



**COMBINED GENERAL MEETING
JUNE 21, 2023**

**Parent-entity financial statements
Fiscal year ended December 31, 2022**

Excerpt of the 2022 Universal Registration Document

4.2 Parent-entity financial statements at December 31, 2022

4.2.1 Balance sheet

(a) Assets

<i>(In € thousand)</i>	<i>Note</i>	<i>Gross Value</i>	<i>Amortization, depreciation and provisions</i>	December 31, 2022	December 31, 2021
INTANGIBLE FIXED ASSETS	3.1.				
Research and development expenditures		4,055	4,025	31	66
Concessions, patents and similar rights		763	747	16	213
Goodwill		—	—	—	—
Other intangible assets in process		—	—	—	—
PROPERTY, PLANT AND EQUIPMENT	3.2.				
Land		679	278	401	401
Constructions		5,942	4,088	1,855	2,013
Plant, machinery and equipment		5,047	3,849	1,198	1,115
Other PPE		680	524	156	139
Tangible fixed assets under construction		—	—	—	—
Prepayments		—	—	—	—
LONG-TERM INVESTMENTS	3.3.				
Non-consolidated investments		166,690	6,865	159,825	159,816
Receivables on non-consolidated investments		—	—	—	—
Loans		187	—	187	187
Other financial assets		676	—	676	645
TOTAL NON-CURRENT ASSETS		184,720	20,376	164,344	164,595
INVENTORIES AND WORK IN PROGRESS	3.4.				
Raw materials and supplies		519	—	519	423
Work-in-progress		—	—	—	—
RECEIVABLES				—	
Trade receivables and related accounts	3.5.	174	—	174	205
Other receivables	3.6.	126,892	—	126,892	47,619
Called up capital		—	—	—	—
OTHER CURRENT ASSETS				—	
Marketable securities		—	—	—	—
Cash at bank and in hand	3.7.	195,241	—	195,241	140,564
ACCRUAL ACCOUNTS				—	
Prepaid expenses	3.8.	2,049	—	2,049	2,862
TOTAL CURRENT ASSETS		324,875	—	324,875	191,672
Unrealized losses on foreign exchange		3,601	—	3,601	390
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		513,195	20,376	492,819	356,657

(b) Liabilities and equity

<i>(In € thousand)</i>	<i>Note</i>	December 31, 2022	December 31, 2021
Share capital or individual share		20,755	15,786
Additional paid-in capital		615,222	430,438
Regulated reserves		52,832	52,832
Retained earnings/(accumulated deficit)		(191,825)	(163,603)
Other reserves		(43)	(43)
Net income/(loss) for the year profit or loss		(28,117)	(28,222)
Investment grants	3.11.	43	47
Tax-driven provisions		—	—
SHAREHOLDERS' EQUITY	3.10.	468,868	307,234
Subordinated grants	3.12.	654	971
OTHER EQUITY		654	971
Provisions for contingencies		8,826	2,490
Provisions for losses		811	3,448
PROVISIONS FOR CONTINGENCIES AND LOSSES	3.13.	9,637	5,937
BORROWINGS			
Bank borrowings	3.14.	3,797	3,740
OPERATING PAYABLES			
Trade payables and related accounts	3.15.	3,182	4,275
Tax and employee-related liabilities	3.16.	1,749	3,626
OTHER PAYABLES			
Payables on fixed assets and equivalent	3.17.	16	41
Other financial liabilities	3.17.	4,636	30,579
ACCRUAL ACCOUNTS			
Deferred income	3.18.	—	—
TOTAL LIABILITIES		13,380	42,261
Unrealized losses on foreign exchange		281	253
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		492,819	356,657

4.2.2 Income statement

(In € thousand)	France	Export	Note	As at December 31,	
				2022	2021
Sales of services	339	5476		5,815	3,598
NET SALES			4.1.	5,815	3,598
Change in inventory of own production of goods and services				—	—
Own production of goods and services capitalized			4.2.	—	—
Grants			4.3.	—	—
Reversals of depreciation, amortization and provisions, expense reclassifications			4.5.	2,717	148
Other income			4.4.	3,101	2,416
OPERATING INCOME				11,633	6,163
Purchase of trade goods				—	—
Purchases of raw materials & other supplies (including customs duties)				978	999
Change in inventory (raw materials and supplies)				(96)	(286)
Other purchases and external expenses			4.6.	26,868	25,686
Taxes other than on income and related payments			4.7.	203	131
Wages and salaries			4.8.	5,009	3,716
Employee benefit expense			4.8.	3,025	3,639
ALLOWANCES FOR DEPRECIATION AND AMORTISATION, PROVISIONS					
For fixed assets			4.9.	872	828
For current assets			4.9.	—	14
For contingencies and losses			4.9.	—	1,414
Other expenses				817	776
OPERATING EXPENSES				37,677	36,918
INCOME (LOSS) FROM ORDINARY ACTIVITIES				(26,044)	(30,755)
JOINT VENTURE OPERATIONS				—	—
FINANCIAL INCOME					
Financial income from non-consolidated investments				—	—
Income from other marketable securities and receivables capitalized				1,012	279
Other interests and similar income				192	234
Reversals of provisions and expense reclassifications			4.9.	399	447
Foreign exchange gains				2,107	1,557
Net proceeds from the disposal of marketable securities				—	—
FINANCIAL INCOME				3,710	2,518
Amortization and charges to provisions for financial items					
Interest and similar expenses			4.9.	3,601	395
Foreign exchange losses				224	291
Net charges on disposals of marketable securities				1,523	821
FINANCIAL EXPENSES				5,348	1,506
NET FINANCIAL INCOME (EXPENSE)			4.10.	(1,638)	1,012
INCOME (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX AND EXCEPTIONAL ITEMS				(27,682)	(29,743)
Exceptional income from non-capital transactions				—	1

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Annual financial statements as at December 31, 2022

Parent-entity financial statements at December 31, 2022

<i>(In € thousand)</i>	France	Export	Note	As at December 31,	
				2022	2021
Exceptional income from capital transactions				1,003	3
Reversals of provisions and expense reclassifications				—	—
EXCEPTIONAL INCOME				1,003	5
Exceptional expenses on non-capital transactions				—	—
Exceptional expenses on capital transactions				17	10
Exceptional depreciation, amortization and provisions				3,125	247
EXCEPTIONAL EXPENSES				3,142	257
NET EXCEPTIONAL ITEMS			4.11.	(2,138)	(253)
Corporate income tax			4.12.	(1,703)	(1,774)
TOTAL INCOME				16,347	8,685
TOTAL EXPENSES				44,464	36,907
PROFIT OR LOSS				(28,117)	(28,222)
Basic net earnings per share <i>(in euros)</i>			4.13.	(0.22)	(0.29)
Diluted net earnings per share <i>(in euros)</i>				(0.22)	(0.29)

4.2.3 Cash flow statement

(In € thousand)

	Note	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss)	Section 4.2.2	(28,117)	(28,222)
INCOME AND EXPENSES WITH NO IMPACT ON CASH OR UNRELATED TO OPERATING ACTIVITIES			
Operating depreciation and amortization expenses	4.9.	872	2 256
Reversals of operating depreciation and amortization expenses	4.9.	(2,651)	(123)
Financial depreciation and amortization expenses	4.9.	3,202	(52)
Exceptional depreciation and amortization	4.9.	3,125	247
Reversals of exceptional provisions	4.9.	—	—
Expense reclassifications on capitalized assets	4.2.	—	—
Amount of grants recognized under income	4.11.	(3)	(3)
(Gains)/losses on disposal of assets	4.11.	(998)	—
Cancellation of operating/exceptional receivables		—	—
OPERATING CASH FLOWS		(24,571)	(25 898)
CHANGE IN OTHER CURRENT ASSETS AND LIABILITIES			
Inventories	3.4.	(96)	(286)
Trade receivables and related accounts	3.5.	31	(27)
Trade payables and related accounts	3.15.	(1,093)	1 687
Other receivables	3.6.	(79,258)	(26 320)
Prepayments and accrued income		(2,399)	(2 604)
Tax and employee-related liabilities	3.16.	(1,877)	2 131
Other accruals and deferred income	3.17.	(25,944)	10 554
Accruals and deferred income		28	180
NET CASH FROM (USED IN) OPERATING ACTIVITIES		(135,178)	(40 582)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of intangible fixed assets:	3.1.	—	(11)
Purchase of property, plant and equipment	4.2.	(583)	(553)
Purchase of long-term investments	3.3.	(30)	—
Net capital expenditure		1,000	616
Change in working capital requirements with regard to assets	3.17.	(25)	33
NET CASH USED IN INVESTING ACTIVITIES		362	86
NET CASH GENERATED FROM FINANCING ACTIVITIES			
Proceeds from borrowings	3.14.	1,419	859
Repayment of borrowings	3.14.	(1,362)	(1 426)
Subordinated grants received/repaid	3.12.	(317)	(580)
Investment grants received	3.11.	—	—
Capital increase	3.10.	197,285	179 785
Transaction costs charged to merger premium	3.10.	(7,531)	(13 414)
NET CASH FROM FINANCING ACTIVITIES		189,493	165 224
NET CHANGE IN CASH AND CASH EQUIVALENTS		54,678	124 728
Opening cash, cash equivalents and marketable securities	3.7.	140,564	15 836
Closing cash, cash equivalents and marketable securities	3.7.	195,241	140 564
NET CHANGE IN CASH AND CASH EQUIVALENTS		54,678	124 728

4.2.4 Notes to the financial statements

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Note 1 Events of the year

- On June 19, 2022, Valneva entered into a share subscription agreement with Pfizer which resulted in the issuance of 9,549,761 ordinary shares at a price of €9.49. This issue generated a share capital increase of €1,432,464.15 and share premium of €89,194,767.74.
- On October 4, 2022, Valneva completed its global offering consisting of the public offering of 375,000 “American Depositary Shares” or “ADS”, each representing two ordinary shares (i.e. 750,000 ordinary shares), and a concurrent private placement of 20,250,000 ordinary shares in Europe. This issue generated an increase in the share capital of €3,150,000 and share premium of €99,750,000.

