

MEDIAN TECHNOLOGIES
A French *Société anonyme* with a share capital of EUR 606,371.25
Registered office : Les 2 Arcs, 1800 Route des Crêtes 06560 Valbonne
RCS Grasse N° 443 676 309
(Hereinafter the "Company")

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

FINANCIAL YEAR ENDED ON 31 DECEMBER 2018

I. MANAGEMENT REPORT

The duration of the financial year ended 31 December 2018 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 on 31 December 2018

During the 2018 financial year, the Company's turnover amounted to EUR 6,340,322.

During said year, the Company continued to market its solutions and services to pharmaceutical groups and biotechnologies companies in oncology clinical trials, as well as healthcare institutions such as hospitals, cancer centers and clinics for clinical routine.

During the 2018 financial year, the Company comprised an average of 83 employees, composed of 37 women and 46 men on average.

Please note that:

- The turnover for the year amounted to EUR 6,340,322 compared to EUR 7,686,026 for the previous year;
- The revenues from operations amounted to EUR 6,825,445 compared to EUR 7,951,289 for the previous year;
- The operating costs for the year amounted to EUR 23,641,139 euros compared to EUR 24,247,743 for the previous year;
- The operating income amounted to EUR (16,815,694) compared to EUR (16.296.454) for the previous year;
- The financial income amounted to EUR 45,928 compared to EUR (113,412) for the previous year;

- The exceptional items amounted to EUR (885,659) compared to EUR (19,273) for the previous year;
- The net income for the year amounted to EUR (16,063,457) compared to EUR (15,088,837) for the previous year.

The financial result includes a financial burden of EUR 30,512 corresponding to an additional provision for impairment of the shareholders current account between the Company and its US subsidiary, Median Technologies Inc, and another of 23,314 corresponding to an additional provision for impairment of the shareholders current account between the Company and its Hong Kong subsidiary, Median Technologies Hong Kong Limited.

The net income includes a research tax credit in the amount of EUR 1,591,969. This amount is relative to the 2018 calendar year.

On 31 December 2018, the Company had a cash flow of EUR 12,481,232 compared to EUR 27,858,614 for the previous year.

The wages and salaries amounted to EUR 6,405,063 compared to EUR 6,469,077 for the previous year.

Social contributions amounted to EUR 2,908,512 compared to EUR 3,005,724 for the previous year.

B. Analysis of the financial situation against liabilities

At the end of 2018, the financial liabilities of the Company amounted to EUR 3,359.

C. Analysis of the development and performance of the business

In 2018, the Company's revenue was generated by its iCRO business unit.

Median has decided to focus a large part of its iCRO activities on the Chinese market, a rapidly expanding market, and has streamlined some of its less profitable activities, particularly in the United States. To achieve these objectives, Median Technologies has carried out a major restructuring of its American-based subsidiary Median Technologies Inc.

The Company's restructuring took place throughout the year, with the implementation of a financially motivated plan for collective redundancy in France, following the consultation of the employee representatives. This reorganization resulted in the termination of eight positions, where no internal redeployment could be arranged.

The Company also decided to reduce its level of expenditure on external services related to its production tools for the iCRO business unit, which led to the termination of certain contracts with major suppliers, which had mainly been entered in 2017 and 2018.

The ultimate objective of this restructuring is to enable the Company's costs to be significantly reduced in the long term and consequently see an improvement in margins and an internal refocusing of the Company's activities on the more promising markets.

The Group's objective is to win new market shares in geographic regions with high growth potential, particularly in China. The Company thus aims to achieve profitability as early as 2019 for its entire iCRO business.

On December 31st 2018, the company's order book stood at EUR 23.7 million, up 10.8% compared to June 30th 2018. During the second half of 2018, Median entered into several contracts with leading Chinese pharmaceutical companies, including major contracts for phase III clinical trials.

Our strategic Chinese shareholder, Furui Medical Science Company, which holds 12.43% of the Company's share capital, has been a key player in supporting the Company's growth on the Chinese market. Median has achieved strong market penetration by demonstrating the high quality of its services. By the end of 2018, 39.6% of the order book related to Chinese projects, compared to 5.4% in 2017.

By the end of 2018, the iCRO activity is now not only stable but is expected to grow significantly as a result of the execution of its growing order book and its position on the Chinese market.

