Intravacc.
Innovating vaccines

Reducing human diseases through innovative vaccine technology

Intravacc
Annual Report and Financial Statements 2022

Welcome

Intravacc is an established global contract development and manufacturing organization for infectious diseases and therapeutic vaccines.

Our vision

To reduce human diseases through innovative vaccine technology.

Our mission

To partner with pharma & biotech, governmental agencies, and NGOs to help reduce the burden of diseases.

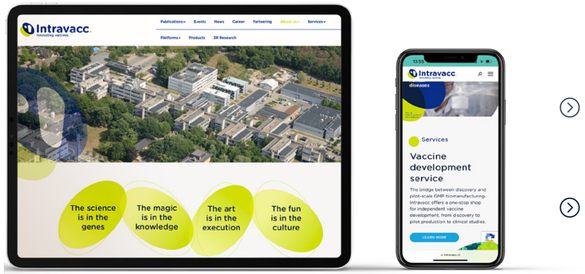
Financial highlights

Revenue
€ 22.9M
(FY2021: € 29.3M)

FTE
101

EBITDA
€ 336K
(FY2021: € 2.9M)

New Contracted Revenue
€ 34.2M
(FY2021: € 755K)



Find out more on our website: www.intravacc.nl/

For more information: info@intravacc.nl

About us

Intravacc is an established independent CDMO with years of experience in developing and optimizing vaccines for infectious diseases and therapeutic vaccines, which has transferred its technology worldwide for vaccines against polio, measles, diphtheria, Hib, and influenza.

Around 30% of childhood disease vaccines are based on Intravacc's technology and knowhow. Intravacc offers a wide range of expertise for independent vaccine development, from concept to Phase I/II clinical studies, for customers around the world.

Intravacc continues to capitalize on the critical global trends in healthcare: the ever-growing need for prevention and intervention for infectious diseases and cancer. Our innovative vaccine platforms and vaccine contract development and manufacturing capabilities are well positioned to address the unmet needs in the vaccine and immune therapy market which is currently estimated at $37 billion in 2021 and is expected to grow at a compound annual growth rate (CAGR) of 6.6% to $55 billion by 2027.

The Company's head office is located on the Utrecht Science Park location Bilthoven, The Netherlands, and has state-of-the-art laboratories and GMP production facilities. Intravacc B.V. is a limited liability Company incorporated under Dutch law. Intravacc is a state holding Company since 1 January 2021, under the Ministry of Health, Welfare and Sports (VWS).

Visit www.intravacc.nl

Follow us on social media at:

twitter.com/intravacc
linkedin.com/company/intravacc
youtube.com/intravacc

Intravacc at a glance
Strong track record and reputation

Intravacc performs its activities in compliance with applicable laws and regulations. To support the customers expectations in the most efficient way. Intravacc is GMP-licensed, and conforms with ISO 14001 standards.

2013
Founded in 2013

2,000+ m²
State-of-the-art facilities

100+
Highly qualified employees

50+
Customers worldwide

300+
Scientific publications in peer reviewed journals

11
Patent families

Vaccine development
Intravacc has an extensive track record when it comes to developing vaccines for its customers. The highlights include Sabin inactivated polio vaccine (sIPV), the haemophilus influenzae type B (Hib) vaccine and the B. pertussis vaccine, which are all now on the market and are WHO prequalified.

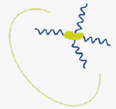
Lead to early-stage clinical trials
While Intravacc has the knowledge and expertise to guide projects through the whole vaccine development chain, right up to Phase II clinical trials, Intravacc can also deliver customized services based on our clients' needs.

Four distinct vaccine development platforms
Over the years, Intravacc has developed several in-house, proprietary platforms. These include the cell-based platform with Vero and HEK293 cells, the Outer Membrane Vesicle (OMV) platform and conjugation technology.

Intravacc's proprietary vaccine development platforms

OMV-Vacc Technology (Outer Membrane Vesicles)
Highly versatile platform, with a wide range of applications for prophylatic and therapeutic vaccines

Cell-Vacc Technology (Vero and HEK293 cells)
Globally used for routine, large-scale commercial vaccine manufacturing



Con-Vacc Technology (Conjugation)
20-year track record in designing, developing and characterizing conjugate vaccines

E.co-Vacc Technology (E.coli expression)
Versatile protein expression platform for oncology, infectious diseases, and other applications

Selected key pipeline products

Vaccine	Target	Stage
Avacc 2	HFMD	Development
Avvac 5	EV-D68	Pre-clinical
Avacc 10	COVID-19	Phase I
Avacc 11	Gonorrhea	Pre-clinical

Intravacc at a glance continued

Value proposition

Hybrid business model

Specialized CDMO services until phase I/II trials.

+

Development of own proprietary infectious disease and therapeutic vaccines portfolio.

+

Well-positioned to capture accelerated growth on the back of a favourable market.

Read more on page 15

Proprietary vaccine platform technology

Advanced vaccine development platforms, including emerging OMV platform with broad capabilities.

+

Over 10 years of proven industrial vaccine development experience and product pipeline with high potential.

Read more on page 09

Strong track record and reputation

Expertise center for vaccine development:
Over 30% of childhood vaccines are based on Intravacc's IP.

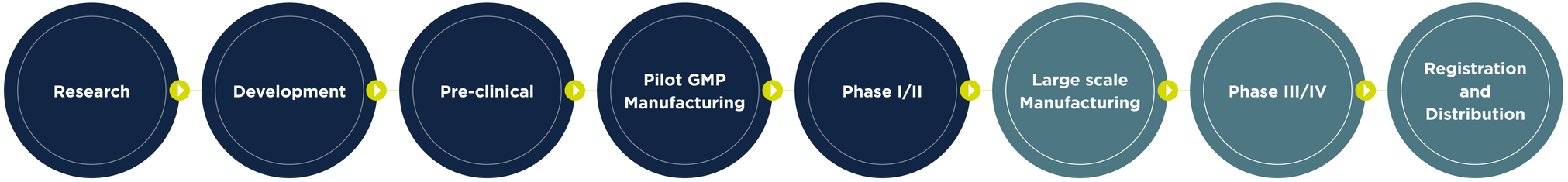
+

Five licensed vaccines and two on the market.

Read more on page 09

Value chain

Read more on page 16



Key features

Long-term government contract (through 2025) enables building a leading CDMO proposition

Unique technology platforms and capabilities

Solid pipeline of projects and royalty income

Dedicated management team leading an R&D-driven, highly skilled professional workforce

State-of-the-art facilities with significant opportunity for utilization improvement

Message from the Board of Directors
Looking forward with confidence

Two years during the COVID pandemic as a stand-alone commercial CDMO it has become increasingly clear to us that the vaccine industry remains an attractive sector.

The COVID pandemic was the start of a period of significant change putting the value of the vaccine industry back in the spotlights of the healthcare industry. In addition, despite significant operational improvements over the last 2 years, it is also clear there are several areas within Intravacc that need to be strengthened.

In line with its 2022 strategy, Intravacc continues to build up its presence in the market place, implementing operational efficiencies, and building up its commercial activities and identify new opportunities to grow its business. To this end, Intravacc initiated many early discussions with small and large biotech companies world-wide.

Summary of Financial Results

Total revenue and operating income for the year was € 22.9 million compared to € 29.2 million in 2021. 12% of the revenue was realized through CDMO service contracts. Operating expenses for 2022 amounted to 38.6m (2021: EUR 32,4 million). The Company was able to drive down costs through reduced spending and operational improvements. At year-end the Company held € 5.3 million in cash.

Please refer to page 30 for additional information on our going concern assessment and page 20 for information on a prior period adjustment with regard to the valuation of one of our lab facilities. In addition, please refer to note 2 of the financial statements for further information on the impairment of our lab facility Building X.

Service & Pipeline Progress

We have been clear that we need to strengthen our CDMO business and pipeline as this will ultimately drive sustainable growth to bring the Company towards break-even. In 2022 we secured € 34.2 million in new business contracts.

During 2023, we set out how we are (re)focusing our R&D organization on 2 areas: First, where we are one of the leading companies using Outer membrane Vesicles. technology for both prophylactic and therapeutic vaccine applications, and second our focus on mucosal delivery of vaccines to induce a non-invasive powerful protective immune response to combat many diseases. Although early we have built up a lot of experience and successfully completed several pre-clinical and Phase I trials in these areas and in the coming year, we will continue to receive new data from these two key areas within our Company.

> **Our ambition is to drive a dedicated high-performance culture, putting vaccine development at the heart of Intravacc, standing behind our values and our goal: to reduce human diseases through innovative vaccine technology.**
>
> **Dr. Jan Groen**
> Chairman & CEO

The People

We are delighted that we appointed Dr. Edwin Kets to be our Director of Vaccine Process Development. He has worked in the veterinary industry at Merck SHARP & Dome in several managerial positions for nearly 20 years.

Not only the new hires but the dedication of our team and the culture, allow us to fulfill our mission to contribute to the reduction of human diseases through the use of our innovative vaccine platforms.

Sale of Intravacc

In 2019 the privatization of Intravacc was initiated by the Ministry of Health, Welfare & Sport. Due to the COVID pandemic the sale of the Company was postponed. In April 2022 the Minister of Health decided to re-start the sales process of the Company and in May 2023 the sales process formally started.

This is a great step forward for the Company and all its employees. Once a new owner of the Company has been secured, Intravacc can fast track it's current strategy to become one of the leading CDMO's within the vaccine industry.

We sincerely want to thank all our employees, consultants and scientific advisors and Supervisory Board whose continuing contributions enable our success.

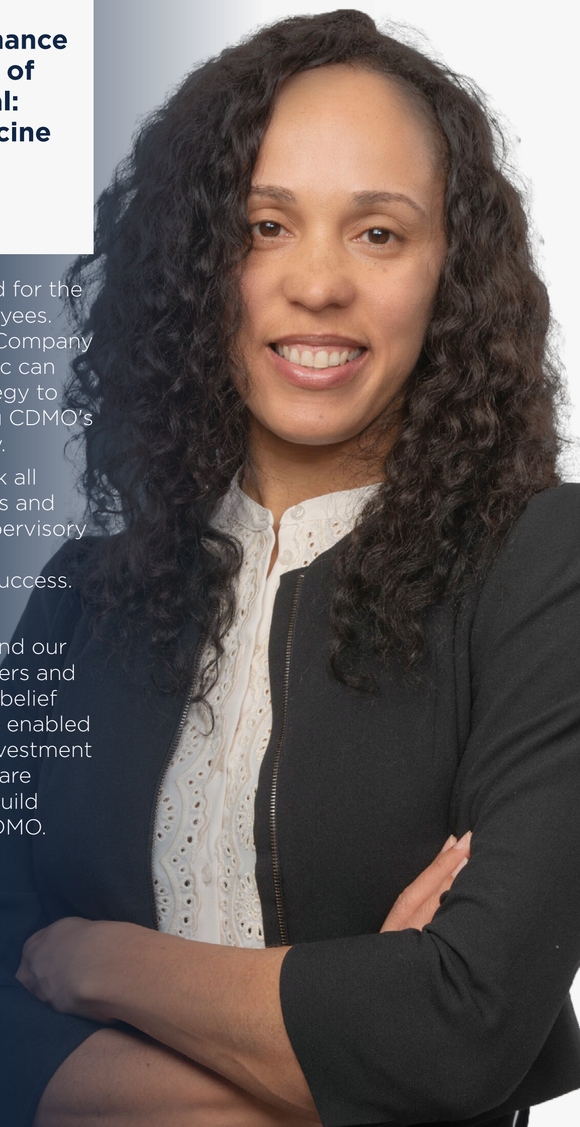
On behalf of the Board of Directors, we want to extend our gratitude to our shareholders and other stakeholders whose belief and ongoing support have enabled us to make a significant investment in our people, who in turn are ambitious to continue to build Intravacc into a leading CDMO.

Kindest regards,

Board of Directors

Dr. Jan Groen
Chairman & CEO

Mrs. Nathalie Laarakker
CFO & Executive Director



Report of the Supervisory Board
Over financial year 2022

The Supervisory Board (SB) executed its duties in 2022 in accordance with the Articles of Association and the applicable law and rules of procedure. The SB monitored the work of the Executive Board (EB) on a regular basis. The cooperation with the EB was characterized by an intensive dialog based on mutual trust.

During 2022 the SB focused again on the main important topics for Intravacc such as the financial and cashflow position, the commercial strategy and the transformation of Intravacc towards a stand-alone commercially operating Company. Operational improvements such as the lease of laboratory-, GMP- and office-space and other cost savings were thoroughly discussed and reviewed. The SB was well informed about all aspects relating to the intended sale of Intravacc. All topics were seen from an overall strategic viewpoint considering the interests of the Company and the stakeholders involved.

The EB kept the SB informed on any matters of importance that arose before, in and in between of the meetings. The SB was informed through reports, presentations, other preparatory documentation and the regular (and ad-hoc) SB Board meetings.

During 2022, the SB held 5 regular meetings and a few ad-hoc teleconference meetings. All SB members attended all meetings during the year.

The first meeting in February was used to meet the Works Council, to discuss the achievements over financial year 2021, a forecast for financial year 2022, Company goals for 2022, preparation of the annual reporting process and the privatization process.

In April the SB continued the discussions on these topics, discussed the relocation of Intravacc's facilities in the near future and the selection of a Chief Business Officer.

In June the EB and the external accountant reported on the annual financial statements for financial year 2021 and the SB was updated by the representative of VWS about the intended privatization of Intravacc. The SB provided the Shareholders with an annual SB report and pre-advice on the annual financial statements and adopted the proposals to be made to the Annual General Meeting. In July the SB attended the Annual General Meeting chaired by the Chairman of the SB.

"In November the SB discussed several options for the sale or exploitation of Building X to a few interested parties. The SB evaluated its own performance as well as the performance of the EB by using a tailored questionnaire.

In the September meeting the discussions continued on the financial position of the Company, the relocation of Intravacc's facilities also in view of the developments on the USPB terrain and progress around Building X. Intravacc's sales process was discussed in view of the overall Company strategy and financial situation. The SB also discussed in this meeting the implications of applying the corporate governance code, as generally intended for state and policy departments, to Intravacc's current governance model, also in view of the intended privatization of Intravacc. It was concluded that a report should be written to further analyze the implementation of the corporate governance code to Intravacc's current governance structure.

In November the SB discussed the budget and operating plan for year 2023 in view of the long-term strategy of the Company and for approval. The Company goals for 2023 were subject of discussion and approval and the SB was updated again by the representative of VWS about the further steps in the privatization process. In November the SB discussed several options for the sale, sublease or exploitation of Building X to a few interested parties. The SB evaluated its own performance as well as the performance of the EB by using a tailored questionnaire.

During all meetings the SB reviewed and discussed the commercial activities, R&D, HR, Finance topics and the product pipeline.

During 2022, the SB provided the shareholder in conformity with the procedures laid down in the articles of association with a pre-advice on the annual accounts for the year 2021 and a positive statement on the appointment of PricewaterhouseCoopers Accountants NV as accountant for the financial statements for the year 2022.

The opportunity
A unique product portfolio

A unique product portfolio and contract development and manufacturing platform for infectious diseases and therapeutic vaccines.

01

Unique technology platforms and capabilities

Well-positioned to capture accelerated growth on the back of highly favorable market conditions.

Continued investments in vaccine development and increase of emerging diseases drive the vaccines market: Intravacc has leading broad expertise in vaccine development.

Increasing outsourcing volumes and demand for one-stop-shops in the CDMO market: Intravacc is uniquely placed to bring its specialized services to the market.

Both the vaccines market and CDMO market are expected to grow by 6–7% (CAGR 2022-2027).

Read more on page 09

02

Solid pipeline of service projects and royalty and milestone revenue

Vaccine platform solutions using distinctive proprietary technology.

Four state-of-the-art vaccine technology platforms, supporting a broad variety of services and applications.

Extensive expertise of Outer Membrane Vesicles (“OMV”).

OMV-Vacc Technology is highly versatile and offers clear advantages over both traditional and other emerging vaccine platforms.

Our expertise in development of vaccines against antimircobial resistant (AMR) bacteria like gonorrhea.

Read more on page 13

03

Dedicated management team leading an R&D-driven, highly skilled professional workforce

Dedicated and skilled workforce, using state-of-the-art certified facilities.

Highly qualified staff including over ten PhDs and over ten MSc, lead by a top-tier executive team with a proven track record in big pharma, vaccine development and biotechnology.

Ample opportunity to fully utilize capacity of existing facilities, which include 165 m^2 GMP production rooms and over 2,000 m^2 BSL I and II – no expansionary capex needed for growth plans.

Read more on page 26

04

State-of-the-art facilities with ample opportunities for utilization improvement

Ready to further scale and leverage its capabilities and technology platforms; appealing growth strategy in place.

Leverage its position as front-runner in translational research and vaccine development.

Increase service capabilities awareness: one-stop-shop from proof of concept to Phase I/II trials.

Actively market existing product pipeline, pursue complementary growth in oncology market and capitalize on potential synergies from a (new) partner.

Read more on page 14

05

Long-term government contract (through 2025) enables further expansion of CDMO proposition

Intravacc is backed-up by a share of large share of secured government contracts through 2025.

Secured government contracts and awarded grants of over € 50M allow Intravacc to continue building its pipeline of servicing (CDMO) contracts. Significant upside potential from high-margin pipeline licensing templates for key products (€ 2M for 2023, projected increase to over € 20M in 2027).

EBITDA growth up to € 14.9M in 2027, driven by expected growth of high-margin commercial business, highly skilled personnel and facilities ready to be deployed.

Read more on page 15

Our market
Our proprietary platforms

OMV-Vacc Technology (Outer Membrane Vesicles)

About

- The Outer Membrane Vesicles Platform ("OMV") is designed for the development of vaccines against infectious diseases.
- OMVs are spherical particles that are naturally released by Gram-negative bacteria.
- Intravacc has three types of OMV vaccines: homologous OMVs, Heterologous OMVs and Click-OMV.
- Covered in 84 scientific publications and 8 patent families.
- Potential antibody fragment platform.

