Press release – For immediate release
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Median Technologies reports 2023 half-year results and business indicators for the third quarter of 2023

- Launch of pivotal clinical studies for iBiopsy® LCS CADe/CADx SaMD.
- Successful refinancing of €21.6 million, providing financial visibility until 2025.
- Total year-to-date revenue of €17 million as of September 30, 2023, down versus 2022 revenue over the same period (€18.7 million).
- Order backlog at €62.7 million as of September 30, 2023, impacted by cancelation of a biopharma study worth €2.9 million.

Sophia Antipolis, France - Median Technologies (Euronext Growth – ALMDT:PA), whose board of Directors approved the consolidated IFRS financial statements for the first half of 2023 on October 18, 2023, today announces its half-year results as well as business indicators for Q3 2023 (unaudited).

Commenting on the results, Fredrik Brag, CEO, and co-founder of Median Technologies, said:

"During the first three quarters of 2023, we made significant strides regarding iBiopsy®. July saw us launch our AI-based iBiopsy® Lung Cancer Study CADe/CADx Software as Medical Device pivotal studies. These are key milestones in our roadmap to obtain marketing authorizations for our Software as Medical Device for the US and European markets. AI-based medical imaging software solutions are revolutionizing cancer drug development, cancer patient diagnosis, treatment, and survival. Regarding lung cancer, which is the number one cancer killer globally, patients diagnosed in stage 1 have a 92% survival rate while patients diagnosed at an advanced stage have a mortality rate of 94%[1]. In the US alone 14.5m people are eligible for a reimbursed imaging LCS test, and AI-based imaging tissue characterization is now also reimbursed at a rate of $650 creating a vast target market. Median is poised to play a pivotal role to help significantly reduce the lung cancer mortality rate through more effective diagnosis of early-stage patients.

In July 2023, we raised €21.6 million, guaranteeing financial visibility until 2025. We intend to draw the second tranche of the EIB loan for approximately €10 million before year-end.

As regards the iCRO business, we were successfully inspected by the US FDA and the Chinese NMPA in July and August on a phase I/II oncology study. These were our 4th and 13th successful inspections with the FDA and NMPA respectively. Year-to-date, iCRO revenue was negatively impacted by soft bookings due to China's Covid lockdown in 2022. Business has picked up for iCRO in China, with a robust ramp up in new requests for proposals and contracts. What's more, we are experiencing strong interest from major US pharma companies."

[1] https://www.redjournal.org/article/S0360-3016(19)30110-5/fulltext

Significant events for Q3 2023

iBiopsy® LCS CADe/CADx clinical development plan

In July, the Company announced significant and strategic progress for its iBiopsy® Lung Cancer Screening (LCS) CADe/CADx[2] SaMD with the onboarding of all clinical sites involved in the two LCS pivotal studies and the launch of the pivotal validation plan. Results from these two studies will be used to file for FDA 510(k) clearance for marketing authorization in the US as well as to obtain CE mark – a prerequisite to securing marketing authorizations in European countries.

Company refinancing and cash position

In July, Median announced a successful €11.6 million capital increase through a private placement and public offering at a subscription price of €4.70 per share, together with the finalized issuance of €10 million convertible bonds at a conversion price per share of €6.458, subscribed by Celestial Successor Fund, LP, one of Median's long-standing, reference shareholders. As of September 30, 2023, cash and cash equivalents were substantially bolstered, ending at €26.5 million. Cash position included receipt of France's 2022 research and innovation tax credit for €1.6 million.

iCRO Business Performance

During Q3, Median's iCRO[3] business was successfully inspected by the US Food and Drug Administration (FDA) and the Chinese National Medical Products Administration (NMPA) for a phase I/II oncology study with one of the global-leading pharma companies. To date, the Company has been successfully inspected 4 times by the FDA, and 13 times by the Chinese NMPA, continuing its highest quality track record.

Q3 2023 revenue for the Group came to €5.6 million, versus €6 million in Q3 2022. Combined total revenue for Q1, Q2 and Q3 amounted to €17 million. All revenue was generated by the iCRO business line. The latter provides imaging services to the biopharmaceutical industry for oncology clinical trials the world over.

In Q3 2023, iCRO order backlog[4] was adversely affected by a €2.9 million study cancelation. As of September 30, 2023, backlog amounted to €62.7 million.