In order to best support its growth on the Chinese market in the coming years, the company created a new wholly-owned subsidiary in 2018, Median Medical Technology (Shanghai) CO., Ltd. Its operational activity should start in the second quarter of 2019, in order to more effectively respond to the demand of its new customers in this territory.

In addition, Median Technologies has redeployed all of its scientific and development activities into its iBiopsy® business unit.

As of December 31st 2018, this activity represented more than 40% of the company's total workforce.

In 2018, Median focused its activities on its next-generation medical imaging platform iBiopsy®, based on cutting-edge image processing technologies, artificial intelligence and machine learning. iBiopsy® aims to improve patient diagnosis, personalize treatments and accelerate the development of new generation therapies, particularly in immuno-oncology.

With the unprecedented increase in health data volumes, the technical features of iBiopsy® will enable healthcare providers and biopharmaceutical companies to extract information from multi-component data to develop personalized medicine and predictive medicine, which is the medicine of tomorrow.

2. FUTURE PROSPECTS

iCRO Business unit

Median aims to become a major player in China thanks to its new local presence since, to date, biopharmaceutical companies have few or no established partnerships with local or international iCROs that could be competitors of Median. The Company therefore expects further growth in the coming years, and aims to generate recurring revenue through its existing and new customers.

iBiopsy® Business unit

At the beginning of 2019, the company increased its workforce with the arrival of Dr. Nozha Boujemaa as Chief Science and Innovation Officer. Nozha Boujemaa oversees Median's scientific vision and all innovation and development strategies for iBiopsy®, its image-based phenotyping platform. As part of her duties, Mrs. Nozah Boujemaa is also in charge of Median's partnership with academic and industrial stakeholders and representatives for iBiopsy®. Mrs. Boujemaa is a member of the Company's Executive Management Committee.

3. PRESENTATION OF ACCOUNTS

A. Financial Accounts

The annual accounts for the year closed on 31 December 2018 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 2018, the Company continued to develop its software solutions:

- ✓ iSee® (iCRO) for image analysis and management in clinical trials. The main actions related to initial developments for the implementation of a new generation viewer supporting multimodal images, and the corresponding software platform, as well as the development of new software functionalities to support new imaging criteria for clinical trials;
- ✓ iBiopsy®: The main actions related to the development of a Big data digital platform that allows massive computation of images from several sources (CT, MRI) using supervised and unsupervised learning artificial intelligence techniques developed by Median scientists. Other actions involved initiating the development of an analytical validation framework to assess the robustness of the calculations. A new generation web application has also been developed for the manipulation of medical images and the analytical display and processing of data.

In terms of R&D in these two sectors of activity, Median Technologies combines clinical, IT and artificial intelligence technologies with medical imaging to revolutionize the way drugs and therapies are developed and delivered.

5. ALLOCATION OF THE RESULT

We hereby suggest allocating the loss balance for the financial year in the amount of EUR 16,063,457 to the « carry forward » account which amounts to a loss of EUR 44,235,283.

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

No major events have occurred since the end of the financial year.

B. Activity of the Company subsidiaries - Median Technologies Inc. and Median Technologies Hong Kong Limited

1. The Company owns the entire share capital and voting right of Median Technologies Inc., the US subsidiary of the Company (hereinafter the “**US Subsidiary**”).

The US Subsidiary comprised 2 employees as of 31 December 2018.

During the financial year, the turnover of the US Subsidiary amounted to USD 5,230,243 (i.e. EUR 4,426,909). Similarly to the previous financial year, Median Technologies Inc.’s turnover is due to the introduction in 2014 of a "cost-plus" contract between the parent company and its subsidiary.

Thus, the total turnover in 2018 corresponds to the invoicing of costs to the Company.

2. The Company also owns the entire share capital and voting right of Median Technologies Hong Kong, the Hong Kongese subsidiary of the Company (hereinafter the “**HK Subsidiary**”).

The HK Subsidiary currently has no employees and generated no turnover during this financial year.