Therapeutic areas

I. Antimicrobial resistance
II. Oncology (therapeutic cancer vaccines)

Cell-Vacc Technology (Vero and HEK293 cells)

- As of 1987, Intravacc develops viral vaccines using the Vero Cell line. Recently, this has been accompanied with the in-licensed HEK293 cell line.
- The viral vaccine production platform is globally used for routine, large-scale commercial vaccine manufacturing.
- Propagation of viruses through clinical isolation or virus rescue of plasmid DNA.
- One licensed cell-based vaccine to three commercial partners.

I. Oncology
II. Infectious diseases

Con-Vacc Technology (Conjugation)

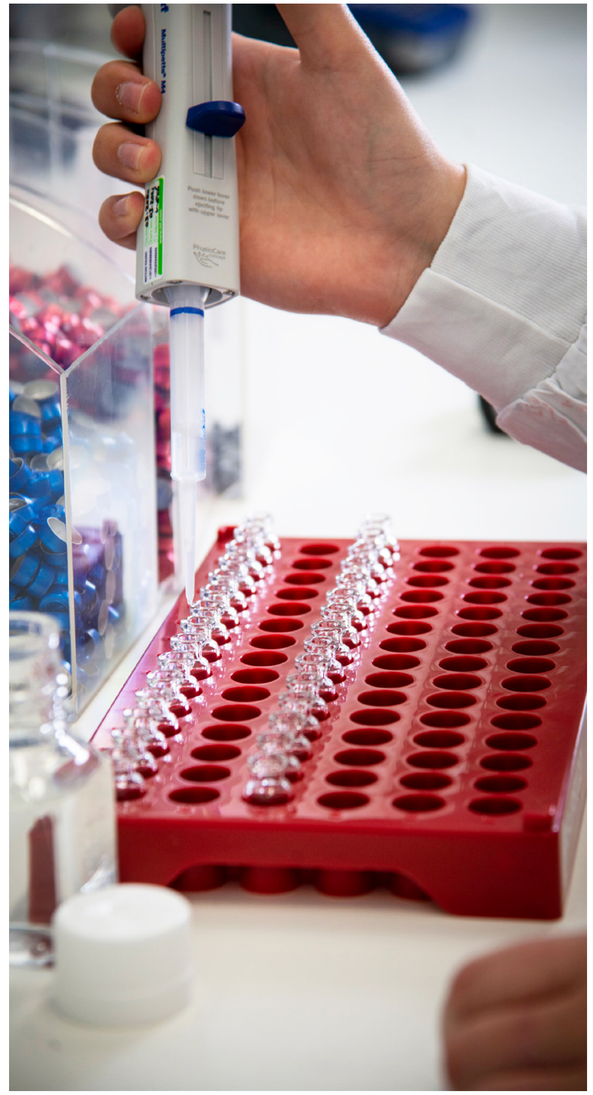
- Intravacc has a 20-year track record in designing, developing and characterizing conjugate vaccines.
- Conjugate vaccines are proven to be the fast, cheap and effective solution for bacterial infections.
- Intravacc's Hib vaccine has been on the Indian market for many years and saved numerous lives. On this vaccine, Intravacc published 6 scientific papers and holds 1 patent family.

I. Oncology
II. Neurodegenerative diseases
III. Infectious diseases

E.co-Vacc Technology (E.coli expression)

- E. coli expression platform for therapeutic oncology applications, aiming to boost the immune system to fight cancer.
- Escherichia coli (E.coli) is a well established host, offering short culturing time, and relatively easy genetic modifications.
- Fast, cost effective and robust platform for recombinant protein production.
- Globally used for vaccine components.
- Combination with OMV possible.

I. Proteins of any kind
II. Infectious diseases
III. Oncology



CDMO market drivers

Market drivers

Increasing outsourcing volume

The growing demand for generic medicines and biologics, the capital-intensive nature of the business, and the complex manufacturing requirements led to the demand for the outsourcing model. Pharma companies outsource 60% of their vaccine projects to CDMOs, and small biotech up to 80%. Disruptions, like COVID-19, have shifted CDMOs focus on speedy development of vaccines for curtailing the spread of the virus.

Advent of CDMO model

The gradual change in the working principles of the companies in the pharmaceutical CMO market has led to a pattern shift from cost-control to emphasis on value-added services. This has led to the redefining of CMOs to CDMOs and allowed their integration into the value chain of pharma companies.

Increasing investment in R&D activities

Companies are continuously investing in new discovery and development technologies such as combinatorial synthesis, genomics, & proteomics. On average, pharma companies spend <20% of their turnover on R&D which help them to launch products faster to the market.

Rising consolidation

Large CMOs are expanding their geographical presence & penetrate niche markets. CMOs are expanding across the value chain, by becoming active in clinical trials and increasing their focus on the preclinical research stage by selected acquisitions. This has led CDMOs to become an important player in the pharma value chain and work seamlessly with pharma companies.

Increasing need for one-stop-shop CDMOs

CDMOs are focusing on service models where they handle everything from manufacturing of API to finished dosage forms and early development to commercialization. Many CDMOs have also broadened their product and service offerings in response to the demand for one-stop-shop model by pharma companies.

Intravacc's intranasal vaccines developments offer clear advantages over intramuscular vaccines

Key advantages of intranasal vaccines

Quick protection at the port of entry, lower virus shredding and block of infection, potential for better tolerance

Induces systemic and mucosal immunity in nose, lungs and blood

Resident memory B and T cells in the respiratory mucosa, for quicker response

Effective neutralization of the virus via IgA secretion in the mucosa of upper airways

Possibility to overcome vaccine hesitancy

Non-invasive and suitable for children

Lowers risk of needle accidents and suitable for needle phobia

Ideal for low- and middle-income countries

No need for trained medical personnel and vaccination locations

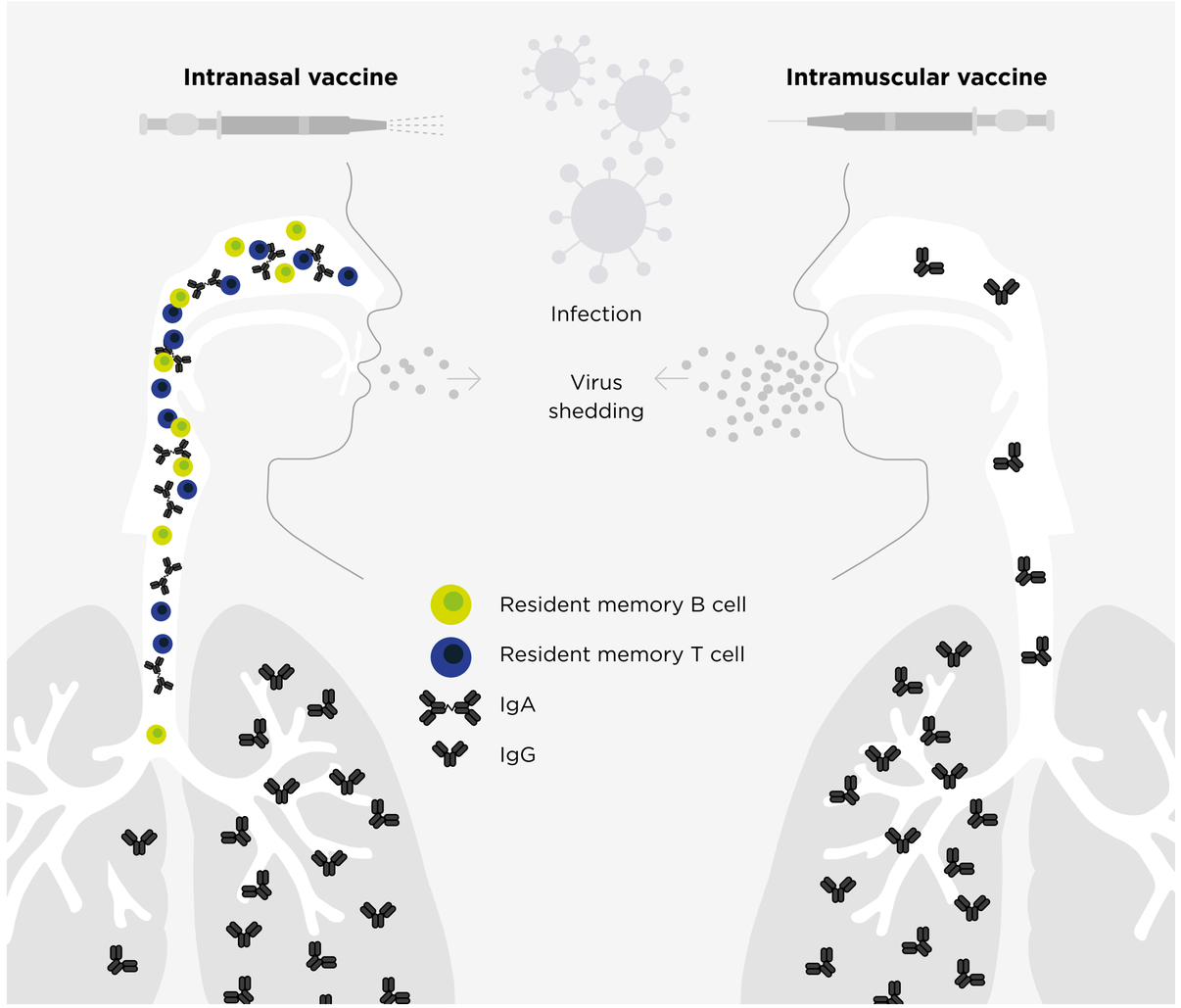
"The ideal vaccine against COVID-19 would be one that can block transmission of the virus. To achieve this, the vaccine should elicit a strong mucosal immune response at the site of infection. If the vaccine can prevent the virus from entering the cells and replicating at the early stages of infection, it could effectively halt the entire process of infection.

Prof. Ed Lavelle
School of Immunology
at Trinity College Dublin, Ireland

Intranasal product development pipeline

Vaccine	Target	Platform	Stage: Development	Pre-clinical	Phase I
Avacc 19 ®	RSV	CE-VaccT			
Avacc 10 ®	COVID-19	OM-VaccT			
Avacc 29 ®	Polio	CE-VaccT			
Avacc 13 ®	Pertussis	OM-VaccT			

CE-VaccT = Cell-Vacc Technology OM-VaccT = OMV-Vacc Technology



The development of antimicrobial-resistant (AMR) vaccines is a key priority

The silent pandemic of AMR

- Resistant bacterial infections currently cause around five million deaths per year, of which nearly a third is directly attributable to AMR. By 2050, the leading cause of death will be attributable to infections caused by antimicrobial-resistant (AMR) bacteria (around 10 million deaths per year).
- Historically, the focus has been on disease burden rather than antibiotic consumption. In 2019, the WHO already declared AMR as a top-ten global threat for public health. In July 2022, WHO analysis emphasized the rising threat by expressing an urgent need to expedite trials for AMR-related vaccines and maximise use of existing vaccines.
- Infections caused by AMR exist when individuals become infected by microbes which have changed over time and therefore do not respond to the prescribed medication. As vaccines are designed to counter infections at its first occurrence, they are a powerful tool to suppress the creation of AMR-resistant microbes and related infections.

NIH grant for gonorrhea vaccine

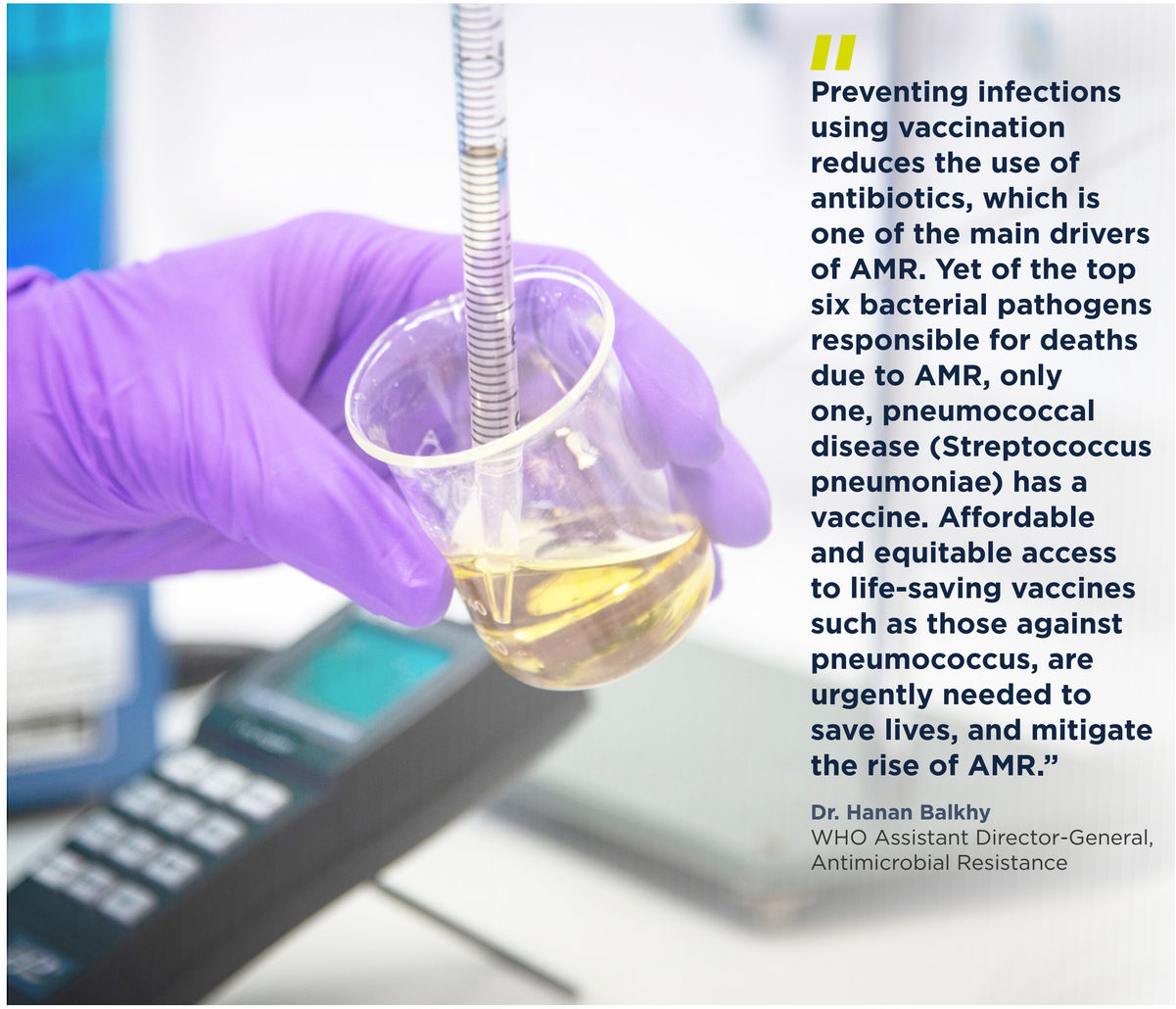
€ 13.5M
Total grant for developing gonorrhea vaccine based on OMV platform technology

approx. 5M
Current number of deaths per year caused by resistant bacterial infections

approx. 10M
Forecasted number of deaths per year caused by resistant bacterial infections by 2050

Intravacc has in-house technology, experience and capabilities to contribute to the development of AMR-vaccines

		Stage				
Vaccine target	WHO priority	R&D	Pre-clinical	Tox study	Clinical	Launch
Hib	Medium					
Shigella	Medium					
Gonorrhea	High					
Acinetobacter	Critical					



"Preventing infections using vaccination reduces the use of antibiotics, which is one of the main drivers of AMR. Yet of the top six bacterial pathogens responsible for deaths due to AMR, only one, pneumococcal disease (Streptococcus pneumoniae) has a vaccine. Affordable and equitable access to life-saving vaccines such as those against pneumococcus, are urgently needed to save lives, and mitigate the rise of AMR."

Dr. Hanan Balkhy
WHO Assistant Director-General, Antimicrobial Resistance

Intravacc has a strong and unique product pipeline...

Out licensed*

Open to license

In development phase

Vaccine	Target	Platform	Notes	Stage: Development	Pre-clinical	Phase I	Phase II
Avacc 17 ®	Hib	CO-VaccT	1	Marketed			
Avacc 29 ®	Polio	CE-VaccT	1				
Avacc 3 ®	Pertussis	OM-VaccT	1				
Avacc 13 ®	MenB	OM-VaccT	1				
Avacc 19 ®	RSV	CE-VaccT					
Avacc 10 ®	COVID-19	OM-VaccT	2 3				
SF2a-TT15	Shigella	CO-VaccT					
Avacc 11 ®	Gonorrhea	OM-VaccT	2 3				
Avacc 5 ®	EV-D68	CE-VaccT					
ALS vaccine	ALS	CO-VaccT	2 3				
Avacc 7 ®	Lyme	OM-VaccT	2				
Avacc 2 ®	HFMD	CE-VaccT	3				

1 Milestone and royalty income generating products

2 Pipeline products for which grants have been awarded

3 Key pipeline products with high potential

*Open to license in certain geographies.

CO-VaccT = Con-Vacc Technology CE-VaccT = Cell-Vacc Technology OM-VaccT = OMV-Vacc Technology

Stellar track record

11
Patent families

300+
Publications in peer reviewed journals of Intravacc technology, candidate vaccines and platforms: publications are available on Intravacc's website

20+
Pre-clinical studies conducted validating candidate vaccines

5
Human Phase I/II studies conducted validating safety and efficacy

...utilizing state-of-the-art laboratory facilities

Facility highlights

2,000 m²
BSL-1 and BSL-2 lab facilities

230 m²
GMP cleanrooms class C and BSL-3

GMP licensed

230 m²
GMP cleanrooms class C and BSL-3

1-200 liters
Scalable production volume

- ⊕ Over 45 highly experienced process engineers and technicians are involved with vaccine process development
- ⊕ Laboratory equipment and large variety of bioreactors available to support many vaccine platforms
- ⊕ Multi-functional laboratory design supporting full flexibility and accelerated expansion

- ⊕ Pilot GMP production of viral, bacterial and oncological vaccines
- ⊕ Variety of production technologies available in both single-use and stainless steel bioreactors
- ⊕ Able to produce up to 100 million doses through partnership network

Strategy
Hybrid business model for continuous revenue generation

Intravacc continues to develop into a leading global contract development and manufacturing organization in the vaccine and immune therapy industry.