[2] A radiological CADe device is *"intended to identify, mark, highlight or otherwise direct attention to portions of an image that may reveal abnormalities during interpretation of images by the clinician*." A CADx device is "*intended to provide information beyond identifying abnormalities, such as an assessment of disease." Source: FDA*

[3] Imaging Contract Research Organization

[4] The order backlog is the sum of orders received but not yet fulfilled. An increase or decrease in the order backlog corresponds to the order intake of the reporting period, net of invoiced services, completed or canceled contracts, and currency impact for projects in foreign currency (re-valued at the exchange rate on closing date). Orders are booked once the customer confirms its retention of the Company's services for a given project in writing. The contract is usually signed in the months that follow a written confirmation.

Financial information as of June 30, 2023 (IFRS consolidated financial statements)

Cash-Flow Statement

Cash flow (€ thousands)	06/30/2023 (6 months)	06/30/2022 (6 months)
Operating cash flow	(9,045)	(5,682)
Change in operating working capital requirement	(2,668)	(4,390)
Net cash flow from operating activities	(12,083)	(10,072)
Net cash flow from investing activities	(514)	(662)
Net cash flow from financing activities	(324)	(155)
Impact of changes in exchange rates	(207)	120
Net change in cash and cash equivalents	**(13,128)**	**(10,769)**
Cash at beginning of period	**21,467**	**39,006**
Cash at end of period	**8,338**	**28,236**

Over the first half of 2023, the Company stepped up the development of iBiopsy®, with a focus on iBiopsy® Lung Cancer Screening (LCS) CADe/CADx SaMD. This resulted in an increased cash flow deficit, offset in part by the margins generated from the iCRO business.

Consolidated income statement under IFRS

€ thousands	H1 2023	H1 2022
Revenue from ordinary activities	**11,394**	**12,839**
Personnel costs	(13,360)	(13,707)
External costs	(8,910)	(9,362)
Operating profit (loss)	**(11,189)**	**(11,010)**
Net financial income	1,221	2,441
Net profit (loss)	**(10,088)**	**(8,881)**

Net loss was €(10.1) million, up €1.2 million versus the same period in 2022.

Operating loss remained relatively stable at €(11.2) million, versus €(11.0) million in 2022. Revenues at €11.4 million were down €1.4 million year-on-year, due to soft bookings in China during last year's lockdown period. Parallel to this, payroll expenses were up €2.1 million, with the Company continuing to attract new talents to enhance its organization. The above expenses were offset by the more minimal impact of share-based payments at €2.5 million, and external expenses, which decreased by €0.5 million.

Mainly driven by the valuation of EIB warrants, net financial income stood at €1.2 million, representing a year-on-year decrease of €1.2 million.

Median Technologies informs its shareholders and the financial community that its half year financial report on the accounts for the half year ending June 30, 2023, has been made available and filed with the French financial market authority (Autorité des Marchés Financiers).

The half year financial report is available on the Company's website:
http://www.mediantechnologies.com/investors/

Forward-looking statements: This press release contains forward-looking statements. These statements are not historical facts. They include projections and estimates as well as the assumptions on which these are based, statements concerning projects, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, or future performance. These forward-looking statements can often be identified by the words "expects," "anticipates," "believes," "intends," "estimates" or "plans" and similar expressions. Although Median's management believes that these forward-looking statements are reasonable, investors are cautioned that forward-looking statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of Median Technologies, that could cause actual results and events to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to, the uncertainties inherent in research and development, future clinical data and analysis, and decisions by regulatory authorities, Median Technologies' ability to take advantage of external growth opportunities and to complete related transactions and/or obtain regulatory approvals, risks associated with intellectual property, any future litigation in this area and the outcome of such litigation, changes in foreign exchange rates and interest rates, volatility in economic conditions the impact of cost containment initiatives and changes of the same, the average number of shares outstanding, as well as those developed or identified in the documents available on the Median Technologies' website and in particular the "Specific Risk Factors" section of the financial annual report for the year ended December 31, 2022, published on April 20, 2023. Median Technologies does not undertake to update any forward-looking information or statements, subject to applicable regulations, in particular Articles 223-1 et seq. of the General Regulation of the French Autorité des Marchés Financiers.

About Median Technologies: Median Technologies provides innovative imaging solutions and services to advance healthcare for everyone. We harness the power of medical images by using the most advanced Artificial Intelligence technologies, to increase the accuracy of diagnosis and treatment of many cancers and other metabolic diseases at their earliest stages and provide insights into novel therapies for patients. Our iCRO solutions for medical image analysis and management in oncology trials and iBiopsy®, our AI/ML tech-based suite of software as medical devices (SaMD), help biopharmaceutical companies and clinicians to bring new treatments and diagnose patients earlier and more accurately. 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 (Paris). FR0011049824– ticker: ALMDT. Median is eligible for the French SME equity savings plan scheme (PEA-PME). For more information: www.mediantechnologies.com

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