

**MEDIAN Technologies**  
**A French Société Anonyme with a capital of Euros 502,397,90**  
**Registered office : Les 2 Arcs, 1800 Route des Crêtes**  
**06560 Valbonne**  
**Registration N° 443 676 309 with Grasse Register**  
**(Hereinafter the « Company»)**

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**SHAREHOLDERS' ANNUAL ORDINARY AND EXTRAORDINARY  
GENERAL MEETING DATED 16 JUNE 2016**

**MANAGEMENT REPORT OF THE BOARD OF DIRECTORS**

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Dear Shareholders,

We have called the Shareholders' General Annual Ordinary Meeting this day in accordance with the provisions of the by-laws and with the provisions of the French Commercial Code to submit to your approval the annual accounts for the financial year closed on 31 December 2015, as well as the allocation of the result that we shall recommend to you after presenting to you the Company's activity during the said financial year.

The Auditor's Report on the annual accounts for the financial year closed on 31 December 2015, the Auditor's Special Report as well as his other reports, the Management Report of the Board of Directors and the related additional information, and in general, all the documents required by the applicable law and the regulations in force have been placed at your disposal at the registered office in accordance with the applicable terms and within the required time for you to consult.

After having read the Management report, the Auditor's reports shall be presented to you to complete your information.

We hereby remind you that you are invited to take decisions on the following items on the agenda:

- Management report of the Board of Directors;
- Report of the Board of Directors on extraordinary decisions;
- Report of the Board of Directors on consolidated accounts;
- Supplementary of the Board of Directors;
- Reports of the Statutory Auditors;
- Special report of the Statutory Auditors on the regulated agreements referred to at Article L.225-38 of the French commercial Code;
- **Annual Ordinary General Meeting:**
  1. Approval of the annual account for the financial year ending on 31 December 2015;
  2. Approval of the consolidated accounts for the financial year ending on 31 December 2015 presented according to IFRS standards;
  3. Allocation of the result;
  4. Approval of the regulated agreements as referred to in Article L.225-38 and seq. of the French Commercial Code;
  5. Discharge to Mr. Fredrik BRAG, Chairman and member of the Board of Directors;
  6. Discharge to Mr. Gérard MILHIET, Director;
  7. Discharge to Mr. Jacques SOUQUET, Director;
  8. Discharge to AURIGA PARTNERS, Director;
  9. Discharge to EPLANET VENTURES LTD, Director;

10. Discharge to Mr Oran MUDUROGLU, Director;
11. Discharge to Mr Takashi MORI, Director;
12. Discharge to Mr Otello STAMPACCHIA, Director;
13. Discharge to Mr Tim HAINES, Director;
14. Determination of the attendance fees;
15. Acknowledgement of the term of the office of the Principal Statutory Auditor pursuant to a partial contribution of assets;
16. Acknowledgement of the change of Principal Statutory Auditor pursuant to a partial contribution of assets;
17. Authorization to be granted to the Board of Directors to purchase shares of the Company within the context of the provisions of article L.225-209 of the French Commercial Code

- **Extraordinary General Meeting:**

18. Authorization to be granted to the Board of Directors to reduce the share capital of the Company by canceling shares held by the Company in accordance with the provisions of Article L. 225-209 of the French commercial Code;
19. Authorization to be given to the Board of Directors to increase the share capital by issuance of shares or securities granting access to the share capital of the Company with preferential subscription right;
20. Authorization to be given to the Board of Directors to increase the share capital of the Company by issuance of shares or securities granting access to the Company's share capital without preferential subscription right in the context of a public offering;
21. Authorization to be given to the Board of Directors for the issuance of shares and convertible bonds without preferential subscription right in the context of offering referred to in Article L.411-2, II of the French financial and monetary Code;
22. Authorization to be given to the Board of Directors for the issuance of shares and/or securities granting access to the Company's share capital without preferential subscription right in accordance with provisions of Article L.225-138 of the French commercial Code;
23. Authorization to be given to the Board of Directors in order to increase the amount to the proposed authorization with or without preferential subscription rights;
24. Authorization to be given to the Board of Directors in order to grant to the beneficiaries it shall identify, in compliance with applicable laws and regulations, existing shares or shares to be issued up to a maximum of 10% of the share capital of the Company pursuant to Articles L. 225-197-1 and seq. of the French Commercial Code, and subject to the adoption of this resolution, cancellation of the authorization granted to the Board of Directors by the Resolution 5 of the Extraordinary General Meeting dated 30 November 2015;
25. Authorization to be given to the Board of Directors to decide a share capital increase reserved to the employees who are participants of a company saving plan (PEE);
26. Cancellation of the authorizations granted to the Board of Directors by the General Shareholders' Meeting dated 18 June 2015;
27. Power for formalities.

**I. MANAGEMENT REPORT**

The duration of the financial year ended 31 December 2015 was 12 months.

You will hear the reading of the reports prepared by Company's Auditor pursuant to his duties.

All documents required by law have been communicated or made available to you in accordance with the conditions and in the time limits provided for by the legal, regulatory and statutory provisions.

The rules of presentation and the accounting valuation methods comply with the regulations in force.

## **1. SITUATION AND COMPANY'S ACTIVITY**

### **A. Situation of the Company during the financial closed as at 31 December 2015**

During the financial year 2015, the Company's turnover amounted to EUR 3,885,379.

During the said year, the Company continued to market its solutions to pharmaceutical companies in clinical trials, as well as institutions such as hospitals, cancer centers and clinics as part of clinical routine applications.