This strategy is based on a hybrid business model that offers CDMO services and builds a pipeline of proprietary products of profylactic and therapeutic vaccines. The Company is focused on utilizing its vaccine development track record: proven and validated vaccine platforms, vaccine development infrastructure and capabilities to attract clients all over the world. Intravacc is also advancing its late-stage product pipeline of vaccines with the intention of licensing-out to create funds for the development of new projects.

Business model

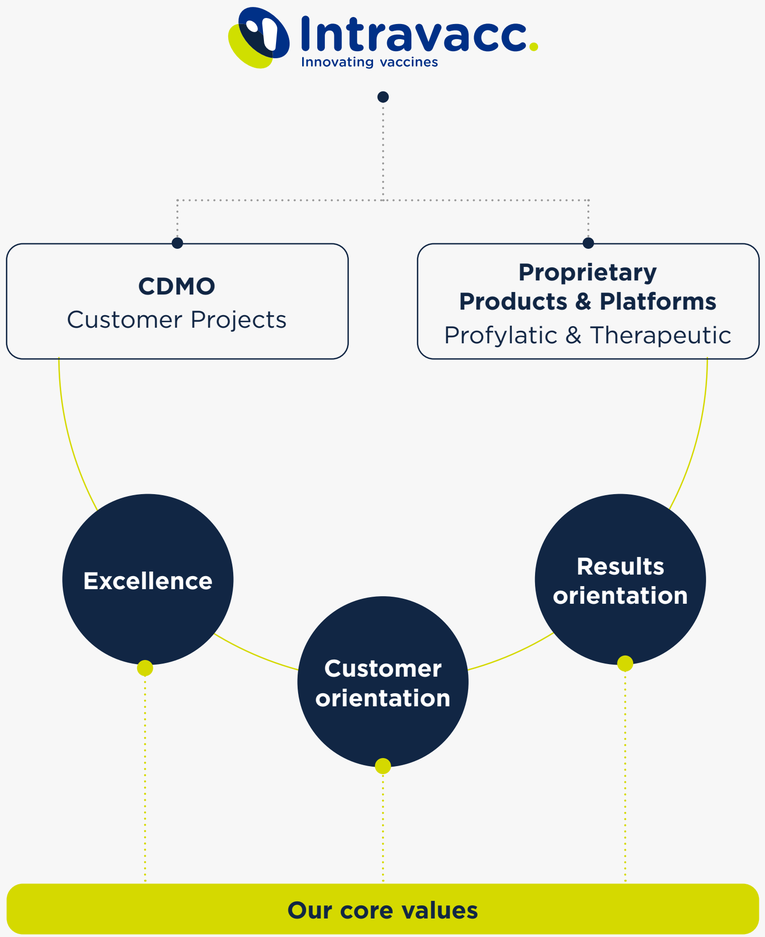
Intravacc is focusing on translational research and development of preventive and therapeutic vaccines. As an established independent CDMO with many years of experience in developing and optimizing vaccines and vaccine technologies, Intravacc has transferred its technology and knowhow worldwide, including vaccines for polio, haemophilus influenzae type B (Hib) and meningococcal disease.

Our value proposition

One-stop-shop for high quality vaccine development, from lead to early-stage clinical trials.

One-stop-shop
Intravacc bridges the gap between research concept and large scale clinical trial. The Company has all the in-house expertise required to guide any vaccine project from lead to the end of Phase II clinical trials.

High quality
Intravacc maintains high quality and regulatory standards. Quality Affairs (QA) and Regulatory Affairs (RA) are involved at an early stage in our projects to ensure regulatory compliance and to provide feasible solutions to challenging project needs in partnership with all Company divisions.



Intravacc offers a wide range of expertise for independent vaccine development, from concept to Phase I/II clinical studies for partners all around the world. Our core values are excellence, customer orientation and results orientation, and our philosophy guides the way that Intravacc produces innovative new vaccines. In 2021, the Company made the move from being a fully publicly-funded institution to a commercially focused organization. Our innovative vaccine development platforms and vaccine contract development and manufacturing capabilities are well positioned to address the unmet needs in the vaccine and immune therapy market which is currently estimated at $55 million in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 11% to $125 billion by 2028.

Commercial proposition

- Continue to strengthen the business development team with a strong client-centric mindset.
- Actively bringing CDMO service capabilities to the market, and utilizing existing funding sources to advance the product pipeline.
- Intensifying use and communicating value of the Company's unique OM-Vacc Technology to attract clients especially in immuno-oncology.

11%
Compound Annual Growth Rate of 11% to $125bn by 2028

2,000m²
R&D laboratory facility

230m²
GMP facility with grade ML II and BSL III level

$ 55bn
Value of the vaccine and immune therapy market in 2027

Strategy continued

Vaccine development

Intravacc has an extensive track record when it comes to developing vaccines for its customers. The highlights include Sabin inactivated polio vaccine (sIPV) and the haemophilus influenzae type B (Hib) vaccine, both of which are now on the market and are WHO prequalified.

Lead to early-stage clinical trials

While Intravacc has the knowledge and expertise to guide projects through the whole vaccine development chain, right up to Phase II clinical trials, Intravacc can also customize based on our partners' needs. This means Intravacc can focus specifically on activities to develop our partners' products, such as formulation, process development, assay development, and Good Manufacturing Practices (GMP).

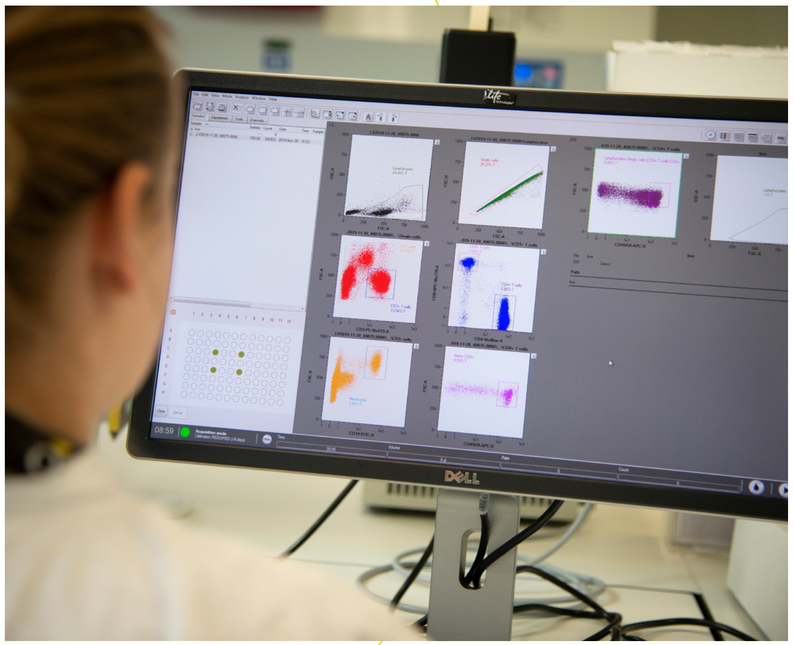
Intravacc's business strategy is to leverage our knowledge and technological expertise for the benefit of financially rewarding projects. Intravacc's ultimate objective is to generate sustainable revenue streams from R&D services and, where possible, from licensing/ royalty agreements.

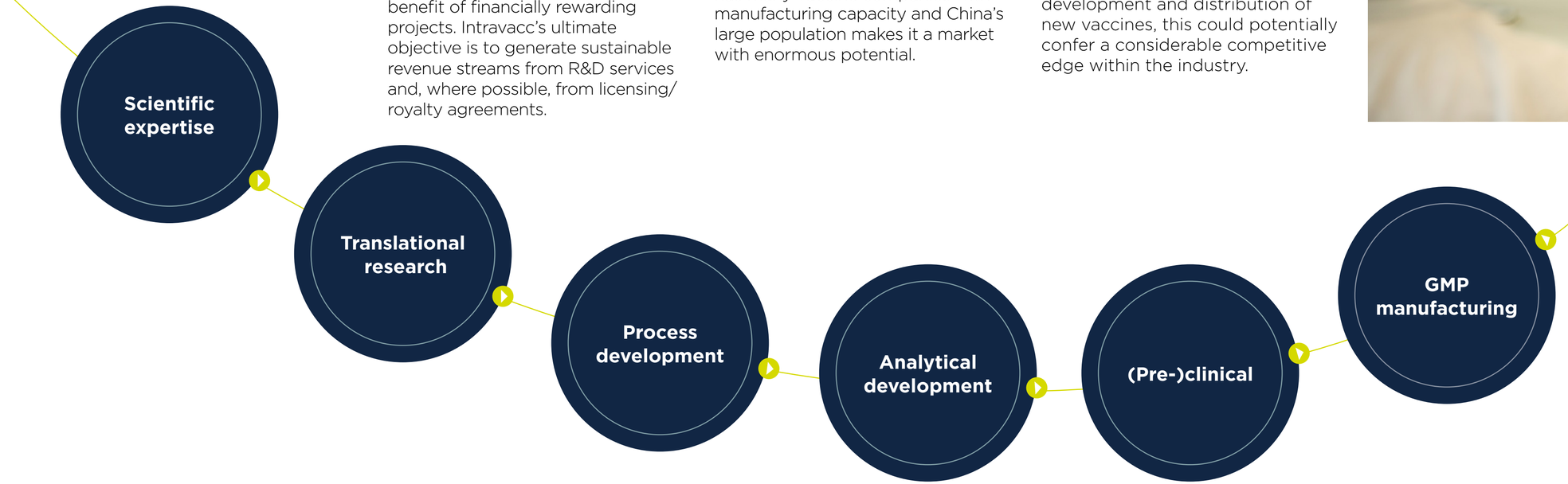
Intravacc serves as a CDMO for various companies, helping them to develop their vaccines. These may be start-ups, university spin-offs or larger pharmaceutical companies. Currently, Intravacc has out-licensed some of its own vaccines to pharmaceutical companies, such as BCHT and CDBIO (both in China); the Company is collaborating on the development of a gonorrhea vaccine with Therapyx, and is acting as a CDMO for ProventionBio and Versatope. In 2022, Intravacc was active in three markets: the US, Asia, and Europe. For the vaccine concepts developed in-house, China is a very attractive market, as it has many vaccine companies with manufacturing capacity and China's large population makes it a market with enormous potential.

Accelerated expansion

Intravacc intends to capitalize on its unique product pipeline and accelerate its activities in the therapeutic vaccine market. By doing so, the Company may be able to expand its offering and attract new customers, thus increasing its market share.

To shorten the vaccine development process, while streamlining operations and reducing costs, Intravacc will implement the use of AI tools for vaccine design and the use of *in vitro* organoid tools to replace animal studies. By enabling the Company to expedite the development and distribution of new vaccines, this could potentially confer a considerable competitive edge within the industry.





Business review
Highlights 2022

In 2022 Intravacc made significant progress as one of the upcoming leading CMDO's in the vaccine industry.

Translational research
- Published the GMP process for a semi-synthetic Shigella glycoconjugate vaccine candidate from Insitut Pasteur in the scientific journal ACS Central Science of the American Chemical Society.
- Awarded 3 grant applications for the development of prophylactic and therapeutic candidate vaccine with a total gross value of € 23 million.

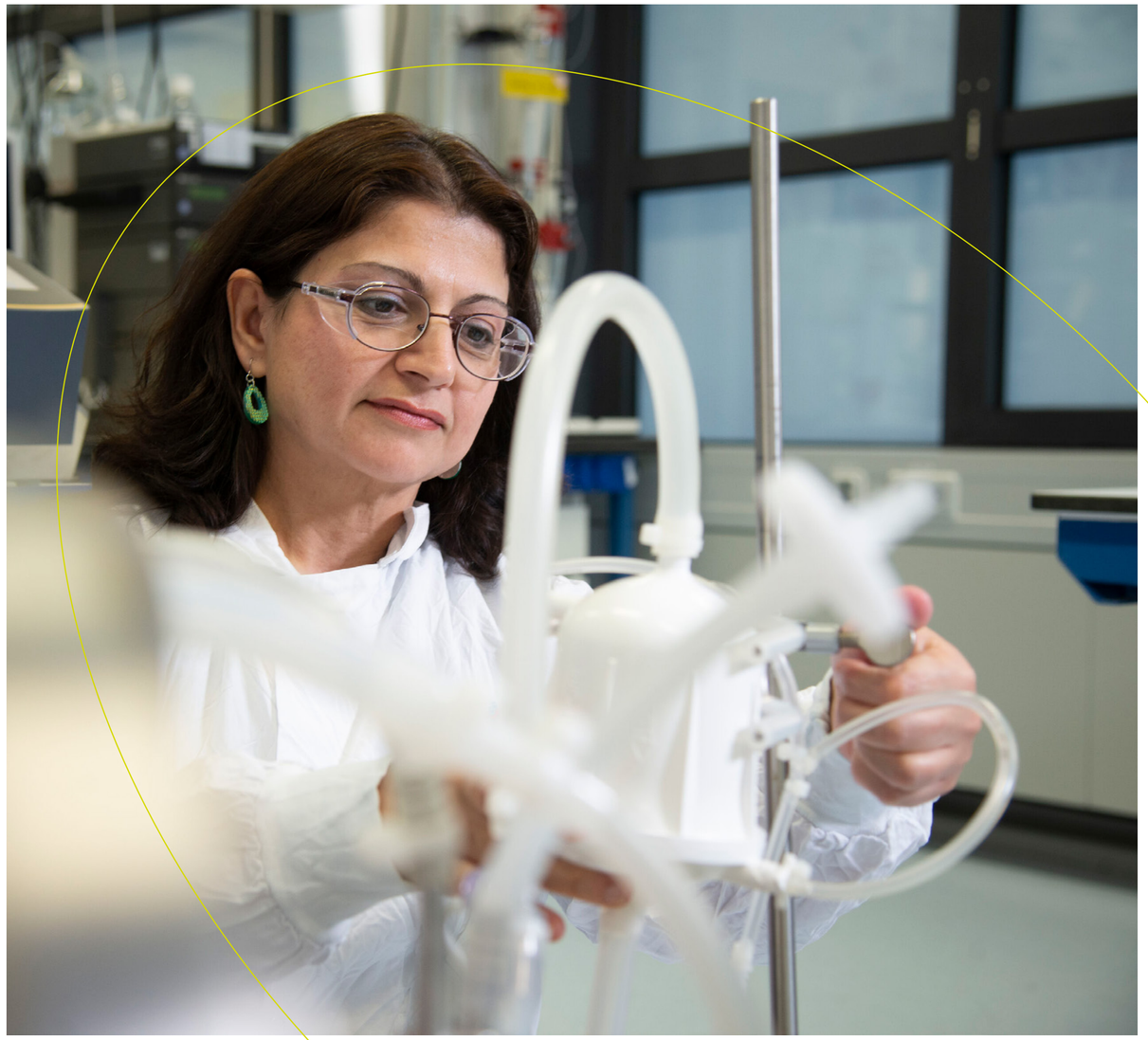
Contract development & manufacturing
- Started with the development of a candidate vaccine intranasal OMV-based gonorrhea vaccine funded by NIH.
- Completed toxicology study for its intranasale SARS-CoV-2 vaccine (Avacc® 10).
- Initiated the start of Phase I trial for it's SARS-CoV-2 intranasal vaccine (Avacc® 10) in Australia.

Strategic
- Initiated the development of a fully integrated business operation system expected to be completed by end 2023.
- Own pipeline is focused on the development of mucosal vaccines for prophylactic and therapeutic diseases.
- Fast track the development of the quatro-valent hand, foot and mouth disease vaccine to start toxicolocial studies in 2023.

Commercial
- Intravacc signed an exclusive agreement with Zhifei Lvzhu Biopharmaceutical Co. Ltd. to develop and commercialize an OMV-based whooping cough vaccine (Avacc® 3). Financials not made public.
- Finalized licensing agreement with Bilthoven Biologicals for the use of Sabin polio vaccine. Financials not made public.
- Sale of sabin polio vaccine seedlots to Bilthoven Biologicals, Sinovac and LG Chemical with a total value of € 3.5M.
- Secured several commercial contracts, valued over € 13M.

Organizational
- Appointed Dr. Edwin Kets as Director Vaccine Development Process.
- Appointed Birke Geurts, MSc MBA as Director Regulatory Affairs & Quality Affairs.

Post-period events
- Intravacc announced favorable preclinical data for its candidate intranasal gonorrhea vaccine.
- Appointed Dr. Frieda Gerdes as Vice President Business Development & Marketing.
- Appointed Mrs. Karen Mink as Director GMP Manufacturing.
- Appointed Dr. Sabien van der Schoot as Senior Director Project Management.
- Intravacc signed an agreement with CimCure for the development of a bladder cancer vaccine. Total contract value amounts to € 3.5 million.
- CSO Prof. Dr. Virgil Schijns appointed as visiting Professor at the University of Strathclyde in Glasgow.
- May 2023: Announcement of the sale of Intravacc by the Dutch State.



Business review continued
Business overview 2022

> The traditional infectious disease market has a limited growth potential compared to the therapeutic oncology market.

However, Intravacc's own product pipeline in infectious diseases predominantly concerns agents relating to respiratory diseases. The COVID-19 pandemic has increased the focus on these types of infections. The unique elements that Intravacc can bring are its knowledge and experience with intranasal vaccines. As most of the vaccines are administered intramuscularly, this could be a niche market for Intravacc.