Note 2 Accounting policies and methods

2.1 General background

The Company's parent-entity company financial statements have been prepared in accordance with French rules in accordance with the provisions of Regulation No. 99-03 of the French Accounting Regulations Committee relating to ANC Regulation 2016-07. The accounting conventions were applied in compliance with the principle of prudence, and in accordance with the basic assumptions of:

- going concern;
- consistency of methods from one fiscal year to another;
- independence of fiscal years;

and in accordance with the general rules for the preparation and presentation of annual financial statements.

Items are recorded in the financial statements in accordance with the historical cost method.

Financial information is presented in thousands of euros. They were approved by the Management Board on March 21, 2023 (complete financial statements with notes).

2.2 Use of and changes in estimates

To produce this financial information, the Company's management has to make estimates and assumptions that affect the carrying amount of the assets and liabilities, income and expenses, and the information disclosed in the Notes.

Management makes these estimates and assessments continuously based on its past experience and various other factors considered reasonable that form the basis of these assessments.

The figures that appear in its future financial statements are likely to differ from these estimates should the assumptions change or the conditions differ.

The main significant estimates made by the Company's management relate notably to the valuation of intangible fixed assets, financial assets and provisions for contingencies and losses.

2.3 Unrealized foreign exchange gains and losses

Foreign currency income and expense items are translated in the accounts at the exchange rate prevailing on the transaction date.

In accordance with Regulation 2015-05 of July 2, 2015 on forward financial instruments and hedging transactions applicable as from January 1, 2017, foreign exchange gains and losses on trade receivables and payables are now recognized under “other income and expenses” in the operating income statement. Foreign exchange gains and losses on financial transactions remain recognized in the financial income statement.

Foreign-currency denominated receivables, payables and cash balances are recorded in the balance sheet at the closing exchange rate. Translation differences resulting from the retranslation of foreign-currency denominated receivables and payables at the closing exchange rate are recorded in “Unrealized foreign exchange gains/losses” in the balance sheet. A contingency provision is recorded to cover all unrealized foreign exchange losses. The portion of the unrealized loss corresponding to trade receivables and payables is recognized in operating income to ensure a symmetry between the recognition of the unrealized loss and the permanent loss.

2.4 Intangible assets

With the exception of the specific cases mentioned below, intangible fixed assets are recognized at cost.

Intangible fixed assets with finite useful lives are amortized over their expected period of use. This amortization period is determined on a case-by-case basis according to the nature and characteristics of the items included under this heading.

When the useful life of intangible assets is indefinite, they are not amortized but instead subject to systematic impairment tests.

2.5 Research and development expenditures

Research expenditure is expensed as and when incurred.

According to the option offered under the French Official Chart of Accounts, development expenditures are capitalized and recognized as intangible assets only if the Company considers all of the following criteria are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to measure reliably expenditures attributable to the intangible asset during its development.

When these conditions are not fulfilled, development expenditures are treated as expenses. When a project for which development expenditures have been capitalized no longer meets one of the criteria defined above, the asset is canceled.

Development expenditures recorded as intangible assets include staff costs (wages and social charges) allocated to the development projects, the cost of raw materials and services, external services and the depreciation and amortization of fixed assets.

When development expenditures are capitalized, economic amortization begins at the start of the commercial use of products resulting from this development work. Economic amortization is calculated on a straight-line basis over an estimated useful life for projects.

2.6 Concessions, patents and similar rights

Computer software is recorded at cost. It is amortized over two or six years on a straight-line basis.

2.7 Property, plant and equipment

Tangible fixed assets are recognized at purchase cost or, where necessary, production cost. Depreciation is calculated using the straight-line method over the estimated useful life of the assets. No residual value is included in the depreciable amount of the tangible fixed assets on their date of acquisition as the Company expects to use them over their useful life. However, the residual value and useful life of tangible fixed assets are reviewed annually by the Company and any changes are included in the calculation of the assets' depreciable amount.

The estimated useful lives are as follows:

- Constructions:
 - buildings:
 - i) structure: 25 years,
 - ii) roofing: 25 years,
 - iii) weatherboarding: 25 years,
 - iv) exterior woodwork: 20 years,
 - v) interior partitions: 20 years;
 - general installations:
 - i) fluid and energy systems: ten to 15 years,
 - ii) air treatment: 10 years,
 - iii) ventilation and air conditioning: 10 years;
 - buildings on land owned by third parties: 8 to 10 years;
- Land:
 - land improvements: 10 years,
 - plantations: 10 years;
- Plant, machinery and equipment: 4 to 10 years;
- Vehicles: 4 years;
- Office and computer equipment: 3 to 10 years;
- Furniture: 4 to 10 years.

2.8 Impairment of assets

Intangible and tangible fixed assets are subject to impairment tests once there is an indication of loss in value. To assess whether there is an indication that an asset may be impaired, the Company considers the following external and internal indications:

External indications:

- an asset's market value has declined significantly (more than it would be expected as a result of the passage of time or normal use);
- significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, economic or legal environment in which the Company operates or in the market to which an asset is dedicated;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to decrease the asset's recoverable amount and/or value in use materially.

Internal indicators:

- evidence is available of obsolescence or physical damage of an asset not provided by the depreciation or amortization schedule;
- significant changes in the extent to which, or manner in which, an asset is used or is expected to be used;
- the economic performance of an asset is, or will be, worse than expected;
- a significant decline in the future cash flows generated by the Company.

Where there is an indication of loss in value, an impairment test is carried out: the net carrying amount of the capitalized asset is compared with its present value.

The net carrying amount of an asset is its gross value less accumulated depreciation (or amortization) and impairment.

The present value is an estimated value that is assessed according to the market and the Company's use of the asset. It results from the comparison between the fair value and the value in use. Fair value is the amount obtainable from the sale of an asset in an arm's length transaction, less the costs of disposal.

The value in use is the value of the future cash flows expected to arise from the continuing use of an asset and from its disposal. The Company considers that the value in use corresponds to the expected undiscounted net cash flows, determined on the basis of budget data approved by the Management Board.

2.9 Borrowing costs

Any borrowing costs incurred by the Company to finance tangible and intangible fixed assets are expensed as and when incurred.

2.10 Financial assets

Equity investments include costs for the acquisition of different subsidiaries of the Company.

The value of each equity investment is determined in reference to the share in the net equity and future prospects of the subsidiaries. When this value is lower than their carrying amount, an impairment expense is recorded for the difference.

Other long-term investments consist of:

124,322 ordinary treasury shares amounting to €645,107, corresponding to financial compensation paid by the Company to former Intercell shareholders who exercised their exit right following the merger with Intercell AG in May 2013.

When the recoverable amount of these long-term investments at the reporting date is lower than the recognized value, an impairment is recognized for the difference, or, concerning the liquidity agreement and Treasury shares, for their amount.

2.11 Inventory

Inventories are stated at cost using the basis of the actual price. Amounts for impairment may be recognized on the basis of the net realizable value.

2.12 Receivables and related accounts

Receivables are stated at par value. An impairment is recognized where the book value exceeds the recoverable amount.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash in bank current accounts.

2.14 Employee commitments

The Company's employees are entitled to retirement severance benefits. Since December 31, 2005, the corresponding commitments are paid according to the rights vested by the recipients in the form of provisions.

For defined benefit plans, retirement costs are determined once a year:

- As of December 31, 2021, under the new calculation method proposed by the IFRIC IC and according to the updated recommendation of the ANC no. 2013-02 as at December 31, 2021: under this method, when the plan provides for the payment of an indemnity to the employee, if he or she is present at the date of retirement, the amount of which depends on seniority and is capped at a certain years of service, the commitment must be calculated solely on the basis of the years of service prior to the retirement date.

The final obligation is then discounted. These calculations mainly use the following assumptions:

- a discount rate;
- a salary escalation rate; and
- and an employee turnover rate.

The gains and losses arising from changes in the actuarial assumptions are recognized in the income statement.

For basic schemes and defined contribution plans, the Company recognizes the contributions as expenses when payable, as it has no obligations over and above the amount of contributions paid.

A provision for social security charges due on share-based payments has been recognized since December 31, 2020, using Valneva's closing share price (€6.22 as at December 31, 2022).

2.15 Grant income

Operating grants are recognized upon the signature of the contracts.

Investment grants are recognized in liabilities under "Investment grants" within shareholders' equity. These grants are transferred to income (under "Other exceptional income") as and when economic amortization and accelerated amortization charges are recognized for the assets financed by these grants.

Operating grants are recognized in "Other operating income" at the same rate as the expenses financed by the grants.

2.16 Contingent advances

Conditional advances are recognized in liabilities under “Conditional advances”. Should failure to complete work be reported, the debt waiver is recognized in “Other exceptional income”. In the event that advances are granted to finance research and development projects, these advances are recorded as assets in the balance sheet under “Development expenditure”. In the event that advances are granted for research and development projects not recognized as balance sheet assets, these advances are recorded under “Operating grants”.

2.17 Provisions for contingencies and losses

Provisions for contingencies and losses are recognized where the Company has an obligation towards a third party and it is probable or certain that it will recognize an outflow of resources for the benefit of this third party without consideration. These provisions are estimated using the most likely assumptions at the balance sheet date.

2.18 Payables

Payables are stated at nominal amount.

2.19 Net sales

Valneva SE's know-how and intellectual property are focused on the manufacture of vaccines: Valneva SE offers research and commercial licenses for its EB66® cell lines to biotechnology companies and the pharmaceutical industry for the production of viral vaccines;

Sales generated by Valneva SE originate from:

- research services performed on behalf of customers under the commercial agreements mentioned above;
- the sale of rights to use biological “material”, particularly for testing by customers before commercial license agreements are signed;
- when services are re-invoiced to the subsidiary Valneva Austria GmbH and other companies.

For research services, sales are recognized according to the completion of the services provided by the agreements. Sales with respect to the rights to use biological “material” are recognized upon delivery to the customers.