During the financial year 2015, the Company comprised an average of 54 employees. The social atmosphere within the company seems excellent.

On 15 July 2015, the Company completed a share capital increase of EUR 82,500, with a EUR 19,717,500 issue premium, a total EUR 19,800,000, by issuance of 1,650,000 new shares with a nominal value of EUR 0.05 and a premium of EUR 11.95, i.e. a total per share of EUR 12.

Please note that:

- The turnover for the year amounted to EUR 3,885,379 against EUR 1,518,301 for the previous year;
- The revenues from operations amounted to EUR 5,214,231 against EUR 3,282,270 for the previous year;
- The operating costs for the year amounted to EUR 11,640,950 against EUR 9,007,757 for the previous year;
- The operating income amounted to EUR (6,426,719) against EUR (5,725,486) for the previous year;
- The financial income amounted to EUR 153,038 against EUR (101,576) for the previous year;
- The exceptional items amounted to EUR 78,587 against EUR 5,320 for the previous year;
- The net income for the year amounted to EUR (5,336,589) against EUR (4,844,195) for the previous year;

The financial result includes a financial burden of EUR 81,990 equal to the depreciation of the increase of the current account held by the Company in MEDIAN Technologies Inc., its US subsidiary.

The net income includes a research tax credit in the amount of EUR 858,503. This amount concerns the calendar year 2015.

At 31 December 2015, the Company has a cash flow of EUR 30,235,110 against EUR 15,674,975 for the previous year.

The wages and salaries amounted to EUR 3,772,253 against EUR 2,807,380 for the previous year.

Social contributions amounted to EUR 1,705,454 against EUR 1,336,162 for the previous year.

### **B. Analysis of the financial situation against liabilities**

The financial liabilities of the Company at the end of 2015 amounted to EUR 1,429,672.

- A 7 year PACA Region Loan contracted at the end of 2008, free of interest: amounting to EUR entirely paid back over the financial year;

- A 5 year SOFIRED Equity loan contracted in August 2011, bearing a 5% interest per year: amounting to EUR 58,200;
- COFACE advance under an export prospection insurance, payable at 14% of our sales export turnover, interest free: amounting to EUR 515,222;
- Two OSEO repayable advances in respect of an innovation assistance loan, free of interest and amounting to EUR 856,250.

### **C. Analysis of the development and performance of the business**

The Company continued to garner orders for services related to clinical trials and now fully enjoys the strategic agreement signed in early 2012 with Quintiles, the world's top service provider in the biopharmaceutical industry. The agreement is now subject to tacit renewal every 6 months.

The Company also intends to sign new strategic agreements with other service providers.

## **2. FUTURE PROSPECTS**

The Company's order book amounting to almost EUR 21.3 million shows that the Company's turnover should continue to increase very significantly in the coming years, especially in the field of clinical trials for which pharmaceutical companies entrust to us their imaging component.

In addition, the Company will continue to market its solutions to institutions such as hospitals, anti-cancer health centers and clinics of Western European countries where we already have references.

The agreements in 2011 with Canon Inc. and those signed in 2015 with a partner based in the United Arab Emirates should also enable us to market our solutions with institutions or states located in Asia and the Middle East respectively.

The company intends to diversify its offer and build on a range of innovative services called "Screening / Monitoring" to address the launch of national screening programs of Lung Cancer. The discussions in progress shall continue in 2016 and are expected to allow us to sign our first international partnerships on these projects.

## **3. PRESENTATION OF ACCOUNTS**

### **A. Financial Accounts**

The annual accounts for the year closed on 31 December 2015 and submitted to your approval have been prepared in accordance with the presentation rules and the valuation methods provided by the regulations in force.

The presentation rules and the valuation methods selected are identical to those used for the previous year.

### **B. IFRS Consolidated Accounts**

We remind you that, despite the fact there is no legal obligation to do so, pursuant to the terms and conditions of the Subscription Agreements entered into by the Company on 19 August 2014 and on 2 July 2015, the Company has also prepared the consolidated accounts according to the IFRS standards.

## **4. RESEARCH AND DEVELOPMENT**

In 2015, the Company continued the development of LMS solutions.

MEDIAN has also initiated in 2015 to develop a prototype of CBIR specifically suited to medical imaging using Big Data methods for automatically extracting high speed and indexing databases of images extracted biomarkers.

## **5. ALLOCATION OF THE RESULT**

We hereby suggest allocating the loss balance for the financial year in the amount of EUR 5,336,589.77 to the « carry forward » account which amounts to a loss of EUR 5,336,589.77.

In accordance with the provisions of Article 243 Bis of the French Tax Code, please be reminded that no dividends were distributed for the past three previous years.

## **6. OTHER INFORMATION**

### **A. Major developments since the end of the financial year**

In January 2016, the Company received a notification from the fiscal authorities regarding an audit of its accounts for the financial years 2013 and 2014 in respect of corporate tax and for a period extended to 30 September 2015 in respect of tax on turnover.

### **B. Activity of the Company subsidiary - MEDIAN TECHNOLOGIES Inc.**

The US subsidiary of the Company, MEDIAN TECHNOLOGIES Inc., comprised 9 employees as at 31 December 2015.

During the financial year the turnover of the subsidiary amounted to USD 1,597,777 (i.e. EUR 1,452,470). In comparison with the prior year, the increase in the turnover of MEDIAN Technologies Inc. is due to the introduction in 2014 of a contract for "cost-plus" between the parent company and its subsidiary. Thus, the total turnover in 2015 corresponds to the invoicing of costs to the Company.