Based on market analysis, Intravacc started in 2021 to also focus its business development outreach on the therapeutic vaccine market, with its first immune therapy vaccine project for bladder cancer.

Integrated hybrid business model

Intravacc has traditionally been the recipient of funding and grants issued by the Dutch government and global health partners. The business strategy envisioned by Intravacc is to leverage the proprietary technologies established in the past into financially rewarding projects, mainly together with private partners

Translational Research

The Translational Research (TR) group is focusing on research projects to develop innovative vaccine concepts & platform technologies and to set-up and maintain collaborations with key research organizations. The TR group is also investigating the reduction of animal testing focusing on organs on a chip and other *in vitro* applications. In 2022 several research projects have been running within TR group fully or partly covered under various grant applications:

i) Activities with partners based on grants:
   - University of Utrecht: Development of chimeric enterovirus vaccine candidates
   - Technical University Delft: PhD thesis project on Virus Like Particles (VLP) technology

ii) Collaboration with University of Surrey in the UK was set up to test intranasal vaccines in an *ex vivo* nasopharynx-associated lymphoid tissue model (NALT). In this model the mucosal immunogenicity of Intravacc's Avacc 10® vaccine candidate will be determined in *ex vivo* cultured tonsillar cells.

€ 34.2M
new business granted in 2022

€ 15M
from grants projects

€ 13M
from commercial projects

6 vaccines
in development proprietary

iii) Finalization of several European projects aiming to replace animal testing with *in vitro* assays to reduce the number of animals used in preclinical experiments

iv) Proof concept was shown for the development of OMV-based Flu-COVID vaccine

v) Multiple new OMV backbones were constructed for development of therapeutic and prophylactic vaccines

vi) Filed patent application for intranasal SARS CoV-2 intranasal vaccine (Avacc 10®)

The TR group is also responsible for writing proposals for subsidies and grants to acquire funding for the development of vaccine candidates. In 2022, the TR group was involved in 7 grant applications of which 4 were approved, 2 were rejected, and for 1 it was decided not to continue the application. The approved grants concerned the development of i) a vaccine for ALS, ii) an OMV-based intranasal vaccine for gonorrhea up to Phase I clinical study, iii) a broadly protective OMV-based intranasal vaccine for beta corona viruses up to preclinical proof of concept and iv) GMP production of therapeutic vaccine concepts developed by others.

Business review continued
Business overview 2022 continued

Grants
In June 2022, Intravacc partnered with DZNE, Germany to help them move their ALS vaccine candidate towards clinical studies. This conjugate vaccine fits perfectly in the platforms and expertise of Intravacc. This project is funded as part of the European Innovation Council and comprises of € 2.5 million for the development up to the first clinical study.

Intravacc was awarded a contract from the US National Institute of Allergy and Infectious Diseases (NIAID) to develop a vaccine against Neisseria gonorrhea with base and options that may sum up to a total of $ 16.4 million. In addition a grant from CEPI was awarded in the same month to develop a broadly protective Betacoronavirus vaccine candidate with a total value of $ 4.8 million, based on our conjugation platform. Both were awarded in September 2022 and both vaccines will be administered intranasally, following Intravacc's focus of last year to move to mucosal immunity for pathogens that reside in the airways and/or mucosa of the genital area.

CDMO
Intravacc's CDMO activity is structured around the companies 4 unique vaccine development platforms, offering services ranging from pre-clinical, process development, formulation, scale up and GMP production up to 200 liters. By the end of 2022 the Company was working on 6 partner projects. These activities generate multiple revenue streams.

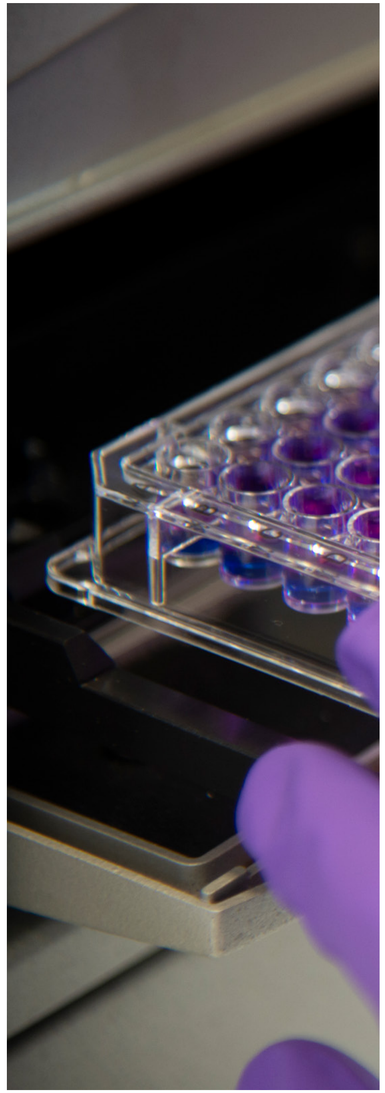
Pipeline products
In 2022 the Avacc® 10 vaccine has successfully moved from the pre-clinical stage to the dosing of the first human subject. The toxicology study showed a good safety profile and the results of the Phase I clinical study are expected around Q4 2023.

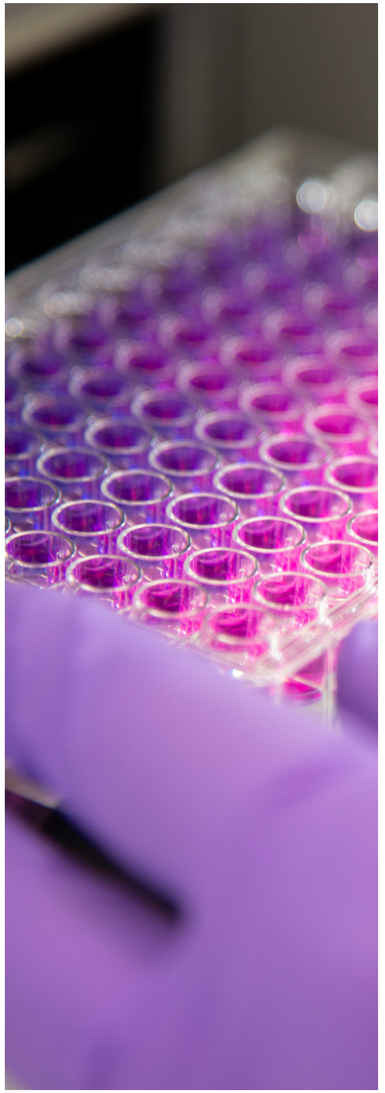
In 2022 we advanced our 4-valent hand foot and mouth disease (HFMD) towards the toxicology study to take place early 2023. The vaccine, comprised of coxsackievirus A6, A10, A16 and enterovirus 71, shows high antibody titers and virus neutralizing antibody titers in mice. Next to HFMD we strengthen our E. coli expression system. We have generated a GMP-ready strain and expression vector to produce different proteins.

Partnered pipeline products
In April 2022 Intravacc signed a research and license agreement with Beijing Zhifei Lvzhu Biopharmaceutical Co. Ltd. on Intravacc's Avacc® 3 Pertussis vaccine. The Outer Membrane Vesicle-based vaccine against Bordetella pertussis was licensed in upfront and milestone payments, detailed terms not disclosed.

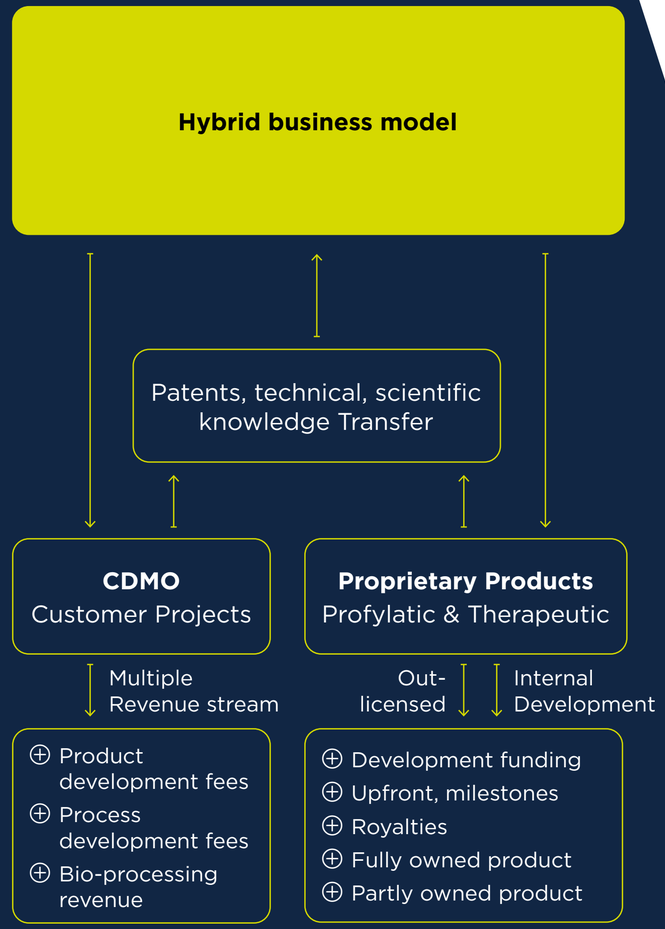
In November 2022 Intravacc strengthened the collaboration with Therapyx on the development of a vaccine against gonorrhea. The NIH award (worth $ 14.6 million) to Intravacc will boost this collaborative program further towards the clinic. Therapyx and Intravacc will share any potential income from the project.

After the WHO prequalification of LG in February 2021, Sinovac received the prequalification of Sabin IPV in June 2022. In 2022 Intravacc received royalty income on sales from both pharma companies.





Business review continued
Business overview 2022 continued



Infection disease & Oncology market: Total combined value of over $ 140 billion

Partnered pipeline products

Intravacc has previously engaged in partnerships on its Sabin inactivated Polio vaccine to LG Chem and to Sinovac. Intravacc receives annual milestone payments from these partnerships and royalty on sales.

In February 2021, LG Chem received WHO prequalification and signed a $ 80 million contract with UNICEF. In July 2021, Sinovac received market authorization for the Sabin inactivated vaccine. By the end of 2021, Intravacc received a total of € 3.9 million in milestone payments. Intravacc expects to receive further royalty income from both pharma companies.

2023 Outlook

The successes we had in the first year as a private entity are a good foundation for the future growth of Intravacc. We achieved our 2022 goals, including the extension of our commercial team, new business contracts, a licensing deal advancing our OMV platform and the completion of a customer portal. In total we have secured € 34.2 million in contracts for the coming years. Although the CDMO market is crowded and competitive, the Company remains confident in the potential to expand into this market. The Company is still on track towards break-even by the end of 2025. Please refer to page 30 for a disclosure on our going concern assessment.

For 2023 the targets for growth are:

- Driving sales by pursuing our CDMO service business and strategic partnerships
- Completion of our Avacc 10® Phase 1 trial
- Implementation of a fully integrated business operation system
- Enhancing our marketing activities
- Strengthening our project management capabilities
- Improving our operational cost structure

Prior period adjustment

The Company has included an adjustment to the prior year financial statements related to an additional impairment of one of our assets. Please refer to the disclosure note on tangible fixed assets (note 2) in the financial statements.

	Vaccine	Target	Platform	Stage: Development	Pre-clinical	Phase I	Phase II
●	Avacc 17®	Hib	CE-VaccT*	Marketed			
	Avacc 29®	Polio 1, 2, 3	CE-VaccT*				
	Avacc 3®	Pertussis	OM-VaccT*				
	Avacc 13®	MenB	OM-VaccT*				
●	Avacc 19®	RSV	CE-VaccT*				
	Avacc 10®	COVID-19	OM-VaccT*				
●	SF2a-TT15	Shigella	CO-VaccT*				
	Avacc 11®	Gonorrhea	OM-VaccT*				
	Avacc 23®	Bladder cancer	EC-VaccT*				
	Avacc 5®	EV-D68	CE-VaccT*				
	Avacc 7®	Lyme	OM-VaccT*				
	Avacc 2®	HFMD	CE-VaccT*				

● Out-licensed ● Open to license ● In development phase

*CE-VaccT = Cell-Vacc Technology (Vero and HEK293 cells)

*EC-VaccT = E.co-Vacc Technology (E.coli expression)

*OM-VaccT = OMV-Vacc Technology (Outer Membrane Vesicles)

*Con-VaccT = Con-Vacc Technology (Conjugation)

CSO Prof. Dr. Virgil Schijns interviews

Professor Anke Huckrieke, Professor of Vaccinology at University Medical Center Groningen

Throughout the years Intravacc has focused on the development of mucosal vaccines. Nasal – and oral – vaccines are examples of mucosal vaccines.

These vaccines are administered directly to mucosal sites. Over the last 2 years promising results were reported in pre-clinical studies with Intravacc's intranasal Pertussis vaccine (Avacc® 3) COVID-19 (Avacc® 10) and gonorrhea (Avacc® 11) all based on our proprietary OMV vaccine technology platform.

What are the advantages and challenges of mucosal vaccines?

We spoke to Professor Anke Huckrieke, Professor of Vaccinology at the University Medical Center Groningen, Faculty of Medical Sciences. She is a world expert virologist, specialized in influenza and COVID-19 vaccines, and has published over 125 papers in peer reviewed scientific journals.

"We have been using influenza vaccines for over 50 years. There have been many activities in order to improve the current vaccines and also to get a longer duration of immunity. To make a vaccine which covers a number of strains is desirable, so that new vaccination is not needed every year like today. Working towards a broadly protective vaccine or universal influenza vaccine is something which is an active field of our research."

There are several approaches currently followed in developing universal influenza vaccines.

"There are some approaches which have proven to be quite effective already in clinical trials. The most successful at this moment is the approach where the researchers try to focus the immune response to the conserved stalk part of the hemagglutinin molecule. So the molecule consists of a head region, which is rather variable among the different influenza virus strains and a conserved stalk region. By focusing the immune response on the conserved stalk regions, they were successful inducing antibodies which recognize not only one strain of virus, but a number of different strains. How effective these antibodies would be to protect against influenza virus infection in the human context remains to be seen."

Nasal and other mucosal vaccines bear the chance to stop the virus getting into the cells at the beginning and stop them from replicating. An effective mucosal local vaccine, that can fully block infection and thereby transmission, would be an ideal vaccine.

"There is one interesting approach for nasal coronavirus vaccine, and that is a nasal vaccine which is based on an influenza virus which is made non-replicative. This vaccine consists of an influenza virus which encodes the spike protein of the coronavirus. And when people are immunized or when in a preclinical model, animals are immunized with this vaccine immune responses to both the influenza virus and the corona virus are raised. Whether that will be a really valid and effective approach for the future remains to be seen."

We asked Professor Huckriedke why the world could benefit from a nasal vaccine against COVID-19, developed on our proprietary OMV platform.

"What I like about the OMV approach is that the technology makes use of bacterial outer membrane vesicles, which can trigger an innate immune response which can, as such work as a kind of adjuvant. So that's certainly an interesting approach, and I would hope that it works in the human context."

You can watch the full interview with Professor Huckrieke on Intravacc's YouTube channel here.

Corporate Governance
General

Intravacc B.V. is a limited liability Company incorporated under Dutch law. Intravacc B.V. was established on 1 February 2019. On 1 January 2021, all assets and liabilities related to the Intravacc activities that were performed as part of the Dutch government were transferred to Intravacc B.V.

Since 1 January 2021, the supervision and management of Intravacc have been structured in accordance with the two-tier model, meaning that the Company has a Board of Directors which is supervised by a Supervisory Board.

The Dutch government is the sole shareholder of Intravacc B.V. Intravacc is positioned as a so-called 'policy participation' under VWS. The Deputy Secretary General of VWS has the delegated role of shareholder.

The main powers of the General Meeting of Shareholders consist of appointing, suspending, and dismissing or discharging members of the Board of Directors and Supervisory Board, determining the remuneration policy of the Board of Directors and the Supervisory Board, adopting the Company's financial statements, and discharging the Board of Directors and the Supervisory Board of liability. The General Meeting of Shareholders is held at least once a year.

As well as its role as sole shareholder, VWS provides funding for Intravacc projects with a specific public interest. The Deputy Director of Public Health at VWS is appointed as principal. Intravacc and the principal hold regular meetings to discuss the progress of these projects.

This annual report and Intravacc's corporate governance are based on the applicable statutory requirements and on the Company's articles of association. Furthermore, Intravacc closely follows legislative developments around corporate governance to improve its governance further.

Corporate Governance continued
Supervisory Board

The Supervisory Board is entrusted with supervising and advising the Board of Directors and overseeing Intravacc's strategy and the general course of its activity. The Supervisory Board performs its tasks in accordance with Dutch law and Intravacc's own articles of association. Each individual Supervisory Board member acts in the best interest of Intravacc, its activities and all its internal and external stakeholders.

Composition

The Supervisory Board consists of 3 members who are appointed for a period of 4 years. These members may be reappointed on the understanding that a member cannot serve on the Supervisory Board for more than twelve years. The composition of the Supervisory Board is well-balanced in terms of expertise and competences. The General Counsel of Intravacc, Erik Popping LL.M., currently serves as secretary to the Supervisory Board.

Commissions

The Supervisory Board initiated the formation of an audit commission at the beginning of 2022.