Any discounts, rebates or rebates granted to customers are recognized at the same time as sales are recognized. They are classified as a reduction in net sales.

2.20 Operating grants

Operating grants are recognized in “Other operating income” at the same rate as the expenses financed by the grants.

2.21 Other income

Other income includes mainly:

- lump-sum payments for license concessions;
- royalties.

The lump-sum payments for license concessions are due by the partners upon the achievement of various milestones. Usually, an upfront payment is due at the beginning of the contract and additional payments are due upon the achievement of “milestones”. The income is recognized according to the invoicing performed under contractual terms.

Royalties are recognized in income according to the sales generated over the period by the partners.

2.22 Staff costs

CICE wage tax credit

The CICE (crédit d'impôt pour la compétitivité et l'emploi) was a tax credit granted to companies with salaried employees. This tax credit was eliminated on January 1, 2019.

Unused tax credits continue to be carried forward over the three years following the year in which they were recognized. The fraction not applied at the end of this period is repaid to the Company.

The 2018 CICE wage tax credit receivable was allocated to training expenses, R&D equipment and other investments.

2.23 Exceptional income and expense items

Exceptional income and expenses are items which, due to their unusual nature and the fact that they are not recurrent, cannot be considered as inherent to the Company's normal operations, such as disposals or scrapping of assets, accelerated tax depreciation or amortization charges or reversals, shares of investment grants recognized in income, debt waivers with regard to conditional advances, etc.

2.24 Corporate income tax

The incomes tax expense line item includes the current taxes for the period less any tax credits, particularly research tax credits.

(a) Current tax

Current tax is determined using the taxable income for the period which may differ from accounting income following add-backs and deductions of certain items of income and expense, depending on the prevailing tax positions, and using the tax rate enacted at the balance sheet date.

(b) Research tax credit

Manufacturing and trading companies taxed according to the actual regime that incur research expenditure may benefit from a tax credit.

The tax credit is calculated for each calendar year and utilized against the tax payable by the Company for the year in which the research expenditure was incurred. Unused tax credits may be carried forward over the three years following the year in which they were recognized. The fraction not applied at the end of this period is repaid to the Company.

Pursuant to Article 41 of Law 2010-1657 of December 29, 2010, the Company no longer benefits from the early repayment measure of its excess research tax credit. In effect, because it is now part of a group that no longer meets the EU definition of an SME this early repayment measure is no longer applicable to the Company.

Research tax credit receivables are henceforth collateralized with BPI (Banque Publique d'Investissement).

2.25 Earnings per share/Diluted earnings per share

Basic net earnings per share are calculated using the weighted average number of issued shares during the period.

The average number of issued shares is calculated according to the various changes in the Company's share capital, and adjusted, where appropriate, by the number of treasury shares held by the Company.

Diluted net earnings per share are calculated by dividing net income by the number of issued ordinary shares plus all potentially dilutive ordinary shares. If a net loss is recognized for the period, diluted net earnings per share are the same as basic net earnings per share.

Note 3 Notes to the balance sheet**3.1 Net intangible fixed assets****(a) Change from January 1, 2022 to December 31, 2022**

<i>(In € thousand)</i>	January 1, 2022	Changes in the period			At December 31, 2022
		Increase	Decrease	Other changes	
Preliminary expenses	0	—	—	—	—
Development expenditure	7,540	—	(3,485)	—	4,055
Goodwill	0	—	—	—	—
Concessions, patents and rights	400	—	—	—	400
Software	363	—	—	—	363
Intangible assets under development	0	—	—	—	—
Other	0	—	—	—	—
GROSS INTANGIBLE FIXED ASSETS	8,303	—	(3,485)	—	4,818
Preliminary expenses	0	—	—	—	—
Development expenditure ⁽¹⁾	7,475	34	(3,484)	—	4,025
Goodwill ⁽²⁾	0	—	—	—	—
Concessions, patents and rights ⁽³⁾	222	178	—	—	400
Software	328	19	—	—	347
TOTAL AMORTIZATION	8,025	231	(3,484)	—	4,772
NET INTANGIBLE FIXED ASSETS	278	(231)	(2)	—	46
Development expenditure	0	(34)	(2)	—	31
Concessions, patents and rights	0	(178)	—	—	—
Software	0	(19)	—	—	16
TOTAL ACCELERATED TAX DEPRECIATION OR AMORTIZATION	0	—	—	—	—
NET TAX VALUE OF INTANGIBLE FIXED ASSETS	278	(231)	(2)	—	46
<i>(1) Of which exceptional depreciation</i>	1,168	—	—	—	—
<i>(2) Of which exceptional depreciation</i>	0	—	—	—	—
<i>(3) Of which exceptional depreciation</i>	0	—	—	—	—

Development expenditure: the decrease in development expenditure corresponds to the disposal of the EBx cellular line and VALNEVA's Cleanmeat patent, which generated a capital gain of €1 million recorded in exceptional income at December 31, 2022.

(b) Change from January 1, 2021 to December 31, 2021

<i>(In € thousand)</i>	Changes in the period				At December 31, 2021
	January 1, 2021	Increase	Decrease	Other changes	
Preliminary expenses	0	0	0	0	0
Development expenditure	7,540	0	0	0	7,540
Goodwill	0	0	0	0	0
Concessions, patents and rights	400	0	0	0	400
Software	352	11	0	0	363
Intangible assets under development	0	0	0	0	0
Other	0	0	0	0	0
GROSS INTANGIBLE FIXED ASSETS	8,293	11	0	0	8,303
Preliminary expenses	0	0	0	0	0
Development expenditure ⁽¹⁾	7,434	41	0	0	7,475
Goodwill ⁽²⁾	0	0	0	0	0
Concessions, patents and rights ⁽³⁾	44	178	0	0	222
Software	307	21	0	0	328
TOTAL AMORTIZATION	7,785	240	0	0	8,025
NET INTANGIBLE FIXED ASSETS	508	(229)	0	0	278
Development expenditure	0	0	0	0	0
Concessions, patents and rights	0	0	0	0	0
Software	0	0	0	0	0
TOTAL ACCELERATED TAX DEPRECIATION OR AMORTIZATION	0	0	0	0	0
NET TAX VALUE OF INTANGIBLE FIXED ASSETS	508	(229)	0	0	278
<i>(1) Of which exceptional depreciation</i>	<i>1,168</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,168</i>
<i>(2) Of which exceptional depreciation</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>(3) Of which exceptional depreciation</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

3.2 Net intangible fixed assets

(a) Change from January 1, 2022 to December 31, 2022

<i>(In € thousand)</i>	January 1, 2022	Changes in the period			At December 31, 2022
		Increase	Decrease	Other changes	
Land	679	—	—	—	679
Buildings on own land	3,026	—	—	—	3,026
Buildings on land of third parties	0	—	—	—	—
Building installations and improvements	2,808	109	—	—	2,916
Plant, machinery and equipment	4,681	407	(40)	—	5,047
General installations, miscellaneous improvements	9	—	—	—	9
Vehicles	0	—	—	—	—
Office, IT equipment, furniture	617	67	(15)	—	669
Recoverable packaging	2	—	—	—	2
Tangible fixed assets under construction	0	—	—	—	—
Prepayments	0	—	—	—	—
GROSS INTANGIBLE FIXED ASSETS	11,821	583	(56)	—	12,349
Land	277	1	—	—	278
Buildings on own land	1,537	133	—	—	1,670
Buildings on land of third parties	0	—	—	—	—
Building installations and improvements	2,283	134	—	—	2,417
Plant, machinery and equipment	3,566	323	(40)	—	3,849
General installations, miscellaneous improvements	6	—	—	—	6
Vehicles	0	—	—	—	—
Office, IT equipment, furniture	481	50	(15)	—	515
Recoverable packaging	2	—	—	—	2
TOTAL DEPRECIATION	8,153	641	(55)	—	8,739
Impairment	0	—	—	—	—
Plant, machinery and equipment	0	—	—	—	—
NET INTANGIBLE FIXED ASSETS	3,668	(58)	—	—	3,610

€583 thousand in capital expenditures were incurred for fixtures, laboratory and IT equipment for the Saint-Herblain and Lyon sites.

(b) Change from January 1, 2021 to December 31, 2021

<i>(In € thousand)</i>	January 1, 2021	Changes in the period			At December 31, 2021
		Increase	Decrease	Other changes	
Land	679	0	0	0	679
Buildings on own land	3,026	0	0	0	3,026
Buildings on land of third parties	0	0	0	0	0
Building installations and improvements	2,779	29	0	0	2,808
Plant, machinery and equipment	4,235	445	0	0	4,681
General installations, miscellaneous improvements	9	0	0	0	9
Vehicles	0	0	0	0	0
Office, IT equipment, furniture	539	78	0	0	617
Recoverable packaging	2	0	0	0	2
Tangible fixed assets under construction	0	0	0	0	0
Prepayments	0	0	0	0	0
GROSS INTANGIBLE FIXED ASSETS	11,268	553	0	0	11,821
Land	277	1	0	0	277
Buildings on own land	1,404	133	0	0	1,537
Buildings on land of third parties	0	0	0	0	0
Building installations and improvements	2,155	128	0	0	2,283
Plant, machinery and equipment	3,278	288	0	0	3,566
General installations, miscellaneous improvements	6	0	0	0	6
Vehicles	0	0	0	0	0
Office, IT equipment, furniture	444	37	0	0	481
Recoverable packaging	2	0	0	0	2
TOTAL DEPRECIATION	7,566	588	0	0	8,153
Impairment	0	0	0	0	0
Plant, machinery and equipment	0	0	0	0	0
NET INTANGIBLE FIXED ASSETS	3,703	(35)	0	0	3,668

€553 thousand in capital expenditures were incurred for fixtures, laboratory and IT equipment for the Saint-Herblain site.

