

Press release – For immediate release

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Median Technologies reports full year 2019 financial results

- Revenue of €9m as of December 31, 2019, an increase of 41% compared with revenue for 2018
- Order backlog of €38.3m, +61.6% compared with December 31, 2018
- Cash and cash equivalents of €7.6m

Sophia Antipolis, France – Median Technologies (Paris: ALMDT), The Imaging Phenomics Company®, reported today its full year 2019 financial results. Median Technologies’ Board of Directors approved the consolidated 2019 financial statements on April 9, 2020.

As of December 31, 2019, revenue reached €9m, an increase of 41% compared with 2018 revenue of €6.5m. The Company’s quarter-on-quarter revenue growth was steady across 2019, confirming the growth momentum already seen during the second half of 2018. In total, business continued to grow steadily over six quarters, with average quarterly growth of 13.8%. Company revenue was entirely generated by the iCRO business unit, which delivers solutions and services for medical image management in oncology clinical trials. The iBiopsy® business unit is not generating revenue at this stage, as it currently only includes Research and Development activities.

As of December 31, 2019, the order backlog for the iCRO business unit stood at €38.3m, an increase of 24.8% compared with the order backlog as of June 30, 2019 and of 61.6% compared with the order backlog as of December 31, 2018.

Selected financial information (IFRS consolidated financial statements)

In thousands of euros (audited figures)	2019	2018
Revenue from ordinary activities	9,032	6,534
Staff costs	-8,551	-10,430
External costs	-7,436	-9,895
Operating result	-7,963	-15,393
Net financial result	-4	70
Net result	-7,984	-15,284

In 2019, Median’s average headcount was 87 employees, with an acceleration in the pace of recruitment during the second half of 2019: as of December 31, the Company's headcount stood at 106 employees.

Cash and cash equivalents as of December 31, 2019 were €7.6m, versus €12.7m as of December 31, 2018. Cash expenditure was €0.4m per month for 2019 as a whole. This broke down into €0.8m per month during the first half of the year and €0.3m per month during the second half, excluding the favorable impact of the Research Tax Credit.

Taking these items into account, the Company reported a net loss of €8m, compared with €15.3m in 2018, marking a major decrease of 48%.

2019: stabilization of the iBiopsy® technology and record business for the iCRO business unit

iBiopsy®: in 2019, Median stepped up its Research and Development activities, with total expenditure of €4.7m, of which a significant share for its imaging phenomics platform iBiopsy®. Based on the most advanced AI technology and data science, iBiopsy® will, using imaging biomarkers, identify in an innovative manner the specific signatures of certain diseases for their early detection, the quantification of their severity and their monitoring.

During the year, new proprietary extraction solutions for information “hidden” in medical imaging have been developed and optimized in two indications: primary liver cancer (HCC - Hepatocellular Carcinoma), the fourth leading cause of death by cancer worldwide; and hepatic fibrosis in the clinical context of NASH (Non-alcoholic Steatohepatitis), a disease whose prevalence is significantly increasing worldwide. These results were presented during prestigious international conventions and congresses in the United States and Europe.

Median has also developed its technology base and has started to roll out its system on a large scale with a cloud architecture that allows the real-time identification of biomarkers.

A €35m financing agreement with the European Investment Bank (EIB) was signed on December 18, 2019.

Imaging solutions and services for clinical trials (iCRO): 2019 was a record year for the iCRO business unit. The iCRO activity reached breakeven at the end of the first half of 2019 and demonstrated that it is a profitable business with sustainable growth.

In 2019, the iCRO BU continued its growth in China through its WFOE (Wholly Foreign Owned Enterprise) in Shanghai, which has become an operational structure providing local services to biopharmaceutical companies. At end-2019, 56% of the order backlog related to Chinese projects, compared with 39.2% at end-2018.

Median has also largely exceeded its 2019 objectives for Europe and the United States, thanks to a specific and particularly profitable strategy of developing sales based on the recurrence of contracts. This highlights the increased trust in the execution of projects as well as the competitiveness and quality of Median’s services. Across the year as a whole, the quality of services was validated by 12 successful customer audits and one FDA (Food and Drug Administration) audit relating to a major Phase III trial of a Top 3 pharma company.