C. Equity investments made during the financial year

In 2018, the Company created a new subsidiary, Median Medical Technology (Shanghai) CO., Ltd.. The company's activity should start during the second quarter of 2019, in order to respond more effectively to the demand of its new customers. A sustained development is expected since the Chinese market is currently experiencing strong growth due to the fact that Chinese pharmaceutical companies have been able to raise significant funds for clinical trials through successful IPOs.

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. The Board of Directors on 22 July 2016, using the powers granted by the Shareholders’ General Meeting dated 16 November 2016 (Resolution 24), decided to allocate 162,522 “**AGA 2016 B**” free shares to the following beneficiaries:

BENEFICIARIES	AGA 2016 B
Fredrik BRAG	122,522
Bernard REYMANN	30,000
Arnaud BUTZBACH	10,000
TOTAL	162,522

The Board of Directors dated 9 October 2018 acknowledged the definitive acquisition of 152,522 AGA 2016 B by Mr. Fredrik Brag and Mr. Bernard Reymann, both beneficiaries who had retained their respective positions as executive officer and employee of the Company on July 22nd 2018.

Pursuant to the provisions of Article L. 225-102 of the French Commercial Code, we report the status of employee participation in the share capital on the last day of the financial year: Fredrik Brag (Chief Executive Officer), Bernard Reymann, Nicolas Dano and Fabrice Lamy held a total of 5,20% of the share capital as of 31 December 2018.

3. A summary of the issuances and allocations of the various securities can be found in the annex to the annual accounts prepared by the company for the fiscal year ended 31 December 2018.

F. Information concerning the Auditors

We remind you that PRICEWATERHOUSECOOPERS AUDIT, a simplified joint-stock company with a capital of € 2,510,460, with a registered office located at 63 rue de Villiers, 92200 Neuilly-Sur-Seine, registered at the Nanterre RCS under number B 672 006 483, an audit firm duly registered with the PCAOB is the Company's Principal Statutory Auditor until the end of the Shareholders' Meeting convened to deliberate in 2021 on the accounts of the financial year to close on 31 December 2020.

G. 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 2018, the average number of employees is 83. As of 31 December 2018, the Company comprised 73 employees.

H. 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 2018, 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 47,093, the theoretical impact of which on corporate tax at the rate of 33.1/3% shall be EUR 15,698.

I. Regulated Agreements

We inform you that during the past financial year, no new agreements regulated under Articles L 225-38 *et seq.* of the French Commercial Code was entered into by the Company.

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 2018:

- **Stock options granted to a director of the Company:**
 - o Concerned Board Member: Oran MUDUROGLU, Director of the Company.
 - o Purpose: Oran MUDUROGLU was awarded a number of stock options under a contract with the US subsidiary of the Company, Median Technologies Inc.
 - o 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 2018 on the basis of the Auditor's special report in accordance with Article L.225-38 of the French Commercial Code.

J. Balance of trade payables at close of financial year

Pursuant to Article D.441-4 and L. 441-6-1 of the French Commercial Code, we have supplied in the annex a breakdown of the trade payables and trade receivables (Annex I).

K. 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 II).

L. 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 III).

M. Transactions on securities owned by Directors

Pursuant to Article 223-2 of General Regulations of the Autorité des Marchés Financiers (AMF), the summary list of transactions on securities performed by Directors during the financial year closed on 31 December 2018 is attached to this report in Annex IV.

N. Share buy-back Program

We inform you that during the year closed on 31 December 2018, the number of shares bought and sold pursuant to Article L.225-209 of the French Commercial Code was respectively of 68,164 shares and 39,511 shares.

The average purchase and sales amounted respectively to EUR 4.48 and EUR 4.90.

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 49,634 securities.

Their value at the end of the year, valued at purchase price, was EUR 156,735, i.e. a unit price of EUR 3.16.

Their nominal value was EUR 0.05.

They represent 0.41 % of the share capital.

The traded value of the share as of 31 December 2018 amounted to EUR 0.99. An impairment provision amounting to EUR 77,320 was recorded.

O. Annual report on the liquidity agreement

Under the liquidity contract granted by the Company to Aurel BGC, as of 31 December 2018, the following resources were in the liquidity account:

EUR 93,902.87
49,634 Shares

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

Turnover France	€K 518
Turnover USA/Canada	€K 3 184
Turnover UK	€K 1 240
Turnover for other territories	€K 1 399
Total	€K 6 340

Q. 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. Risks related to the need to keep, attract and retain key personnel

The success of the Company, including its Chinese subsidiary, 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.