All members of the Supervisory Board have the Dutch nationality and were appointed on 1 January 2021. Their first date of re-election will be 1 January 2025. The members of the Supervisory Board are:

Nico Oudendijk
(Chairman & non-executive director)

For 20 years, Nico Oudendijk worked at the interface between Youth Care, Psychiatry and Crisis Care, 12 years of which as General Director of psycho-social and psychiatric institute 'Triangel' in Amsterdam. Since 1991, Mr. Oudendijk has held various positions within VWS. These include director of Mental Health Care and Professions, director of Curative Somatic Care, Director General Health, acting inspector-general at the Health Care Inspectorate (IGZ) and Envoy to the BES islands (the Caribbean Netherlands). From 2010 to 2012, he was director of the Netherlands Vaccine Institute (NVI). From 2013 to 2020, he was General Manager of Intravacc. Since 2013, Nico Oudendijk is Chairman of Stichting Antonie van Leeuwenhoek-terrein (ALt) (permit holder USP Bilthoven)

Bruno Bruin
(Non-executive director)

From October 2017 to March 2020, Bruno Bruins was Minister for Medical Care and Sport at VWS. Between 2012 and October 2017, Mr. Bruins was chair of the board of the Dutch National Employee Insurance Agency (UWV) and from 2008 to 2011 he was a member of the executive board of directors of Connexxion Holding N.V. Mr. Bruins was State Secretary for Education, Culture and Science from July 2006 to February 2007. From 2000 to 2006 he served as alderman in The Hague and, between 2004 and 2006, as deputy mayor. His ancillary activities included chairing the Supervisory Board of the Dutch public broadcasting organization NPO (2016-2017). Since September 2021, Mr. Bruins has been a member of the Dutch State Council.

Additional positions:

- Member of the Supervisory Board of Unicef
- Member of the permanent scouting committee of the VVD
- Chairman of the Advisory Board of Yris
- Owner of BJB Advies
- Member of the Advisory Board of Keolis
- Chairman of the Supervisory Board of Alrijne Zorggroep
- Member of the Supervisory Board of Jeroen Pit Huis
- Vice Chairman of the independent advisory committee to the Dutch government on the future disability scheme (OCTAS)

Corporate Governance continued
Supervisory Board

Dr. Karin Dorrepaal
(Non-executive director)

Dr. Karin Dorrepaal is an experienced senior executive in the life science and pharmaceutical industry. In 1990, Dr. Dorrepaal joined Booz Allen Hamilton, Management Consultants. In 2004, the Supervisory Board of Schering AG appointed Dr. Dorrepaal as member of its Management Board. After the takeover of Schering by Bayer, Dorrepaal left the company in 2006. Since then, she has held various board positions with private and public companies in Germany, Ireland, Spain, Belgium and The Netherlands.

Additional positions:

- Member Triton Industry Board Advisory role (since 2008)
- Vice-Chairman Supervisory Board Paion AG (since 2012)
- Member Supervisory Board Gerresheimer AG (since 2012)
- Member Supervisory Board Almirall SA (since 2013)
- Member Supervisory Board Kerry Group (since 2015)
- Member Supervisory Board Van Eeghen Group (since 2020)

Erik Popping
LL.M (Board Secretary)

Erik Popping joined Intravacc in January 2016. He has over 14 years of experience within the pharmaceutical and healthcare sectors as a corporate and legal counsel. Before he joined Intravacc, Mr. Popping was Corporate and Legal counsel at the Hal Allergy Group, and, prior to that, for the Netherlands Vaccine Institute, a predecessor of Intravacc. He holds a Master's degree in law (LL.M.) (Radboud University) and a Bachelor's degree in business administration (HAN University of Applied Sciences).

Board of Directors
Experienced leadership

Intravacc B.V. has a Board of Directors that may consist of one or more Board members. The Board is entrusted with the overall management of the Company and as such it is responsible for the Company's strategy and achieving the Company's goals.

The Board member is appointed for a period of 4 years and can be reappointed for periods of at most 4 years.

The Board of Directors currently consists of 2 Board members: Dr. Jan Groen (CEO), since 1 May 2020, and Mrs. Nathalie Laarakker (CFO) since 1 January 2022.

Dr. Groen is the chairman of the Board of Directors and he will be eligible for reappointment as director on 1 May 2024.

Mrs. Laarakker will be eligible for reappointment as Director of the Board on 1 January 2026.

Dr. Jan Groen
Chief Executive Officer

Jan Groen joined Intravacc in May 2020 as Chief Executive Officer. He was previously the CEO of Novigenix in Switzerland, a privately-owned immunotranscriptomic diagnostic company, and MDxHealth, a Euronext-listed genomic diagnostics company. Dr. Groen's career spans many years in the global biotech sector. He was the President and COO of Agendia, co-founder of ViroClinics and DxOrange and has held management and scientific positions at Focus Diagnostics, the Erasmus Medical Center, National Institute of Public Health and Akzo- Nobel. Dr. Groen has published over 125 papers in international scientific journals and holds a PhD degree in Medical Microbiology from Erasmus University Rotterdam.

Additional board of director positions:

- Non-Executive Director at Novigenix SA, Lausanne (CH) (since May 2020)
- Non-Executive Director at Angle Plc., Guilford (UK) (since November 2018)

Nathalie Laarakker, RA
Chief Financial Officer

Nathalie Laarakker joined Intravacc in April 2021 as Chief Financial Officer. She is an experienced CFO and has worked as a finance director for multinational companies. She has a proven track record in financial and senior-level management, primarily in the technology and healthcare sectors. Mrs. Laarakker joined Intravacc from cancer immunotherapy R&D company Gadeta, where she served as Chief Financial Officer and Managing Director since 2019. Nathalie began her professional career at PricewaterhouseCoopers, working for both the Amsterdam and the Boston (USA) offices. She qualified as a certified public accountant in 2001, after which she held various senior positions in several companies. Her previous positions include Head of Finance at the Nasdaq-listed biotech company Merus. She holds a Bachelor's degree from the Amsterdam Business School and a post-doc degree from the University of Amsterdam, The Netherlands.

Additional board of director position:

- Non-Executive Director at Oxurion (BE) (since March 2023)

Management Team
Experienced team

Intravacc's Management Team consists of experienced professionals within their various fields of expertise. The Management Team is composed as follows:

Name	Function
Dr. Jan Groen	Chief Executive Officer (CEO)
Nathalie Laarakker, RA	Chief Financial Officer (CFO)
Dr. Daniëlle Lankveld, DVM	Chief Operating Officer (COO)
Prof. Dr. Virgil Schijns	Chief Scientific Officer (CSO)
Birke Geurts, MSc MBA	Director RA&QA
Dinja Oosterhoff, PhD	Vice President R&D
Frieda Gerdes, PhD	Vice President Business Development & Marketing
Sabien van der Schoot, Pharm.D, PhD	Sr. Director Program Management
Minke Wessels, MA	HR Manager

Dr. Jan Groen is CEO of the Company and Chairman of the Board. For his biography, see 'Board of Directors'.

Nathalie Laarakker, RA is CFO of the Company. For her biography, see 'Board of Directors'.

Dr. Daniëlle Lankveld, DVM
Chief Operating Officer

Dr. Daniëlle Lankveld, DVM is the COO since 2017. She joined Intravacc in 2013. She started her career as a veterinary anesthetist at the Veterinary School of the Utrecht University in The Netherlands. In 2007 she became a researcher at the Dutch National Institute of Public Health. In 2011 Dr. Lankveld became the Manager of the Animal Research Center (ARC) of the former Netherlands Vaccine Institute. In 2013, when the ARC became part of Intravacc, she moved to the position of Chief Development Officer within Intravacc. Dr. Lankveld holds a degree as Doctor in Veterinary Medicine as well as a PhD from the University of Utrecht, The Netherlands.

Prof. Dr. Virgil Schijns
Chief Scientific Officer

Prof. Dr. Virgil Schijns is the CSO and joined the Company in November 2020. He was chief technology officer of Crossbeta Biosciences and prior to that the principal immunologist of Nobilon and head of vaccine technology and immunology at Intervet-AKZO-NOBEL. In 2002 he was appointed as a special Professor in immunology and virology at North Carolina State University in the US, a guest Professor at the University of Wageningen in 2008 and in 2013 at Strathclyde University in Glasgow. He is also the CSO of Epitopoietic Research Corporation, an oncology company in Namur, Belgium.

Birke Geurts, MSc MBA
Director RA&QA

Birke Geurts, MSc MBA joined Intravacc in April 2022 as Director RA&QA. She is experienced in pharmaceutical regulatory compliance and has previously worked for various multinational pharma companies in senior regulatory management roles for regions including Europe, Middle East, the Americas and Asia Pacific. She has a proven track record in senior level regulatory management and regulatory strategy for the pharmaceutical industry. Mrs. Geurts joined Intravacc from Renolit Healthcare where she held the position as Head of Global Regulatory Affairs since 2020. She holds a Master's degree in Chemistry from Leiden University and an MBA from Nyenrode Business University, The Netherlands.

Management Team continued
Experienced team

Dinja Oosterhoff, PhD
Vice President R&D

Dinja Oosterhoff, PhD joined Intravacc in 2013 as Vice President R&D. Following her MSc in Medical Biology at the VU University in Amsterdam, she obtained her PhD in 2005 at the VU University Medical Center, Department of Medical Oncology on the development of adenovirus-based gene therapy vectors for the treatment of solid tumors. After working for several years on immunotherapy and dendritic cell targeted anti-cancer vaccines, she started using the knowledge and experience from the oncology field for the development of vaccines for infectious diseases at Intravacc. She has worked in various roles in the Company and is Vice President R&D since 2022.

Frieda Gerdes, PhD
Vice President Business Development & Marketing

Frieda Gerdes, PhD joined Intravacc in February 2023 as Vice President Business Development & Marketing. She is responsible for driving the CDMO business and strategic partnerships, as well as expanding the Company's market awareness. She is a seasoned professional with over 25 years of experience in the healthcare industry. After receiving her PhD in cell biology from the University of Kiel in Germany, she began her career in 1996 in sales and has since held various leading roles in marketing and business development at companies such as ThermoFisher Scientific, Agendia, GE Healthcare, Epigenomics, and Molecular Health. In addition, Frieda has also gained significant consulting and management expertise, supporting international diagnostic, pharma, and biotech companies in bringing innovative products to the market.

Sabien van der Schoot, Pharm.D, PhD
Sr. Director Program Management

Sabien van der Schoot, Pharm.D, PhD joined Intravacc in March 2023 as Sr. Director Program Management. She is an experienced leader in the pharmaceutical industry. She is a pharmacist by training and started her career with a PhD in the development and aseptic manufacturing of drug products for FIH clinical trials at the Dutch Cancer Institute. After that she held different positions in large pharmaceutical companies such as Solvay Pharmaceuticals, Abbott and Janssen Vaccines. At these companies she held positions as sr. scientist, CMC leader and project leader respectively. Prior to joining Intravacc she was site leader of the Venn Life Sciences (part of hVIVO) consultancy office in Breda (NL) responsible for the business development strategy and reaching the financial targets. Simultaneously she was heading the CMC department.

Minke Wessels, MA
HR Manager

Minke Wessels, MA joined Intravacc in September 2019 as HR Manager. She brought over 15 years of HR experience to Intravacc. After her master's degree in international law at Leiden University, she started out as Team manager at the ING Bank. Five years into the job she chose a new career path within HR, to pursue her interests in individual & group development and change management. Before joining Intravacc, she was senior HR Business Partner at Nationale Nederlanden. Minke is an experienced coach and trainer and she has a track record in creating a culture of collaboration and managing change.

Scientific Advisory Board
Value and knowledge

The Scientific Advisory Board (SAB) of Intravacc consists of 6 scientific leaders in the fields of vaccinology, infectious diseases and oncology; Dr. Harry Flore, Prof. Dr. Anke Huckriede, Dr. Paul Wichgers Schreur, Dr. Paul Oostvogel, Prof. Dr. Evelien Smits and is chaired by the CSO of Intravacc Prof. Dr. Virgil Schijns.

The SAB is consulted when deciding on the best vaccine strategies and solutions in order to establish an impact on public health with the aid of convincing scientific clinical data. The SAB also advises on the Company's research strategy and approaches to optimizing therapy effectiveness and added value.

Dr. Harry Flore

Dr. Harry Flore is Chairman of the Supervisory Board of HAL Allergy Holding of Leiden, The Netherlands – one of Europe's top players in the field of allergen immunotherapy, and a world leader in the production of modified allergen extracts for both therapeutic and diagnostic purposes. He is also active in HALIX, a CDMO, specializing in cell culture-based pharmaceutical production.

Prof. Dr. Anke Huckriede

Prof. Dr. Anke Huckriede is Professor of Vaccinology at the University of Groningen, The Netherlands, and is affiliated with the University Medical Center Groningen. Huckriede's research activities are aimed at vaccine development, with a focus on rational vaccine design. Her work on (influenza) vaccines focuses, among other things, on developing *in vitro* techniques for vaccine evaluation and understanding the effects of pre-existing immunity on responses to vaccination.

Dr. Paul Wichgers Schreur

Dr. Paul Wichgers Schreur is a senior scientist in the field of arbovirology at Wageningen Bioveterinary Research (WBVR), The Netherlands. Using techniques such as reverse-genetics, single-molecule microscopy, and bacterial superglue, he studies the infection cycle of bunyaviruses and uses this knowledge to (co)develop therapeutic antibodies and vaccines.

Dr. Paul Oostvogel M.D.

Dr. Paul Oostvogel M.D. is a medical microbiologist. He has been involved in the Polio Eradication Initiative from the start in 1989. He retired in 2019 as head of the Public Health Laboratory of the Public Health Service (GGD) Amsterdam, The Netherlands.

Prof. Dr. Evelien Smits

Prof. Dr. Evelien Smits is research professor in tumor immunology and cancer immunotherapy at the University of Antwerp, Belgium. She is researching how the immune system of cancer patients can be provided with the necessary weapons to win the battle against cancer cells.

Interview with
Dr. Frieda Gerdes

Frieda joined Intravacc in February 2023 as Vice President Business Development and Marketing. She has worked the last 25 years of her career in various marketing and business development roles within the healthcare industry.

My passion is to bring innovation from the lab to the patient, that is where I see my added value for Intravacc. It is fascinating to develop new marketing strategies that drive new clients towards the CDMO business of the Company, while keeping the good relationship and successful work with existing customers. Interacting and convincing clients about the value of our vaccine platforms for them and ultimately the patient is what drives me.

How do you want to tackle the challenges Intravacc is facing from a marketing perspective?

I have much experience in how to boost awareness and acceptance of companies and products with the right marketing strategies and activities. It all about the right information, at the right time, to the right customer.

> **Throughout her career, Frieda has experienced quite often that the value of marketing has been highly underestimated for the overall success of the company, start-up or large company.**

Less is often times more, which helps, if budgets are tight.

In my role I focus on translating relevant scientific content into value for the clients by using their preferred marketing channel. Meeting in person at conferences plays a key role here, as personal contact to build up trust is crucial for success in our industry.

What drives you to work in this industry since you left university?

Well, I was no hero in the lab, but passionate about science and how it can improve patients' lives. This is why I decided early on to help bring scientific and medical innovations from bench to bedside. It amazes me what progress we make in scientific discoveries and how we can apply them to improve the lives of humans and animals alike.

The market for the CDMO is one of the fastest growing markets. The COVID-19 pandemic brought a lot of attention to the relatively dusty image of the vaccine business. Emerging vaccine technologies like mRNA and Intravacc's OMV platform are key drivers of this growing market, even outside the field of infectious diseases. How do you want to approach the leverage of the OMV platform in the market?

Vaccines developed on our OMV platform have immunogenic properties, that means they can trigger an innative immune response, thus express self-adjuvanticity. This is of course of great value to our clients. So my job is to create awareness and acceptance about these advantages in the market.

Needle phobia among adults is 25% and among children up to 50%. In 2022 the OMV technology has been awarded with two highly valuable and multi-million-dollar grants for both intranasal based vaccines: one for gonorrhea and another for beta-corona. Do you see a clear marketing opportunity of intranasal administration of vaccines?

Intranasal vaccines are new to the public, so a huge opportunity to create interest and support. I am sure we will be able to leverage on this huge opportunity for the benefit of Intravacc. It is not only important in replacing needles, but also to stop the infection where it occurs. So, - a treasure for any marketing activity. During 2023 we will expand our communication channels and tools as much as we can to inform, engage and excite people about intranasal vaccines developed by Intravacc.

Risks and uncertainties
Managing risk effectively

Risk management

Intravacc operates in a rapidly changing environment that involves several risks and uncertainties, some of which are beyond its control. This discussion highlights some of the principal risks and uncertainties.

The Company cannot be certain that it will successfully address these risks. Additional risks and uncertainties not presently known, which management currently deems immaterial, or which are like those faced by other companies in the Company's industry or business in general, may also impair its business operations. Risks and opportunities are analyzed regularly, and the findings are incorporated into Intravacc's management systems. This reflects the ISO14001 (environment) standard, which Intravacc is accredited for.

To provide a comprehensive view of the risks that Intravacc faces, a structured risk assessment is carried out every year, applying a top-down and bottom-up approach. This process is supported by organizing workshops during which the Intravacc management team identifies, assesses, and prioritizes risks on the basis of their impact, likelihood and the effectiveness of controls. Appropriate risk responses are then implemented. The management team monitors developments in the Company's risk profile and risk-response effectiveness, which are discussed as part of the management review cycle. This risk assessment considers various inputs around operational, strategic, financial, commercial and legal topics.

Developments in the Company's risk profile and management's efforts to improve risk-responsiveness are also discussed and monitored during the quarterly meeting of the Supervisory Board.

The post COVID-19 period and the ongoing war in Ukraine has a possible impact on the supply chain, potentially causing delays in development and production and subsequently the starting dates of clinical trials.

In 2022 the Company started to build its commercial infrastructure and increased its visibility in the market place. However the average lead time of new contracts lays between 6-9 months before closing; this affected short-term opportunities to increase our revenue.

Intravacc is a state owned Company. The indicative planning was to privatize before 2022, but due to political consultation this planning has overrun the projected scheme.

Financial risks

Intravacc is a company in transition from a nearly fully government funded and research driven organization towards a stand-alone commercial CDMO. This transition phase comes with uncertainty around its financial position. For both 2021 and 2022 the company has been incurring losses with a loss of €15.7 million for 2022. In 2022 the cash flows from operations were negative with net cash outflow. Intravacc expects these losses to continue in 2023. If Intravacc achieves significant revenues, it may not become profitable, and even if it achieves profitability, it may not be able to sustain or increase profitability on a longer term.