3.3 Long-term financial investments

(a) Change from January 1, 2022 to December 31, 2022

<i>(In € thousand)</i>	January 1, 2022	Acquisitions/ Contributions/ Transformations/ Mergers	Disposals	December 31, 2022
Non-consolidated investments	166,690	—	—	166,690
Receivables on non-consolidated investments	—	—	—	—
Loans ⁽¹⁾	187	—	—	187
Deposits and bonds	—	30	—	31
Treasury shares	645	—	—	645
Liquidity agreement	—	—	—	—
GROSS VALUE	167,522	30	—	167,553
Impairment of equity investments	6,874	(9)	—	6,865
Depreciation of deposits and bonds	—	—	—	—
Treasury shares impairment	—	—	—	—
Liquidity agreement impairment	—	—	—	—
TOTAL DEPRECIATION	6,874	(9)	—	6,865
TOTAL NET LONG-TERM INVESTMENTS	160,648	40	—	160,688

(1) Long-term loans in connection with social housing levies of €187 thousand.

Non-consolidated investments

Treasury shares

124,322 ordinary shares held in treasury representing €645,107 and corresponding to financial consideration the Company paid to former Intercell shareholders having exercised their exit right.

There was no impairment at December 31, 2022 for these securities.

Portfolio of shares held in treasury

<i>(In € thousand)</i>	Number of shares at December 31, 2022	Gross	Provision	Net
Financial compensation:	124,322	645	—	645
• ordinary shares with a value of €0.15	—	—	—	—

Impairment of equity investments

An additional impairment of BliNK Biomedical SAS securities was recorded for €9 thousand based on the share of the net equity of this company and the earnings prospects announced on December 31, 2022.

(b) Change from January 1, 2021 to December 31, 2021

<i>(In € thousand)</i>	January 1, 2021	Acquisitions/ Contributions/ Transformations/ Mergers	Disposals	December 31, 2021
Non-consolidated investments	166,690	—	—	166,690
Receivables on non-consolidated investments	—	—	—	—
Loans ⁽¹⁾	187	—	—	187
Deposits and bonds	17	—	(16)	—
Treasury shares	645	—	—	645
Liquidity agreement	600	—	(600)	—
GROSS VALUE	168,139	—	(616)	167,522
Impairment of equity investments	6,869	5	—	6,874
Depreciation of deposits and bonds	—	—	—	—
Treasury shares impairment	—	—	—	—
Liquidity agreement impairment	94	(94)	—	—
TOTAL DEPRECIATION	6,963	(89)	—	6,874
TOTAL NET LONG-TERM INVESTMENTS	161,176	89	(616)	160,648

(1) Long-term loans in connection with social housing levies €187 thousand

Non-consolidated investments**Treasury shares**

124,322 ordinary shares held in treasury representing €645,107 and corresponding to financial consideration the Company paid to former Intercell shareholders having exercised their exit right.

There was no impairment at December 31, 2021 for these securities.

The liquidity agreement entered into in July 2007 with Natixis, and transferred on June 25, 2018 to Oddo BHF, was terminated on June 11, 2021.

At the date of termination, this liquidity contract included a cash portion of €556 thousand and 4,025 ordinary shares. These treasury shares were canceled on October 4, 2021. A €94 thousand reversal of the provision for impairment recorded at December 31, 2020 was recorded on the same date.

Impairment of equity investments

An additional provision for impairment of BliNK Biomedical SAS securities was recorded in the amount of €5 thousand based on the net equity of this company and the earnings prospects announced on December 31, 2021.

Portfolio of shares held in treasury

<i>(In € thousand)</i>	Number of shares at December 31, 2021	Gross	Provision	Net
Financial compensation:	124,322.00	645.00	—	645.00
• ordinary shares with a value of €0.15	—	—	—	—

3.4 Inventories and work-in-progress**(a) Change from January 1, 2022 to December 31, 2022**

<i>(In € thousand)</i>	January 1, 2022	Increase	Decrease	At December 31, 2022
Raw materials and supplies	423	96	—	519
Impairment	—	—	—	—
TOTAL	423	96	—	519

(b) Change from January 1, 2021 to December 31, 2021

<i>(In € thousand)</i>	January 1, 2021	Increase	Decrease	At December 31, 2021
Raw materials and supplies	137	286	—	423
Impairment	—	—	—	—
TOTAL	137	286	—	423

3.5 Trade receivables and related accounts

<i>(In € thousand)</i>	At December 31, 2022	At December 31, 2021
Trade receivables	174	205
Doubtful trade receivables	—	—
GROSS VALUE	174	205
Impairment of trade receivables	—	—
TOTAL TRADE RECEIVABLES (NET VALUE)	174	205

(a) Trade receivables by maturity at December 31, 2022

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year
Trade receivables	174	174	—
Doubtful trade receivables	—	—	—
Trade receivables - Sales invoice accruals	—	—	—
TOTAL	174	174	—

(b) Trade receivables by maturity at December 31, 2021

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year
Trade receivables	205	205	—
Doubtful trade receivables	—	—	—
Trade receivables - Sales invoice accruals	—	—	—
TOTAL	205	205	—

3.6 Other receivables

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Corporate income tax	6,211	6,485
VAT	779	384
Current account advances/subsidiaries	119,870	40,712
Other operating receivables	32	52
Provision for doubtful operating receivables	—	(14)
TOTAL OTHER RECEIVABLES (NET VALUE)	126,892	47,619

Corporate income tax receivables represent the research tax credit (RTC) and the CICE (*crédit d'impôt compétitivité emploi*) wage tax credit.

(a) Trade receivables by maturity at December 31, 2022

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
2022 RTC	1,498	—
2021 RTC	1,774	1,774
2020 RTC	1,073	1,073
2019 RTC	1,866	1,866
2018 RTC	—	1,728
2018 CICE wage tax credit	—	44
TOTAL CORPORATE INCOME TAX RECEIVABLES (NET VALUE)	6,211	6,485

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year
Corporate income tax	6,211	1,866	4,345
VAT	779	779	—
Current account advances/subsidiaries	119,870	119,870	—
Other operating receivables	32	32	—
Provision for doubtful operating receivables	—	—	—
TOTAL	126,892	122,547	4,345

(b) Trade receivables by maturity at December 31, 2021

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year
Corporate income tax	6,485	1,772	4,713
VAT	384	384	—
Current account advances/subsidiaries	40,712	40,712	—
Other operating receivables	52	52	—
Provision for doubtful operating receivables	(14)	(14)	—
TOTAL	47,619	42,906	4,713

3.7 Net cash flow

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Cash at bank and in hand ⁽¹⁾	195,241	140,564
Fixed term deposits	—	—
Cash assets	195,241	140,564
Bank facilities	—	—
Cash liabilities	—	—
Net cash flow	195,241	140,564

(1) Of which notes sent for collection or discounting.

—

—

3.8 Prepaid expenses

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Office supplies	—	4
Work by various third parties	—	4
Maintenance and repairs	33	22
Insurance premiums	1,631	2,659
Documentation	4	5
Conventions	38	6
Travel expenses	9	—
Fees	34	60
Membership fees, contributions	4	—
Bank services	11	3
Rent office	37	—
Site security services	4	3
Royalties, concessions, patents	245	95
TOTAL	2,049	2,862

3.9 Accrued income

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Trade receivables and related account	—	—
Bank - Accrued interest on time deposits	—	—
TOTAL ACCRUED INCOME	—	—

3.10 Shareholders' equity

(a) Change from January 1, 2022 to December 31, 2022

(In € thousand)	January 1, 2022	Changes in the period			December 31, 2022
		Increase	Decrease	Other changes	
Share capital or individual share	15,786	4,969	—	—	20,755
Additional paid-in capital	430,438	184,785	—	—	615,222
Regulated reserves	52,832	—	—	—	52,832
Other reserves	(43)	—	—	—	(43)
Retained earnings/(accumulated deficit)	(163,603)	—	—	(28,222)	(191,825)
Net income/(loss) for the year	(28,222)	—	(28,117)	28,222	(28,117)
Net investment grants	47	—	(3)	—	43
Tax-driven provisions	—	—	—	—	—
TOTAL SHAREHOLDERS' EQUITY	307,234	189,754	(28,120)	—	468,868

Share capital

At December 31, 2022, the share capital of €20,755 thousand was comprised of 138,367,482 shares, of which 138,346,968 ordinary shares with a par value of €0.15 and 20,514 convertible preferred shares with a par value of €0.15.

Corporate actions in 2022:

In 2022, the Management Board, or the Managing Director by delegation, noted during 2022:

- the exercise of 21,875 equity warrants (BSA 27). The final gross proceeds of the transactions amounted to €56,306.25 corresponding to the issuance of 21,875 new ordinary shares, issued at a subscription price of €2.574 per share;
- this issue generated an increase in the share capital of €3,281.25 and share premium of €53,025.00;
- the exercise of 1,176,391 stock options granted to employees and non-executive managers, including 677,346 granted under "Stock Option Plans" ("POSA") from POSA 2013, 478,845 from POSA 2015 and 20,200 from POSA 2016 in January 2022. This issue generated an increase in the share capital of €176,458.65 and share premium of €3,732,528.72;
- the conversion in January 2022 of 28,348 Free Convertible Preferred Shares vested in December 2021 into 772,070 new ordinary shares. This transaction generated a share capital increase of €111,558.30, credited against the share premium account;
- the vesting of 636,648 ordinary shares (tranche 1 of the 2019-2023 free ordinary share plan). This transaction generated a share capital increase of €95,497.20, credited against the share premium account;
- on June 19, 2022, the share subscription agreement between Pfizer and Valneva led to the issue of 9,549,761 ordinary shares at a price of €9.49. This issue generated a share capital increase of €1,432,464.15 and share premium of €89,194,767.74. The equity transaction cost, amounting to €355,218.90 and directly attributable to the issue of new shares, is presented as a deduction from shareholders' equity;

- on October 4, 2022, the global offering consisting of a public offering of 375,000 "American Depositary Shares" or "ADS", each representing two ordinary shares (i.e. 750,000 ordinary shares), and a concurrent private placement of 20,250,000 ordinary shares in Europe. This issue generated a share capital increase of €3,150,000 and share premium of €99,750,000. The equity transaction cost, amounting to €7,383,535.94 and directly attributable to the issue of new shares, is presented as a deduction from shareholders' equity.