### **C. Equity investments made during the financial year**

*NONE*

### **D. Transfer of shares and cross shareholdings**

*NONE*

### **E. Existence of a plan of stock-option and of other securities issued – Participation of employees :**

1. In accordance with Article L. 225-184 of the French Commercial Code, it is specified that the Board of Directors dated 3 October 2013, pursuant to the resolution of the Extraordinary General Meeting held on 6 June 2013, noted the subscription of eighty thousand (80,000) BSA-2013 as follows:

<b>Name</b>	<b>Number of Shares</b>
M. Kapil Dhingra	60 000
M. Souhil Zaïm	20 000

The exercise price of the BSA-2013 is equal to the average of the 40 trading days preceding the General Meeting that issued them i.e. eight euros and four cents (€ 8.04) per share.

2. The Board of Directors on 24 December 2013 used the authorization granted by the Extraordinary General Meeting held on 6 June 2013 (Resolution 13) to proceed with the issuance for free of one hundred and seventeen thousand five hundred and eight (117,508) BSA-2013 in favor of FCPR AURIGA VENTURE II and DFJ ePlanet Ventures as follows:

Name	Number of shares
FCPR AURIGA VENTURE II	58 754
DFJ ePlanet Ventures	58 754

The exercise price of the BSA-2013 amounts to eight euros and fifty-one cents (EUR 8.51) per share subscribed including five cents (EUR 0.05) par value.

3. Furthermore, the Board Meeting dated 3 October 2013 also decided, in accordance with Articles L. 225-177 and seq. of the French Commercial Code, and in accordance with the authorization granted by the General Meeting dated 5 April 2012, the allocation of ten thousand (10,000) stock options to Mr. Bernard Reymann.

The share subscription price for this allocation is ten euros and sixty cents (€ 10.60) per share.

The price selected pursuant to the procedure determined by the Shareholders' Extraordinary General Meeting dated 5 April 2012, based on the Auditor's report takes into account the capital increase acknowledged by the Board of Directors on 14 August 2013 via the purchase of a significant number of new shares out of one hundred thirty-two thousand one hundred thirty-two (132 132) shares:

- OTC Multi cibles 4
- OTC Multi valeurs
- OTC Pluriel valeurs 2
- Inocap FCPI Santeau 2011
- Inocap FCPI Innovation industrielle 2012
- Inocap FCPI Durée limitée 6

4. The Board of Directors dated 30 September 2014, pursuant to the resolution of the Extraordinary General Meeting held on 29 September 2014, acknowledged the subscription of 2,222,222 newly issued ordinary shares with warrants attached ("ABSA") as follows:

Name	Number of shares
Growth Equity Opportunities Fund III, LLC	816,667
AA Capital Analysts	27,778
Auriga Ventures II FCPR	55,554
DFJ ePlanet Ventures LP	53,499
DFJ ePlanet Ventures GmbH & Co. KG	944
DFJ ePlanet Partners Fund LLC	1,111
Abingworth Bioquities Master Fund LTD	222,222
Abingworth Bioventures VI LP	111,111
Pine River Master Fund LTD	222,222
Riverloft Capital Master Fund LTD	111,111
Arrowgrass Master Fund LTD	111,111
Idinvest Patrimoine n°3 (Funds managed by Idinvest Partners)	41,302
Idinvest Patrimoine n°4 (Funds managed by	32,301

Idinvest Partners)	
Objectif Innovation Patrimoine n°6 (Funds managed by Idinvest Partners)	13,500
Objectif Innovation Patrimoine n°7 (Funds managed by Idinvest Partners)	12,901
Omega Fund IV GP	388,888

The total subscription price of the ABSAS was of nine euros (€9) each, corresponding to a five cents (€0.05) nominal value and a premium of eight euros and ninety-five cents (€8.95) for each ABSA, it being specified that the exercise of 2 BSA correspond to one new share.

During the financial year 2015, 111,110 warrants were exercised and, consequently, 55,555 common shares were issued.

5. During the year 2015, 77,470 BSPCE held by their holders were exercised and accordingly 49,470 new shares were issued including 6,000 Class E shares and 43,470 common shares.

Since the end of the fiscal year and up to 31 March 2016, 31,841 BSPCE held by their beneficiaries were exercised and 31,841 new ordinary shares were issued.

The table appended to the report of the Auditor on the financial statements presents a summary of the securities (see Section 4.3.2).

6. Pursuant to the provisions of Article L. 225-102 of the French Commercial Code, we report below the status of employee participation in the share capital on the last day of the financial year: Fredrik BRAG (Chief Executive Officer), Gerard MILHIET, Arnaud BUTZBACH, Franck ROLLAND, Sebastien JACQUES, Nicolas DANO, Sebastien GROSSET, José-Luis MACIAS, BEAUMONT Hubert, Vincent BOBIN and Fabrice LAMY held a total of 6,16% of the share capital as at 31 December 2015.

Annex of the annual accounts prepared by PRICEWATERHOUSECOOPERS ENTREPRISES for the year ending 31 December 2015 contains a summary of the issuances and allocations of the various securities.

#### **F. Information concerning directors**

Pursuant to the provisions of Article L. 225-102-1, al. 4 of French the Commercial Code, attached you will find below the list of the duties and positions held in other companies by each of the directors of the Company (Annex I).

Mr. Fredrik BRAG, CEO of the Company has received for the financial year 2015 a gross compensation off performance bonus of EUR 265,172.

The Compensation Committee approved an amount variable target-based portion in the amount of 200,000 euros for the year 2015 and will be paid.