1.4. 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 most of the world's largest laboratories.

1.5. 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.

The Company successfully passed its first FDA audit in early 2017.

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. CORPORATE GOVERNANCE REPORT

A. Office of Chief Executive Officer

In accordance with Article L.225-37-4 of the French Commercial Code, we inform you that your Board of Directors has, by decision dated April 10, 2019, decide to opt for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer.

The Board also decided to appoint Mr. Oran MUDUROGLU as Chairman and Mr. Fredrik BRAG as Chief Executive Officer.

In accordance with article 15 of the bylaws, this decision will last until the Board of Directors decides otherwise, ruling under the same conditions. However, the Board of Directors will also have to make

a decision concerning the terms and conditions for the exercise of the Company's management when appointing or renewing its Chairman.

Unless the method of exercising the Company's management is modified, this information will not be included in subsequent corporate governance reports.

B. Information concerning directors

Pursuant to the provisions of Article L. 225-37-4 of the French Commercial Code, you will find below the list of the duties and positions held by each of the directors of the Company in other companies (Annex V).

Mr. Fredrik BRAG, CEO of the Company has received for the financial year 2018 a gross compensation amounting to EUR 400,000, excluding performance bonus.

The Board of Directors, on the recommendation of the Remuneration Committee decided that Mr. Fredrik BRAG would receive EUR 80,000 as variable compensation based on the qualitative assessment of his performance for the year 2018, which shall be paid in 2019. It is recalled that Mr. Fredrik BRAG received EUR 240,000 for the variable target-based compensation for the 2017 fiscal year.

Mr. Fredrik BRAG is covered by the GSC (social guarantee for company managers), the annual cost of which was EUR 17,410 in 2018.

A company car was also awarded to Mr. BRAG during the second semester of the 2017 fiscal year.

Mrs. Jeanne HECHT, Director and Chief Operating Officer until May 30th 2018 was also employed by Median Technologies Inc., the US subsidiary of the Company. Mrs. Jeanne HECHT had exercised the functions of Chief Operating Officer since November 7th 2017 as part of her employment contract. The compensation allocated to Mrs. Jeanne HECHT under her employment contract was EUR 490 546 for the year ended on 31 December 2018.

Mr. Oran MUDUROGLU and Mr. Jacques SOUQUET, Directors of the Company have received in 2018 for the year 2017 attendance fees in the amount of EUROS 50,000 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 14,679.

C. Agreements between a subsidiary and one of the Company's Director or major shareholder

During the 2018 financial year, the following agreements were entered into by a subsidiary of the Company:

- **Consulting contract entered into on January, 2018, by Mr. Oran MUDUROGLU, Director of the Company (now Chairman of the Board of Directors), and the US subsidiary of the Company, Median Technologies Inc.:**
 - o Concerned Board Member: Oran MUDUROGLU, Director of the Company;
 - o Purpose: Mr. Oran MUDUROGLU, Director of the Company, as a recognized expert in health technologies and more specifically medical image management systems provides Median Technologies Inc. (US subsidiary of the Company) with consulting services;

- Terms and conditions: Mr. Oran MUDUROGLU provides both clinical and commercial consulting services to support the strategy of commercial development with clients and prospects;
 - Duration: Fixed-term contract that ended on December 31, 2018, given that a similar contract has been entered into for the current year
- **Consulting contract entered into on June 1st 2018, by KAPITAL Consulting LLC, whose general manager and main shareholder is Mr. Kapil DINGHRA, Director of the Company, and the US subsidiary of the Company, Median Technologies Inc.:**
- Concerned Board Member: Kapil DINGHRA, Director of the Company;
 - Purpose: Mr. Kapil DINGHRA, Director of the Company, provides Median group companies with consultant services;
 - Duration: Fixed-term contract ending on May 31, 2019

It is recalled that the following agreement were pursued unchanged during the financial year ending on 31 December 2018:

- **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.