At December 31, 2022, share capital was mainly held:

- 9.90% by Groupe Grimaud La Corbière SA;
- 7.60% by Deep Track Global;
- 6.90% by Pfizer Inc.;
- 6.88% by Bpifrance Participations SA.

The remaining capital is held as follows:

- 0.11% by employees (non-corporate officers);
- 0.64% by Management Board members;
- 0.10% treasury shares held by Valneva SE;
- 0.71% by other private persons as shareholders, to the Company's knowledge (including private persons of the Grimaud family - including Frédéric Grimaud, Chairman of the Supervisory Board and Financière Grand Champ SAS - in addition to independent members of the Supervisory Board, James Sulat and Anne-Marie Graffin);
- the remaining 67.15% is the free float.

Percentages are calculated in reference to total share capital of 138,367,482 Valneva SE shares, divided into (a) 138,346,968 ordinary shares (ISIN FRO004056851) with a par value of €0.15 per share, (b) 20,514 convertible preferred shares, also with a par value of €0.15.

Other equity

No dividend was paid in 2022.

(b) Change from January 1, 2021 to December 31, 2021

<i>(In € thousand)</i>	January 1, 2021	Changes in the period			December 31, 2021
		Increase	Decrease	Other changes	
Share capital or individual share	13,646	2,140	—	—	15,786
Additional paid-in capital	266,163	164,274	—	—	430,438
Regulated reserves	52,832	—	—	—	52,832
Other reserves	—	(43)	—	—	(43)
Retained earnings/(accumulated deficit)	(149,039)	—	—	(14,564)	(163,603)
Net income/(loss) for the year	(14,564)	—	(28,222)	14,564	(28,222)
Net investment grants	50	—	(3)	—	47
Tax-driven provisions	—	—	—	—	—
TOTAL SHAREHOLDERS' EQUITY	169,089	166,371	(28,226)	—	307,234

Share capital

At December 31, 2021, the share capital in the amount of €15,786 thousand was comprised of 105,239,085 shares, of which 105,190,223 ordinary shares with a par value of €0.15 and 48,862 convertible preferred shares with a par value of €0.15.

Corporate actions in 2021:

In 2021, the Management Board, or the Managing Director by delegation, noted during 2021:

- the exercise of 21,875 equity warrants (BSA 27). The final gross proceeds of the transactions amounted to €56,306.25 corresponding to the issuance of 21,875 new ordinary shares, issued at a subscription price of €2.574 per share.

This issue generated a share capital increase of €3,281.25 and share premium of €53,025.00;

- the exercise of 790,075 stock options granted to employees and non-executive managers, including 363,050 granted under "Stock Option Plans" ("POSA") from POSA 2016 and 427,025 from POSA 2017 in January 2021. This issue generated a share capital increase of €118,511.25 and share premium of €2,082,375.50;
- on May 10, 2021, the global offering consisting of a public offering of 2,850,088 "American Depositary Shares" or "ADS", each representing two ordinary shares (i.e. 5,700,176 ordinary shares), and a concurrent private placement of 2,445,000 ordinary shares in Europe. This issue generated a share capital increase of €1,221,776.40 and share premium of €88,375,159.60. The equity transaction cost, amounting to €6,760,816.45 and directly attributable to the issue of new shares, is presented as a deduction from shareholders' equity;
- on October 4, 2021, the reduction of the share capital by canceling 4,025 treasury shares held by the Company following the termination of its liquidity agreement with ODDO BHF. This cancellation generated a reduction in the share capital of €603.75;

- on November 2, 2021, the global offering consisting of the public offering of 354,060 "American Depositary Shares" or "ADS", each representing two ordinary shares (i.e. 708,120 ordinary shares), and a concurrent private placement of 4,466,880 ordinary shares in Europe. This issue generated a share capital increase of €776,250 and share premium of €87,198,750. The equity transaction cost, amounting to €6,653,000.90 and directly attributable to the issue of new shares, is presented as a deduction from shareholders' equity;

- in December 2021, the vesting of 32,463 Free Convertible Preferred Shares and the conversion of 4,115 preferred shares into 112,074 new ordinary shares. This transaction generated a share capital increase of €21,063.30, credited against the share premium account.

At December 31, 2021, the breakdown of the capital ownership structure was primarily as follows:

- 13.02% by Groupe Grimaud La Corbière SAS;
- 8.19% by Bpifrance Participations SA.

The remaining capital is held as follows:

- 0.11% by employees (non-corporate officers);
- 0.64% by Management Board members;
- 0.97% by other private persons as shareholders to the Company's knowledge (including private persons of the Grimaud family - including Frédéric Grimaud, Chairman of the Supervisory Board and Financière Grand Champ SAS - in addition to independent members of the Supervisory Board, James Sulat and Anne-Marie Graffin);
- the remaining 77.07% by the free float.

Percentages are calculated in reference to total share capital of 105,239,085 Valneva SE shares, divided into (a) 105,190,223 ordinary shares (ISIN FR0004056851) with a par value of €0.15 per share, (b) 48,862 convertible preferred shares, also with a par value of €0.15.

Other equity

No dividend was paid in 2021.

3.11 Investment grants

(In € thousand)

Dept 44

Net amount at 12/31/2021	47
Grant transferred to 2022 net income	(4)
Decrease in the grant	—
NET AMOUNT AT 12/31/2022	43

3.12 Contingent advances

(In € thousand)

OSEO Vivabio

Amount granted	2,770
Grant date	June 26, 2009
Decrease in aid in line with actual expenses	(1,307)
Net amount at 12/31/2021	971
Financial returns	94
Repayment during 2022	(411)
Net amount at 12/31/2022	654

3.13 Provisions for contingencies and losses

(a) Change from January 1, 2022 to December 31, 2022

(In € thousand)	Changes in the period				December 31, 2022
	January 1, 2022	Increase	Reversals		
			Used	Not used	
Disputes	—	—	—	—	—
Foreign exchange risks	390	3,601	(390)	—	3,601
Retirement severance benefits	413	—	—	(96)	317
Social charges due on share-based payments	3,034	—	(708)	(1,833)	494
Miscellaneous risks	2,100	3,125	—	—	5,225
Restructuring costs	—	—	—	—	—
TOTAL PROVISIONS FOR CONTINGENCIES AND LOSSES	5,937	6,726	(1,098)	(1,929)	9,637
• of which operating	3,448	—	(708)	(1,929)	811
• of which financial	390	3,601	(390)	—	3,601
• of which exceptional	2,100	3,125	—	—	5,225

A provision of €2,100 thousand in connection with the litigation with certain former Intercell shareholders who initiated legal proceedings before the Commercial Court of Vienna to request a revision of the exchange ratio between Intercell and Valneva shares used in the merger in 2013 was revised upwards to €5,225 thousand, as an agreement has not yet been reached in 2022.

A provision for social security charges due on share-based payments is established using Valneva's closing share price as at December 31 (€6.22 as at December 31, 2022). The reversal of €708 thousand corresponds to the portion of expenses actually paid in 2022, the reversal of €1,833 thousand corresponds to the decrease in the share price at December 31, 2022, etc.

(b) Change from January 1, 2021 to December 31, 2021

(In € thousand)	January 1, 2021	Changes in the period			December 31, 2021
		Increase	Reversals		
			Used	Not used	
Disputes	—	—	—	—	—
Foreign exchange risks	353	37	—	—	390
Retirement severance benefits	537	—	—	(123)	413
Social charges due on share-based payments	1,620	2,550	(1,135)	—	3,034
Miscellaneous risks	1,853	247	—	—	2,100
Restructuring costs	—	—	—	—	—
TOTAL PROVISIONS FOR CONTINGENCIES AND LOSSES	4,363	2,834	(1,135)	(123)	5,937
• of which operating	2,168	2,550	(1,135)	(123)	3,459
• of which financial	353	37	—	—	390
• of which exceptional	1,840	247	—	—	2,088

A provision of €2,100 thousand in connection with the litigation with certain former Intercell shareholders who initiated legal proceedings before the Commercial Court of Vienna to request a revision of the exchange ratio between Intercell and Valneva shares used in the merger in 2013 was maintained, as an agreement has not yet been reached in 2021.

A provision for social security charges due on share-based payments established as at December 31, 2020, using Valneva's closing share price as at December 31, was maintained (€24.50 as at December 31, 2021). The reversal of €1,135 thousand represents the provision for current liabilities included in employee-related liabilities at December 31, 2021.

3.14 Borrowings

(In € thousand)		At December 31,	
		2022	2021
RTC credit collateralization ⁽¹⁾	1-month Euribor floating rate + 1.70%	3,780	3,737
Current bank facilities, bank credit balances		17	3
TOTAL		3,797	3,740

(1) Of which accrued interest: €9 thousand.

(a) At December 31, 2022

(In € thousand)	Gross	Up to 1 year	More than 1 year	More than 5 year
TOTAL FINANCIAL DEBT	3,797	3,797	—	—
• of which loans secured during the year	3,771			
• of which loans repaid during the year	1,362			

The loans obtained during the year represent:

- the renewed collateralization of the 2019 and 2020 research tax credits (RTC);
- the collateralization of the 2021 RTC with BPI.

Repayment of these loans includes the collateralization of the 2018 RTC.

(b) At December 31, 2021

(In € thousand)	Gross	Up to 1 year	More than 1 year	More than 5 year
TOTAL FINANCIAL DEBT	3,740	3,740	—	—
• of which loans secured during the year	3,734			
• of which loans repaid during the year	1,426			

The loans obtained during the year represent:

- the renewed collateralization of the 2018 and 2019 research tax credits (RTC);
- the collateralization of the 2020 RTC with BPI.

Repayment of these loans includes the collateralization of the 2017 RTC.