Although Intravacc believes that it has sufficient capital to fund its operations at least until the end of Q3 2023, capital outlays and operating expenditures are expected to increase over the coming years as we continue to build the company. Approximately 60% of the funding in 2023 is expected to be provided by the Ministry of Health and the remaining projected income from commercial customers is uncertain and not yet sufficient to cover operational cost for the coming 12 months. The sales process of Intravacc has been started via a controlled auction process early May 2023.

These events and conditions described above indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of businesses.

Overall, while there remains a high risk of uncertainty when it comes to the financial future of the company, management is actively working on mitigating risk and improving the company's financial performance. Management is taking various measures, including cost reduction and postponement and/or cancellation of investments, that are in control of management, and increasing productivity as well as a clear focus on increasing the business development efforts and outreach in order to secure new revenue contracts resulting in addition cash inflows. At this point in time a few smaller revenue contracts have been secured but a number of larger contracts are currently being negotiated where management is positive about the future outcome.

For the longer term, Intravacc will need to be proactive to generate additional revenue from external customers. Intravacc is still building its track record and reputation within the vaccine market. By exploring new opportunities, expanding its offering, diversifying its customer base, Intravacc could improve its financial performance and position itself for long term success.

Risks and uncertainties continued

Strategic and commercial risks

The CDMO industry is characterized by rapid technological changes, changing customer preferences, emerging competition, evolving industry standards, and price competition. Moreover, the CDMO industry is intensely competitive both in terms of service and price, and continues to undergo significant consolidation, permitting larger CDMO service providers to increase cost efficiencies and service levels, resulting in more intense competition.

Intravacc's financial results are largely dependent on sales of CDMO services, and it will need to generate sufficient revenues from this and other future solutions to grow its business. Revenues in 2022 were still largely dependent on one customer (VWS). Revenues of this customer accounted for approximately 60% of services revenues in 2022. The discontinuation of the funding for a major COVID-19 related project for 2022 has affected the Company's operating plan.

"The Company wants to be seen as best-in-class and respected across industry and stakeholders. As such we have a very low to no risk appetite when it comes to matters that could impact our key stakeholders or employees.

Intravacc relies on a limited number of third-party suppliers for services and components used in the production and operation of its product development services, and some of those services and components are supplied from a single source. Disruption of the supply chain, unavailability of third-party services required for the performance of the tests, component modifications or failure to achieve economies of scale could have a material adverse effect on Intravacc.

The development of vaccines requires (customized) components, reagents and services that are currently available from a (limited) number of sources. Most of these components and services are sourced externally from a variety of external suppliers, some of which are single source. These consumable supplies and reagents are used as raw materials in the Company's candidate vaccines. If Intravacc must switch to a replacement supplier for any of these sub-components or for certain services required for the performance of its vaccines, it may face additional delays impacting revenues.

Intravacc conducts business in a heavily regulated industry, and changes in regulations or violations of regulations may, directly or indirectly, adversely affect its results of operations and financial condition and harm its business. Intravacc's business operations and activities are subject to a range of healthcare laws and regulations (at local, national, federal and international level), as well as investigatory. The consequences of violating these laws and regulations may directly impact the continuation of the business.

Operational risks

The main operational risks exist around the supply chain. Due to the shortage of materials, there is a real risk of downtime due to delivery delays.

Risk overview

Like every company, our business is subject to numerous risks and uncertainties. In the tables, we focus on the key risks and uncertainties currently faced by Intravacc. Some of these are beyond the control of our Company, while others can be mitigated.

Not all of the risks occurred in 2022, partly as a result of timely mitigation. The backorder of materials was managed and although it did mean that projects and experiments needed to be prioritized, it did not lead to any critical delays. The downtime for IT systems was limited to short interruptions that did not lead to the loss of data or delays. The privatization delay did lead to some people leaving, but this did not lead to any problems in 2022. We missed out on a number of projects due to the uncertainty around privatization. This is unfortunate but we are seeking to mitigate the situation by re-initiating talks with our customers.

Risk appetite

The Board of Directors is responsible for setting and monitoring the risk appetite for Intravacc when pursuing its strategic objectives. For each risk we identify current controls and their effectiveness. Risks are assessed through performance reporting and strategic objectives.

In the pursuit of our objectives, Intravacc is willing to accept, in some circumstances, risks that may result in some financial loss or exposure. However, we will always be extremely mindful and careful in our approach to accepting these risks and are only willing to take them if additional income or cost savings are probable.

The Company wants to be seen as best-in-class and respected across industry and stakeholders. As such we have a very low to no risk appetite when it comes to matters that could impact our key stakeholders or employees.

Risks and uncertainties continued

Category	Area	Specific	Risk	Expected impact	Mitigation
Operational	Supply chain	Materials	Delay and unavailability due to Brexit, US 'America First' policies, COVID-19 pandemic, different execution due to COVID-19 restrictions and measures	Delay and postponement in projects	Order early, ordering more and redundant systems
		Equipment		Longer lead time of new equipment followed by project delays	Anticipate investments
		Services		Lack of repair and maintenance resulting in downtime	Find local suppliers
	Certification	IGJ; manufacturing license	No license	No possibility to produce and store CTM	Systems in order to pass inspection
	Personnel	Key personnel and skills	Pursuing career elsewhere	Inability to perform certain tasks	Generate back-ups for all key persons/ skills. Actively encourage employee retention
	IT	Down-time	Not able to reach systems, no email and phone possibilities	Unproductivity	Adequate IT infrastructure
		Cyber security risk	Loss of sensitive information	Bad appearance of Company Loss of trade secrets	Good IT security and education of employees

Category	Area	Specific	Risk	Expected impact	Mitigation
Strategic	Privatization	Uncertainty	Employees leave		This depends largely on external factors beyond the control of Intravacc
			Uncertainty about future financing and timing of further privatization of Intravacc	Uncertainty of the future situation and complexity of current structure with shareholder limits financing possibilities	
	IP	Patents	Field protected by others	Forced to obtain license or stop the project	IP landscaping and opposition
			Insufficient protection of field/product	Lower value of the product/ project	Broad patents and/or trade secrets
Financial	Cashflow	Cashflow	Negative balance	Uncertainty whether sufficient revenue can be generated to fund operations	Monitor budget and expenditure

Risks and uncertainties continued

Category	Area	Specific	Risk	Expected impact	Mitigation
Commercial	Projects	Fee for service	Insufficient projects	Intravacc depends largely on projects financed by third parties. When we obtain fewer projects it directly affects the financial situation and output of the Company	Dedicated BD team to obtain new projects. Out-licensing of our products and technology to assure revenues
	Competition	Product pipeline	Faster development timelines so that competitors are in the position to engage third parties earlier	Smaller market to license our products	Monitor competition and IP management
			Better products	Smaller market to license our products	Early Go/NoGo decision in the VDP
			More economic services	Fewer projects	Lower price or outperform competition

Category	Area	Specific	Risk	Expected impact	Mitigation
Legal	Customer Contracts	Non/limited performance	Claims	Financial (liability claims), reputational (loss of clients)	Conclude contracts that can be well managed and performed by the Company. Appropriate insurance (for 2022), limiting contractual liability
	Non compliance with laws and regulations	Privacy laws/ pharmaceutical compliance	Data breach/ third-party claims/penalty	(Reputational) damage/penalty	Good IT security and education of employees. Privacy policy and processing register available. Legal advice and dossier filing

Statement of financial position
as of 31 December (before appropriation of result)

	Note	31 December 2022 €'000	Restated 31 December 2021 €'000
ASSETS			
Fixed assets			
Intangible fixed assets	1.	**1,112**	1,309
Tangible fixed assets	2.	**10,652**	26,541
Current assets			
Inventory	3.	**730**	606
Construction contracts	3.	**552**	985
Trade receivables	4.	**1,873**	730
Social security and other taxes	5.	**322**	199
Prepayments and other receivables	6.	**205**	262
Cash and cash equivalents			
Cash and cash equivalents	7.	**5,324**	7,158
Total		**20,770**	37,790

	Note	31 December 2022 €'000	Restated 31 December 2021 €'000
LIABILITIES AND EQUITY			
Equity(*)	8.		
Share capital			
Share premium		**35,214**	35,214
Retained earnings		**(3,981)**	(296)
Result for the year		**(15,702)**	(3,685)
		15,531	31,233
Current liabilities			
Trade payables	9.	**1,559**	864
Other tax liabilities	10.	**197**	705
Corporate tax liability	10.	**-**	508
Pension premiums	11.	**129**	141
Other current liabilities	12.	**1,716**	2,102
Deferred income	13.	**1,638**	2,237
		5,239	6,557

(*) Share capital amounts to € 2, so due to rounding to thousands, no share capital is included.

Statement of profit or loss
for the year ending 31 December 2022

	Note	**2022 €'000**	Restated 31 December 2021 €'000
Revenue		**22,310**	29,250
Other operating income		**591**	0
Changes in inventory and work in progress			
Total Revenue and other operating income	a.	**22,901**	29,250
Cost of materials and supplies	b.	**1,467**	1,605
Subcontracted work and other external costs	c.	**6,293**	8,308
Employee benefits	d.	**9,151**	9,860
Depreciation and amortization	1. and 2.	**1,916**	1,132
Impairment of tangible fixed assets	2	**14,100**	5,458
Other operating expenses	e.	**5,654**	6,036
Total sum of expenses		**38,581**	32,399
Operating result		**(15,680)**	(3,149)
Financial income and expense	g.	**22**	28
Result before tax		**(15,702)**	(3,177)
Corporate Income Tax	i.	**–**	508
Net Result		**(15,702)**	(3,685)

Statement of cashflows
for the year ending

	2022 €'000	Restated 2021 €'000
Cash flow from operating activities		
Result for the year	**(15,702)**	(3,685)
Adjustments for:		
– Depreciation tangible fixed assets	**1,719**	961
– Amortization intangible fixed assets	**197**	197
– Impairment of tangible fixed assets	**14,100**	5,458
– Loss on the sale of tangible fixed assets	**215**	–
Movement in working capital		
– Increase in inventories	**(125)**	(462)
– Decrease (increase) in construction contracts	**433**	(985)
– Increase in trade receivables	**(1,143)**	(632)
– Increase in other receivables	**(66)**	–
– Decrease in deferred income	**(577)**	(2,685)
– Increase in trade payables	**696**	864
– Decrease in other payables	**(906)**	(6)
Total of cash flows from(used in) operations	**(1,159)**	**(975)**
Interest paid	**22**	28
Corporate income tax paid	**508**	–

	2022 €'000	Restated 2021 €'000
Cash flow from investing activities		
Contribution in kind intangible fixed assets	**–**	(1,506)
Contribution in kind tangible fixed assets	**–**	(32,950)
Contribution in kind inventory	**–**	(144)
Contribution in kind other receivables	**–**	(559)
Contribution in kind current liabilities	**–**	1,867
Contribution in kind deferred income	**–**	2,664
Contribution in kind paid in capital	**–**	34,187
Proceeds from sales of property, plant and equipment	**125**	474
Purchases of property, plant and equipment	**(270)**	(484)
Cash flow from investing activities	**(145)**	3,549
Additional cash contribution from shareholder	**–**	999
Cash flow from financing activities	**–**	999
Change in cash and cash equivalents	**(1,834)**	3,601
Cash and cash equivalents at the beginning of the year	**7,158**	3,557
Cash and cash equivalents at the end of the year	**5,323**	7,158
Total of cash flows from(used in) operating activities	**(1,689)**	(947)

Notes to the financial statements

Entity information

The registered and physical address of Intravacc B.V. is Antonie van Leeuwenhoeklaan 9, 3721 MA Bilthoven. The Company is registered at the Chamber of Commerce under number 73887757. Intravacc B.V. is a limited liability Company (B.V.). The state of The Netherlands is sole shareholder.

General notes

Intravacc, based on the Utrecht Science Park location Bilthoven, is one of the world's leading organizations with many years of experience in translational vaccinology. As an established independent clinical development and manufacturing organization (CDMO) in the vaccine industry, Intravacc offers a wide range of expertise and services and is the bridge between discovery and the start of Phase I/II clinical trials in humans.

1. Accounting Principles

Reporting period

This annual report has been prepared based on a reporting period of the calendar year ending 31 December 2022.

Standards

The financial statements are prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally measured at historical cost, production cost or at fair value at the time of acquisition. If no specific measurement principle has been stated, measurement is at historical cost.

General

The assets and liabilities are presented in euros, the functional currency of the Company. All financial information in euros is rounded to the nearest thousand, unless stated otherwise.

Disclosure of estimates

In applying the principles and policies for preparing the financial statements, the management of the Company makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Recognition of an asset or liability

An asset is included in the balance sheet when it is probable that future economic benefits will flow to the Company and its value can be reliably determined. A liability is included in the balance sheet when it is probable that settlement thereof will entail an outflow of resources that embody economic benefits and the magnitude of the amount thereof can be reliably determined. If a transaction results in all or almost all of the future economic benefits and all or almost all of the risks related to an asset or liability being transferred to a third-party, the asset or liability is no longer included in the balance sheet. Furthermore, assets and liabilities are not included in the balance sheet from the time at which the requirements of probability of future economic benefits and reliability of the determination of the value are no longer met.

Income is recognized in the statement of profit or loss when an increase in the economic potential, associated with an increase in an asset or decrease in a liability, has occurred of which the amount can be reliably determined. Expenses are recognized when a decrease in the economic potential, associated with a decrease in an asset or an increase in a liability, has occurred of which the amount can be reliably determined. The cost and revenues are allocated to the period to which they relate.

Result determination

Respecting the principles mentioned above the result is determined as the difference between the realizable value of the performances delivered and the costs and other expenses related to the year of reporting, valued at historical cost.

Disclosure of changes in accounting policies

Starting the financial year 2022, the amended revenue standard RJ270 is applicable. Management has reviewed the new standard and has assessed the impact as limited. In the presentation of the revenue a different categorization between the different revenue categories has been implemented, which influences the allocation of the revenue over different categories. In the notes to the statement of profit or loss the impact on the financial year 2021 has been disclosed.

Foreign currencies

The financial statements are presented in euros, which is the functional and presentation currency of the Company. Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement, unless hedge accounting is applied.

Non-monetary assets measured at historical cost in a foreign currency are converted at the exchange rate on the transaction date (historical rate).

Notes to the financial statements continued

Accounting Principles continued

Financial instruments and risks

Financial instruments include (other) receivables, trade payables and other payables. These are short-term in nature. The nominal value has been used for these items as any difference between the fair value and the nominal value is insignificant. The fair value of the financial instruments approximates the carrying amount.

The Company does not apply hedge accounting. The foreign currency impact of the company's transactions are mainly denominated in euros as such the currency risk is considered low.

Liquidity risk represents the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. Prudent liability risk management implies ensuring availability of cash resources for funding of operations and planning to raise cash when needed. Management monitors rolling forecasts of the Company's expected cash flows. However, management refers to the paragraph on going concern for further disclosure on associated risks.

Sales are made to customers that meet the Company's credit rating requirements and credit risk is being closely managed. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Operating leases

The Company has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the Company. The lease contracts are recognized as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the statement of profit or loss for the duration of the contract.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes paid are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognized in the cash flow statement.

Fixed assets

Intangible fixed assets

The organization is a research and development organization, aimed at developing and manufacturing human vaccines on a limited scale. Expenditure is therefore incurred to carry out projects.

Projects can lead to the registration of intellectual property rights (Intellectual Property, so-called IP) and patents. In addition, the transfer of technology to producers in the event of successful production can lead to future royalty flows, as stipulated in the contract. The organization takes the view that it is uncertain whether the future economic benefits will accrue to Intravacc or its legal successor and therefore represent no value. In addition, the economic benefit of vaccine patents is not quantifiable due to the uncertainty of whether or not the developed vaccines can be marketed.

Acquired licenses are capitalized at cost and depreciated in a straight line over the expected economic life. Impairments are taken into consideration; this is relevant if the carrying amount of the asset is higher than its realizable value.

Tangible fixed assets

Tangible fixed assets are measured at acquisition costs or production costs plus additional costs less straight-line depreciation based on the expected life, unless stated otherwise. Impairments expected on the balance sheet date are taken into account.

If important components of a tangible fixed asset can be distinguished from each other and differ in useful life or expected use pattern, these components are depreciated separately.

Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income taxes are recognized at nominal value.

Impairment of fixed assets

On each balance sheet date, the Company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the realizable value of the asset is determined. If it is not possible to determine the realizable value of the individual asset, the realizable value of the cash generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the realizable value; the realizable value is the higher of the fair value less cost to sell and the value in use. An impairment loss is directly recognized in the income statement while the carrying amount of the asset concerned is concurrently reduced.

The realizable value is initially based on a binding sale agreement; if there is no such agreement, the realizable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. The costs deducted in determining net realizable value are based on the estimated costs that are directly attributable to the sale and are necessary to realize the sale. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset/cash generating unit; these cash flows are discounted, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If it is established that an impairment that was recognized in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported.

Notes to the financial statements continued

Current assets

Inventory

Inventories (stocks) are measured at historical price or production cost based on the FIFO method (first-in, first-out) or lower realizable value.

The historical cost or production cost consists of all costs relating to the acquisition or production and the costs incurred in order to bring the inventories to their current location and current condition. The production cost includes direct labor and fixed and variable production overheads, taking into account the costs of the operations office, the maintenance department and internal logistics.

The realizable value of raw materials and consumables is derived from the contracted price of the related project, taking into account the estimated costs of completion and the estimated costs that are necessary to realize the sale.

Construction contracts commissioned by third parties comprises the balance of expected project revenues and, if applicable, recognized losses and instalments already invoiced. Construction contracts with a net debit position are separately presented in the balance sheet under current assets. Construction contracts with a net credit position are presented in the balance sheet separately under current liabilities. Refer to the accounting principles 'Net revenue' for the revenue recognition of construction contracts.