D. 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 VI).

* * *

The Board of Directors

Annexes:

Annex I	Breakdown of the trade payables and receivables
Annex II	Statement of the results of the last 5 years.
Annex III	Persons or entities holding the capital directly or indirectly by threshold (Article L233-13)
Annex IV	Transactions on Directors' Securities.
Annex V	List of corporate officers.
Annex VI	Table of authorizations pertaining to capital increase.
Annex VII	Report of article L. 225-129-5 of the French commercial code.

ANNEX I

BREAKDOWN OF THE TRADE PAYBLES AND TRADE RECEIVABLES

In K€	Article D.441.I.-1° : Outstanding <u>received</u> invoices on the closing date of the fiscal year						Article D.441.I.-2° : Outstanding <u>sent</u> invoices on the closing date of the fiscal year					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Installments of late payment												
Number of corresponding invoices						25						51
Total amount of corresponding invoices (Amount Including Taxes)	81247	3641	7333	5643	97864		431 597	206 590	330 501	130 625	1 099 313	
Percentage of the total amount of purchases during the fiscal year (Amount Including Taxes)	0,63%	0,03%	0,06%	0,04%	0,76%							
Percentage of the turnover (Amount Including Taxes)							7%	3%	5%	2%	17%	
(B) Invoices excluded from (A) relating to disputed or non-recognized debts												
Number of excluded invoices	0					27						
Total Amount of excluded invoices (Amount Including Taxes)	0					643 208						
(C) Used payment terms (either contractual or statutory – article L.441-6 or article L.443-1 of the French Commercial Code)												
Payment terms used for calculation of payment delays	<input checked="" type="checkbox"/> Contractual payment terms: 30 days <input type="checkbox"/> Statutory payment terms :					<input checked="" type="checkbox"/> Contractual payment terms: 30 days <input type="checkbox"/> Statutory payment terms:						

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

FY Duration of the FY	31/12/2018 12 months	31/12/2017 12 months	31/12/2016 12 months	31/12/2015 12 months	31/12/2014 12 months
I- Financial position at the end of the financial year					
a) Share capital	606 371 €	598 745 €	582 539 €	500 806 €	413 055 €
b) Number of shares	12 127 425	11 974 903	11 650 780	10 016 117	8 261 092
II- Overall result from operations carried out					
a) Revenue net of tax	6 340 322 €	7 686 026 €	6 353 458 €	3 885 379 €	1 518 301 €
b) Profit before taxes, amortization and provisions	- 17 068 894 €	- 16 226 337 €	- 8 266 452 €	- 6 003 487 €	-5 367 408 €
c) Income tax (Tax credit)	1 591 969 €	1 340 302 €	1 064 007 €	858 503 €	977 547 €
d) Profit after taxes, before amortization and provisions	- 15 476 926 €	- 14 886 035 €	- 7 202 445 €	- 5 144 984 €	-4 389 861 €
e) Profit after taxes, amortization and provisions	- 16 063 457 €	-15 088 837 €	- 7 746 399 €	-5 336 589 €	-4 844 195 €
f) Amount of distributed profits	0 €	0 €	0 €	0 €	0 €
g) Employee profit-sharing	0 €	0 €	0 €	0 €	0 €
III- Result of operations reduced to a single share					
a) Profit after taxes, before amortization and provisions	-1,28 €	-1,24 €	- 0,62 €	-0,51 €	-0,53 €
b) Profit after taxes, amortization and provisions	-1,32 €	-1,26 €	- 0,66 €	-0,53 €	-0,59 €
c) Dividend paid on each share	0 €	0 €	0 €	0 €	0 €
IV- Personnel					
a) Number of employees (average)	83	84	74	54	44
b) Payroll	6 405 063 €	6 469 077 €	4 594 654 €	3 772 252 €	2 807 380 €
c) Sums paid in company benefits	2 908 512 €	3 005 724 €	2 122 953 €	1 705 454 €	1 336 162 €

ANNEXE III

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

	<i>Year N-1</i>	<i>Year N</i>
<i>Private persons</i>		
None	None	None
<i>Legal Entities</i>		
Furui Medical Company	12.59%, more than one-tenth	12.43%, more than one-tenth
Celestial successor fund LP	10.90%, more than one-tenth	10.76%, more than one-tenth
Abingworth Bioventures VI LP	8.35%, more than one-tenth	8.25%, more than one-tenth
Canon Inc.	8.03% more than one-twentieth	7.93% more than one-twentieth
Growth Equity Opportunity Fund III LLC (NEA)	8.00% more than one-twentieth	7.90% more than one-twentieth
FCPR Auriga Ventures II	5.49% more than one-twentieth	5.42% more than one-twentieth