3.15 Trade payables and related accounts

(a) At December 31, 2022

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year	More than 5 years
Operating payables	1,448	1,448	—	—
Notes payable	—	—	—	—
Operating payables – purchase invoice accruals	1,734	1,734	—	—
TOTAL	3,182	3,182	—	—

(b) At December 31, 2021

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year	More than 5 years
Operating payables	2,202	2,202	—	—
Notes payable	—	—	—	—
Operating payables – purchase invoice accruals	2,073	2,073	—	—
TOTAL	4,275	4,275	—	—

3.16 Tax and employee-related liabilities

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
VAT due	46	61
Other taxes	70	48
Wages and salaries	957	937
Employee benefit expense	677	2,579
TOTAL TAX AND EMPLOYEE-RELATED LIABILITIES⁽¹⁾	1,749	3,626
<i>(1) Up to 1 year</i>	1,749	3,626
<i>More than 1 and less than 5 years</i>	—	—
<i>More than 5 years</i>	—	—

3.17 Other liabilities

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Amounts due in respect of fixed asset purchases	16	41
Other operating payables	4,636	30,579
TOTAL OTHER LIABILITIES	4,652	30,620

The line item “Other operating liabilities” includes mainly the current account balance with Valneva Austria GmbH (€3,585 thousand). The €25 million loan with this same subsidiary was repaid in 2022.

(a) At December 31, 2022

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year	More than 5 years
Payables to fixed asset suppliers	16	—	—	—
Other financial liabilities	4,636	—	—	—
TOTAL	4,652	—	—	—

(b) At December 31, 2021

<i>(In € thousand)</i>	Gross	Up to 1 year	More than 1 year	More than 5 years
Payables to fixed asset suppliers	41	41	—	—
Other financial liabilities	30,579	30,579	—	—
TOTAL	30,620	30,620	—	—

3.18 Deferred income

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Operating grants	—	—
Research services and royalties	—	—
TOTAL DEFERRED INCOME	—	—

3.19 Accrued expenses

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Trade payables and related accounts	1,732	2,231
Tax and employee-related liabilities	1,401	1,377
Borrowings and financial liabilities	9	3
Other financial liabilities	25	19
TOTAL ACCRUED EXPENSES⁽¹⁾	3,167	3,630

(1) Payables up to 1 year.

Note 4 Notes to the income statement

4.1 Net sales

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Research services	26	36
Other services	5,789	3,562
TOTAL	5,815	3,598

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Sales in France	339	328
Export sales	5,476	3,270
TOTAL	5,815	3,598

4.2 Own production of goods and services capitalized

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Development expenditure	0	0
TOTAL	0	0

4.3 Operating grants

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
CPAM	—	—
TOTAL	—	—

4.4 Other income

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Upfront and milestones	3,060	2,389
Translation gains on trade receivables and payables	41	26
Other	—	1
TOTAL	3,101	2,416

4.5 Reversals of depreciation, amortization, provisions and expense reclassifications

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Reversals of provisions for contingencies and losses	2,651	123
Operating expense reclassifications	66	25
TOTAL	2,717	148

4.6 Purchases and external expenses

MAIN CHARGES <i>(in € thousand)</i>	December 31, 2022	December 31, 2021
Work by various third parties	1,976	2,849
Fees	6,890	7,714
Maintenance and repairs	315	319
Administrative services	9,251	7,081
Temporary personnel	—	—
Recruitment costs	239	188
Travel expenses	449	49
Symposiums, seminars, conferences	109	41
Post and telephone expenses	54	39
Entertainment expenses	109	23
Property leasing	100	40
Leasing expenses	24	10
Equipment leasing	13	16
Sundry transport expenses	204	114
Advertising, publications, public relations	377	171
Documentation	24	22
Insurance premiums	6,434	6,689
Waste management	33	43
Security services	10	9
Training fees	46	46
Bank services	69	79
Natural gas	18	24
Water	3	3
Electricity	104	94
Dues and related contributions	18	23
TOTAL	26,868	25,686

4.7 Taxes, duties and related amounts

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Taxes on compensation	109	69
Training	71	42
Apprentices tax	36	24
Other taxes/compensation (FNAL)	2	2
Other taxes	94	62
Local taxes	45	46
CFE - CVAE regional business tax	2	(5)
Employer contribution for handicapped workers	7	4
Withholding taxes	39	14
Other taxes	1	3
TOTAL	203	131

4.8 Personnel

(a) Workforce

Average number of employees	December 31, 2022	December 31, 2021
Executives and higher intellectual professions	41	35
Intermediate professions	5	5
Office employees/workers	4	5
Workers	—	—
Seconded personnel	—	—
TOTAL	50	46

- Employees present at December 31, 2022: 50 employees of which 48 on permanent contracts and 2 on fixed term contracts.
- Employees present at December 31, 2021: 48 employees of which 46 on permanent contracts and 2 on fixed term contracts.

(b) Staff costs

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Wages and salaries	5,009	3,716
Employee benefit expense	2,001	3,539
Other personnel expenses	1,024	100
TOTAL	8,034	7,355

(c) Compensation paid to Management Board and Supervisory Board Members

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Fixed compensation	487	468
Variable compensation	356	295
Fringe benefits	37	22
ALL MANAGEMENT BOARD MEMBERS	880	784
Attendance fees	343	275
ALL SUPERVISORY BOARD MEMBERS	343	275
TOTAL	1,224	1,059

<i>Free shares (Free ordinary shares fully vested)</i>	December 31, 2022	December 31, 2021
Management Board Members	285,601	—
Supervisory Board Members	—	—

<i>Free shares (Free convertible preferred shares fully vested)</i>	December 31, 2022	December 31, 2021
Management Board Members	—	14,898
Supervisory Board Members	—	—

<i>Stock options (Number of shares subscribed)</i>	December 31, 2022	December 31, 2021
Management Board Members	330,921	—
Supervisory Board Members	—	—

<i>Equity warrants (BSA) (Number of shares subscribed)</i>	December 31, 2022	December 31, 2021
Management Board Members	—	—
Supervisory Board Members	12,500	12,500

(d) Employee benefits**Assumptions used for the valuation of pension benefits**

	December 31, 2022	December 31, 2021
Discount rate	3.60 %	1.00%
Salary increase rate	2.50 %	2.00%
Social security charge rate	Supervisors 47%- Others 43%	Supervisors 47%- Others 43%
Employee turnover rate by age	Details below	Details below

	Supervisors	Managers	Office employees/ Workers
Annual turnover	Rates determined by age group		
– 25 years	18.00 %	21.35 %	3.33 %
25-29 years	18.00 %	21.35 %	3.33 %
30-34 years	9.00 %	10.64 %	1.68 %
35-39 years	9.00 %	10.64 %	1.68 %
40-44 years	3.00 %	3.57 %	0.57 %
45-49 years	3.00 %	3.57 %	0.57 %
50-54 years	— %	— %	— %

Change in net commitments and reconciliation of the provision

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Commitment at the beginning of period	413	537
Commitment at the end of period	317	413
Provision at the beginning of period	413	537
Reversal of the period	—	(172)
Charge / reversal for the period	(96)	48
Provision at the end of period	317	413

4.9 Depreciation, amortization, provisions & impairment

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Intangible fixed assets	231	240
Property, plant and equipment	641	588
TOTAL FIXED ASSETS (A)	872	828
Employee commitments	(96)	(123)
Provisions for operating contingencies and losses	(2,541)	1,414
TOTAL PROVISIONS (B)	(2,637)	1,291
TOTAL NET CHARGES EXCLUDING CURRENT ASSETS (C=A+B)	(1,765)	2,119
Trade receivables and other current assets	(14)	14
TOTAL ASSETS (D)	(14)	14
EXCEPTIONAL AMORTIZATION (E=C+D)	(1,779)	2,133
Provisions for unrealized foreign exchange losses	3,211	37
Impairments of current account balances	—	—
Impairment of financial assets	(9)	(89)
TOTAL FINANCIAL ASSETS (F)	3,202	(52)
Exceptional amortization of fixed assets (G)	—	—
Impairment of fixed assets (H)	—	—
Accelerated tax depreciation or amortization of fixed assets (I)	—	—
Other provisions (J)	3,125	247
TOTAL EXCEPTIONAL ITEMS (K=G+H+I+J)	3,125	247

4.10 Net income/(loss) from financial items

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Revenue from marketable securities and deposits	192	39
Interest on borrowings	(48)	(38)
Interest on repayable loans	(94)	49
Interest on current accounts	930	173
Dividends received	—	—
Translation adjustments	583	737
Penalties for early repayment	—	—
Impairment of financial assets/reversals	(3,202)	52
NET FINANCIAL INCOME/(EXPENSE)	(1,638)	1,012

4.11 Exceptional income and expense items

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Net income on disposals	998	—
Depreciation and provisions, net of reversals on tangible fixed assets	—	—
Amortization and provisions, net of reversals on intangible fixed assets	—	—
Provisions for contingencies and losses net reversals	(3,125)	(247)
Share of grant transferred to income	3	3
Misc.	(15)	(9)
NET EXCEPTIONAL ITEMS	(2,138)	(253)

4.12 Income tax income/(expense)

(a) Income tax charges

Effective tax rate

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Net profit/(loss)	(28,117)	(28,222)
Income tax	(1,703)	(1,774)
Net loss before tax	(29,820)	(29,996)
EFFECTIVE TAX RATE	—	—

(b) Tax losses carried forward

	December 31, 2022	December 31, 2021
Losses carried forward at the beginning of the period	234,872	192,015
Losses generated during period	37,180	42,857
Losses utilized during period	—	—
Prior losses used	—	—
Losses expired during period	—	—
LOSSES CARRIED FORWARD AT THE END OF THE PERIOD	272,052	234,872

(c) Deferred tax assets and deferred tax liabilities

<i>(In € thousand)</i>	December 31, 2022	December 31, 2021
Deferred tax assets (investment grants and accelerated tax depreciation or amortization)	11	12
Deferred tax liabilities	—	—
• operating grants taxable at time of allotment	—	—
• unrealized gains from UCITS	—	—
• employee profit-sharing	—	—
TOTAL DEFERRED TAX ASSETS/DEFERRED TAX LIABILITIES	11	12

4.13 Earnings (losses) per share

		December 31, 2022	December 31, 2021
Basic net loss <i>(in euros)</i>	(a)	(28,116,982)	(28,222,330)
Average number of shares outstanding	(b)	125,646,010	98,766,454
Total number of potential shares	(c)	145,614,249	111,763,160
Basic net earnings per share <i>(in euros)</i>	(a)/(b)	(0.22)	(0.29)

In light of the net loss, diluted earnings per share are considered identical to basic earnings.