Expenditure relating to project costs for work not yet performed is recognized under inventories.

Receivables and prepayments and accrued income

Receivables are initially measured at the fair value of the consideration to be received. Receivables are subsequently measured at the amortized cost price. If there is no premium or discount and there are no transaction costs, the amortized cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognized using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognized as part of debts to lending institutions under current liabilities. Cash at banks and in hand is measured at nominal value.

Pensions

The Company has a pension scheme for its employees. The most important characteristics of these schemes are:

- The pension scheme is categorized as an average salary scheme. This means that the accrued pension benefit is related to the employees' income in a specific year.
- The average salary scheme has a conditional indexation, based on the financial health and position of the pension fund.

The Company has a pension scheme to which the provisions of the Dutch Pension Act (Pensioenwet) are applicable. The Company pays premiums based on (legal) requirements, a contractual or voluntary basis to pension funds and insurance companies. Premiums are recognized as employee cost when they are due. If premiums already paid exceed the premium payable to the pension administrator, the excess is recognized as a prepayment if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities. There are no other obligations for the employer in addition to the premiums paid.

For one foreign employee, contributions are made to a defined contribution pension plan. Premiums are recognized as employee cost when they are due. There are no other obligations for the employer in addition to the premiums paid.

Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income taxes are recognized at nominal value.

Deferred tax liabilities

Deferred tax liabilities are recognized for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income tax is provided on temporary differences arising on investments in group companies, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax balances are measured at nominal value.

The Company makes use of the initial recognition exemption. Deferred tax is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit.

Current liabilities

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are measured at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realizable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognized in the year in which they are realized.

Notes to the financial statements continued

Current assets continued

Net revenue

Net revenue comprises the income from the supply of goods and services and realized income from fee for service contracts and milestones and royalties after deduction of discounts and such like and of taxes levied on the turnover.

Turnover from the sale of goods, the rendering of services and construction contracts is recognized per performance obligation and construction contract if the amount or the result can be reliably determined.

Revenue is recognized for the amount to which the legal entity expects to be entitled in exchange for the transfer of promised goods or services, i.e. the transaction price. This amount does not include amounts collected on behalf of third parties (including sales taxes). The transaction price consists of a fixed fee and variable consideration such as discounts and performance bonuses. Credit risk is not taken into account when determining the transaction price.

The determination of the transaction price is based on the assumption that the goods or services will be transferred in accordance with the relevant agreement and that this agreement will not be cancelled, extended or otherwise modified.

The effects of variable consideration are taken into account in determining the transaction price. These effects are based on an estimate of the fees. Such estimates are updated at the end of each financial year. Only variable fees that are unlikely to be reversed later on are taken into account.

There are no significant financing components because transactions are settled based on agreed upon contracts with a agreed upon payment term.

There are also no payments to buyers of goods and services.

An agreement may include several performance obligations (agreed-upon commitments to deliver a distinct goods or services). Revenue is recognized for each separate performance obligation. The following performance obligations are distinguished:

- Performing an contractually agreed-upon task for a customer.
- Providing a service to a customer e.g. transferring technology and knowledge.
- The sale of goods produced by Intravacc B.V. (e.g. seedlots).
- Granting licenses.

The total transaction price is allocated in proportion to the value of the performance obligations where an agreement contains several such obligations (commitments).

The obligation to repair or replace defective products under the legal warranty period is recognized as a provision.

Revenues from the sale of goods

Revenues from the goods supplied are recognized when (substantially) all significant risks and significant rights to economic benefits in respect of the goods have been transferred to the buyer.

Revenues from providing services

Revenues from the services rendered are recognized in proportion to the services delivered, based on the services rendered up to the balance sheet date in proportion to the total of services to be rendered.

Revenues from construction contracts

Construction contracts are processed per individual contract, unless the economic reality leads to the processing per group of contracts. The criteria for recognizing revenue are applied for each individual construction contract or to the totality of related projects and agreements. Revenue is recognized in proportion to the services provided. Expected losses on construction contracts are recognized directly in the profit and loss account if the total contract costs are likely to exceed the total contract revenue. The amount of this loss is determined regardless of whether the project has commenced.

Additional work that does not constitute a separate performance obligation within the current construction contract is recognized as an adjustment to the current construction contract (adjustment of cumulative revenue). Additional work that does constitute a separate performance obligation is recognized as a separate agreement unless the increase in the agreed-upon fee does not reflect the value of the additional work. In the latter case, the additional work is recognized as a change to the current construction contract.

Other operating income

Other operating income includes results that are not directly related to the delivery of goods or services in the context of normal, non-incidental business activities. Other operating income consists mostly of lease income. These revenues are allocated to the reporting period in accordance with the terms of the agreement.

Government grants

The WBSO (“afdrachtvermindering speur- en ontwikkelingswerk”) is a Dutch fiscal facility that provides subsidies to companies, knowledge centers and self-employed people who perform research and development activities (as defined in the WBSO Act). Under this Act, a contribution is paid towards the labor costs of employees directly involved in research and development. The contribution is in the form of a reduction of payroll taxes and social security contributions recognized on a net basis within the labor costs. (Government) Grant income is not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them. (Government) Grants are recognized in profit or loss on a systematic basis over the period the Company recognizes as expenses the related costs for which the grants are intended to compensate.

Expenses of employee benefits

Wages, salaries and social securities are recognized in the statement of profit or loss on the basis of the employment terms and tax regulations.

Amortization of intangible assets and depreciation of property, plant and equipment

Intangible fixed assets, including goodwill, and tangible fixed assets are depreciated or amortized from the date of initial use over the expected future economic life of the asset. Land and investment property are not depreciated.

Future depreciation and amortization is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of intangible and tangible fixed assets are included in depreciation.

Notes to the financial statements continued

Current assets continued

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and expenses are recognized on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognized transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

Income tax expense

Tax on the result is calculated based on the result before tax in the statement of profit or loss, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Going concern

Intravacc is a company in transition from a nearly fully government funded and research driven organization towards a stand-alone commercial CDMO. This transition phase comes with uncertainty around its financial position. For both 2021 and 2022 the company has been incurring losses with a loss of €15.1 million for 2022. In 2022 the cash flows from operations were negative with net cash outflow. Intravacc expects these losses to continue in 2023. If Intravacc achieves significant revenues, it may not become profitable, and even if it achieves profitability, it may not be able to sustain or increase profitability on a longer term.

Although Intravacc believes that it has sufficient capital to fund its operations at least until the end of Q3 2023, capital outlays and operating expenditures are expected to increase over the coming years as we continue to build the company. Approximately 60% of the funding in 2023 is expected to be provided by the Ministry of Health and the remaining projected income from commercial customers is uncertain and not yet sufficient to cover operational cost for the coming 12 months. The sales process of Intravacc has been started via a controlled auction process early May 2023.

These events and conditions described above indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of businesses.

Overall, while there remains a high risk of uncertainty when it comes to the financial future of the company, management is actively working on mitigating risk and improving the company's financial performance. Management is taking various measures, including cost reduction and postponement and/or cancellation of investments, that are in control of management, and increasing productivity as well as a clear focus on increasing the business development efforts and outreach in order to secure new revenue contracts resulting in addition cash inflows. At this point in time a few smaller revenue contracts have been secured but a number of larger contracts are currently being negotiated where management is positive about the future outcome.

For the longer term, Intravacc will need to be proactive to generate additional revenue from external customers. Intravacc is still building its track record and reputation within the vaccine market. By exploring new opportunities, expanding its offering, diversifying its customer base, Intravacc could improve its financial performance and position itself for long term success.

Prior period adjustment

Management has reassessed the impairment for the year 2021 and has determined that an impairment should have partially been recognized in the financial year 2021. This resulted from an incorrect calculation of the valuation of Building X for the impairment assessment that was performed as part of the 2021 closing procedures. The amount of the 2021 impairment has been based on the following main assumptions:

- discounted cash flows of sublease income as assessed reasonable as at the end of 2021 for the period from mid 2022 up until 2040.
- an Incremental Borrowing Rate (IBR) of 0.9%
- an inflation rate of 0.5%

As a result of this material prior period error, the prior period amount for Building X reported in the financial statements 2021 has been adjusted. Note that the prior period error has no tax impact.

The impact amounts to: €5.5 million decreasing the amount of tangible fixed assets, equity as well as net result.

Notes to the financial statements continued

2. Notes to the Balance Sheet

All amounts in the notes are stated in thousands, unless stated otherwise.

Intangible fixed assets (1)

	License fee Bbio €'000	License fee Oxgene Genetics HEK293 €'000	Total €'000
Opening balance 1 January 2022			
Acquisition value	1,270	700	1,970
Accumulated depreciation	(588)	(73)	(661)
Book value 31 December 2021	682	627	1,309
Additions	–	–	–
Disposals	–	–	–
Amortization	(127)	(70)	(197)
Closing balance 31 December 2022			
Acquisition value	**1,270**	**700**	**1,970**
Accumulated depreciation	**(715)**	**(143)**	**(878)**
Book value 31 December 2022	**555**	**557**	**1,112**

In May 2017, a license agreement with an unlimited duration was signed between Bilthoven Biologicals B.V. ('Bbio') and The Ministry of Health, Welfare and Sport for the use of Bilthoven Biologicals' know-how with regard to Diphtheria, Bordetella Pertussis and Tetanus. Intravacc is thereby permitted to further develop the above-mentioned strains, also for commercial purposes in certain therapeutic applications. A one-off fee of € 1,270,000 has been paid for this license. Depreciation takes place in 10 years.

In December 2020 a license agreement with an unlimited duration was signed between Oxford Genetics Limited and Intravacc for the Cell line: HEK293OX. It permits Intravacc the development of two licensed products. An upfront fee of € 700,000 has been paid for this license. Depreciation takes place in 10 years on a straight-line basis.

The amortization on intangible fixed assets is recorded in the income statements under the line item 'Other operating expenses'.

Notes to the financial statements continued

2. Notes to the Balance Sheet continued

Tangible fixed assets (2)

	Lab equipment €'000	IT equipment €'000	Other equipment €'000	Technical installations €'000	Building X	Assets under construction €'000	Total €'000
Acquisition value	18,435	615	124	6,100		21,936	47,210
Accumulated depreciation	(12,243)	(386)	(95)	(2,487)		–	(15,211)
Book value 1 January 2022	**6,192**	**229**	**29**	**3,613**		**21,936**	**31,999**
Prior period adjustment						(5,458)	(5,458)
Adjusted book value 1 January 2022	**6,192**	**229**	**29**	**3,613**		**16,478**	**26,541**
Additions	191	72	32	32	16,421	(16,478)	270
Disposals	(1,870)	–	–	–	–	–	(1,870)
Depreciation disposals	1,530	–	–	–	–	–	1,530
Depreciation	(615)	(47)	(5)	(231)	(821)	–	(1,719)
Impairment	–	–	–	–	14,100	–	14,100
Acquisition value	**16,755**	**687**	**156**	**6,132**	**16,421**	**–**	**40,151**
Accumulated depreciation	**(11,328)**	**(433)**	**(100)**	**(2,718)**	**(821)**	**–**	**(15,400)**
Accummulated impairment	**–**	**–**	**–**	**–**	**(14,100)**	**–**	**(14,100)**
Book value 31 December 2022	**5,427**	**254**	**57**	**3,414**	**1,500**	**–**	**1,652**

The depreciation rates are as follows:

	Between %	And %
Depreciation rates		
Building X	7	8
Lab equipment	5	10
IT equipment	20	33
Other equipment	10	10
Technical installations	4	7

The assets under construction are not depreciated until the asset is available for use. The assets are reviewed for impairment on an annual basis.

Building X

Building X constitutes of laboratory installations and leasehold improvements ('the facility') inside a building construction. Intravacc is leasing the facility from a third party. The lease of the facility runs until 31 December 2035. During the year 2022 the legal situation around the combination of the ownership of facility and the lease of the outer shell was assessed. The conclusion was that an additional right of superficies needs to be effected to ensure ownership of the the facility. This will be completed in 2023.

Even when where the right of superficies is established, the approval of the lessor is needed to allow a potential sale of the facility to a third party and the lease of the building construction would have to be transferred to the new owner. Approval of the lessor is also needed to allow to sublease the facility to a third party. Management assesses it is unlikely that the lessor would not grant such approval.

Intravacc is currently in the process of subleasing the building to a third party. The market for subleasing this type of facilities is a challenging market with only limited interest parties. This has resulted in management identifying a trigger for impairment assessment of Building X. Based on the current terms negotiated, the valuation of the building has been impaired to reflect the current estimated market value, which is based on the initial tems and conditions of the sublease contract that is currently being negotiated as well as taking into account the residual value at the end of the sublease contract approximating €1.500.000. This has resulted in an impairment for the financial year 2022 of €14.9 million.

Management has reassessed the impairment for the year 2021 and has determined that the impairment should have partially been recognized in the financial year 2021. This resulted from an incorrect calculation of the valuation of Building X for the impairment assessment that was performed as part of the 2021 closing procedures. The amount of the 2021 impairment has been based on the following main assumptions:

- discounted cash flows of sublease income as assessed reasonable as at the end of 2021 for the period from mid 2022 up until 2040
- an Incremental Borrwing Rate (IBR) of 0.9%
- an inflation rate of 0.5%

As a result of this material prior period error, the prior period amount for Building X reported in the financial statements 2021 has been adjusted. Note that the prior period error has no tax impact.

The impact amounts to: €5.5 million decreasing the amount of tangible fixed assets, equity as well as net result.

Notes to the financial statements continued

2. Notes to the Balance Sheet continued

Inventory and construction contracts (3)

Inventory constitutes consumable materials used for customer projects. Construction contracts relates to project hours and material cost still to be invoiced to customers under the fee for service contracts.

Inventory

	31 December 2022 €'000	31 December 2021 €'000
Inventory	**730**	606
	730	606

Construction contracts

	31 December 2022 €'000	31 December 2021 €'000
Work in progress	**552**	985
	552	985

For construction contracts not completed as at the balance sheet date, the accumulated net turnover amounts to € 3,328,000 (2021: € 4,185,000). Construction contracts and progress billings can be broken down as follows:

	31 December 2022 €'000	31 December 2021 €'000
Projects with a debit balance: Generated contract revenue -/- recognized losses and progress billings >0	**552**	985
Projects with a credit balance: Generated contract revenue -/- recognized losses and progress billings <0	**(1,638)**	(2,237)
	(1,086)	(1,252)

Trade receivables (4)

Accounts receivable all have a remaining term to maturity of less than one year, unless stated otherwise. The fair value of the accounts receivable approximates the carrying amount, given the current nature of the accounts receivable and the fact that, where necessary, provisions for bad debt have been recognized.

	31 December 2022 €'000	31 December 2021 €'000
Trade receivables	**1,873**	850
Provision trade receivables	**–**	(120)
	1,873	730

Social security and other taxes (5)

The receivable related to social security and other taxes constitutes of the value added tax receivable for the fourth quarter 2022.

	31 December 2022 €'000	31 December 2021 €'000
Social security and other taxes	**322**	199
	322	199

Prepayments and other receivables (6)

	31 December 2022 €'000	31 December 2021 €'000
Prepayments and other receivables	**206**	262
	206	262

Other receivables consists of prepaid amounts and other receivables.

Notes to the financial statements continued

2. Notes to the Balance Sheet continued

Cash and cash equivalents (7)

	31 December 2022 €'000	31 December 2021 €'000
Cash at banks	**5,304**	7,150
Bank deposits	**20**	8
	5,324	7,158

In 2022 a total amount of € 20,000 (2021: € 8,000) is not freely disposable but is held as a deposit for a Company credit card. The remaining cash at bank is freely disposable.

Shareholders' equity (8)
(in euros)

	Share capital €	Share premium €	Retained earnings €	Results for the year €	Total €
Opening balance 1 January 2022	2	35.214.237	(296.421)	1.773.067	36.690.885
Prior period adjustment	–	–	–	(5.457.904)	–
Restated opening balance 1 January 2022	**2**	**35.214.237**	**(296.421)**	**(3.684.836)**	**31.232.982**
Appropiation of the 2021 result	–	–	(3.684.836)	3.684.836	–
Result for the year	–	–	–	(15.701.515)	15.701.515
Closing balance 31 December 2022	**2**	**35.214.237**	**(3.684.836)**	**(15.701.515)**	**15.531.467**
Opening balance 1 January 2021	–	–	(296,421)	–	(296,421)
Contribution in kind 1 January 2021	2	34,187,030	–	–	34,187,032
Adjustments in contributions in kind	–	1,027,207	–	–	1,027,207
Result for the year	–	–	–	1,773,067	1,773,067
Closing balance 31 December 2021	2	35,214,237	(296,421)	1,773,067	36,690,885

At 31 December 2020, two ordinary shares were issued with a nominal value of €1. On 1 January 2021 a contribution in kind was closed in which the assets and liabilities related to the activities from Intravacc as department from the Ministry of Health and Sports were transferred to Intravacc B.V. As a result an amount of €34,1 million was contributed as share premium.

At the end of the year 2021 an additional contribution of € 1,4 million was made consisting of final settlement of a number of estimated balances from the original contribution date.

During 2022 the Company discovered that the previously issued financial statements 2021 included an overstatement of the tangible fixed assets. This resulted from an incorrect calculation of the valuation of Building X for the impairment assessment that was performed as part of the 2021 closing procedures. As a result the value of Building X was overstated by €5.5 million. The Company has adjusted this amount in the comparative numbers in the financial statements 2022 by restating the opening balance of retained earnings.

Trade payables (9)

	31 December 2022 €'000	31 December 2021 €'000
Accounts payable	**1,559**	864
	1,559	864

All trade payables fall due within one year. The fair value approximates the carrying amounts of the trade payables given the short term nature.