ANNEX IV

TRANSACTIONS ON DIRECTORS' SECURITIES

Definitive acquisition of 152,523 AGA 2016 B free shares

The Chairman recalled that, using the authorization granted by the Shareholders' General Meeting dated 16 July 2016, the Board of Directors dated 22 July 2016 allocated 162,522 free shares (the "AGA 2016 B"), including 152,522 free shares to the following beneficiaries;

BENEFICIARIES	AGA 2016 B
Fredrik BRAG	122,522
Bernard REYMANN	30,000

The Board of Directors dated 9 October 2018 acknowledged the definitive acquisition of 152,522 AGA 2016 B by Mr. Fredrik Brag and Mr. Bernard Reymann, both beneficiaries who had retained their respective positions as executive officer and employee of the Company on July 22nd 2018.

The beneficiaries are required to hold the free shares for a minimum of one (1) year, such period commencing upon the final allocation of shares.

Mr. Fredrik BRAG, in his capacity as an executive officer, is required to keep 6,126 free shares AGA 2016 B in registered form (i.e. 5% of the allocated shares) until the termination of his office.

ANNEX V

LIST OF CORPORATE OFFICERS

OFFICES AND DUTIES EXERCISED BY EACH CORPORATE OFFICERS DURING THE FISCAL YEAR 2017

COMPANY	OFFICES / DUTIES
Offices and duties exercised by Mr. Fredrik BRAG	
MEDIAN TECHNOLOGIES SA	Chief Executive Officer Director
MEDIAN TECHNOLOGIES INC	Chairman of the Board of Directors Chief Executive Officer
MEDIAN TECHNOLOGIES HONG-KONG LIMITED	Director
MEDIAN MEDICAL TECHNOLOGIES (SHANGHAI) CO., LTD. LIMITED	Director
Offices and duties exercised Mr. Oran MUDUROGLU	
MEDIAN TECHNOLOGIES SA	Chairman of the Board of Directors
VERILY	Chief Executive Officer Director
HELUS	Chief Executive Officer Director
Offices and duties exercised Mr. Otello STAMPACCHIA	
MEDIAN TECHNOLOGIES SA	Director
REPLIMUNE LTD	Director
GOSSAMER BIO INC	Director
CHRONOS BIO INC	Director
MORPHIC THERAPEUTIC	Director
ESSA PHARMA INC	Director
Offices and duties exercised Mr. Tim HAINES	
MEDIAN TECHNOLOGIES SA	Director
CHROMA THERAPEUTICS LIMITED FROM	Director
AIMIM LIMITED	Director
ABINGWORTH LLP	Director
ABINGWORTH BIOVENTURES V GP LIMITED	Director
ABINGWORTH BIOVENTURES GP LIMITED	Director
ABINGWORTH CCD GP LIMITED	Director
ABINGWORTH SECOND PARTNER LIMITED	Director
VIRIONHEALTH LIMITED	Director
GAMMADELTA THERAPEUTICS LIMITED	Director
SIENRA INC	Director
PROTEON THERAPEUTICS INC	Director
Offices and duties exercised Mr. Kapil DINGHRA	
MEDIAN TECHNOLOGIES SA	Director
FIVE PRIME INC	Director
REPLIMUNE INC	Director
AUTOLUS	Director

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

DATE OF THE MEETING / PURPOSE	MAXIMUM AMOUNT	DURATION	STATUS
General Meeting dated 28/05/2018– Resolution 15 <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 500,000	18 months	Unused
General Meeting dated 28/05/2018– Resolution 16 <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>	EUR 500,000	18 months	Unused
General Meeting dated 28/05/2018– Resolution 17 <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>	Statutory Limit under article L 225-136 3°) of the French Commercial Code	18 months	Unused