Thus, it is recalled that Mr. Fredrik BRAG received EUR 170,000 for the variable target-based portion for the fiscal year 2014.

Mr. Fredrik BRAG is covered by the GSC (social guarantee for company managers), the annual cost of which was EUR 15,172 in 2015.

Gérard MILHIET, Director, is also employed by the Company.

G rard MILHIET, because of his mandate, cannot be covered by unemployment insurance, and therefor is covered by the GSC (social guarantee for company managers), the annual cost of which was EUR 11,672 in 2015.

Mr. MUDUROGLU Oran and Mr. Jacques SOUQUET, Directors of the Company have received in 2015 for the year 2014 attendance fees in the amount of EUROS 15,000 each. It is noted that pursuant to payment of these attendances fees, the Company consequently has paid charges relating to these fees amounting in total to EUR 14,651.

### **G. Information concerning the Auditors**

It is recalled that PRICEWATERHOUSECOOPERS ENTERPRISES (member of the Regional Company of the Statutory Auditors of Versailles) is the Principal Statutory Auditor and Mr. Guy-USSEGLIO Viretta is the Deputy Auditor.

It is noted that we have been informed that, further to a partial contribution of assets from PRICEWATERHOUSECOOPERS ENTREPRISES, Principal Statutory Auditor, to PRICEWATERHOUSECOOPERS PME COMMISSAIRE AUX COMPTES, PRICEWATERHOUSECOOPERS PME COMMISSAIRE AUX COMPTES replaced PRICEWATERHOUSECOOPERS ENTREPRISES.

Consequently, you will be asked to acknowledge the change of Principal Statutory Auditors and that PRICEWATERHOUSECOOPERS PME COMMISSAIRE AUX COMPTES (member of the Regional Company of the Statutory Auditors of Versailles) becomes the Principal Statutory Auditor for the remaining term of the office of PRICEWATERHOUSECOOPERS ENTREPRISES, i.e. up to the end of the Shareholders' Meeting convened to deliberate in 2021 on the accounts of the financial year to close on 31 December 2020.

The Deputy Statutory Auditor remains the same.

### **H. Social and environmental consequences of the Company's activity**

The Company's activity does not have any impact on the environment.

For the fiscal year ending on 31 December 2015, the average number of employees is 54. As of 31 December 2015, the Company comprised 61 employees.

### **I. Expenses nondeductible from taxes under Article 39-4 of the French General Tax Code**

Pursuant to Article 223 quater of the French General Tax Code, we inform you that during the year closed on 31 December 2015, expenses nondeductible from corporate tax as provided for in Article 39-4 of the French General Tax code were incurred in the amount of EUR 5,152, the theoretical impact of which on corporate tax at the rate of 33.1/3% shall be EUR 1,717.

### **J. Regulated Agreements**

It is recalled that the following agreement, as referred to in Articles L.225-38 and *seq.* of the French Commercial Code, were pursued unchanged during the financial year ending on 31 December 2015:

- **Compensation of an employee co-founder of the Company:**
  - o Concerned Board Member: G rard MILHIET, employee Executive Vice President and Director of the Company.
  - o Purpose: G rard MILHIET exercised as of 1<sup>st</sup> October 2011 the functions of employee Executive Vice-President as part of an amendment No. 2 dated 15 September 2011 of

his employment agreement dated 24 December 2002 and its amendment No. 1 dated 15 April 2003.

- Terms and conditions: Compensation allocated to Gérard MILHIET under his employment contract is EUR 127,786 for the year ended 31 December 2014.

- **Stock options granted to a director of the Company:**

- Concerned Board Member: Oran MUDUROGLU, Director of the Company.
- Purpose: Oran MUDUROGLU was awarded a number of stock options under a contract with the US subsidiary of the Company, MEDIAN Technologies Inc.
- Terms and conditions: According to the contract, Oran MUDUROGLU has the right to exercise the stock options under certain conditions to obtain shares of the company MEDIAN Inc. (US). The Company, wishing to maintain the right to exchange, in the form of capital remuneration, shares Oran MUDUROGLU would hold in MEDIAN Inc. (US) in case of exercise of his stock options, signed with Oran MUDUROGLU a contribution agreement whereby, in consideration for the contribution of its shares in MEDIAN Technologies Inc., Oran MUDUROGLU would receive a total of 25,108 new ordinary shares of the Company.

You will be asked to vote on the regulated agreements passed during the year closed on 31 December 2015 on the basis of the Auditor's special report in accordance with Article L.225-38 of the French Commercial Code.

Pursuant to the provisions of Article L. 225-102-1, last paragraph, we inform you that all agreements, directly or through an intermediary, between a significant officer or shareholder of SA and a company of which the Company owns, directly or indirectly, more than half of the capital during the year ended 31 December 2015 were as follows:

NONE.

**K. Balance of trade payables at close of financial year**

Pursuant to Article D.441-4 of the French Commercial Code, we have supplied in the annex a breakdown by maturities of the trade payables at the closing date of the last two financial years (Annex II).

**L. Table of the Company's financial result for the last five last financial years**

Attached to this report is the table of the Company's financial results for the last five financial years. (Annex III)

**M. Table of the Authorizations pertaining to capital increases**

Attached to this report is the table of the Authorizations granted in the context of capital increases. (Annex IV).

**N. Capital ownership (art. L.233-13 of the French Commercial Code)**

The information received by the Company pursuant to Articles L.233-7 and L.233-12 is attached to this report. (Annex VI).

**O. Transactions on securities owned by Directors**

A summary list of transactions on securities of Directors performed during the financial year closed on 31 December 2015 is attached to this report in Annex V.