Current tax liability (10)

	31 December 2022 €'000	31 December 2021 €'000
Corporate income tax liability	**197**	705
Other tax liabilities	**–**	508
	197	1,213

The tax liability relates to value added tax payable as well as the corporate income tax. Please refer to note (i) for disclosures on corporate income tax.

Pension premiums (11)

	31 December 2022 €'000	31 December 2021 €'000
Pension payable	**129**	141
	129	141

Notes to the financial statements continued

2. Notes to the Balance Sheet continued

Other current liabilities (12)

	31 December 2022 €'000	31 December 2021 €'000
Personnel liabilities	**875**	1,017
Salaries and wages payable	**11**	6
Other payables	**610**	768
GR/IR: Goods received/Invoices received clearing	**220**	311
	1,716	2,102

Other payables relate to accrued expenses and other current payables.

Deferred income (13)

	31 December 2022 €'000	31 December 2021 €'000
Work in progress	**1,638**	2,237
	1,638	2,237

Deferred income relates to pre-invoiced contract revenue for which a performance obligation still exists.

3. Commitments and contingencies

The commitments of the Company are related to the lease agreement for the building and facilities as well as a few longer-term maintenance contracts for laboratory equipment.

As part of the contribution in kind from VWS to Intravacc B.V., the lease contract was also transferred to the Company. The lease relates to the buildings that Intravacc uses on the Antonie van Leeuwenhoek site. The remaining total lease commitment based on the current rented m^2, without indexation, can be estimated at € 4.4 million for 3 years. The contract term expires at 31 December 2025, with an option for Intravacc to renew the lease for another five years. There is no obligation to repair after the lease expires. The renewal option has not been included in the table below.

	31 December 2022 €	31 December 2021 €
Commitments with a maturity within one year	**3,161**	2,500
Commitments with a maturity exceeding one year and within five years	**6,998**	7,344
Commitments with a maturity exceeding five years	**-**	-
Total of minimal lease payments of operating leases	**10,159**	9,844

In addition, an obligation has also been included to continue the use of facility services, as previously laid down in agreements between Intravacc and the Facility Company of Poonawalla Science Park B.V. and the RIVM for the duration of the term of the main agreement.

These costs depend on variables such as the number of employees, rented square meters and actual consumption. The total costs for the remaining term of the lease based on the costs in 2022 are estimated without future indexation at €6.2 million.

Intravacc has a subleasing agreement with Sapreme Technologies ending on 31 December 2025. No financial commitments exist for Intravacc under the lease agreement.

Notes to the financial statements continued

4. Notes to the Profit or Loss Account

Revenues (a)

Revenue	**2022 €'000**	2021 €'000
Government contract	**14,133**	23,155
Service income CDMO	**2,621**	2,240
Milestones & Royalties	**3,316**	1,548
Grants	**2,240**	2,307
Total revenue	**22,310**	29,250
Other income	**591**	–
Total Other income	**591**	–

Revenue from government contracts relates to the five year contract which has been closed with the Ministry of Health and Sports. Under the contract, Intravacc performs agreed upon services for specified vaccine development activities.

Revenue from fee for service contracts comprises of income derived from bioprocessing of vaccine product for partners and fees charged for providing development services to partners.

Milestones and royalty revenues relate to income from licensing contracts in which Intravacc has out-licensed certain vaccine development or platform technology. In some cases specific milestones are contractually agreed for which milestone revenue is received once the milestone has been achieved.

Grant revenue consists of revenue received for service activities performed for public organizations such as the NIH and CEPI.

Other income consists of cash generating activities which are not part of Intravacc's core business and mainly consists of lease income from subletting some of our lab and office spaces.

Bioprocessing of vaccine product for partners is recognized on a percentage of completion basis over time as the processes are carried out. Progress is determined based on the achievement of verifiable stages of the process. The gross amount due from customers on all partnerships in progress for which costs incurred plus recognized profits exceed progress billings is presented separately as a contract asset within the note to inventory (construction contracts) as presented in the Statement of financial position.

Consideration received in excess of the stage of completion will be deferred until such time as it is appropriate to recognize the revenue.

Revenues for providing process development activities to partners are recognized during the period in which the service is rendered on a percentage of completion basis.

Revenues (a) continued

Technology licenses that have been established by Intravacc have all been determined as "right to use" licenses, rather than "right to access" licenses. As such, the revenue from these licenses is recognized at the point in time at which the license transfers to the customer.

The granting of the technology licenses to Intravacc's background intellectual property constitutes a "right to use" license as our customers are able to conduct development work on the license independent of the Company. Intravacc is compensated separately for its performance obligations in relation to development work and milestone payments. Milestones related to the achievement of specific deliverables will be recognized in full once it is deemed highly probable that the obligation will be met. Milestones related to the provision of support services are recognized on a percentage of completion basis, but taking into account the likelihood of achievement of the deliverable.

A total amount of €59 thousand of revenue is related to positive exchange rate results.

Cost of materials and supplies (b)

Cost of materials and supplies relates to laboratory consumables that were used for research and contract development projects.

Subcontracted work and other external costs (c)

Subcontracted work and other external costs relates to outsourced project work as part of activities performed for both research and contract development projects. Costs of subcontracted work and other external costs are allocated to the period concerned.

Employee benefits (d)

	2022 €'000	2021 €'000
Salary	**7,091**	7,971
Social security	**899**	598
Pension costs	**1,161**	1,292
	9,151	9,860

The average number of employees in 2022 was 102 (2021: 118). The average number of full-time equivalents (FTE) was 98 (2021: 114). This excludes interns, training assistants and consultants. At year-end 2022, 101 employees were employed by Intravacc (2021: 119). In FTE this translates to 97 (2021: 114). All employees but one are based in the Netherlands. One employee is based in Denmark.

Notes to the financial statements continued

4. Notes to the Profit or Loss Account continued

Employees per activity at 31 December (converted to FTE)

	31 December 2022 €'000	31 December 2021 €'000
Research and Development	**70**	86
General and Administration	**31**	33
Total	**101**	119

Other operating expenses (e)

Other operating expenses consists of other general and administrative expenses around the operations of the Company. These expenses consist of maintenance cost, lease expenses and other general costs.

Depreciation and amortization (f)

Depreciation

	2022 €'000	2021 €'000
Lab equipment	**615**	685
IT equipment	**47**	47
Other equipment	**5**	3
Technical installations	**231**	226
Building X	**821**	–
Total	**1,719**	961

Amortization

	2022 €'000	2021 €'000
License fee Bbio	**127**	127
License fee Oxgene Genetics HEK 293	**70**	70
Total	**197**	197

Financial income and expense (g)

The financial income and expense are related to interest paid on positive bank balances (negative interest). In 2022 € 22K (2021: € 28K) interest expenses has been paid due to a positive bank balance.

Related party transactions (h)

Compensation of the Supervisory Board

The remuneration of the Supervisory Board members in 2022 is set out in the table below:

	2022		2021	
	Short-term employee benefits €'000	**Post employment benefits €'000**	Short-term employee benefits €'000	Post employment benefits €'000
Nico Oudendijk	**32**	**–**	31	–
Bruno Bruins	**22**	**–**	21	–
Karin Dorrepaal	**22**	**–**	21	–
Total	**76**	**–**	73	–

Compensation of the Management Board

The compensation of the management board is set out in the table below. The included salary includes bonus expense in the form of a bonus accrual, which was paid out in March 2023.

	2022		2021	
Compensation of the Management Board	**Short-term employee benefits €'000**	**Post employment benefits €'000**	Short-term employee benefits €'000	Post employment benefits €'000
Jan Groen	**256**	**33**	228	31
Nathalie Laarakker	**213**	**32**	144	23
Total	**469**	**65**	371	54

Notes to the financial statements continued

4. Notes to the Profit or Loss Account continued

Corporate tax expense (i)

	2022 €'000	2021 €'000
Income tax provision based on domestic rate	**–**	532
Tax effect of:		
Non-deductable expenses	**0**	24,5
Income tax charge	**–**	508
Effective tax rate	**0%**	22%

The applicable domestic tax rate amounts to 15% up to the amount of € 395,000 and € 25.8% above that amount. As Intravacc is in a loss-making position for the year 2022 and expects a taxable loss as well for 2023, no tax expense has been recorded for the year. As it is uncertain when Intravacc will generate profit, no deferred tax asset has been recognized.

The total amount of losses that have not been recognized amounts to € 568 thousand for corporate income tax as well as €259.000 witholding tax paid in South Korea.

In addition the Company has used the initial recognition exemption for differences between tax base and commercial base for both the intangible assets as well as Building X.

5. Note to the Cashflow Statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received and income taxes are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash are not recognized in the cash flow statement.

6. Subsequent events

In 2023, the ministry of Health, Welfare and Sports decided that they would restart the sale process of Intravacc, which was put on hold during the corona pandemic. As part of this restart, a formal process was followed in which the Dutch Parliament (Tweede Kamer) was informed of this intended sale and the political process was initiated.

Post-period events

- Intravacc announced favorable preclinical data for its candidate intranasal gonorrhea vaccine.
- Appointed Dr. Frieda Gerdes as Vice President Business Development & Marketing.
- Appointed Mrs. Karen Mink as Director GMP Manufacturing.
- Appointed Dr. Sabien van der Schoot as Senior Director Project Management.
- Intravacc signed an agreement with CimCure for the development of a bladder cancer vaccine. Total contract value amounts to € 3.5 million.
- CSO Prof. Dr. Virgil Schijns appointed as visiting Professor at the University of Strathclyde in Glasgow.
- May 2023: Announcement of the sale of Intravacc by the Dutch State

Proposal appropriation of result

The management of the Company proposes to appropriate the result as follows:

The loss for the period 2022 in the amount of €21.2m will be fully added to the other retained earnings.

This proposal needs to be approved by the General Meeting and has therefore not yet been recognized in the financial statements 2022 of the Company.

Other information

Provisions of the Articles of Association relating to profit appropriation

Please refer below for an excerpt of article 16 of the Articles of Association which state the following:

Article 16.

16.1 At least one General Meeting is held during each financial year, which is intended among other things for:

a. unless a postponement has been granted for the preparation of the Financial Statements, the discussion of the Financial Statements and, insofar as prescribed by law, of the management report and other information referred to in Article 2:393 Dutch Civil Code;
b. the adoption of the Financial Statements, unless a postponement has been granted for the preparation of the Financial Statements;
c. the granting of discharge to directors and/or Supervisory Board members;
d. the adoption of the profit appropriation.

Independent auditor's report

To the general meeting and the supervisory board of Intravacc B.V.

Report on the financial statements 2022

Our opinion

In our opinion, the financial statements of Intravacc B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2022, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2022 of Intravacc B.V., Bilthoven.

The financial statements comprise:

- the statement of financial position as of 31 December 2022;
- the statement of profit or loss for the year ending 31 December 2022; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.

We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Intravacc B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Material uncertainty related to going concern

We draw attention to the going-concern paragraph on page 12 of the financial statements which indicates that although Intravacc believes that it has sufficient capital to fund its operations at least until the end of Q3 2023, capital outlays and operating expenditures are expected to increase over the coming years as management continues to build the company. Approximately 60% of the funding in 2023 is expected to be provided by the Ministry of Health and the remaining projected income from commercial customers is uncertain and not yet sufficient to cover operational cost for the coming twelve months. The sales process of Intravacc has been started via a controlled auction process early May 2023. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We refer to section 'Audit approach going concern' for further information on our audit procedures regarding the going concern assumption.

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Intravacc B.V. and its environment and the components of the internal control system. This included the board of directors' risk assessment process, the board of directors' process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We note that the board of directors has not formalised its fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, among other things. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

We asked members of the management board and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

Independent auditor's report continued
To the general meeting and the supervisory board of Intravacc B.V.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
The risk of management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements; • estimates; • significant transactions, if any, outside the normal course of business for the entity.	We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries, making estimates, and monitoring projects. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We have identified deficiencies in the internal control system with respect to missing formalised review of manual journal entries and the ability of certain users who have the rights to prepare and authorise payments. We have reported our findings in writing to management. We performed our audit procedures primarily substantively based. We selected journal entries based on risk criteria 'unexpected users' and 'unexpected account combinations' and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation. We did not identify any significant transactions outside the normal course of business. We also performed specific audit procedures related to important estimates of management, including the method used to estimate the fair value and recoverable amount of Building X. We specifically paid attention to the inherent risk of bias of management in estimates. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

Identified fraud risks	Our audit work and observations
The risk of improper payments due to control deficiencies regarding ITGCs (logical access and change management). The IT General Controls ('ITGCs) of Intravacc B.V. are not formalised and not documented properly. We noted a number of IT General Controls are not designed and/or implemented appropriately, such as the monitoring of access rights and super users. Within the payment process multiple automated controls are present, to prevent improper outgoing payments. These automated controls relate to amongst others automated segregation of duties (between approval of purchase order, goods receipt, and approval of invoice), (access) rights to modify (vendor) standing data and automated reports on changes to (vendor) standing data). Due to our findings related to the ITCG there is a risk the automated controls are not working effectively and there is a risk of improper outgoing payments.	We identified this risk during our evaluation of the design and implementation of relevant controls. We performed our audit procedures primarily substantively based. We tested, on a sample basis, whether payments were made to the correct bank account for services rendered and/or goods delivered and the business rationale for these transactions. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to improper payments.

Independent auditor's report continued
To the general meeting and the supervisory board of Intravacc B.V.

Identified fraud risks	Our audit work and observations
The risk of fraudulent financial reporting due to overstating the revenue. The company has various revenue contracts. Management receives bonuses, the amount of which partly depends on the financial results achieved. Given the phase that the Company is in, there may be pressure on management to overstate revenue by recognising revenue too early, to enter fictitious revenue or not to account for losses for revenue contracts that in fact are loss making and/or allocate costs of loss-making revenue contracts to profitable revenue contracts.	We performed our audit procedures primarily substantively based. We tested, on a sample basis, the delivered performance and transaction prices of the revenue transactions based on revenue agreements, sales invoices and cash receipts. In order to mitigate the risk of allocating costs between projects, we performed a detailed analysis and reconciliation of cost specification to projects' overview and performed substantive audit procedures on these costs (hours and expenses).We also assessed whether the costs were allocated to the accurate projects. We performed substantive audit procedures on management's estimate of the cost to complete. We also performed substantive audit procedures to assess the revenue included in the forecasts by examining the agreements signed by the client, and the portion of revenue recognised in the financial year based on the percentage of completion method. Finally, we also assessed the relevant notes in the financial statements. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to overstatement of revenue and to shifts in the allocation of costs between projects.

Independent auditor's report continued
To the general meeting and the supervisory board of Intravacc B.V.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

In the going-concern paragraph in the notes on page 12 of the financial statements, the board of directors disclosed conditions that indicate the existence of a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern.

The board of directors' most significant assumptions underlying their plans to address these conditions that indicate the existence of a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks) are:

- obtaining additional cash from increased business development resulting in new revenue generating agreements;
- reducing spending of cash as a result of cost reductions and postponement and/or cancellation of investments, that are in control of management.

In order to evaluate the appropriateness of the board of directors' use of the going-concern basis of accounting, including the board of directors' expectation that their plans sufficiently address the identified going-concern risks and the adequacy of the related disclosures, we performed the following procedures.

Based on our knowledge obtained regarding the entity, its environment and current financial situation, we assessed whether the information obtained regarding events or conditions that may result in going-concern risks has been included in the board of directors' assessment. In addition, we inquired of the board of directors as to their knowledge of going-concern risks beyond the period of the board of directors' assessment.

We have taken into account yearly prospective cash flow, the approved budget and considered mitigating factors identified by the board of directors like contracts in the pipeline, focus on increasing the business development efforts and outreach and possible cost reduction measures and postponement and/or cancellation of investments that are in control of management. Intravacc is a company in transition from a nearly fully government funded, and research driven organisation towards a stand-alone commercial clinical development and manufacturing organisation (CDMO). Therefore, external information such as relevant market data is not representative of this specific circumstance. The company does not have any loan or financing agreements.

Regarding management's plans to address the going-concern risk we:

- evaluated whether the scenarios and assumptions applied in management's sensitivity analysis regarding the expected outcome of management's plans, including underlying significant assumptions regarding the increase in revenue and decrease of expenses, are reasonable by (1) reviewing the signed revenue agreements as well as discussing with the board of directors the revenue agreements currently in the company's pipeline for which management expects to be able to secure the revenue agreements and (2) assessing the reasonability of the cost reductions and postponement and/or cancellation of investments;
- evaluated whether the board of directors can realise their plans timely;
- assessed whether the expected outcome of the board of directors' plans has been adequately included in the board of directors' cash flow forecast;
- evaluated the consistency of the board of directors' business plan, the aforementioned plans and cash flow forecast;
- evaluated the consistency of these assumptions with assumptions made by the board of directors in other financial statement estimates such as the valuation of the tangible fixed assets and deferred tax assets.

To consider whether any additional facts or information have become available that may be relevant for the identified going-concern risk, including the board of directors' expectation on the sufficiency of the board of directors' plans to mitigate the identified risk, we:

- read minutes of meetings with the shareholder and the supervisory board for reference to financing difficulties;
- inquired of the board of directors;
- consulted publicly available information sources being media alerts;
- analysed and discussed the entity's latest available interim financial information and reconciled these with the underlying accounting records.

We evaluated whether the going-concern risk including the board of directors' plans to address the identified risk and the most significant underlying assumptions have been sufficiently described in the notes to the financial statements. We found the disclosure in the section 'Going Concern' on page 12 of the financial statements, where the board of directors disclosed conditions that indicate the existence of a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern, to be adequate.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil

Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Independent auditor's report continued

To the general meeting and the supervisory board of Intravacc B.V.

Responsibilities for the financial statements and the audit

Responsibilities of the board of directors and the supervisory board for the financial statements

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 14 June 2023
PricewaterhouseCoopers Accountants N.V.

Original has been signed by H.C.M. Keijzer RA

Appendix to our auditor's report on the financial statements 2022 of Intravacc B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.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