4.14 Other information

(a) Commitments and contingent liabilities

Debt guarantee by collateral

(In € thousand)	December 31, 2022	December 31, 2021
Equipment pledge	–	–
Pledges on non-consolidated investments	–	–

Off-balance-sheet commitments

(In € thousand)	As at December 31,	
	2022	2021
COMMITMENTS GIVEN		
• Commitment on Wilmington/Valneva Austria GmbH loan ⁽¹⁾	89,181	49,671
• Financial returns on OSEO2 reimbursable loans ⁽²⁾	49	143
• Premises financing lease	1,049	–
• Equipment financing lease	41	8
• Comfort letter in favor of Valneva GmbH ⁽³⁾	916	1,711
• Joint surety in favor of VGO Bureaux, lease signed for the premises of Valneva France ⁽⁴⁾	250	238
• Comfort letter and guarantee for the benefit of Valneva Canada Inc. for a contract for vehicles	23	38
• Parent guarantee to Valneva Sweden AB ⁽⁵⁾	6,313	8,077
• Guarantee to Valneva Scotland (grant) ⁽⁶⁾	5,322	1,102
• Parent guarantee to Valneva GmbH (Supply agreement with the UK government and clinical trial agreement) ⁽⁷⁾	–	166,876
TOTAL COMMITMENTS GIVEN	103,144	227,865
COMMITMENTS RECEIVED	–	–
TOTAL COMMITMENTS RECEIVED	–	–

(1) Principal of the loan at December 31, 2022.

(2) The maximum amount repayable of reimbursable loans under the Vivabio program was reduced to €3 million in July 2015. This amount that is repayable until 2024, was recognized in the amount of €654 thousand (See Note 3.12).

(3) On lease instalments payable until the end of the property lease in 2023.

(4) Representing 3 years of rent excluding taxes and charges.

(5) On lease instalments payable until the end of the property lease in 2031.

(6) Representing the £4,712 thousand granted to Valneva Scotland Limited by the Scotland's national economic development agency "Scottish Enterprise".

(7) Corresponding to the amount received from the British government to finance the investments.

Other commitments given:

The Group's parent company has provided financial support for a period of at least 12 months from the date of approval of the financial statements for the period ending December 31, 2022 for the subsidiaries Valneva Austria, UK and Scotland.

Contingent liabilities

The following dispute is classified as contingent liability as the probability of an outflow of resources is low.

In July 2016, the Company received an additional request for payment, accompanied by a threat of legal action. This related to the acquisition of Humalys SAS in 2009, through which the Company had acquired the technology that was subsequently combined with another antibody discovery technology and contributed to BliNK Biomedical SAS in early 2015. Humalys' former shareholders now demand additional payment pursuant to this disposal. A first instance decision in the Humalys case is now expected in the third quarter of 2023. The Company's management, after consultation with its external advisors, believes that this claim is unsubstantiated and the filed litigation is not likely to succeed in court. Detailed information on the potential specific financial consequences, which might result from a successful claim could adversely affect the Company's ability to defend its interests in this case and therefore is not provided.

No provision has moreover been recorded by the Company in respect to stock option, equity warrant and bonus share plans. In effect, the Company intends to issue new shares in connection with future grants and subscriptions.

(b) Information concerning related parties

Related parties concern relations with Groupe Grimaud La Corbière SAS and the companies of the Grimaud La Corbière Group (1), the subsidiary Valneva Austria GmbH (2), the subsidiary Valneva Canada Inc. (3), the subsidiary Valneva UK Ltd. (4), the subsidiary Valneva USA Inc. (5), the subsidiary Valneva Sweden AB (6), the subsidiary Valneva France SAS (7) and Bpifrance participations SAS (8).

1. For Groupe Grimaud La Corbière SAS and Groupe Grimaud La Corbière companies, services rendered related to normal operating activities:

A collaboration and research license agreement and a contract for the provision of premises and equipment (Vital Meat Project) signed in 2018 generated revenue of €200 thousand for the 2022 fiscal year (€56 thousand appears in trade receivables at December 31, 2022 and €7 thousand appears in other financial liabilities for a deposit paid). A patent assignment and license agreement signed in May 2022 also generated income of €1 million included in exceptional income.

2. A loan agreement, entering into effect as from October 1, 2020, was signed between Valneva SE (the borrower) and its subsidiary Valneva Austria GmbH. The amount borrowed, bearing interest at the three-month EURIBOR rate plus 1%, limited to €25 million, was repaid in July 2022 and €83 thousand was invoiced in 2022 in respect of interest.

A loan agreement, entering into effect as from August 1, 2022, was signed between Valneva SE (the borrower) and its subsidiary Valneva Austria GmbH. The amount of this loan, subject to interest at a rate of three-month EURIBOR plus 1%, is limited to €100 million and must be paid back before August 1, 2027. The loan amount represents €70 million at December 31, 2022 and €313 thousand for interest was invoiced in 2022.

An agreement between Valneva SE and Valneva Austria GmbH entering into effect as from May 28, 2013 sets guidelines for the re-invoicing of services between these two companies.

Valneva SE re-invoiced €4,527 thousand in 2022.

Valneva Austria GmbH re-invoiced €7,708 thousand in 2022.

A patent license agreement between Valneva SE and Valneva Austria GmbH effective as of January 1, 2020 generated invoices of €2,000 thousand in 2022.

These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a debit balance for the net of €1,518 thousand at December 31, 2022).

3. A loan agreement, entering into effect in March 2015, was signed between Valneva SE and its subsidiary Valneva Canada Inc. The amount of this loan, subject to interest at a rate of three-month CDOR (now called SWESTR) plus 1 percent is limited to C\$10 million and must be paid back before January 31, 2025 (the repayment term has been extended by five years as per an amendment to the agreement entered into on February 19, 2020). The loan amount represents €5,181 million (C\$7.5 million), at December 31, 2022 and €184 thousand for interest was invoiced in 2022.

An agreement between Valneva SE and Valneva Canada Inc. entering into effect starting in 2015 sets guidelines for re-invoicing services by Valneva SE. The amount charged back under this agreement represented income of €123 thousand for 2022. These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a debit balance for the net of €197 thousand at December 31, 2022).

4. A loan agreement, effective from November 30, 2015, was signed between Valneva SE and its subsidiary Valneva UK Ltd. The amount borrowed, bearing interest at the three-month LIBOR rate plus 1%, is limited to £4 million and must be repaid before January 31, 2025 (the maturity having been extended by five years by amendment to the contract signed on February 19, 2020). The loan amount represents €1,468 thousand (£1.3 million) at December 31, 2022 and €45 thousand for interest as invoiced in 2022.

Several agreements between Valneva SE and its subsidiary Valneva UK Ltd. manage the re-invoicing of services between the two companies. The amount charged back under this agreement represented income of €99 thousand and a negative charge of €768 thousand for 2022. These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a credit balance for the net of €84 thousand at December 31, 2022).

5. An agreement between Valneva SE and Intercell USA Inc. (today Valneva USA Inc.), entering into effect in 2015 sets guidelines for the re-invoicing of services between these two companies. The amount charged back under this agreement represented income of €48 thousand and an expense of €1,131 thousand for Valneva SE for 2022. These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a credit balance for the net of €675 thousand at December 31, 2022).
6. A loan agreement, entering into effect as from October 1, 2020 was signed between Valneva SE and its subsidiary Valneva Sweden. The amount of this loan, subject to interest at a rate of three-month STIBOR plus 1%, is limited to SEK 400 million (the initial amount of 100 million having been increased by 200 million by amendment to the contract signed on September 15, 2021 and increased by 100 million by amendment to the contract signed on March 23, 2022). It must be repaid before October 31, 2025. The loan amount represents €35,849 thousand (SEK 400 million) at December 31, 2022 and €441 thousand for interest was invoiced in 2022.

An agreement between Valneva SE and Valneva Sweden AB entering into effect in 2015 sets guidelines for re-invoicing services by Valneva SE. The amount charged back under this agreement represented income of €538 thousand for 2022. An amendment to this agreement entering into effect on January 1, 2017 sets guidelines for the re-invoicing of services between these two companies. The amount charged back under this agreement represented an expense of €13 thousand for Valneva SE for 2022. These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a debit balance for the net of €691 thousand at December 31, 2022).

7. A loan agreement, effective as from April 1, 2020 was signed between Valneva SE and its subsidiary Valneva France. The amount of this loan, subject to interest at a rate of three-month EURIBOR plus 1%, is limited to €3 million and must be paid back before January 31, 2025. The loan amount represents €800 thousand at December 31, 2022 and €29 thousand for interest was invoiced in 2022.

An agreement between Valneva SE and Valneva France SAS entering into effect as from February 20, 2019 sets guidelines for the re-invoicing of services between these two companies. The amount charged back under this agreement represented income of €218 thousand for 2022 and an expense of €62 thousand. These invoices were recognized in the current account which are settled by a payment at the beginning of each quarter (with a debit balance for the net of €174 thousand at December 31, 2022).

Financing of receivables on the French Treasury under the 2021 Research Tax Credit, previously domiciled and sold to Bpifrance for 80% of the amount of receivables sold was agreed in November 2022 until July 31, 2023. The amount borrowed is €1,419 thousand. A commitment fee of 0.5% as well as interest at the previous month's average EURIBOR 1 MONTH rate (the rate mentioned is a variable rate floored 0% if it were to be negative) plus 1.7% per annum was charged for an amount of €8 thousand at December 31, 2022.

