equity transactions, net of tax	-	-	-	-	-
	-	-	(10,885)	12,940	2,055
Balance as of March 31, 2018	11,638	252,934	(171,306)	1,458	94,724