DATE OF THE MEETING / PURPOSE	MAXIMUM AMOUNT	DURATION	STATUS
<p>General Meeting dated 28/05/2018– Resolution 18 <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></p>	<p>-15% of the initial issue -General aggregate upper limit of EUR 1.000,000</p>	<p>18 months</p>	<p>Unused</p>
<p>General Meeting dated 28/05/2018– Resolution 19 <i>Authorization to be given to the Board of Directors for the issuance of securities providing access to the share capital, having the characteristics of share warrants (“BSA 2018” warrants) with cancellation of the shareholder’s preferential subscription right in favor of named persons</i></p> <p>General Meeting dated 28/05/2018– Resolution 20 <i>Cancellation of the shareholder’s preferential subscription right in favor of named persons</i></p>	<p>130.000 securities providing access to the share capital</p>	<p>18 months</p>	<p>Used by the Board of Directors on 30 May 2018 for the issue of 120,000 BSA 2018 in favour of the named persons</p>
<p>General Meeting dated 28/05/2018– Resolution 21 <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% of the share capital pursuant to Articles L. 225-197-1 and seq. of the French Commercial Code</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.</p>	<p>38 months</p>	<p>Unused</p>
<p>General Meeting dated 28/05/2018– Resolution 22 <i>Authorization to be given to the Board of Directors in order to grant stock options pursuant to articles L. 225-177 and seq. of the French Commercial Code</i></p>	<p>500.000 new shares</p>	<p>38 months</p>	<p>Unused</p>

ANNEX VII

**REPORT OF ARTICLE L. 225-129-5 OF
THE FRENCH COMMERCIAL CODE**

MEDIAN TECHNOLOGIES
A French Société anonyme with a share capital of EUR 606,371.25
Les 2 Arcs, 1800 Route des Crêtes, 06560 Valbonne
RCS Grasse N° 443 676 309
(Hereinafter the “Company”)

**SHAREHOLDERS’ ANNUAL ORDINARY AND EXTRAORDINARY
GENERAL MEETING DATED JUNE 26, 2019**

**REPORT OF THE BOARD OF DIRECTORS
ON WARRANTS**

Dear Shareholders,

In accordance with Articles L. 225-129-5 and R. 225-116 of the French Commercial Code, we have prepared an additional report to communicate to you which methods were used to implement this issuance.

1. TERMS OF THE ISSUANCE

A) Extraordinary General Meeting of 28 May 2018

The Extraordinary General Meeting of 28 May 2018 pursuant to resolutions n°19 and 20, authorized the Board of Directors, for a period of 18 months, its authority to issue of a maximum of 130.000 securities providing access to the share capital, having the characteristics of share warrants (the “BSA 2018” warrants), in the proportion and within the time it deems fit, it being specified that (i) each BSA 2018 warrant will confer the right to subscribe to one ordinary share of the Company and that (ii) the subscription to the BSA 2018 warrants and corresponding shares may be made either in cash or by set-off of due, liquid and payable debts on the Company.

The subscription price of the “BSA 2018” warrants had to be determined on the day the “BSA 2018” warrants were granted by the Board of Directors on the condition that the warrant issue price shall not be lower than 17.5% of the average closing price of the Company share recorded during the twenty trading days preceding the BSA 2018 warrants issue date.

The exercise price of the “BSA 2018” warrants had to be determined on the day the “BSA 2018” warrants were granted by the Board of Directors on the condition that the shares subscription price shall not be lower than 110% of the average closing price of the Company share recorded during the twenty trading days preceding the issue date.

The General Meeting granted the Board full powers to implement this authorization, sub-delegate to the General Manager or, as mutually agreed with him, to one or more Deputy General Managers, under the conditions laid down by law, to implement this authorization, within the limits and under the conditions specified above, in particular to:

- Set the amount of the BSA 2018 warrants issuance that will be carried out pursuant to this authorization and in particular set the issue price (in the setting conditions specified above), date, deadline, terms and conditions of purchase, of the warrants, within the legal or regulatory limits,