## **P. Share buy-back Program**

We inform you that during the year closed on 31 December 2015, the number of shares bought and sold pursuant to Articles L.225-208 and L.225-209 of the French Commercial Code was respectively of 31,255 shares and 33,481 shares.

The average purchase and sales amounted respectively to EUR 10,31 and EUR 10,59.

These transactions have not given rise to any trading costs.

The number of shares registered in the name of the Company at the close of the year was 17,303 securities.

Their value at the end of the year, valued at purchase price, was EUR 205,108.

Their nominal value was EUR 0.05.

They represent 0.17% of the share capital.

The traded value of the share as of 31 December 2015 amounted to EUR 12.

## **Q. Annual report on the liquidity agreement**

Under the liquidity contract granted by the Company to Aurel BGC, as of 31 December 2015, the following resources were in the liquidity account:

EUR 90,602.01  
Securities 17,303

## **R. Information on geographical regions and operational sub-sectors sensitive to communication of results to the market**

Turnover France	€331,440
Turnover USA	€1,687,551
Turnover UK	€1,526,254
Other turnover	€340,134
Total	€3,885,379

## **S. Specific Risk Factors**

### **1. Specific risks linked to the activity of the Company**

#### **1.1. Competition Risks**

The market for clinical applications and clinical services taking advantage of the medical imaging is competitive.

The Company cannot guarantee that emerging technologies may be developed by competitors with greater financial and industrial resources.

This could have a material adverse effect on the Company's business, financial situation, earnings, growth and prospects.

#### **1.2. Risk of commercial failure**

For the market to accept more or less quickly the solutions and services offered by the Company will depend on various factors.

Poor market penetration resulting from one of these factors could have an adverse effect on the Company's business, prospects, financial situation, results of operations and development.

### **1.3. Risk of dependency in respect of partnerships and current and future strategic collaborations**

The agreements with CANON Inc. in July 2011 and with QUINTILES Limited in February 2012, are of particularly important for the development of the Company. However, the Company does not feel dependent on these partnerships.

### **1.4. Risks related to managing growth**

The Company plans to grow significantly.

It will thus be forced to adapt its structure and recruit more staff.

The inability of the Company to manage growth, or unexpected difficulties encountered during its expansion, could have a material adverse effect on its business, results, financial situation and prospects.

### **1.5. Risks related to the need to keep, attract and retain key personnel**

The success of the Company depends largely on the work and expertise of the members of management and key scientific personnel and the loss of skills could impair the ability of the Company to achieve its objectives.

The inability of the Company to attract and retain key personnel could prevent it from globally achieving its objectives and have a material adverse effect on its business, results, financial situation and prospects.

### **1.6. Risks related to Customers**

The Company does not consider itself dependent on a particular laboratory. By expanding its listings with major pharmaceutical companies, the Company will be less dependent on a limited number of laboratories. As of today, the Company is referenced in five out of the ten world largest laboratories.

### **1.7. Risks related to Supplier**

The Company does not purchase much. None of the Company's suppliers has a prominent position, and all are quickly and easily replaceable.

## **2. Legal and regulatory risks**

### **2.1. Intellectual Property Risks**

It is important for the success of the Company's business that it obtains, maintains and enforces the intellectual property rights it owns.

However, intellectual property rights may offer only limited protection and do not prevent unauthorized use of technology owned by MEDIAN Technologies.

## **2.2. Risks related to a more restrictive regulatory environment**

As a medical device, applications marketed by the Company are subject to strict regulations in the United States through the Food and Drug Administration (FDA) and in many other countries.

Any breach of compliance obligations may result in sanctions that may significantly increase the costs incurred by the Company, delay the development and commercialization of its products and services and thus have a material adverse effect on its business, results, financial situation and prospects.

## **2.3. Risks related to software application liability**

The Company underlines in its documentation that its software applications are not diagnostic tools as such and are intended to help practitioners to prepare their diagnosis.

Nevertheless, one can not exclude that some user of the applications may seek the liability of the Company.

## **II. REPORT ON OTHER RESOLUTIONS**

### **1. DIRECTORS TERM OF OFFICE**

No term of office of any Director expires this year. We hereby remind you that Mr. Tim HAINES was appointed Director at the Extraordinary General Meeting date 30 November 2015.

We recommend you to give full discharge without reservation to the Directors, namely:

- Mr. Fredrik BRAG, Chairman of the Board,
- Mr. Gérard MILHIET, Director,
- Mr. Jacques SOUQUET, Director,
- Mr. Franck LESCURE, representing AURIGA PARTNERS, Director,
- Mr. Dennis ATKINSON, representing EPLANET VENTURES Ltd, Director,
- Mr. Oran MUDUROGLU, Director,
- Mr. Takashi MORI, Director,
- Mr. Otello STAMPACCHIA, Director,
- Mr. Tim HAINES, Director.

for the performance of their duties during the financial year ended on 31 December 2015.

### **2. FIXATION OF ATTENDANCE FEES**

We propose to set at EUR 50,000 the maximum aggregate amount of directors' fees to be divided among the Directors for the year 2016, and to give all powers to the Board of Directors for the purpose of deciding the terms of allocation of these fees among the Directors.

### **3. AUTHORIZATION TO THE BOARD OF DIRECTORS FOR THE PURCHASE OF SHARES OF THE COMPANY UNDER THE PROVISIONS OF ARTICLE L. 225-209 OF THE COMMERCIAL CODE**

We propose to allow us to purchase a number of shares representing up to 10% of the share capital at the date of the General Meeting.