2020 outlook, excluding the impact of COVID-19

iBiopsy®: the 2020 roadmap for iBiopsy® will focus on the clinical development plan, product roadmap, clinical and technological strategic partnerships, supported by an intellectual property protection strategy. The first tranche of the loan (€15m of a total €35m) granted by the EIB to Median Technologies will be released before the end of the first half of 2020. In view of this secure financing by the EIB, Median started, as of the beginning of 2020, to step up its investment program and recruitment plan. In 2020, external investments will mainly relate to access to data for clinical approvals on large cohorts and the implementation of the intellectual property protection strategy.

iCRO: the iCRO business should enjoy sustained growth thanks to the conversion of its growing order backlog and its positioning on the Chinese market. The autonomy of Median's subsidiary in China should continue to increase in 2020. The Company intends to strengthen its iCRO operational teams and sales force across the board.

A review of the COVID-19 situation

In anticipation of the lockdown measures taken by the French government on March 17, 2020 due to the COVID-19 public health crisis, Median instructed all of its French-based employees to work from home as of March 16. The Company's business continuity has been secured since this date. Median operates globally via cloud-based infrastructures which are used daily to deliver imaging solutions (iCRO) to its customers under normal conditions; services therefore continue to be provided as usual.

iCRO: the start of the public health crisis in China led to delays in February in the reception of images from Chinese hospitals for clinical trials that were already underway. The start dates for new trials in the order backlog were also postponed, leading to a delay to inflows for the Company. The situation was almost entirely back to normal in March.

With the spread of the pandemic in March to Europe and then to the United States, the same impacts have been seen and have generated a delay to inflows since mid-March.

Revenue for the first quarter of 2020 should nonetheless improve compared with the fourth quarter of 2019. A press release announcing 2020 first quarter results will be published shortly. This press release will also provide an overview of the company's strategy with regard to COVID-19.

Considering the uncertainty surrounding the progression of the public health crisis, it is too soon to provide revenue forecasts for the second quarter. Nevertheless, for 2020 as a whole, Median Technologies expects the impact of the COVID-19 crisis on its iCRO business to be limited.

iBiopsy®: research and development activities relating to *iBiopsy*® continue as normal thanks to the development infrastructure that has been in place for several months and which is used on a daily basis under normal conditions. The drawing down of the first tranche of the EIB's loan shall take place, as initially planned, during the first half of the year.

"The excellent performance of Median's iCRO business validates the strategic decisions which we made in 2018. We are thrilled to see that this business has become profitable and enjoys sustainable growth. Despite the COVID-19 situation, we expect this momentum to continue in 2020. At the same time, the volume of our order backlog makes us confident in our ability to achieve our 2020 revenue target" said Fredrik Brag, CEO and co-founder of Median Technologies. *"In terms of iBiopsy®, like the collaboration agreement announced with AP-HP on March 2, we expect 2020 to bring partnerships and clinical data that will enable the large-scale clinical validation of our approach for certain therapeutic indications"*, Fredrik Brag added.

Median informs its shareholders and the financial community that its annual financial report on the accounts for the year ended December 31, 2019 was made public and filed with the AMF.

The annual financial report is available on the company website: www.mediantechologies.com/investors/

Forward-Looking Statements: This press release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans” and similar expressions. Although Median’s management believes that the expectations reflected in such forward looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Median, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities such as the absence of guarantee that the service if approved will be commercially successful, the future approval, Median’s ability to benefit from external growth opportunities, to complete related transactions and/or obtain regulatory clearances, risks associated with intellectual property, trends in exchange rates and prevailing interest rates, volatile economic conditions, the impact of cost containment initiatives and subsequent changes thereto, the average number of shares outstanding as well as those discussed or identified in the public filings with the AMF made by Median, other than as required by applicable law, Median does not undertake any obligation to update or revise any forward-looking information or statements.

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About Median Technologies: Median Technologies provides innovative imaging solutions and services to advance healthcare for everyone. We leverage the power of Imaging Phenomics to provide insights into novel therapies and treatment strategies. Our unique solutions for medical image analysis and management in oncology trials and iBiospy® for imaging phenotyping, together with our global team of experts, are advancing the development of new drugs and diagnostic tools to monitor disease and assess response to therapy. Median Technologies supports biopharmaceutical sponsors and healthcare professionals around the world to quickly and precisely bring new treatments to patients in need. This is how we are helping to create a healthier world.

Founded in 2002, based in Sophia-Antipolis, France, with a subsidiary in the US and another one in Shanghai, Median has received the label “Innovative company” by the BPI and is listed on Euronext Growth market (ISIN: FR0011049824, ticker: ALMDT). For more information: www.mediantechnologies.com

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