- Set the procedures for exercising the rights attached to the BSA 2018 warrants to be issued, and in particular, the exercise price of the BSA 2018 warrants (subject to the conditions set out above), the dates, the deadline, the terms and conditions to the exercise of the warrants, the conditions of issuance of the shares of the Company, within the legal or regulatory limits,
- Collect the subscriptions to the BSA 2018 warrants and Company shares and the corresponding payments, and record the completion of capital increases to the amount of subscribed shares and proceed to the related amendment of the Bylaws,
- At its discretion, charge the costs of any capital increases to the amount of the issue premium(s) and deduct from this amount the sums needed to increase the legal reserve to one tenth of the new capital after each capital increase,
- Determine and make all adjustments to take into account the impact of the transactions on the share capital of the Company, including any modification of the par value of shares, a capital increase by incorporation of reserves, free allocation shares, stock split or reverse stock split, distribution of reserves or any other assets, amortization of the capital or any other transaction involving equity, and set the terms according to which, the rights of the holders of securities giving access to capital may be protected,
- Suspend, if necessary, the exercise of share allocation rights attached to existing securities for a period not to exceed three (3) months,

B) Board of Directors Meeting of 30 May 2018

The Board of Directors dated 30 May 2018 used the authorization conferred to it by resolutions n°19 and 20 of the Shareholders' General Meeting dated 28 May 2018 to issue 130,000 BSA 2018 warrants pursuant to the main conditions below:

I - Terms and conditions of the issue of the "BSA 2018" warrants

One hundred and thirty thousand (130,000) "BSA 2018" warrants were issued at a unit price of 1.51 euros, it being specified that this price was determined in accordance with the 19th resolution of the Extraordinary Shareholder's Meeting dated 28 May 2018 and in view of the conclusions of the expert report on the valuation of BSA MEDIAN, drawn up on 29 March 2018 by Paper Audit & Conseil, an accounting and auditing firm appointed for this purpose.

Pursuant to the 20th resolution of the Extraordinary General Meeting of 28 May 2018, the shareholders' preferential subscription right to the 130,000 "BSA 2018" warrants to be issued was cancelled in favor of the following named persons, in the indicated amounts:

Complete identity	Number of BSA 2018 warrants
Mr. Oran MUDUROGLU	60,000
Mr. Kapil DHINGRA	60,000
Mr. Rohit LOOMBA	10,000

Who alone shall have the right to subscribe to the issued "BSA 2018" warrants.

Subscriptions to the "BSA 2018" warrants will be received at the registered office from 28 May 2018 to 30 June 2018.

The exercise of the right to subscribe to the 2018 warrants will be evidenced by the delivery of a subscription form which must be returned to the Company before the expiry of the deadline set above.

Subscriptions must be fully paid up upon subscription, either by cash payment or by set-off against liquid receivables due from the Company.

II - Subscription to shares

Holders of “BSA 2018” warrants shall have the right to subscribe one (1) share with a par value of five cents (0.05€) each to be issued by the Company, for one (1) exercised 2018 BSA warrant, as part of a capital increase, at a subscription price of 9.50 euros per share, it being specified that this price was determined in accordance with the 19th resolution of the Extraordinary General Meeting of 28 May 2018 and in view of the conclusions of the expert report on the valuation of BSA MEDIAN, drawn up on 29 March 2018 by Paper Audit & Conseil, an accounting and auditing firm appointed for this purpose.

BSA 2018 warrants may be exercised at any time from 28 May 2019 until 28 May 2025. BSA 2018 for which the subscriptions have not been exercised within this period will lose all value and all rights attached thereto.

Subscriptions will be received at the head office. They must be paid in full.

The Board has also approved the terms and conditions of the issuance agreements which were signed by each Beneficiary.

2. IMPACT OF THE ISSUANCE OF THE WARRANTS ON THE SHARE IN EQUITY

Pursuant to this issuance, if all the “BSA 2018” warrants were exercised, resulting in 130,000 new shares, the impact of this issuance on the share in equity (as of 31 December 2017) would be as follows:

EQUITY AS OF 31/12/2017	NUMBER OF SHARES BEFORE THE ISSUANCE OF THE BSA 2018	NUMBER OF SHARES AFTER THE ISSUANCE OF THE BSA 2018
€ 25,580,632	11,974,903 shares	12,104,903 shares*
<i>Share in equity per Company Share</i>	€ 2.14	€ 2.11

* This calculation does not take into account the capital increase resulting from the vesting of free shares.

These calculations are theoretical elements which are given for information purposes only; they do not anticipate the future development of the Company equity and/or of the share price. These calculations are made on the basis of the theoretical impact on the equity capital increase.

The Board of Directors