Please note that the number of shares used to calculate the 10% limit would correspond to the number of shares purchased under a liquidity contract, less the number of shares sold during the term of the authorization.

These shares may be acquired by any means, including exchange or over the counter transactions, including by acquisition or sale of blocks of shares or by the use of derivative or optional financial instruments and at the times deemed appropriate by the Board, and that eventually acquired shares may be sold or transferred by any means in accordance with the legal provisions in force.

The maximum unit purchase price of the shares shall not exceed EUR twenty (20), subject to adjustments to take into account the impact of transactions on the capital of the Company, including changes in the par value of the shares, capital increase by incorporation of reserves, allocation of free shares, stock split or reverse stock split, distribution of reserves or any other assets, amortization of capital, or any other operation on equity.

Therefore, the maximum amount that the Company will be liable to pay, in the event of a maximum purchase price of EUR 20, would amount to EUR 20,095,916 on the basis of the capital at 31 March 2016.

This authorization to repurchase own shares of the Company would be granted to, in particular:

- allow the purchase of shares under a liquidity agreement complying with the AMAFI Charter of ethics dated 8 March 2011 recognized by the decision of the AMF on 21 March 2011;
- implement any plan of options to purchase shares of the Company under the provisions of Articles L. 225-177 and seq. of the French Commercial Code or any allocation of free shares under the provisions of Articles L.225-197-1 and seq. of the French Commercial Code;
- deliver such in the exercise of rights attached to securities giving rights by redemption, conversion, exchange, presentation of a warrant or as convertible or exchangeable debt into shares of the Company or in any other way to the allocation of shares in the Company;
- retain such for subsequent delivery as payment or exchange in connection with potential acquisitions in accordance with market practices accepted by the AMF;
- cancel such in particular in order to optimize earnings per share through a reduction of share capital;
- implement any market practice that may be approved by the French Authority of Financial Market and, more generally, to perform any operation that complies with regulations in force.

We hereby propose to grant this authorization for a period of eighteen (18) months from the date of the General Meeting.

This authorization would cancel from the date of the General Meeting any previous authorizations with the same purpose.

Furthermore, we propose to authorize the reduction of the share capital in connection with the above transaction.

\* \* \*

We hope that you will adopt all these resolutions.

**The Board of Directors**

**Annexes:**

- Annex I List of corporate officers.
- Annex II Breakdown of the trade payable balance by due date at the end of the last two years.
- Annex III Statement of the results of the last 5 years.
- Annex IV Table of authorizations pertaining to capital increase.
- Annex V Transactions on Directors' Securities.
- Annex VI Persons or entities holding the capital directly or indirectly by threshold (Article L233-13)

**ANNEX I**

**LIST OF CORPORATE OFFICERS**

**OFFICES AND DUTIES EXERCISED BY EACH CORPORATE OFFICERS DURING THE FISCAL YEAR 2015**

<b>COMPANY</b>	<b>OFFICES / DUTIES</b>
<b>Offices and duties exercised by Mr Fredrik BRAG</b>	
MEDIAN TECHNOLOGIES	Chairman of the Board of Director Managing Director
<b>Offices and duties exercised Mr Gérard MILHIET</b>	
MEDIAN TECHNOLOGIES	Director
<b>Offices and duties exercised Mr Jacques SOUQUET</b>	
MEDIAN TECHNOLOGIES	Director
SUPERSONIC IMAGINE	Chairman
LL TECH	Member of the Strategic Committee
ACADEMIE FRANCAISE DES TECHNOLOGIES	Member
<b>Offices and duties exercised Mr Oran MUDUROGLU</b>	
MEDIAN TECHNOLOGIES	Director
MEDICALIS	Chief Executive Officer Board Member
NUVODIA	Member of the Advisory Board
TOWN SCHOOL	Board Trustee
<b>Offices and duties exercised Mr Takashi MORI</b>	
MEDIAN TECHNOLOGIES	Director
<b>Offices and duties exercised Mr Otello STAMPACCHIA</b>	
MEDIAN TECHNOLOGIES	Director
SPINEVISION	Director
REPLIMUNE LTD	Director
<b>Offices and duties exercised Mr Tim HAINES</b>	
MEDIAN TECHNOLOGIES	Director
CHROMA THERAPEUTICS LIMITED FROM	Director
SIW HOLDINGS LIMITED	Director

ABINGWORTH LLP	Director
LOMBARD MEDICAL TECHNOLOGIES PLC	Director
PIXIUM VISION SA	Director
SIENTRA INC	Director
PROTEON THERAPUEITCS INC	Director
<b>Offices and duties exercised Monsieur Dennis ATKINSON, représentant de ePlanet Ventures Ltd.</b>	
MEDIAN TECHNOLOGIES	Director
ePlanet Ventures Limited	Managing Director
Palringo Limited	Board member, Director
eCommerce Limited	Board member, Director
Venspro B.V.	Board member, Director
Moobility Holdings Limited	Board member, Director