(In € thousand)

	December 31, 2022	December 31, 2021
FINANCIAL ASSETS		
Equity investments ⁽¹⁾	166,690	166,690
Loans	—	—
RECEIVABLES		
Trade receivables and related accounts	57	—
Other receivables	119,870	40,712
PAYABLES		
Bank borrowings	1,419	—
Trade payables and related accounts	—	—
Other financial liabilities	4,611	30,560
OPERATING EXPENSES		
Revenues	7,753	3,413
Other income	152	—
Financial income	1,012	279
OPERATING EXPENSES		
Other purchases and external expenses	11,116	9,508
FINANCIAL EXPENSE		
Interest and similar expenses	91	107
EXCEPTIONAL INCOME		
Exceptional income from capital transactions	1,000	—

(1) See Note 3.3.

(c) Valneva SE's share capital after the exercise of different dilutive instruments at December 31, 2022**Valneva SE shareholding structure before exercise or full vesting (and, if applicable, conversion) of dilutive instruments**

AT DECEMBER 31, 2022 (TO THE COMPANY'S KNOWLEDGE)

Shareholders	Shares held (*)		%
	Ordinary shares	Preferred shares convertible into ordinary shares	
Groupe Grimaud La Corbière SAS(**)	13,704,831	—	9.90
Pfizer Inc.	9,549,761	—	6.90
Deep Track Capital	10,513,265	—	7.60
Bpifrance Participations SA	9,521,701	—	6.88
	Total Management Board members		0.64
	Mr. Franck GRIMAUD	—	0.37
	Mr. Thomas LINGELBACH	—	0.16
	Mr. Frédéric JACOTOT	—	0.11
	Mr. Peter BÜHLER	—	—
	Mr. Juan Carlos JARAMILLO	—	—
	Ms. Dipal PATEL	—	—
Employees (non-corporate officers)	151,735	—	0.11
Treasury shares (***)	124,322	20,514	0.10
Other shareholders (private individuals)	978,535	—	0.71
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board) and Financière Grand Champ SAS(**)	713,708	—	0.52
Including independent members of the Supervisory Board	Mr. James Sulat Ms. Anne-Marie Graffin	30,367 14,250	0.02 0.01
Other floating capital	92,916,421	—	67.15
SUBTOTAL BY CATEGORY	138,346,968	20,514	100
TOTAL	138,367,482		100

(*) Percentages in this table are calculated in reference to a share capital of 138,367,482 Valneva SE shares, divided into (a) 138,346,968 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, and (b) 20,514 preferred shares convertible into ordinary shares, also with a par value of €0.15 each.

(**) The Groupe Familial Grimaud is composed of the company Groupe Grimaud La Corbière SAS, the private shareholders of the Grimaud family and the Company Financière Grand Champ SAS.

(***) 124,322 ordinary shares held in treasury following the Vivalis / Intercell merger in 2013. 20,514 preferred shares held in treasury following the buyback of the ADPC (Preferred shares convertible into ordinary shares) of plan 8 (POSA 2015). These preferred shares were canceled on January 4, 2023.

Number of ordinary shares to be issued after exercise or full vesting (and, if applicable, conversion) of dilutive instruments

AT DECEMBER 31, 2022 (TO THE COMPANY'S KNOWLEDGE)

Shareholders	Stock options	Dilutive instruments Number of ordinary shares to be issued ^(*)		
		Equity warrants (BSA)	Free ordinary shares	Free Convertible Preferred Shares
Groupe Grimaud La Corbière SAS^(**)	—	—	—	—
Pfizer Inc.	—	—	—	—
Deep Track Capital	—	—	—	—
Bpifrance Participations SA	—	—	—	—
	Total Management Board members	790,236	—	768,061
Management Board members	Mr. Franck GRIMAUD	103,921	—	197,315
	Mr. Thomas LINGELBACH	313,930	—	288,382
	Mr. Frédéric JACOTOT	103,921	—	197,315
	Mr. Peter BÜHLER	134,232	—	56,285
	Mr. Juan Carlos JARAMILLO	134,232	—	28,764
	Ms Dipal PATEL	—	—	—
Employees (non-corporate officers)	4,912,212	—	625,056	—
Treasury shares	—	—	—	—
Other shareholders (private individuals)	77,166	—	94,550	—
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board and Financière Grand Champ SAS ^(**))	—	—	—	—
Including independent members of the Supervisory Board	Mr. James Sulat	—	—	—
	Ms. Anne-Marie Graffin	—	—	—
Other floating capital	—	—	—	—
SUBTOTAL BY CATEGORY	5,779,614	—	1,487,667	—
TOTAL			7,267,281	

(*) The conversion ratios of the various dilutive instruments are set as follows:

- Stock options: for plan 7, one stock option gives the right to 1.099617653 Valneva SE ordinary shares (then rounded up for each beneficiary), while for plans 8, 9, 10, 11, 12 and 12 bis, one option gives the right to 1 Valneva SE ordinary share.

(**) The Groupe Familial Grimaud is composed of the company Groupe Grimaud La Corbière SAS, the private shareholders of the Grimaud family and the Company Financière Grand Champ SAS.

Valneva SE shareholding structure after exercise or full vesting (and, if applicable, conversion) of dilutive instruments

AT DECEMBER 31, 2022 (TO THE COMPANY'S KNOWLEDGE)

Shareholders	Valneva SE Ordinary shares	%
Groupe Grimaud La Corbière SAS ^(*)	13,704,831	9.41
Pfizer Inc.	9,549,761	6.56
Deep Track Capital	10,513,265	7.22
Bpifrance Participations SA	9,521,701	6.54
	Total Management Board members	2,444,694
	Mr. Franck GRIMAUD	814,291
	Mr. Thomas LINGELBACH	821,659
	Mr. Frédéric JACOTOT	455,231
	Mr. Peter BÜHLER	190,517
	Mr. Juan Carlos JARAMILLO	162,996
	Ms. Dipal PATEL	0
Management Board members		
Employees (non-corporate officers)	5,689,003	3.91
Treasury shares	124,322	0.09
Other shareholders (private individuals)	1,150,251	0.79
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board) and Financière Grand Champ SAS ^(*)	713,708	0.49
Including independent members of the Supervisory Board	Mr. James Sulat Ms. Anne-Marie Graffin	30,367 14,250
		0.02 0.01
Other floating capital	92,916,421	63.81
TOTAL	145,614,249	100.00

(*) The Groupe Familial Grimaud is composed of the company Groupe Grimaud La Corbière SAS, the private shareholders of the Grimaud family and the Company Financière Grand Champ SAS.

(d) Subsidiaries and associates**SUBSIDIARIES (MORE THAN 50 PERCENT)**

Name	Share capital	Ownership interest ⁽²⁾	Gross value of securities	Loans advances ⁽⁴⁾	Net sales ⁽⁶⁾
	Shareholders' equity ⁽¹⁾	Dividends ⁽³⁾	Net value of securities	Guarantees ⁽⁵⁾	Profit or loss ⁽⁷⁾
Valneva Austria GmbH ⁽⁸⁾	€ 10 070 000	100.00%	147 876 224 €	€ 0	€ 325 748 142
	€ 191 496 858	€ 0	147 876 224 €	€ 0	€ (115 915 920)
Vaccines Holdings Sweden AB ⁽⁸⁾	SEK 50 000	100.00%	€ 9 813 136	€ 0	SEK 0
	SEK 210 325 857	€ 0	€ 9 813 136	€ 0	SEK (32 500)
Valneva Canada Inc. ⁽⁸⁾	CAD 1 000	100.00%	€ 731	€ 5 181 347	CAD 25 879 831
	CAD 4 451 698	€ 0	€ 731	CAD 0	CAD 1 276 435
Valneva UK Ltd. ⁽⁸⁾	GBP 100	100.00%	€ 136	€ 1 468 114	GBP 8 670 642
	GBP 1 019 049	€ 0	€ 136	€ 0	GBP 673 768
Valneva France SAS ⁽⁸⁾	€ 1 000	100.00%	€ 1 000	€ 800 000	€ 7 950 896
	€(256 626)	€ 0	€ 1 000	€ 0	€ 841 532

NON-CONSOLIDATED INVESTMENTS (LESS THAN 50 PERCENT)

Name	Share capital	Ownership interest ⁽²⁾	Gross value of securities	Loans advances ⁽⁴⁾	Net sales ⁽⁶⁾
	Shareholders' equity ⁽¹⁾	Dividends ⁽³⁾	Net value of securities	Guarantees ⁽⁵⁾	Profit or loss ⁽⁷⁾
BliNK Biomedical SAS	€ 2 192 459	48.90%	€ 8 998 528	€ 0	€ 265 981
	€ 2 152 011	€ 0	€ 2 124 446	€ 0	€ 212 197

(1) Equity = equity other than earnings and share capital.

(2) Ownership interest = percentage held by Valneva at 12/31/2022.

(3) Dividends = dividends received by Valneva in 2022.

(4) Loans, advances = loans, financial advances, current account advances.

(5) Guarantees = outstanding balance of guarantees given by Valneva.

(6) Net sales = sales excluding tax.

(7) Profit or loss = reported net income or loss of the last financial period.

(8) 2022 IFRS data.

(e) Market Risks**Interest rate risk**

The Company is exposed to market risks in connection with hedging both of its liquid assets and of its medium and long-term indebtedness.

As far as its liquid assets are concerned, the exchange rate risk is controlled by procedures for monitoring and validation existing at the Company level. Liquid assets are also mainly invested in term deposits guaranteed on maturity offering a high degree of security (See Note 3.7).

The Company has also obtained loans to finance its investments and to support research and development. At December 31, 2022, borrowings totaled €3,797 thousand at one-month Euribor floating rates. (See Note 3.14).

Exchange rate risk

The Company's exposure to exchange rate risks involving the US dollar or any other currency is limited. Therefore, at this stage of its development, the Company has taken no steps to protect its business against exchange rate risks. The Company will monitor its exchange rate exposure in relation to changes in its situation. The Company's strategy is to use the Euro as the main currency when signing contracts. The Company could enter into contracts, however, in the future to cover exchange rate fluctuations if it appeared necessary and if the risks were deemed to be material.

(f) Events after the reporting period

No significant events have occurred since the end of the fiscal year.