<b>OFFICES HELD BY AURIGA PARTNERS IN THE COMPANIES FCPR AURIGA VENTURES II, III, Auriga IV Bioseeds</b>		
<b>Companies</b>	<b>Duties</b>	<b>Permanent Representative</b>
AMOEBA	Member of the Supervisory Board	Franck Lescure
AVAILPRO (ex Siriona)	Member of the Supervisory Board	Nicolas Tcherdakoff
AVENI (ex Alchimer)	Member of the Supervisory Board	Sébastien Descarpentries
BONITA SOFT	Member of the Board of Directors	Philippe Granger
CELLNOVO GROUP	Member of the Board of Directors	Bernard Daugeras
CODENVY	Censor	Philippe Granger
CONVERTIGO	Member of the Board of Directors	Sébastien Descarpentries
CYTOO	Member of the Supervisory Board	Franck Lescure
DOMAIN THERAPEUTICS	Member of the Board of Directors	Bernard Daugeras
EXO PLATFORM	Member of the Board of Directors	Philippe Granger
FABENTECH	Member of the Supervisory Board	Franck Lescure
FIRALIS	Member of the Supervisory Board	Bernard Daugeras
ISOCELL	Member of the Board of Directors	Bernard Daugeras
MEDIAN TECHNOLOGIES	Member of the Board of Directors	Franck Lescure
MILIBOO (AGL IMPORT)	Member of the Board of Directors	Jacques Chatain
PHERECYDES PHARMA	Member of the Supervisory Board	Franck Lescure
PYLOTE SAS	Member of the Supervisory Board	Franck Lescure
THERANEXUS	Member of the Supervisory Board	Bernard Daugeras
TXCELL	Member of the Supervisory Board	Bernard Daugeras
WALLIX GROUP	Member of the Supervisory Board	Sébastien Descarpentries

**ANNEX II**

**BREAKDOWN OF THE TRADE PAYABLES BALANCE AT THE CLOSE OF THE TWO LAST FINANCIAL YEARS**

**MEDIAN TECHNOLOGIES**

**Details of trade payables and other payables at - 31 December, by currency**

As of 31 December 2015	2015		2014	
	Suppliers Purchase of capital assets	Suppliers Others	Suppliers Purchase of capital assets	Suppliers Others
<b>Non due</b>	€78,178.61	€482,506.00	€0.00	€176,337.36
<b>&lt; 30 days</b>	€0.00	€4,133.84	€0.00	€20,129.33
<b>30 to 60 days</b>	€54,323.32	€89.963,37	€0.00	€90,490.70
<b>60 to 90 days</b>	€0.00	€4.699,87	€0.00	€0.00
<b>90 to 180 days</b>	€0.00	€28,971.04	€0.00	€0.00
<b>Beyond</b>	€0.00	€792.38	€0.00	€66,319.16
<b>TOTAL</b>	<b>€ 132,501.93</b>	<b>€611,066.48</b>	<b>€ 0.00</b>	<b>€ 353,276.55</b>

**ANNEX III****TABLE OF COMPANY'S FINANCIAL RESULTS FOR THE FIVE LAST FINANCIAL YEARS**

<b>Period Duration</b>	<b>12/31/2015 12 months</b>	<b>12/31/2014 12 months</b>	<b>12/31/2013 12 months</b>	<b>12/31/2012 12 months</b>	<b>12/31/2011 12 months</b>
<b>I- Financial position at the end of the Year</b>					
a) Share Capital	500 806 €	413 055 €	301 723 €	295 115 €	290 941 €
b) Number of shares outstanding *	10 016 117	8 261 092	6 034 450	5 902 318	5 818 818
<b>II- Operating Global results</b>					
a) Turnover (excluding tax and duties)	3 885 379 €	1 518 301 €	1 202 734 €	886 066 €	741 573 €
b) Profit before tax, amortization, depreciation	- 6003 487 €	-5 367 408 €	-4 545 394 €	-4 557 574 €	-4 285 757 €
c) Corporate income tax (tax credit)	- 858 503 €	-977 547 €	-976 534 €	-1 013 851 €	-756 500 €
d) Profit after tax, before amortization and depreciation	- 5 144 984 €	-4 389 861 €	-3 568 860 €	-3 543 723 €	-3 529 257 €
e) Profit after tax, amortization and depreciation	-5 336 589 €	-4 844 195 €	-4 347 696 €	-3 976 091 €	-3 650 767 €
f) Amounts of dividends distributed	0 €	0 €	0 €	0 €	0 €
g) Employee participation	0 €	0 €	0 €	0 €	0 €
<b>III- Operating results (earnings per a share)</b>					
a) Profit after tax, before amortization and depreciation	-0,51 €	-0,53 €	-0,59 €	-0,60 €	-0,61 €
b) Profit after tax, amortization and depreciation	-0,53 €	-0,59 €	-0,72 €	-0,67 €	-0,63 €
c) Dividends paid per share	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
<b>IV- Staff</b>					
a) Number of employees (average)	54	44	45	45	38
b) Amounts of the wages (total payroll)	3 772 252 €	2 807 380 €	2 746 572 €	2 639 160 €	2 400 963 €
c) Amounts of employee related benefits	1 705 454 €	1 336 162 €	1 343 088 €	1 259 271 €	1 128 225 €

**ANNEX IV****TABLE OF AUTHORIZATIONS PERTAINING  
TO CAPITAL INCREASE**

<b>DATE OF THE MEETING / PURPOSE</b>	<b>MAXIMUM AMOUNT</b>	<b>DURATION</b>	<b>STATUS</b>
<b>AGE 18/06/2015 – Resolution 18</b> <i>Authorization to be given to the Board of Directors to increase the share capital by issuance of shares or securities that are equity securities giving access to other shares or entitling the allocation of debt securities and/or securities granting access to the share capital of the Company with preferential right</i>	EUR 240,000, plus the premium	18 months, i.e until 17/12/2016	Not used
<b>AGE 18/06/2015 – Resolution 19</b> <i>Authorization to the Board of Directors to proceed with a capital increase by issuing shares, securities convertible into shares of the Company without preferential subscription rights in the context of a public offering</i>	100.000€, plus the premium	18 months, i.e until 17/12/2016	Not used
<b>AGE 18/06/2015 – Resolution 20</b> <i>Authorization conferred to the Board to issue shares of the Company and securities giving access to shares of the Company, without preferential subscription rights of shareholders in the context of offers described in Section II of Article L.411-2 of the French Monetary and Financial Code</i>	100.000€, plus the premium	18 months, i.e until 17/12/2016	Used by the Board of Directors dated 2 July 2015 up to EUR 82,500
<b>AGE 18/06/2015 – Resolution 21</b> <i>Authorization to be given to the Board of Directors to increase the share capital by issuance of shares and/or securities that are equity securities giving access to other shares or entitling the allocation of debt securities and/or securities granting access to the share capital of the Company without preferential right for the benefit of a category of persons in accordance with the provisions of Article L.225-138 of the French commercial Code</i>	100.000€, plus the premium	18 months, i.e until 17/12/2016	Not used
<b>AGE 18/06/2015 – Resolution 22</b> <i>Authorization to the Board of Directors to proceed to the issuance of shares without preferential subscription rights of shareholders in favor of the following category of persons: individuals whose subscription is eligible to a reduction of the French Wealth Solidarity Tax under Section I of Article 885-0 V bis of the French General Tax Code</i>	50.000€, plus the premium	18 months, i.e until 17/12/2016	Not used
<b>AGE 18/06/2015 – Resolution 23</b> <i>Authorization to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without preferential subscription rights</i>	300.000€ plus the premium	18 months, i.e until 17/12/2016	Not used

<p>It is specified that the maximum amount of the total face value of capital increases that may be realized immediately or in the future by virtue of the said authorizations in resolutions 18 to 22 shall be EUR 300,000 plus the issue premium.</p>			
<p><b>AGE 18/06/2015 – Resolution 24</b>  <i>Authorization to the Board of Directors to grant to the beneficiaries it shall identify, in compliance with applicable laws and regulations, existing shares or shares to be issued up to a maximum of 10% or 30% of the share capital, as the case may be, pursuant to Articles L. 225-197-1 and seq. of the French Commercial Code; terms and conditions of the free shares plan</i></p>	<p>The total number of free shares granted under this resolution may not exceed 10% of the share capital at the date of their allocation by the Board of Directors. This percentage shall be increased to 30% when such allocation is made in favor of all salaried employees of the Company.</p>	<p>38 months, i.e. until 17/08/2018</p>	<p>Not used and canceled by the Shareholders Extraordinary General Meeting dated 30/11/2015</p>
<p><b>AGE 30/11/2015 – Resolution 6</b>  <i>Authorization to the Board of Directors to grant to the beneficiaries it shall identify, in compliance with applicable laws and regulations, existing shares or shares to be issued up to a maximum of 10% or 30% of the share capital, as the case may be, pursuant to Articles L. 225-197-1 and seq. of the French Commercial Code; terms and conditions of the free shares plan</i></p>	<p>The total number of free shares granted under this resolution may not exceed 10% of the share capital at the date of their allocation by the Board of Directors. This percentage shall be increased to 30% when such allocation is made in favor of all salaried employees of the Company.</p>	<p>38 months, i.e. until 29/01/2019</p>	<p>Not used</p>

**ANNEX V**

**TRANSACTIONS ON DIRECTORS' SECURITIES**

**Exercise of 52,100 BSPCE by Mr Gérard MILHIET:**

- The Board of Directors of the Company dated 7 December 2009, pursuant to the issuance decided by the Extraordinary General Meeting dated 7 December 2009, attributed to Mr. Gérard MILHIET 319,551 BSPCE.
- Pursuant to the execution of his subscription form and the full payment of the said subscription, the Board of Directors of the Company dated 10 October 2014 acknowledged the exercise by Mr. Gérard MILHIET of 22,100 BSPCE to subscribe to 4,420 newly issued shares « E », for a subscription price of EUR 0.05 and an issuance premium of EUR 4.15, i.e. for a total price per share of EUR 4.20, and a subscription of a total amount of EUR 18,564.
- Pursuant to the execution of his subscription form and the full payment of the said subscription, the Board of Directors of the Company dated 15 July 2015 acknowledged the exercise by Mr. Gérard MILHIET of 33,000 BSPCE to subscribe to 6,000 newly issued shares « E », for a subscription price of EUR 0.05 and an issuance premium of EUR 4.15, i.e. for a total price per share of EUR 4.20, and a subscription of a total amount of EUR 25,200.

**ANNEXE VI**

**PRIVATE INDIVIDUALS AND LEGAL ENTITIES HOLDING CAPITAL BY THRESHOLD**  
**(ARTICLE L 233-13)**

	<i>Year N-1</i>	<i>Year N</i>
<b><i>Private persons</i></b>		
None	None	None
<b><i>Legal Entities</i></b>		
DFJ ePlanet Ventures L.P.	15.87%, more than three-twentieth	13.09%, more than one-twentieth
Abingworth Bioventures VI LP	N/A	9.98%, more than one-twentieth
Canon Inc.	11.64%, more than one-twentieth	9.60% more than one-twentieth
Growth Equity Opportunity Fund III LLC (NEA)	9.89%, more than one-twentieth	9.57% more than one-twentieth
IP GROWTH FCPR	5.5%, more than one-twentieth	4.84% less than one-twentieth
FCPR Auriga Ventures II	7.96% more than one-twentieth	0.55% less than one-twentieth